



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

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No. NEPRA/Appeal/134/POI/2019/ 1174

November 30, 2020

1. Zafar Ullah Khan
S/o. Muhammad Hussain,
Village Matto Bhano Ke,
Post Office Lala Pur, Tehsil Nowshera Virkan,
District Gujranwala
2. Chief Executive Officer
IESCO Ltd,
Head Office, St. No. 40,
Sector G-7/1, 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,
Margalla Sub Division,
Wahdat Colony, Taxila
5. Electric Inspector/POI,
Islamabad Region,
XEN Office, Irrigation & Power Department,
Rawal Dam Colony, Park Road,
Islamabad

Subject: Appeal Titled IESCO Vs. Zafar Ullah Khan Against the Decision Dated 15.02.2019 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 25.11.2020, regarding the subject matter, for information and necessary action accordingly.

Encl: As Above

(Ikram Shakeel)
Deputy Director (M&E)

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.134/POI-2019

Islamabad Electric Supply Company LimitedAppellant

Versus

Zafar Ullah Khan S/o Muhammad Hussain, Village Matto Bhano,
Post Office Lala Pur, Tehsil Nowshera Virkin, District Gujranwala.....Respondent

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

For the appellant:

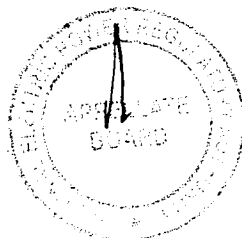
Mr. Faisal Bin Khurshid Advocate

For the respondent:

Mr. Zafarullah Khan

DECISION

1. Through this decision, an appeal filed by Islamabad Electric Supply Company Limited (IESCO) against the decision dated 15.02.2019 of the 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.27-14213-3320800 with a sanctioned load of 80 kW and the applicable tariff is B-II. Display of the billing meter of the respondent became washed in July 2015 and it was replaced with a new meter by IESCO vide meter change order

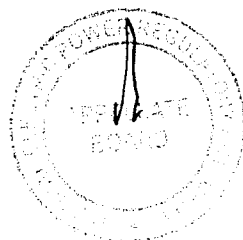




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(MCO) dated 06.04.2016. The removed billing meter of the respondent was checked in metering and testing (M&T) IESCO laboratory, which reported that the billing meter was 33% slow and recommended to charge total of 101,956 units. Subsequently, a detection bill of Rs.1,772,483/- for 101,956 units was charged by IESCO to the respondent @ 33% slowness of the billing meter against which he paid Rs.500,000/- under duress.

3. Being aggrieved, the respondent assailed the above detection bill before NEPRA vide a complaint, which was referred to the POI for the decision. The complaint of the respondent was disposed of by POI vide the decision dated 15.02.2019 wherein the detection bill of Rs.1,772,483/- for 101,956 units charged to the respondent @ 33% slowness of the billing meter was declared as null and void. As per decision of POI, IESCO was directed to refund 22,858 units excessively charged to the respondent.
4. Through the instant appeal, afore-referred decision dated 15.02.2019 of POI has been impugned by IESCO in which it was contended that the removed billing meter of the respondent was found 33% slow by M&T IESCO, which recommended to recover 101,956 units on account of 33% slowness of the billing meter from the respondent vide letter No.1142-45 dated 13.05.2016. As per IESCO, the detection bill of Rs.1,772,483/- for 101,956 units was charged to the respondent @ 33% slowness of the billing meter against which he made payment of Rs.500,000/- as an installment. As per IESCO, the impugned decision suffers from technical, factual and legal

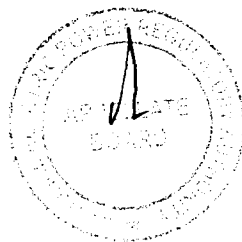




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infirmities, which is unlawful, malafide, arbitrary and calls for interference by this Authority. According to IESCO, the defunct billing meter has ceased to register energy whatsoever is consumed by the respondent legitimately. IESCO submitted that the opinion of POI is scanty, without valid basis and reflection of wheeling and dealing as it is passed without taking into account the expert opinion based on technical testing which shows the real aspects of the case. IESCO finally prayed for setting aside the impugned decision.

5. Notice for filing reply/para-wise comments to the appeal was issued to the respondent, which were replied on 08.08.2019. In his reply, the respondent raised the preliminary objection regarding limitation and contended that the appeal filed before NEPRA is time-barred. The respondent defended the impugned decision and submitted that IESCO already charged estimated billing for about 15 months and again charged the detection bill of Rs.1,772,483/- for 101,956 units @ 33% slowness of the billing meter. As per respondent, POI has rightly declared the above detection bill and the average bills for 15 months as illegal.
6. Hearing of the appeal was conducted in NEPRA Head Office, Islamabad on 12.11.2020, which was attended by both the parties. Learned counsel for IESCO reiterated the same version as contained in the memo of the appeal and contended that 33% slowness was reported in the removed billing meter of the respondent by M&T IESCO, hence the detection bill of Rs.1,772,483/- for 101,956 units was charged to





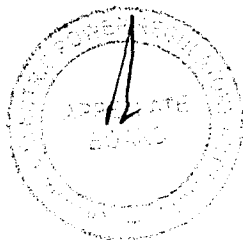
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the respondent @ 33% slowness of the billing meter as per data retrieval report.

Learned counsel for IESCO termed the above detection bill as justified and payable by the respondent. Learned counsel for IESCO prayed that the impugned decision is unjustified and liable to be struck down. On the contrary, the respondent rebutted the version of IESCO regarding charging the above detection bill, supported the impugned decision and prayed for its maintainability.

7. Arguments heard, the record perused. Following are our observations:

- i. Regarding the preliminary objection of the respondent for limitation, it is observed that the copy of the impugned decision dated 15.02.2019 was received by IESCO on 14.03.2019 and the appeal was filed before NEPRA on 20.03.2019 within 30 days as envisaged in Section 38 of NEPRA Act, 1997. The objection of the respondent in this regard carries no weight, hence rejected.
- ii. Reportedly, the display of the billing meter of the respondent became vanished in July 2015, the average billing was done by IESCO during the period July 2015 to April 2016 to the respondent due to defective billing meter. Subsequently, the defective billing meter was found 33% slow in the M&T IESCO laboratory which recommended charging 101,956 units to the respondent on account of pending units as per data retrieval after allowing 33% slowness for the period July 2015 to April 2016. Consequently, IESCO charged the detection bill of Rs.1,772,483/- for 101,956 units to the respondent as per below calculation:

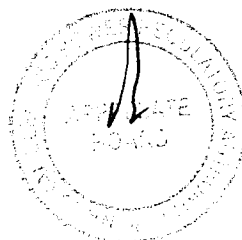




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Reading	As per data retrieval	Already charged	Difference	M.F	Units to be charged
Off peak	39259	34311	4948	20	98,960
Peak	7364	6391	973	20	19,460
Total	46623	40702	5921	20	118,420
After adding 33% slowness					176,746
Units already charged					74,790
Net units charged as detection bill					101,956

If presumed that the billing meter of the respondent remained 33% slow during the period July 2015 to April 2016 as observed by IESCO, then total 176,746 units were calculated as detection units by IESCO after adding 33% slowness of the billing meter, whereas IESCO has already charged the average bills for total 199,604 units during the disputed period July 2015 to April 2016 to the respondent due to vanished display of the billing meter as per data provided by IESCO. This indicates that the respondent was already charged 22,858 excessive units (199,604 units already charged- 176,746 detection units) during the disputed period July 2015 to April 2016 by IESCO. Hence there is no justification to further debit any detection bill to the respondent for the same disputed period July 2015 to April 2016. Under these circumstances, we are of the view that the detection bill of Rs.1,772,483/- for 101,956 units charged to the respondent by IESCO @ 33% slowness of the billing meter is unjustified and should be withdrawn as already determined in the impugned

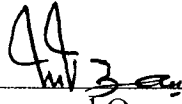




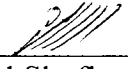
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decision. Similarly, the determination of POI for a refund of 22,858 units excessively charged during the period July 2015 to April 2016 is correct and maintained accordingly. The billing account of the respondent may be revised accordingly.


8. Foregoing in view, we do not find any irregularity in the impugned decision, the same is upheld and the appeal is dismissed accordingly.



Muhammad Qamar-uz-Zaman
Member/Senior Advisor (Finance)



Muhammad Shafique
Member/Senior Advisor (Legal)



Nadir Ali Khoso
Convener/Director General (M&E)

Dated: 25.11.2020

