



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

NEPRA Office , Ata Turk Avenue (East), G5/1, Islamabad  
Tel. No. +92 051 2013200 Fax No. +92 051 2600030  
Website: [www.nepra.org.pk](http://www.nepra.org.pk) E-mail: [office@nepra.org.pk](mailto:office@nepra.org.pk)

No. NEPRA/Appeal/090/POI/2019/ *1268*

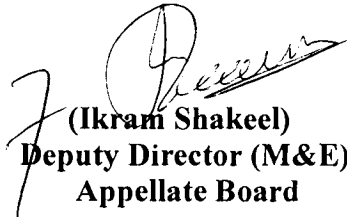
December 29, 2020

1. Arshad Tareen  
Manager (Electrical) PTCL,  
PTCL Headquarters, Sector G-8/1,  
Islamabad
2. Chief Executive Officer  
IESCO Ltd,  
Head Office, St. No. 40,  
Sector G-7/4, Islamabad
3. Faisal Bin Khurshid,  
Advocate Supreme Court,  
Al Rushd Advocates,  
32-Haroon-Ur-Rasheed Block,  
Near Post Office, Johar Road,  
F-8 Markaz, Islamabad
4. Sub Divisional Officer  
IESCO Ltd,  
G-7 Sub Division,  
Near Suparco Chowk,  
Al-Mansoor Market, Street No. 14,  
G-8/1, Islamabad
5. Electric Inspector/POI,  
Islamabad Region,  
XEN Office, Irrigation & Power Department,  
Rawal Dam Colony, Park Road,  
Islamabad

Subject: **Appeal Titled IESCO Vs. Pakistan Telecommunication Limited Against the Decision Dated 14.02.2019 of the Provincial Office of Inspection to Government of the Punjab Islamabad Region, Islamabad**

Please find enclosed herewith the decision of the Appellate Board dated 10.12.2020, regarding the subject matter, for information and necessary action accordingly.

**Encl: As Above**

  
**(Ikram Shakeel)**  
**Deputy Director (M&E)/**  
**Appellate Board**

Forwarded for information please.

1. Director (IT) –for uploading the decision on NEPRA website



# National Electric Power Regulatory Authority

## Before Appellate Board National Electric Power Regulatory Authority Islamabad

In the matter of

### Appeal No.090/POI-2019

Islamabad Electric Supply Company Limited .....Appellant

Versus

Arshad Tareen, Manager (Electrical) PTCL,  
PTCL Headquarters, Sector G-8/1, Islamabad .....Respondent

### APPEAL U/S 38 OF REGULATION OF GENERATION, TRANSMISSION, AND DISTRIBUTION OF ELECTRIC POWER ACT, 1997

For the appellant:

Mr. Faisal Khursheed Advocate  
Mr. Ghulam Murataza SDO

For the respondent:

Mr. Arshad Tareen Manager  
Mr. Syed Sharafat Hussain Power Consultant

### DECISION

1. Through this decision, an appeal filed by Islamabad Electric Supply Company Limited (IESCO) against the decision dated 14.02.2019 of Provincial Office of Inspection, Islamabad Region, Islamabad (POI) is being disposed of.
2. As per facts of the case, the respondent is an industrial consumer of IESCO bearing Ref No.28-141130585400-U with a sanctioned load of 15.32 kW under the B-1 tariff. Meter No.28116 (first meter) of the respondent was found defective in



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November 2016 and the average billing was done by IESCO to the respondent during the period November 2016 to March 2017. The first meter of the respondent was replaced with meter No.26884 (second meter) by IESCO vide meter change order (MCO) dated 15.03.2017. The second meter of the respondent was replaced with final reading as off peak=45050, peak=8178 with meter No.36456 (third meter) by IESCO vide MCO dated 01.09.2017. Audit Department vide Audit Note No.95 dated 23.04.2018 pointed out that nil units/MDI were charged in the billing month for April 2017 and recommended to charge the detection bill of 12,142 units/36 kW MDI for April 2017 to the respondent. Subsequently, IESCO charged a detection bill of Rs.207,760/- for 12,142 units/36 kW MDI for April 2017 to the respondent based on audit recommendation and added in September 2018.

3. The above detection bill was assailed by the respondent before the POI. The complaint of the respondent was disposed of by POI vide decision dated 14.02.2019 wherein the detection bill of Rs.207,760/- for 12,142 units/36 kW MDI for April 2017 debited to the respondent on the basis of audit note was declared as null and void.
4. Through the instant appeal, afore referred decision dated 14.02.2019 of POI has been impugned by IESCO. In its appeal, IESCO contended that the first defective meter of the respondent was replaced with the second meter vide MCO dated 15.03.2017. IESCO further contended that the Audit Department pointed out that nil units/MDI



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were charged to the respondent in April 2017 and recommended to recover the bill of 12,142 units/36 kW MDI for April 2017 on the basis of the average consumption of August 2016 to August 2017. IESCO challenged the impugned decision on the plea that POI did not consider the real aspects of the case; that POI flouted the legal, technical facts and impleaded the parties in violation of Order 1 Rule 10 of the CPC; that the impugned decision was pronounced in the absence of the appellants; that POI did not advert the provisions of NEPRA Act, 1997, Electricity Act, 1910, the CPC and passed the whimsical order; that the impugned decision is liable to be set aside being passed without lawful authority.

5. Notice for filing reply/para-wise comments to the appeal was served to the respondent, which were filed on 04.09.2019. In the reply, the respondent submitted that IESCO charged excessive billing till October 2016 and there is a difference of 57,500 units between the reading printed on the bill of October 2016 and the reading of snapshot dated 09.10.2016. The respondent further submitted that IESCO declared the first meter as defective in November 2016 and replaced it with the second meter vide MCO dated 15.03.2017. As per respondent, IESCO charged a detection bill of Rs.207,760/- for 12,142 units/36 kW MDI for April 2017 on the basis of Audit Note No.95 dated 23.04.2018. According to the respondent, charging the bill on the basis of audit observation is unjustified, illegal according to the order dated 20.04.2016 of Peshawar

High Court in the writ petition No.1102-P/2116 titled Ra Nawaz Khan Khatak and Appeal No.090-2019



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others Vs NEPRA and others. The respondent prayed for dismissal of the appeal, for a refund of detection bill of Rs.207,760/- for 12,142 units/36 kW MDI for April 2017, and for a refund of excessive 57,500 units being the difference of meter reading and billed units.

6. Hearing of the appeal was conducted in NEPRA Head Office, Islamabad on 03.12.2020, which was attended by both the parties. Learned counsel for IESCO argued that the first defective meter was replaced with a new meter vide MCO dated 15.03.2017. Learned counsel for IESCO further contended that the Audit department pointed out that nil consumption was charged in April 2017, hence the detection bill of Rs.207,760/- for 12,142 units/36 kW MDI for April 2017 was debited to the respondent on the basis of audit observation. As per learned counsel for IESCO, the POI declared the above detection bill as null and void without considering the merits of the case. Learned counsel for IESCO prayed for setting aside the impugned decision and for declaring the abovementioned detection bill as justified. On the contrary, the respondent averred that the excessive billing was done by IESCO till October 2016 due to which IESCO declared the first meter as defective in November 2016 and replaced the same vide MCO dated 15.03.2017. The respondent stated that the accumulated consumption of the second meter was charged by IESCO in the billing month of May 2017, hence the detection bill of Rs.207,760/- for 12,142 units/36 kW MDI for April 2017 charged



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based on audit note is not justified. The respondent defended the impugned decision and prayed for upholding the same.

7. Arguments heard and the record placed before us was examined. It is observed that IESCO declared the first meter as defective in November 2016 and average billing was done for the period November 2016 to March 2017. The first meter of the respondent was replaced with the second meter by IESCO vide MCO dated 15.03.2017. Subsequently, the Audit department vide Audit Note No.95 dated 23.04.2018 pointed out that nil units/MDI were charged in April 2017 and recommended to charge the detection bill of 12,142 units/36 kW MDI for April 2017 to the respondent. Resultantly, IESCO charged a detection bill of Rs.207,760/- for 12,142 units/36 kW MDI for April 2017 to the respondent on the basis of audit recommendation and added in September 2018, which was disputed by him before POI. The above detection bill was charged by IESCO to the respondent on the basis of audit observation, which is an internal matter between the IESCO and the Audit Department and the respondent cannot be held responsible for payment of any detection bill on the basis of Audit recommendation. In this regard, reliance is placed on the cases reported in 2014 MLD 1253 titled M/s. Mehmood Textile Mills v/s MEPCO and 2008 YLR 308 titled WAPDA v/s Fazal Karim. Hence the impugned decision to the extent of cancellation of the detection bill of Rs.207,760/- for 12,142 units/36 kW MDI for April 2017 charged as per Audit Note No.95 dated 23.04.2018 is correct and maintained to this



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extent. The respondent raised the objection that the excessive billing was done by IESCO till October 2016 but the same was neither challenged before POI nor was decided by the said forum, hence the objection of the respondent carries no weight and is rejected. It is an admitted fact that IESCO issued a bill with nil consumption to the respondent in April 2017 and the respondent showed concerns over the billing before the disputed month. It would be appropriate to revise the bill of April 2017 on the basis of normal average undisputed consumption of the period May 2017 to April 2018 as calculated below:

Month	Units	MDI
May-17	13066	40
Jun-17	12622	10
Jul-17	14000	2
Aug-17	13540	0
Sep-17	367	0
Oct-17	6190	18
Nov-17	7136	20
Dec-17	6149	19
Jan-18	6477	18
Feb-18	6292	18
Mar-18	4826	18
Apr-18	7143	19
Average	8151	15

The respondent is liable to be charged the bill of April 2017 @ 8,151 units/15 kW MDI as per average consumption of the period May 2017 to April 2018. The impugned decision is liable to be modified to this extent.


8. In view of what has been stated above, it is concluded that the detection bill of Appeal No.090-2019

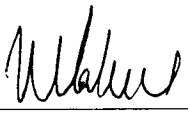


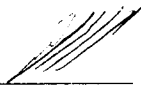
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Rs.207,760/- for 12,142 units/36 kW MDI for April 2017 charged is illegal, unjustified, and should be cancelled as already determined in the impugned decision. The respondent may be charged the bill of April 2017 @ 8,151 units/15 kW MDI as per average consumption of the period May 2017 to April 2018. The billing account of the respondent may be revised accordingly.

9. The impugned decision is modified in the above terms.

  
\_\_\_\_\_  
Muhammad Qamar-uz-Zaman  
Member/SA (Finance)

  
\_\_\_\_\_  
Nadir Ali Khoso  
Convener/DG (M&E)

  
\_\_\_\_\_  
Muhammad Shafique  
Member/SA (Legal)

Date: 10.12.2020