



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

NEPRA Office, Atta Turk Avenue (East), G5/1, Islamabad
Tel. No. +92 051 2013200 Fax No. +92 051 2600028
Website: www.nepra.org.pk E-mail: office@nepra.org.pk

No. NEPRA/AB/Appeal-051/POI-2015/ 876-879

September 08, 2015

1. Muhammad Islam (Late),
Through Muneer Ahmad,
R/o House No. 529,
Street Machine Wali,
Mohallah Hakim Ghari, Sharqpur Sharif,
District Sheikhpura
2. The Chief Executive Officer
LESCO Ltd,
22-A, Queens Road,
Lahore
3. Muhammad Arif Malhi,
Advocate High Court,
01-District Courts,
Sheikhpura
4. The A.M.O/Sub Divisional Officer,
LESCO Ltd,
Sharqpur Sub Division,
Lahore

Subject: Appeal Titled LESCO Vs. Muhammad Islam (Late) Against the Decision Dated 14.04.2015 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-051/POI-2015/ 880

September 08, 2015

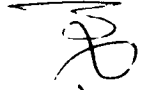
Forwarded for information please.


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)


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Registrar	9656
Dy No.....	
Date: 11-09-15	



National Electric Power Regulatory Authority

Before Appellate Board

In the matter of

Appeal No. NEPRA/Appeal-051/POI-2015

Lahore Electric Supply Company Limited

.....Appellant

Versus

Muhammad Islam (Late), Through Munir Ahmed, R/o House No. 529, Street Machine Wali,
Mohallah Hakim Ghari, Sharqpur-Sharif, District Sheikhpura.

.....Respondent

For the Appellant:

Muhammad Arif Advocate

For the Respondent:

Munir Ahmed Representative

DECISION

1. Through this decision, an appeal filed by Lahore Electric Supply Company Limited (hereinafter referred to as LESCO) against the decision dated 14.04.2015 of Provincial Office of Inspection (POI) is being disposed of.
2. As per facts of the case, the respondent is a domestic consumer of LESCO bearing Ref No.16-11126-1480200 with a sanctioned load of 2 kW under A-1a tariff.



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3. The electricity meter of the respondent was checked by M&T LESCO on 23.10.2014 and reportedly some discrepancies were noticed. A detection bill of Rs. 119,418/- for 5,332 units was added by LESCO as arrears with current bill of Rs. 1,215/- in the billing month of December 2014. The respondent being aggrieved with the said detection bill filed an application before POI on 09.01.2015. The meter was jointly checked by POI and LESCO on 18.03.2015 and it was noticed that strips were found opened and there existed scratches on digits 03 (100th). The checking report was signed by both the parties. The POI announced its decision on 14.04.2015 and concluded as under:

"Summing up the foregoing discussion, it is held that the impugned detection bill amounting to Rs. 119,418/- for 5332 units charged in 12/2014 on load factor basis 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 for two months from 08/2014 to 09/2014 and onward till the replacement of the impugned meter, on the basis of 20 % load factor of the sanctioned load of 2.0 KW after excluding the already charged units during the above period. 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 a new accurate meter at site for the purpose of future billing to avoid any further litigation.

The petition is disposed of in above terms."

4. Being aggrieved with the POI decision dated 14.04.2015 LESCO has filed the instant appeal through Muhammad Arif Malhi Advocate before NEPRA under section 38 (3) of the Regulation of Generation, Transmission and Distribution of Electric Power Act 1997 (hereinafter referred to as "the Act"). It is stated in the appeal by LESCO that the disputed meter was checked by inspecting officer of POI and it was found that strips were opened and also scratches were observed on digits 03 of the meter. According to LESCO the meter checking report was signed by both the parties without raising any objection. LESCO contended that this point was not considered by POI and the impugned decision based

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on conjectures and surmises was passed against the facts and documents on record and without applying judicious mind. Finally LESCO prayed that the appeal may be accepted and impugned decision dated 14.04.2015 of POI may be set aside being illegal and unjustified.

5. In response to above appeal, the respondent was issued a notice for filing reply/parawise comments which were submitted on 10.08.2015. The respondent in his reply/parawise comments denied submissions of the appellant and, inter alia, stated that the impugned decision was self contained, well reasoned and free from any illegality, perversity or jurisdictional effect. Finally the respondent prayed that the appeal may be dismissed.
6. After issuing notice to both the parties the appeal was heard in Lahore on 17.08.2015. Mr. Muhammad Arif Malhi Advocate appeared for LESCO and Mr. Munir Ahmed represented the respondent. As the point of limitation was noticed, Mr. Muhammad Arif Malhi Advocate, learned counsel for the appellant was advised to satisfy the Appellate Board on the point of limitation. Learned counsel for the appellant argued that POI decision was announced on 14.04.2015 but there was no intimation given to the appellant. He stated that on acquiring knowledge of decision, an application was submitted to POI by LESCO for certified copy on 21.04.2015 and copy whereof was received on same day. He averred that the appeal was dispatched to NEPRA through courier service on 16.05.2015. The learned counsel requested that the appeal was filed on time but delay if any in this regard may be condoned. Record shows that an application for condonation of the delay dated 31.07.2015 was submitted by LESCO which was received in NEPRA on 05.08.2015. It is observed that the impugned decision was announced on 14.04.2015 and the appeal was filed on 16.05.2015 after lapse of 31 days against time limit of 30 days as provided under section 38 of the Act. In view of the grounds taken in the application for condonation of the delay and explanation given by learned counsel for LESCO during his arguments, the delay of one day is hereby condoned. Learned counsel for LESCO while arguing the case on merit repeated the same arguments which have been given in memo of the appeal. He contended that tampering of the meter was detected by M&T LESCO in the checking dated 23.10.2014 which was confirmed in the joint checking dated 18.03.2015 arranged by POI. He further informed that as AC was installed in the premises of the respondent, therefore, detection billing for the



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previous six months of checking in October 2014 i.e. from April 2014 to September 2014 was justified. According to learned counsel for LESCO, the detection bill for 119,418/- for 5,332 units for the period April 2014 to September 2014 was valid and justified and the respondent was liable to pay the same. Further he contended that the connected load of the respondent was 3.14 kW due to installation of AC. However LESCO could not produce any load verification report or any notice issued by LESCO to the respondent regarding extension of load upto 3.14 kW beyond his sanctioned load of 2 kW. Mr. Munir Ahmed appearing for the respondent vehemently denied the arguments of learned counsel for LESCO and averred that there was no AC installed in the premises of the respondent and concerned SDO LESCO had promised for correction of the detection bill. He submitted that due to failure of LESCO to correct the bill, the respondent was constrained to challenge the same before POI vide his application date 09.01.2015. According to the representative of the respondent the disputed meter was removed by LESCO and was reinstalled after two days which proved no error in the meter. He defended the impugned decision of POI and prayed for dismissal of the appeal.

7. We have heard arguments of both the parties and examined the record placed before us. It has been observed that:

- i. The meter of the respondent was checked by LESCO on 23.10.2014 and tampering was noticed but the respondent was not associated in the checking. A notice dated 24.10.2014 was issued by LESCO to the respondent regarding above discrepancy but receipt of the same by the respondent is not acknowledged. As per detection proforma the detection bill was prepared according to the connected load as 3.14 kW which was worked out as 458 units. This discrepancy was confirmed vide POI checking dated 18.03.2015. Hence the respondent is liable to be charged detection bill.
- ii. It is relevant to point out that no load verification report for 3.14 kW or any notice to the respondent regarding unauthorized extension of load 3.14 kW was placed on record by the appellant. It has been rightly determined in the impugned decision by POI that the average consumption of the respondent is 292 units per month as calculated on the basis of 2 kW load with 20 % load factor.



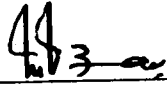
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iii. Pursuant to clause 9.1 c (iii) of Consumer Service Manual (hereinafter referred to as CSM), the maximum period for charging in such cases shall be restricted to three billing cycles for a domestic connection. The respondent is therefore liable to be charge detection bill @ 292 units per month for the period July 2014 to September 2014 in accordance with the provisions of CSM.


8. Foregoing discussion it is concluded that:

- i. The detection bill of Rs. 119,418/- for 5,332 units for the period April 2014 to September 2014 is void, unjustified and of no legal effect and the respondent is not liable to pay the same as determined by POI in the impugned decision.
- ii. The respondent is to be billed detection bill @ 292 units per month for the period July 2014 to September 2014.

9. The impugned decision of POI is modified in the above extent.



Muhammad Qamar-uz-Zaman
Member



Muhammad Shafique
Member



Nadir Ali Khoso
Convener

Date: 08.09.2015