



Before the Appellate Board
National Electric Power Regulatory Authority
(NEPRA)
Islamic Republic of Pakistan

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No. NEPRA/AB/Appeal-068 & 069/POI-2016/ *1587-1592*

December 05, 2016

1. M/s Kamoke Paper Mills (Pvt.) Ltd,
Through Ejaz Ahmed,
S/o Bashir Ahmed,
G.T. Road, Kamoke,
District Gujranwala
2. Chief Executive Officer
GEPCO Ltd,
Head Office, 565-A,
Model Town, G.T. Road,
Gujranwala
3. Saeed Ahmed Bhatti,
Advocate High Court,
2nd Floor, Akram Mansion,
Neela Gumbad, Lahore
4. Muhammad Azam Khokhar,
Advocate High Court,
10-Fatima Jinnah Chambers,
Session Courts, Gujranwala
5. Sub Divisional Officer,
GEPCO Ltd,
Sub Division No. 1,
Kamoke, Distt. Gujranwala
6. Electric Inspector,
Gujranwala Region,
Govt. of Punjab,
Munir Chowk, Near Kacheri Road,
Gujranwala

Subject: Appeal Titled GEPCO Vs. M/s Kamoke Paper Mills (Pvt.) Ltd Against the Decision Dated 29.02.2016 of the Electric Inspector/POI to Government of the Punjab Gujranwala Region, Gujranwala

Please find enclosed herewith the Decision of the Appellate Board dated 02.12.2016, regarding the subject matter, for information and necessary action accordingly.

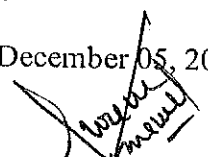
Encl: As Above

No. NEPRA/AB/Appeal-062/POI-2016/ *1593*

Forwarded for information please.

(Ikram Shakeel)

December 05, 2016


Assistant Director
Appellate Board

1. Registrar
2. Director (CAD)

CC:

1. Member (CA)



National Electric Power Regulatory Authority

Before Appellate Board

In the matter of

Appeal No. NEPRA/Appeal-068/POI-2016

&

Appeal No. NEPRA/Appeal-069/POI-2016

Gujranwala Electric Power Company Limited

.....Appellant

Versus

M/s. Kamoke Paper Mills (Pvt.) Ltd, through Ejaz Ahmed
S/o Bashir Ahmed G.T Road, Kamoke, District Gujranwala

.....Respondent

For the appellant:

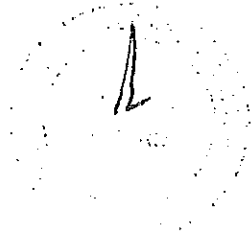
Mr. Saeed Ahmed Bhatti advocate
Mr. Imtiaz Ahmed Cheema XEN

For the respondent:

Mr. Muhammad Azam Khokar counsel

DECISION

1. Through this consolidated decision, Appeals No. 068/POI-20160 and 069/POI-2016 are being disposed of since both the appeal have been filed against the same decision dated 29.02.2016 of Provincial Office of Inspection/Electric Inspector, Gujranwala Region, Gujranwala (hereinafter referred to as POI)
2. Brief facts giving rise to the instant appeals are that Gujranwala Electric Power Company (hereinafter referred to as GEPCO) is a licensee of National Electric Power Regulatory Authority (hereinafter referred to as NEPRA) for distribution of electricity in the territory specified as per terms and conditions of the license and M/s. Kamoke Paper Mills (Pvt) Ltd is its industrial consumer having a sanctioned load of 1,700 kW under B-3 tariff (hereinafter referred to as "the respondent"). As per version of GEPCO, connected load of the respondent





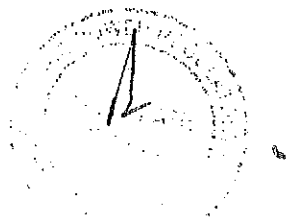
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noticed as 1,860 kW for July 2015, 1,880 kW for August 2015, 1,880 kW for September 2015 and 2,000 kW for October 2015 was higher than the sanctioned load of 1,700 kW, which resulted an increase in feeder losses. According to GEPCO, first adjustment bill amounting to Rs. 690,207.7/- for 42,212 units for the period July 2014 to September 2014 (3 months) and second adjustment bill of Rs. 216,286.35/- for 13,234 units for October 2014 were charged to the respondent in March 2015 and April 2015 respectively on account of difference of units between the grid meter panel and the respondent meter panel.

3. Being aggrieved, the respondent filed an application before POI on 13.04.2015 for checking the metering equipment. POI checked the metering equipment in presence of both the parties on 22.04.2015 and both the meters (billing meter and backup meter) were found working within permissible limits. The respondent challenged the aforesaid adjustment bills before POI vide his applications dated 23.04.2015 and 21.05.2015 respectively. Subsequently, connected load of the respondent was reported as 1,975 kW vide metering and testing (M&T) GEPCO report dated 04.06.2015, which was higher than the sanctioned load.
4. POI announced its decision on 29.02.2016 (hereinafter referred to as "the impugned decision") and operative portion of the same is reproduced below:-

"For the reasons what has been discussed above, it is held that the billing meter installed at the premises of the petitioner is correct and the impugned feeder losses for Rs.690,207.7/- & Rs.216,286.35/- charged by the respondents in the bills for 03/2015 and 04/2015 respectively on account of difference of 24,234 & 12,312 units respectively of grid meter panel and consumer meter panel are void, unjustified and of no legal consequence therefore, the petitioner is not liable to pay the same. The respondents are directed to over-haul the account of the petitioner and the 50% amounts of the above said amounts deposited by the petitioner be refunded in future bills accordingly."

5. Being dissatisfied with the impugned decision, GEPCO filed two appeals i.e. Appeal No. 068/2016 and Appeal No.069/2016 under section 38 (3) of the Regulation of Generation, Transmission and Distribution of Electric Power Act 1997 (hereinafter referred to as "the NEPRA Act 1997"). As the subject matter of both the appeals is same therefore both are being disposed of through this decision.





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6. In its appeals, GEPCO inter alia, contended that the respondent utilized the electricity beyond the sanctioned load of 1,700 kW for the period July 2014 to October 2014 through a separate feeder, hence violated the clause 6 of Abridged Conditions of Supply. As per GEPCO, first adjustment bill amounting to Rs. 690,207.7/- for the period July 2014 to September 2014 (3 months) on account of difference of 42,212 units and second adjustment bill of Rs. 216,286.35/- on account of difference 13,234 units for October 2014 were charged by GEPCO to the respondent in March 2015 and April 2015 respectively on account of feeder losses between grid meter panel and the respondent meter panel. However in the Appeal No. 068/2016, the request was made for declaring the first adjustment bill of Rs. 690,207.7/- for the period July 2014 to September 2014 (3 months) on account of difference of 42,212 units added in March 2015 valid and in the Appeal No.069/2016 a request was made for declaring the second adjustment bill of Rs. 216,286.35/- on account of less 13,234 units for October 2014 added in April 2015 as legal, valid, justified and payable by the respondent.
7. Notice of the appeals was served upon the respondent and in its reply, the respondent contradicted the stance of GEPCO and contended that the feeder losses recorded as 2.7% in each month for the period July 2014 to September 2014 and 2.8% for October 2014 were even less than the permissible limit of 3% of feeder losses, therefore first adjustment bill of Rs.690,207.7/- for the period July 2014 to September 2014 (3 months) on account of difference of 42,212 units added in March 2015 and second adjustment bill of Rs.216,286.35/- on account of less 13,234 units for October 2014 added in April 2015 charged by GEPCO are illegal, unjustified and not payable by the respondent.
8. After issuing notices to the parties, the hearing of the appeals was conducted in NEPRA regional office Lahore on 21.11.2016. Mr. Saeed Ahmed Bhatti advocate along with Mr. Imtiaz Ahmed Cheema XEN represented the appellant GEPCO and Mr. Muhammad Azam Khokhar advocate entered appearance for the respondent. Learned counsel for GEPCO repeated the same argument as narrated in memo of the appeal and contended that the respondent was utilizing load beyond the sanctioned load of 1,700 kW, which resulted increase in the feeder losses. Learned counsel for the GEPCO submitted that the unauthorized extension in load up-to 1,975 kW was also confirmed vide M&T report dated 04.06.2015. As



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per learned counsel for GEPCO, both the adjustment bills were charged to the respondent in order to recover the revenue loss sustained by GEPCO due to illegal extension of load as per provisions of Abridge Condition of Supply. Conversely, learned counsel for the respondent in his rebuttal, contended that neither any notice was served upon him nor any loss/damage was reported due to alleged extension of load during the disputed period. Learned counsel for the respondent supported the impugned decision regarding withdrawal of first adjustment bill of Rs.690,207.7/- for the period July 2014 to September 2014 (3 months) charged on account of difference of 42,212 units added in March 2015 and second adjustment bill of Rs. 216,286.35/- on account of less 13,234 units for October 2014 added in April 2015 and prayed for upholding the impugned decision.

9. Having heard the arguments and perusal of the record, it is observed that the respondent is to be charged as per consumption recorded by the electricity meter installed on the premises of the respondent, which is in line with the tariff rules and Consumer Service Manual (CSM). Moreover the line losses did not exceed the technical limit of 3% during the disputed period i.e. July 2014 to October 2014 and as such does not justify GEPCO to charge any additional units for increased line losses as observed by POI. Hence there seems to be no illegality or irregularity in the impugned decision, which is upheld and the appeals are dismissed accordingly.

Muhammad Qamar-uz-Zaman
Member

Muhammad Shafique
Member

Nadir Ali Khoso
Convener

Date: 02.12.2016

