



Before the Appellate Board
National Electric Power Regulatory Authority
(NEPRA)

Islamic Republic of Pakistan

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No. NEPRA/AB/Appeal-032/POI-2013/ 1025-1030

July 11, 2017

1. M/s Shaheen PVC Industries (Pvt.) Ltd,
Through Abdu Qayyum,
Chief Executive,
Usman Street, Opposite Chohan Road,
Bund Road, Lahore
2. Chief Executive Officer
LESCO Ltd,
22-A, Queens Road,
Lahore
3. Saeed Ahmed Bhatti,
Advocate High Court,
Second Floor, Akram Mansion,
Neela Gumbad, Lahore
4. Muhammad Azam Khokhar,
Advocate High Court,
10-Fatima Jinnah Chambers,
Session Courts, Gujranwala
5. Sub Divisional Officer,
LESCO Ltd,
Sanda Sub Division,
Lahore
6. Electric Inspector
Lahore Region, Energy Department,
Govt. of Punjab, Block No. 1,
Irrigation Complex, Canal Bank,
Dharampura, Lahore

Subject: Appeal Titled LESCO Vs. M/s Shaheen PVC Industries (Pvt.) Ltd Against the Decision Dated 27.08.2013 of the Electric Inspector/POI to Government of the Punjab Lahore Region, Lahore

Please find enclosed herewith the Decision of the Appellate Board dated 11.07.2017, regarding the subject matter, for information and necessary action accordingly.

Encl: As Above

(Ikram Shakeel)

No. NEPRA/AB/Appeal-032/POI-2013/ 1031

Forwarded for information please.

July 11, 2017

Assistant Director
Appellate Board

1. Registrar

CC:

1. Member (CA)



National Electric Power Regulatory Authority

Before Appellate Board

In the matter of

Appeal No. NEPRA/Appeal-032/POI-2013

Lahore Electric Supply Company LimitedAppellant

Versus

M/s Shaheen PVC Industries (Pvts.) Ltd,
Through Abdul Qayyum, Chief Executive Usman Street,
Opposite Chohan Road, Bund Road, LahoreRespondent

For the Appellant:

Mr. Saeed Ahmed Bhatti Advocate

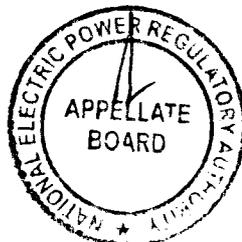
Mr. Tahir Butt LS-I

For the Respondent:

Mr. Muhammad Azam Khokhar Advocate

DECISION

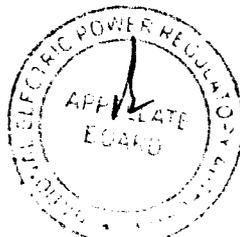
1. As per facts of the case, an appeal filed by Lahore Electric Supply Company Limited (hereinafter referred to as LESCO) against the decision dated 27.08.2013 of the Provincial Office of Inspection/Electric Inspector Lahore Region, Lahore (POI) was dismissed by the Appellate Board on 20.06.2014 being barred by time. The decision was challenged by LESCO before the Honorable Lahore High Court Lahore through Writ Petition No.1738 of 2016, whereby the decision dated 20.06.2014 of the Appellate Board was set aside by the Honorable High Court vide the decision dated 09.01.2017 with the directions to NEPRA to decide the matter on merits.
2. In pursuance of the directions of Honorable High Court, the appeal was reheard in Lahore on 19.06.2017 wherein both the parties entered their appearance.





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Mr. Saeed Ahmed Bhatti learned counsel for LESCO contended that the electricity bill of Rs.267,471/- for September 2011 was assailed by the respondent before POI vide his first application dated 22.10.2011. The learned counsel stated that the billing meter of the respondent was checked by POI in presence of both the parties on 31.05.2012 which was found working within permissible limits with time and date disturbed. Learned counsel for LESCO further submitted that the same meter was again checked by POI on 20.07.2012 and 69.27% slowness of the meter was observed at the running load of 132 kW. As per learned counsel for LESCO, the results of POI inspection dated 20.07.2012 were not realistic, therefore a check meter was installed in series with the disputed billing meter in order to ascertain the accuracy of the billing meter and the comparison of both meters confirmed correctness of the billing meter. Learned Counsel for LESCO argued that the impugned decision for adjustment of the excessive MDI up-to 90 kW since the installation of meter i.e. December 2007 is incorrect, as the running load of the respondent was observed as 120 kW being higher than the sanctioned load and the respondent paid the electricity bills with higher MDI without any protest. As regards the fixed charges, LESCO averred that the respondent was charged as per tariff approved by NEPRA and he is liable to pay the same. On the contrary, Mr. Muhammad Azam Khokhar learned counsel for the respondent rebutted the stance of LESCO and contended that LESCO charged the electricity bills with higher MDI since the installation of meter despite of the fact that a 100 kVA transformer was installed at the premises and it could not supply the power beyond 90 kW. Learned counsel for the respondent informed that the bill for September 2011,





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fixed charges levied due to excessive MDI and LPS of Rs.99,732/- added in May 2013 were challenged by the respondent before POI vide applications dated 22.10.2011 and 24.06.2013 respectively. Learned counsel for the respondent averred that in pursuance of 1994 PLD Lahore 163, fixed charges could not be levied to the respondent during the load shedding hours. Learned counsel for the respondent termed impugned decision correct and prayed for upholding the same.

3. Arguments heard, record perused and observed as under:

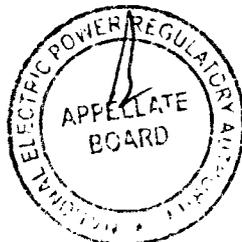
- i. The respondent challenged the electricity bill of Rs.267,471/- charged by LESCO in September 2011 and LPS of Rs.99,732/- imposed due to non-payment of aforesaid bill before POI. In order to ascertain the accuracy of disputed billing meter, a check meter was installed in series with disputed billing meter of the respondent on 26.09.2012 and the comparison of consumption recorded by both the disputed billing and check meters is tabulated below:

	(A) Reading kWh on 26.09.2012	(B) Reading kWh on 21.11.2012	(C) Difference = (B-A) x MF	Units
Check meter	0.706	1,092.454	(1,092.454-0.76) x 40	43,667.76
Billing meter	31,110.23	32,197.37	(32,197.37-31,110.23) x 40	43,485.6

Slowness of billing meter = $\frac{(\text{Units recorded by check meter} - \text{Units recorded by billing meter}) \times 100}{\text{Units charged by billing meter}}$

Slowness of billing meter = $\frac{(43,667.76 - 43,485.6) \times 100}{43,667.76} = 0.4 \%$

From the above table, it is evident that the disputed billing meter was working within permissible limits as laid down in Rule 32 of Electricity Rules 1937.

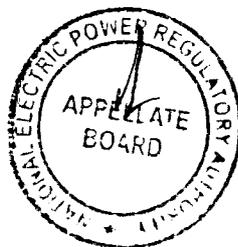




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The aforesaid result does not support the contention of the respondent regarding the fastness of the meter, therefore the electricity bill of Rs.267,471/- charged by LESCO to the respondent in September 2011 and LPS of Rs.99,732/- imposed due to non-payment of aforesaid bill are justified and the respondent is liable to pay the same. Impugned decision for cancellation of the same is not correct and therefore liable to be withdrawn to this extent.

- ii. As regard the impugned decision regarding excessive MDI charged by LESCO since the installation of the meter i.e. December 2007, it is observed that the 100 kVA transformer installed at the premises of the respondent could not supply the power beyond 90 kW. LESCO failed to provide any document which could substantiate their stance regarding the charging of MDI beyond the rated capacity of the transformer. POI has rightly determined in the impugned decision that MDI charged by LESCO beyond 90 kW since the installation of meter is unjustified and the respondent is liable to be credited the MDI exceeding 90 kW since the installation of meter.
- iii. We are not convinced with the arguments of learned counsel for the respondent for providing the credit in MDI due to load shedding. As a matter of fact, the respondent is liable to be charged for the MDI recorded as per approved and applicable tariff. Deviation from officially notified tariff is not permissible. The respondent is not liable for any relief in MDI charges due to load shedding.





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4. Forgoing in view, it is therefore concluded that:

- i. Electricity bill of Rs.267,471/- for September 2011 and the LPS of Rs.99,732/- levied due to default in payment of the aforesaid bill are justified and the respondent should pay the same. Impugned decision is modified to this extent.
- ii. MDI charged beyond 90 kW to the respondent since the installation of meter is unjustified and the respondent should be afforded a credit of MDI exceeding 90 kW. Impugned decision is maintained to this extent.
- iii. Impugned decision for adjustment of 50% fixed charges against the load shedding hours is inconsistent with the terms and conditions of tariff and therefore declared null and void to this extent. The respondent should be charged fixed charges as per tariff applicable.

5. The appeal is disposed with above terms.

Muhammad Qamar-uz-Zaman
Member

Nadir Ali Khoso
Convener

Muhammad Shafique
Member

Dated: 11.07.2017

