



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

Scanned and E-Mailed To (IT) Dept

No. NEPRA/AB/Appeal-099/POI-2016/ 470-475

April 05, 2017

- |  |   |
|--|---|
| <p>1. M/s BBJ Pipe Industries (Pvt.) Ltd,<br/>Through Ch. Tariq Javaid,<br/>General Manager,<br/>48.5 KM, Multan Road,<br/>Lahore</p> <p>3. Mian Muhammad Mudassar Bodla,<br/>Advocate Supreme Court,<br/>Syed Law Building,<br/>4-Mozang Road, Lahore<br/>Lahore</p> <p>5. Assistant Manager (Operation),<br/>LESCO Ltd,<br/>Sarfranz Nagar Sub Division,<br/>Phool Nagar</p> | <p>2. The Chief Executive Officer<br/>LESCO Ltd,<br/>22-A Queens Road,<br/>Lahore</p> <p>4. Muhammad Azam Khokhar,<br/>Advocate High Court,<br/>10-Fatima Jinnah Chambers,<br/>Session Courts, Gujranwala</p> <p>6. Electric Inspector<br/>Lahore Region, Energy Department,<br/>Govt. of Punjab, Block No. 1,<br/>Irrigation Complex, Canal Bank,<br/>Dharampura, Lahore</p> |
|--|---|

Registrar  
 Dy No. ... 3748 ...  
 Dated... 04/04/17 ...

Subject: Appeal Titled LESCO Vs. M/s BBJ Pipe Industries (Pvt.) Ltd Against the Decision Dated 19.04.2016 of the Electric Inspector/POI to Government of the Punjab Lahore Region, Lahore

Please find enclosed herewith the Decision of the Appellate Board dated 04.04.2017, regarding the subject matter, for information and necessary action accordingly.

Encl: As Above

(Ikram Shakeel)

No. NEPRA/AB/Appeal-099/POI-2016/ 476

April 05, 2017

Forwarded for information please.

Assistant Director  
Appellate Board

1. Registrar  
2. Director (CAD)

CC:

1. Member (CA)

FOR u/a

DD (IT)

Mr

24/4



# National Electric Power Regulatory Authority

## Before Appellate Board

In the matter of

Appeal No. NEPRA/Appeal-099/POI-2016

Lahore Electric Supply Company Limited .....Appellant

Versus

M/s BBJ Pipe Industries (Pvt.) Ltd, Through General Manager  
Ch. Tariq Javaid, 48-KM, Multan Road, Lahore .....Respondent

### For the appellant:

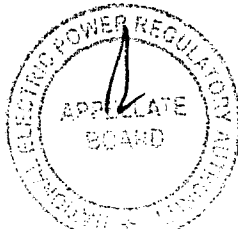
Mian Muhammad Mudassar Bodla Advocate  
Mr. Muhammad Aleem Mustufa SDO

### For the respondent:

Mr. Muhammad Azam Khokhar Advocate  
Ch. Tariq Javaid General Manager  
Muhammad Irshad Coordinator

## DECISION

1. Through this decision, an appeal filed by Lahore Electric Supply Company Limited (hereinafter referred to as LESCO) against the decision dated 19.04.2016 of the Provincial Office of Inspection Lahore Region, Lahore (hereinafter referred to as POI) under Section 38(3) of the Regulation of Generation, Transmission and Distribution





## National Electric Power Regulatory Authority

of Electric Power Act 1997 (hereinafter referred to as NEPRA Act 1997), is being disposed of.

2. As per facts of the case, the respondent is an industrial consumer of LESCO bearing Ref No. 24-11741-9117003 with a sanctioned load of 450 kW under B2 (b) tariff. The TOU billing meter of the respondent was checked by Metering & Testing (M&T) LESCO on 11.06.2014 and reportedly it was found 33.33% slow due to one phase dead. LESCO charged the electricity bills with enhanced Multiplication Factor (MF) = 240 to the respondent from June 2014 and onwards, which were challenged by the respondent before POI. The matter was decided by POI vide its decision dated 13.11.2014 whereby it was held that MF = 240 is applicable from June 2014 and onwards till the replacement of the defective meter. Subsequently a notice dated 04.02.2015 was issued by LESCO to the respondent regarding the 33.33% slowness of the meter and a detection bill amounting to Rs.5,362,286/- for 295,440 units/1390 kW MDI for the period September 2013 to May 2014(9 months) was charged by LESCO to the respondent in May 2015 due to 33.33% slowness of the meter.
3. Being aggrieved, the respondent filed an application before POI on 15.06.2015 and challenged the aforementioned detection bill. 33.33% slowness of the defective meter was also confirmed by POI during its checking on 23.10.2014. The matter was



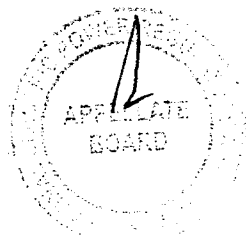


## National Electric Power Regulatory Authority

disposed of by POI vide its decision dated 19.04.2016, the operative portion of which is reproduced below:

*"For the reasons what has been discussed above, it is held that impugned meter was correct till 05/2014; and it became 33.33% slow with effect from 06/2014 onward till its replacement for which the respondents have already enhanced the MF as 240 ; therefore the impugned detection bill of Rs.53,62,286.86 charged by the respondents for 295,440 units/1390 KW MDI for the period from 09/2013 to 05/2014 is void, unjustified and of no legal effect and the petitioner is not liable to pay the same. The respondents are directed to withdraw the impugned detection bill and overhaul the account of the petitioner and the amount deposited by the petitioner company as 50% of the impugned detection bill be refunded in future bills. The respondents are further directed to replace the impugned defective meter by an accurate one immediately."*

4. Being dissatisfied with the decision of POI dated 19.04.2016 LESCO has filed the instant appeal before NEPRA. In its appeal LESCO inter alia, contended that TOU billing meter of the respondent was checked by M&T LESCO on 11.06.2014 and it was found 33.33% slow. LESCO further contended that the detection bill of Rs.5,362,286/- for 295,440 units/1390 kW MDI for the period September 2013 to May 2014 (9 months) was charged to the respondent due to 33.33% slowness of the meter. LESCO pointed out that the application was filed by the respondent on

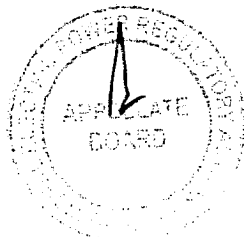




## National Electric Power Regulatory Authority

15.06.2015 whereas the same was decided by POI on 19.04.2016 after prescribed time limit of 90 days as envisaged under Section 26 (6) of Electricity Act 1910. LESCO submitted that the impugned decision is not based on facts and law and therefore liable to be set aside.

5. Notice of the appeal was issued to the respondent for filing reply/parawise comments, which were filed on 03.08.2016. In his reply, the respondent contended that POI has rightly declared the detection bill of Rs.5,362,286/- for 295,440 units/1390 kW MDI for the period September 2013 to May 2014 as void, unjustified and illegal. The respondent averred that LESCO could not replace the defective meter within stipulated period of two month as per provisions of Consumer Service Manual (CSM). The respondent prayed that the impugned decision rendered by POI is based on facts and law and liable to be upheld.
6. Hearing of the appeal was held at Lahore on 20.03.2017, which was attended by both the parties. Mian Mudassar Bodla, learned counsel for the appellant reiterated the same argument as given in memo of the appeal and contended that the disputed billing meter was found 33.33% slow by M&T on 11.06.2014, which was also confirmed by POI during its checking dated 23.10.2014. According to the learned counsel for LESCO, the detection bill of Rs.5,362,286/- for 295,440 units/1390 kW MDI for the period September 2013 to May 2014 charged by LESCO is legal, justified and the





## National Electric Power Regulatory Authority

determination of POI to cancel the aforesaid detection bill is not based on merits. Conversely Mr. Azam Khokhar, learned counsel for the respondent stated that in an earlier decision dated 13.11.2014, POI held that MF = 240 (due to 33.33% slowness of the meter) was applicable from June 2014 and onwards, which establishes that 33.33% slowness of the meter was effective from June 2014 and onwards. According to learned counsel for the respondent, the decision dated 13.11.2014 of POI has attained its finality and there was no occasion for LESCO to charge the detection bill of Rs.5,362,286/- for 295,440 units/1390 kW MDI for the period September 2013 to May 2014 to the respondent due to 33.33% slowness of the meter.

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

i. LESCO raised the objection regarding the jurisdiction of POI for deciding the matter after prescribed time limit of 90 days as envisaged under Section 26 (6) of Electricity Act 1910. It is clarified that the impugned decision was given by POI under Section 38 of NEPRA Act 1997 and the restriction of 90 days is not applicable to POI, hence this objection is without any merits.

ii. As regards the contention of learned counsel for the respondent that the matter was settled on 13.11.2014, it is observed that no appeal was filed against the decision of POI dated 13.11.2014 and also the same is not subject matter of the





## National Electric Power Regulatory Authority

appeal in hand, therefore, its merits or demerits could not become the subject matter of this appeal.

- iii. Admittedly the TOU billing meter of the respondent was 33.33% slow as noticed during M&T checking on 11.06.2014 and confirmed by POI on 23.10.2014. Only the period for charging the detection bill @ 33.33 % slowness needs to be ascertained.
- iv. Charging of the detection bill of Rs. 5,362,286/- for 295,440 units/1390 kW MDI for nine months by LESCO to the respondent on the basis of 33.33% slowness is inconsistent with clause 4.4 (e) of CSM and therefore liable to be declared null and void.
- v. Pursuant to clause 4.4 (e) of CSM, charging of the bill due to defective meter is restricted to two billing cycles only. Since 33.33% slowness of the meter was observed in June 2014, therefore it may be made applicable for April 2014 and May 2014. Comparison of the consumption of disputed months with the consumption of corresponding undisputed months of previous year is given below:

Undisputed period	KWH	MDI	Disputed Period	KWH	MDI
April 2013	120,320	448	April 2014	77,760	430
May 2013	108,320	427	May 2014	97,760	402





## National Electric Power Regulatory Authority

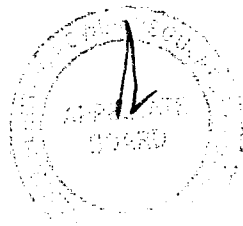
From the above table, it is revealed that the consumption recorded during the disputed months i.e. April 2014 and May 2014 is lesser than the consumption of corresponding undisputed months i.e. April 2013 & May 2013, which indicates that the meter remained 33.33% slow during the disputed months i.e. April 2014 and May 2014. Therefore the respondent is liable to be charged detection bill @ 33.33 % slowness for the months April 2013 & May 2013.

vi. Detection bill @ 33.33% slowness for the disputed months i.e. April 2014 and May 2014 is calculated as under:

Units already charged during April 2014 and May 2014 due to defective meter	=77,760 + 97,760 = <b>175,520 units</b>
Units chargeable due to 33.33% slowness of the meter during the disputed months i.e. April 2014 & May 2014	=175,520 x $\frac{(240)}{160}$ <b>= 263,280 units</b>
Net units chargeable for the disputed months i.e. April 2014 and May 2014 = Units chargeable- Units already charged	= 263,280-175,520 <b>= 87,760 units</b>

8. In view forgoing discussion, we have reached to the conclusion that:

i. The detection bill of Rs.5,362,286/- for 295,440 units/1390 kW MDI for the period September 2013 to May 2014 charged to the respondent in the bill of







## National Electric Power Regulatory Authority

May 2015 is null and void as already determined in the impugned decision.

- ii. The respondent should be charged the detection bill of 87,760 units for April 2014 and May 2014.
9. The impugned decision is modified in above terms.

Muhammad Qamar-uz-Zaman  
Member

Nadir Ali Khoso  
Convener

Muhammad Shafique  
Member

Dated: 04.04.2017

