



National Electric Power Regulatory Authority
(NEPRA)
Islamic Republic of Pakistan

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No. NEPRA/AB/Appeal-022/POI-2015/ 815-819

September 08, 2015

1. Asjad Ali,
M/s Ravi Asbestos Cement Pipe Industries (Pvt.) Ltd,
95-M, Quaid-e-Azam Industrial Estate,
Kot Lakhpat, Lahore
2. The Chief Executive Officer
LESCO Ltd,
22-A, Queens Road,
Lahore
3. Arslan Ghous,
Advocate,
21-A, Gulberg-V, Aziz Avenue,
Behind Zafar Ali Road,
Lahore
4. Rana Tariq Javed Khan,
Advocate High Court,
30-Meclegon Road,
Lahore
5. Ghulam Shabbir,
Sub Divisional Officer,
LESCO Ltd,
Township Sub Division,
Lahore

Subject: Appeal Titled LESCO Vs. Asjad Ali Against the Decision Dated 27.01.2015 of the Electric Inspector/POI to Government of the Punjab Lahore Region, Lahore

Please find enclosed herewith the decision of the Appellate Board dated 08.09.2015, regarding the subject matter, for information and necessary action accordingly.

Encl: As Above

(M. Qamar Uz Zaman)

No. NEPRA/AB/Appeal-022/POI-2015/ 820

September 08, 2015


Forwarded for information please.


Member Appellate Board

- ✓ 1. Registrar
2. Director (CAD)
3. Electric Inspector/POI, Lahore Region
4. Master File

CC:

1. Chairman
2. Vice Chairman/Member (CA)
3. Member (Tariff)
4. Member (M&E)
5. Member (Licensing)


11/09/15
D/Reg-II
m/f

Registrar	9645
DY No.	11-09-15
Dated	11-09-15



National Electric Power Regulatory Authority

Before Appellate Board

In the matter of

Appeal No. NEPRA/Appeal-022/POI-2015

Lahore Electric Supply Company Limited

.....Appellant

Versus

Asjad Ali, M/s Ravi Asbestos Cement Pipe Industries (Pvt.) Ltd, 95-M, Quaid-e-Azam Industries Estate, Kot Lakhpat, Lahore

.....Respondent

For the appellant:

Sarfraz Ahmed LM-I

For the respondent:

Arslam Ghous Advocate

DECISION

1. This decision shall dispose of appeal filed by Lahore Electric Supply Company Limited (hereinafter referred to as LESCO) against the decision dated 27.01.2015 (inadvertently printed as 27.01.2014) of the Provincial Office of Inspection/Electric Inspector Lahore Region, Lahore (hereinafter referred to as POI) under Section 38(3) of the Regulation of





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Generation, Transmission and Distribution of Electric Power Act 1997 (hereinafter referred to as "the Act").

2. Brief facts giving rise to the instant appeal are that LESCO 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 the respondent is its industrial consumer bearing Ref No.24-11214-9101101 with a sanctioned load of 66 kW under B-2a tariff.
3. As per facts of the case the meter of the respondent was checked by M&T LESCO on 06.05.2014 and found 33% slow due to blue phase being dead stop. A notice dated 12.05.2014 was issued by LESCO to the respondent for the above noted discrepancy and Multiplication Factor (hereinafter referred to as M.F.) was raised from 1 to 1.5. A detection bill of Rs. 311,365/- for 16,665 kWh/89 kW for the period November 2013 to April 2014 was charged to the respondent and included in the bill of August 2014.
4. Being aggrieved with the above detection bill, the respondent filed an application on 08.08.2014 before POI and challenged the aforementioned detection bill. During the pendency of his application before POI the respondent also challenged the bills for the months August 2014 to November 2014 onwards charged by LESCO on enhanced M.F.
5. In response to above applications, LESCO contested the case before POI and submitted that detection bill of Rs. 311,365/- for 16,665 kWh/89 kW for the period November 2013 to April 2014 was charged to the respondent as his meter was found 33 % slow during M&T checking on 06.05.2014. According to LESCO the electricity bill from May 2014 onwards were charged on the basis of 33 % slowness with enhanced M.F. of 1.5. LESCO further contended that the bills raised against the respondent were correct and justified and therefore the respondent was liable to pay the same.



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6. After hearing arguments by both the parties, POI announced its decision on 27.01.2015. The operative portion of the decision is reproduced below:

"Summing up the foregoing discussion, it is held,

- I. That the impugned billing meter is slow by 56.66 % instead of 33.0 % slow as declared by the respondents.*
- II. That the impugned detection bill as cost of 16665 Kwh units/89 KW MDI for the period from 11/2013 to 04/2014 is void, unjustified and of no legal effect; therefore, the petitioner is not liable to pay the same. However, the respondents are allowed to charge a revised detection bill/monthly bills for the period from 03/2014 upto 30.12.2014 onward on the basis of 33 % slowness and from 30.12.2014 onward on the basis of 56.66 % slowness till the replacement of the impugned meter, after excluding the already charged units during the said period. The actual reading index recorded as 716177 during joint checking by this forum on 30.12.2014 should be followed while preparing the monthly bills during the entire disputed period from 03/2014 to 12/2014 and onward.*
- III. The respondents are directed to over-haul the account of the petitioner accordingly and any excess amount recovered be adjusted in future bills. They are also directed to install an accurate TOU meter at site for the purpose of billing to avoid any further litigation in future.*

The petition is disposed of in above terms."

7. Being aggrieved with above decision dated 27.01.2015 of POI, LESCO has filed instant appeal through Rana Tariq Javed Khan before NEPRA under section 38 of the Act. It is stated by LESCO that detection bill of Rs. 311,365/- for 16,665 kWh/89 kW for the period November 2013 to April 2014 was charged to the respondent during August 2014 as his meter was found 33 % slow during M&T LESCO checking dated 06.05.2014. LESCO submitted that the case was contested before POI and proved that the bills against the



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respondent were legal and justified but POI in it's impugned decision declared the aforesaid justified bills as void, unjustified and of no legal effect without applying his mind. LESCO contended that POI failed to appreciate real fact/documents of the case and pronounced the impugned decision against the facts of the case and law applicable thereto. According to LESCO, the impugned decision was illegal, void, misconceived and based on mere assertions of the respondent and therefore the same may liable to be modified. LESCO submitted that incase the impugned decision was not set aside it would cause irreparable loss to the public exchequer. LESCO finally prayed as under:

"It is, therefore, most respectfully prayed that the impugned decision of the Electric Inspector to Govt. of Punjab Lahore Region Lahore/POI dated 27.01.2015 may very kindly be set aside and detection bill charged/ added in the bill for 08/2014 and all the other bills may very kindly be declared, as legal, valid and justified and the applications moved by the respondent be dismissed with costs through out."

8. A notice was issued to the respondent for filing reply/parawise comments which were received on 06.04.2015. In his reply/parawise comments, the respondent denied the assertions of LESCO and, inter alia, submitted that impugned decision of POI was in accordance with law and facts and evidence placed on record and therefore sustainable in the eyes of law. In the end the respondent prayed that the instant appeal may be dismissed with costs and impugned decision of POI may be upheld and implemented.
9. After issuing notice to both the parties the appeal was finally heard in Lahore on 29.07.2015 in which Mr. Arslan Ghous Advocate appeared for the respondent and Sarfraz Ahmed LM-I represented LESCO. The representative of LESCO submitted that the grounds given in memo of the appeal may be considered in the interest of justice and impugned decision of POI be set aside. Mr. Arslan Ghous Advocate, learned counsel for the respondent submitted that as per provision of Consumer Service Manual (hereinafter referred to as CSM), the respondent was liable to be charged maximum for two billing cycles due to defective/slow



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meter. According to learned counsel for the respondent, LESCO raised detection bill of Rs. 311,365/- for 16,665 kWh/89 kW for the period November 2013 to April 2014 i.e. 06 months which is clear violation of CSM. Learned counsel for the respondent submitted that the detection bill of Rs. 311,365/- for 16,665 kWh/89 kW for the period November 2013 to April 2014 was incorrect and not in accordance with the law and the respondent was not liable to pay the same. The learned counsel for the respondent pleaded that the impugned decision of POI was based on facts and law and therefore shall be upheld.

10. We have considered arguments of both the parties and examined the record placed before us. It is observed as under:

- i. Meter of the respondent was checked by M&T LESCO on 06.05.2014 and found 33% slow. The respondent was however not associated in the checking. The meter was again jointly checked by M&T on 30.12.2014 and found 56.66 % slow. Evidently the meter was 33 % slow in May 2014 and found 56.66 % slow on 30.12.2014.
- ii. CSM provides that in case of defective meter, consumer could be charged detection bill for maximum two billing cycles. We are inclined to agree with the arguments of learned counsel for the respondent that raising of detection bill for 06 months retrospectively is in violation of CSM. As the meter of the respondent was found defective in May 2014, the respondent is liable to be billed detection bill for the previous months of March 2014 and April 2014 only. It is noted that LESCO was negligent and failed to replace the defective meter and continued his billing with enhanced M.F. from 1 to 1.5. Since the meter of the respondent was found 56.66 % slow on 30.12.2014, he is liable to be billed @ 33 % slowness from March 2014 to December 2014 and @ 56.66 % slowness from January 2014 till replacement of defective meter. As determined by POI, LESCO is required to revise the billing of the respondent as explained above according to the actual meter reading which was recorded as 716,177 on 30.12.2014. POI has correctly



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determined in the impugned decision that detection bill of Rs. 311,365/- for 16,665 kWh/89 kW for the period November 2013 to April 2014 is null and void.

11. In view of the forgoing discussion it is concluded that the impugned decision dated 27.01.2015 of POI is based on facts and law and there is no reason to intervene in it. Therefore, the decision of POI is upheld and the appeal is dismissed accordingly.

Muhammad Qamar-uz-Zaman
Member

Muhammad Shafique
Member

Nadir Ali Khoso
Convener

Date: 08.09.2015

