



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 2600030
Website: www.nepa.org.pk E-mail: office@nepa.org.pk

No. NEPRA/AB/Appeal-039/POI-2016/ 1246-1250

September 23, 2016

1. Mian Ayub,
Through Fahad Shahzad,
S/o Sardar Ali,
R/o House No. 153,
Gulshan-e-Ravi, Lahore
2. The Chief Executive Officer
LESCO Ltd,
22-A Queens Road,
Lahore
3. Rana Tariq Jaqved,
Advocate High Court,
42-Commercial Building,
The Mall, Lahore
4. Sub Divisional Officer,
LESCO Ltd,
Sandah Sub Division,
Lahore
5. Electric Inspector
Lahore Region, Energy Department,
Govt. of Punjab, Block No. 1,
Irrigation Complex, Canal Bank,
Dharampura, Lahore

Subject: Appeal Titled LESCO Vs. Mian Ayub Against the Decision Dated 09.06.2015 of the Electric Inspector/POI to Government of the Punjab Lahore Region, Lahore

Please find enclosed herewith the Decision of the Appellate Board dated 22.09.2016, regarding the subject matter, for information and necessary action accordingly.

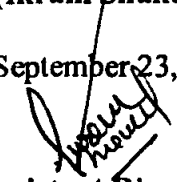
Encl: As Above

(Ikram Shakceel)

No. NEPRA/AB/Appeal-039/POI-2016/ 1257

September 23, 2016

Forwarded for information please.


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-039/POI-2016

Lahore Electric Supply Company LimitedAppellant

Versus

Muhammad Ayub, Through Fahad Shahzad, S/o Sardar Ali,
R/o House No. 153/A, Gulshan-e-Ravi, LahoreRespondent

For the appellant:

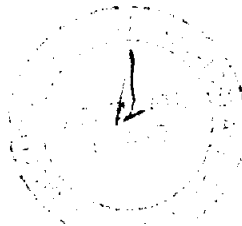
Mr. Rana Tariq Javed advocate

For the respondent:

Nemo

DECISION

1. This decision shall dispose of an appeal filed by Lahore Electric Supply Company Limited (hereinafter referred to as LESCO) against the decision dated 09.06.2015 of the Provincial Office of Inspection/Electric Inspector Lahore Region, Lahore (hereinafter referred to as POI) under Section 38 (3) of the Regulation of Generation, Transmission and Distribution of Electric Power Act 1997 (hereinafter referred to as NEPRA Act 1997).
2. As per facts of the case, the respondent is an industrial consumer of LESCO bearing Ref No. 46-11111-1421400U with a sanctioned load of 7 kW under B-1(b) tariff. Electricity meter of the respondent was checked by Metering & Testing (M&T) LESCO on 12.03.2014 and reportedly the electricity meter was found defective with one (red) phase dead. A notice regarding the above discrepancy was issued by LESCO to the respondent on 24.03.2014 and a detection bill of Rs. 255,001/- for 9,251 units for the





National Electric Power Regulatory Authority

period September 2013 to February 2014(6 months) was charged to the respondent on the basis of connected load and added in the bill for the month of July 2014.

3. The respondent filed an application before POI on 25.08.2014 and challenged the aforementioned detection bill. The respondent contended that M&T LESCO checked the disputed meter in March 2014 and found defective with one phase dead but no check meter was installed to determine the slowness of the disputed meter. As per respondent, the detection bill of 9,251 units charged by LESCO was not justified and he is not liable to pay the same. The respondent pleaded for cancellation of the detection bill of 9,251 units and revision of the same on the basis of 33% slowness of the electricity meter. The matter was disposed of by POI vide its decision dated 09.06.2015, the operative portion of which is reproduced below:

"Summing up the forgoing discussion, it is held that the impugned detection bill amounting to Rs.255,001/- for 9,251 units added in the bill for the month of 07/2014 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 for the said period i.e. 09/2013 to 02/2014 and onward till the replacement of the impugned meter/shifting of billing to an accurate meter, on the basis of the consumption recorded during the corresponding period of the previous year i.e. 09/2012 to 02/2013 after excluding the already charged units during the said 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 an accurate meter at the petitioner's premises for monthly billing to avoid any further litigation in future. The petition is disposed of in above terms"

4. Being dissatisfied with the decision of POI dated 09.06.2015 (hereinafter referred to as the impugned decision), LESCO has filed the instant appeal before NERPRA under section 38 (3) of NEPRA Act 1997. LESCO in its appeal inter alia, stated that electricity meter of the respondent was found defective with one (Red) phase dead during M&T

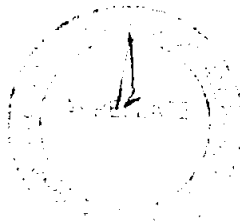




National Electric Power Regulatory Authority

checking on 12.03.2014. According to LESCO, the detection bill of Rs. 255,001/- for 9,251 units for the period September 2013 to February 2014 (6 months) charged to the respondent on the basis of connected load was legal, justified and the respondent was liable to pay the same. LESCO contended that the impugned decision is illegal, void, misconceived and based on mere assertions of the respondent and therefore liable to be set aside.

5. A notice of the appeal was issued to the respondent for filing reply/parawise comments, which however were not submitted.
6. Notice was issued to both the parties and hearing of the appeal was held at Lahore on 29.08.2016. Mr. Rana Tariq Javed advocate appeared for the appellant LESCO and no one entered appearance for the respondent. Learned counsel for LESCO reiterated the same argument as given in memo of the appeal and contended that the billing meter was found defective with red phase dead by M&T on 12.03.2014. According to the learned counsel for LESCO, a detection bill of Rs. 2,55,001/- for 9,251 units for the period September 2013 to February 2014 (6 months) added in the bill of respondent for July 2014 was legal, justified and the respondent is liable to pay the same. According to LESCO, it was admitted by the respondent in his application dated 25.08.2014 before POI that the meter became defective with one phase dead resulting in 33% slowness therefore determination of POI to revise the aforesaid detection bill on the basis of consumption of corresponding period of previous year i.e. September 2012 to February 2013 is not based on merits. LESCO prayed that the impugned decision was illegal, void and therefore liable to be set aside.
7. We have heard the arguments of LESCO and examined the record placed before us. It is observed as under:
 - i. The detection bill amounting to Rs. 2,55,001/- for 9,251 units for the period September 2013 to February 2014 (6 months) added in the bill of July 2014 of the





National Electric Power Regulatory Authority

respondent on connected load basis was assailed by the respondent before POI vide his application dated 25.08.2014.

- ii. Admittedly, the meter of the respondent was found defective with one phase dead causing 33% slowness of the meter during M&T checking on 12.03.2014 and as such the respondent was liable to be charged the detection bill on 33% slowness of the disputed meter. Therefore charging the detection bill amounting to Rs. 2,55,001/- for 9,251 units for the period September 2013 to February 2014 (6 months) to the respondent in July 2014 on the basis of connected load is not justified and liable to be declared null and void as determined in the impugned decision.
 - iii. We are inclined to agree with the contention of LESCO to charge the respondent on the basis of 33% slowness of the defective meter and therefore determination of POI to revise the detection bill on the basis of consumption of the corresponding months of the previous year i.e. September 2012 to February 2013 is not in consistent with the provision of Consumer Service Manual (CSM) and therefore liable to be withdrawn to this extent. According to the clause 4.4 (c) of CSM, in case a meter is slow and not recording the correct consumption of electricity, the mode of charging would be raising the multiplication factor (MF) till the replacement of the defective meter. Further pursuant to clause 4.4 (e) of CSM, charging of the bill due to defective meter is restricted to two billing cycles only. 33% slowness of the meter was observed on 12.03.2014, therefore the respondent is liable to be charged detection bill @ 33 % slowness of the meter for January 2014 and February 2014. Moreover the respondent is liable to be billed with enhanced MF (=1.5) from March 2014 and onward till replacement of the defective meter. Impugned decision to this extent is liable to be modified.
8. In view forgoing discussion, we have reached the conclusion that:





National Electric Power Regulatory Authority

- i. The detection bill of Rs. 2,55,001/- for 9,251 units for the period September 2013 to February 2014 (6 months) charged in July 2014 on the basis of connected load is null and void and the respondent is not liable to pay the same. Impugned decision to this extent is upheld.
- ii. Since the meter was found 33 % slow in March 2014, the respondent is liable to be charged detection bill:
 - a. @ 33 % slowness for January 2014 and February 2014.
 - b. With enhanced MF (=1.5) with effect from March 2014 and onwards till the replacement of the defective electricity meter with an accurate electricity meter.

Impugned decision stands modified to the above extent.

- iii. In view of above, the billing account of the respondent be overhauled and revised accordingly.

9. The appeal is disposed of in above terms.

Muhammad Qamar-uz-Zaman
Member

Muhammad Shafique
Member

Nadir Ali Khoso
Convener

Date: 22.09.2016

