



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.nepra.org.pk](http://www.nepra.org.pk) E-mail: [office@nepra.org.pk](mailto:office@nepra.org.pk)

No. NEPRA/AB/Appeal/096/2017/ 1044-1048

June 21, 2018

1. Muhammad Sajid  
S/o Muhammad Siddique,  
R/o. Street No. 24, House No. 1-A,  
Mohallah Jalal Park, Badami Bagh,  
Lahore
2. The Chief Executive Officer  
LESCO Ltd,  
22-A, Queens Road,  
Lahore
3. Saced Ahmed Bhatti  
Advocate High Court,  
Second Floor, Akram Mansion,  
Neela Gumbad, Lahore
4. Assistant Manager (Opr),  
LESCO Ltd,  
Data Nagar 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. Muhammad Sajid Against the Decision Dated 11.04.2017 the Provincial Office of Inspection to Government of the Punjab Lahore Region, Lahore

Please find enclosed herewith the decision of the Appellate Board dated 19.06.2018, regarding the subject matter, for information and necessary action accordingly.

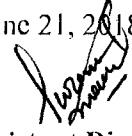
Encl: As Above

(Ikram Shakeel)

No. NEPRA/AB/Appeal/096/2017/ 1049

June 21, 2018

Forwarded for information please.

  
Assistant Director  
Appellate Board

✓ Registrar



# National Electric Power Regulatory Authority

## Before Appellate Board

In the matter of

Appeal No. 096/2017

Lahore Electric Supply Company Limited .....Appellant

Versus

Muhammad Sajid S/o Muhammad Siddique, R/o Street No.24,  
House No.1-A, Mohallah Jalal Park, Badami Bagh, Lahore .....Respondent

**APPEAL UNDER SECTION 38(3) OF REGULATION OF GENERATION,  
TRANSMISSION AND DISTRIBUTION OF ELECTRIC POWER ACT, 1997  
AGAINST THE DECISION DATED 11.04.2017 PASSED BY PROVINCIAL  
OFFICE OF INSPECTION LAHORE REGION LAHORE**

For the appellant:

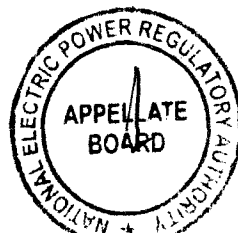
Mr. Saeed Ahmed Bhatti Advocate  
Mr. Shahzad Ahmed LS-II

For the respondent:

Nemo

### DECISION

1. As per facts of the case, the respondent is an industrial consumer of the appellant LESCO bearing Ref No.46-11151-0446801 with a sanctioned load of 7.27 kW under B-1b tariff. The respondent disputed the arrears of Rs.220,199/- added in the bill for December 2014 before Provincial Office of Inspection (POI), Lahore region, Lahore vide application dated 09.02.2015. As per LESCO, the aforesaid arrears accumulated due to non-payments of electricity bills by the respondent due to which supply of the respondent was disconnected on 30.05.2014. POI decided the complaint vide its decision dated 11.04.2017 with the following conclusion.

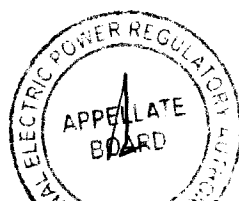




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*“Summing up the forgoing discussion, it is held that the impugned bills amounting to Rs.220,199/- added in the bill for the month of 12/2014 is void, unjustified and of no legal effect, therefore the petitioner is not liable to pay the same. However the respondents are allowed to charge revised monthly bills for the said period i.e. 12/2012 to 05/2014 (when impugned meter was removed), on the basis of the consumption recorded during the previous year 2011 i.e. from 01/2011 to 12/2011 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 site for future billing to avoid any future litigation.”*

2. LESCO has filed the instant appeal against the above mentioned decision (the impugned decision) before NEPRA. In its appeal LESCO raised the preliminary objection and stated that the impugned decision announced after 90 days of receipt of the respondent's application is ex-facie, coram non iudice, ab-initio void under Section 26 (6) of Electricity Act 1910 and liable to be set aside. On merits, LESCO contended that the respondent is not regular in payment of the electricity bills, hence electric supply of the respondent was permanently disconnected on 30.05.2014. Further it was contended that the respondent defaulted payment of electricity bills since July 2013, due to which arrears amounting to Rs. Rs.220,199/- were accumulated. According to LESCO, POI failed to apply his judicious mind in deciding the matter. Notice of the appeal was issued to the respondent for filing reply/parawise comments, which were filed on 03.08.2017. In his reply, the respondent opposed the stance of LESCO and submitted that he had been making payments of electricity bills charged as per actual consumption. But his business was closed in October 2012 and the bill for the said month was charged with nil consumption by LESCO. As per respondent, LESCO issued irregular bills from December 2012 to December 2014 as his meter remained defective during the said period. According to the respondent, the defective meter was not replaced by LESCO

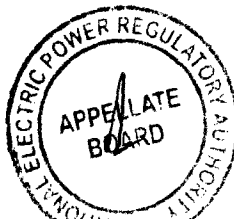




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despite the fact that he deposited Rs.20,000/- as demanded by LESCO. The respondent supported the impugned decision and pleaded for dismissal of the appeal being devoid of merits.

3. Hearing of the appeal was held at Lahore on 25.05.2018, wherein Mr. Saced Ahmed Bhatti advocate along with Mr. Shahzad Ahmed LS-II represented the appellant LESCO and no one appeared for the respondent. Learned counsel for LESCO opposed the determination of POI for declaring the bill of Rs.220,199/- as detection bill and argued that the respondent did not make payment of electricity bills on regular basis, which resulted the increase in arrears to the tune of Rs.220,199/-. Learned counsel for LESCO rebutted the respondent's contention given in the reply/parawise comments to the appeal and averred that the meter was functioning correctly till the disconnection of supply on 30.05.2014 and the payment of Rs.20,000/- was made by the respondent against the aforesaid arrears.
  
4. Arguments heard and record perused. As regards the preliminary objection of LESCO regarding failure of POI in deciding the matter within 90 days as envisaged in section 26(6) of Electricity Act, 1910, the same is not relevant for the offices of Provincial Offices of Inspection (POI) established under section 38 of NEPRA Act, 1997. NEPRA is the appellate Authority against the decisions of POI and not that of Electric Inspectors. It has already been held by Honorable Lahore High Court in judgments cited as PLJ 2017-Lahore-627 and PLJ-2017-Lahore-309 that the outer time limit of 90 days is inapplicable for POI. Regarding merits of the case, the respondent had disputed the arrears of Rs.220,199/- added in the bill for December 2014. The respondent claims that his meter became defective in December 2012, since then the exaggerated billing was done by LESCO till May 2014, whereas LESCO is of the view that the respondent defaulted payment of regular bills, which raised the arrears of Rs.220,199/- till December 2014. In this regard, the assessment of billing statement for the relevant period has been made which is to the following effect:-

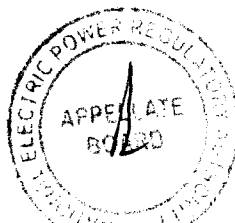




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| Billing Statement of the respondent from January 2013 to December 2014 |          |      |               |                  |          |      |         |
|--|----------|------|---------------|------------------|----------|------|---------|
| Month  | Off peak | Peak | Total units   | Previous Balance | Net bill | LPS  | Payment |
| Jan-13   | 10       | 28   | 38            | 0                | 1184     | 0    | 1,184   |
| Feb-13   | 61       | 11   | 72            | 0                | 915      | 0    | 915     |
| Mar-13   | 431      | 90   | 521           | 0                | 6138     | 485  | 0       |
| Apr-13   | 512      | 90   | 602           | 6623             | 13756    | 554  | 0       |
| May-13   | 217      | 3    | 220           | 14310            | 16821    | 3250 | 0       |
| Jun-13   | 210      | 20   | 230           | 17006            | 19725    | 0    | 19,725  |
| Jul-13   | 340      | 86   | 426           | 0                | 9531     | 403  | 20,00   |
| Aug-13   | 260      | 101  | 361           | 7934             | 18437    | 481  | 0       |
| Sep-13   | 240      | 200  | 440           | 19019            | 32232    | 664  | 6,000   |
| Oct-13   | 2800     | 50   | 2850          | 26896            | 37747    | 440  | 0       |
| Nov-13   | 310      | 50   | 360           | 38218            | 49409    | 481  | 0       |
| Dec-13   | 610      | 150  | 760           | 49890            | 63176    | 1040 | 0       |
| Jan-14   | 2300     | 1000 | 3300          | 64216            | 125351   | 0    | 0       |
| Feb-14   | 0        | 4101 | 4101          | 125351           | 223108   | 7423 | 20,000  |
| Mar-14   | 0        | 0    | 0             | 210531           | 214224   | 0    | 0       |
| Apr-14   | 0        | 0    | 0             | 214259           | 221037   | 0    | 0       |
| May-14   | 0        | 0    | 0             | 221072           | 221329   | 0    | 0       |
| Jun-14   | 0        | 0    | 0             | 221329           | 221364   | 0    | 0       |
| Jul-14   | 0        | 0    | 0             | 221364           | 221364   | 0    | 0       |
| Aug-14   | 0        | 0    | 0             | 221364           | 221364   | 0    | 0       |
| Sep-14   | 0        | 0    | 0             | 221364           | 221364   | 0    | 0       |
| Oct-14   | 0        | 0    | 0             | 221364           | 221364   | 0    | 0       |
| Nov-14   | 0        | 0    | 0             | 221364           | 221364   | 0    | 0       |
| Dec-14   | 0        | 0    | 0             | 221364           | 221364   | 0    | 0       |
| <b>Total Units</b>   |          |      | <b>14,281</b> |                  |          |      |         |

From the above table, it is revealed that there is no detection bill charged by LESCO as alleged by the respondent. Moreover it is evident that the respondent failed to make payment of number of monthly electricity bills. It has also been observed that there is inappropriate division of units between the off peak and peak components. This has resulted in wrong billing, which need to be rectified. The division of total consumption should be worked out as under:





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|  |   |
|--|---|
| Off peak units = $\frac{\text{Total units already charged} \times \text{No. of off peak Hrs.}}{\text{Total Hours in a day}}$ | $\frac{1,4281 \times 20}{24}$ <b>11,901 units</b> |
| Peak units = $\frac{\text{Total units already charged} \times \text{No. of peak Hrs.}}{\text{Total Hours in a day}}$         | $\frac{1,4281 \times 04}{24}$ <b>2,380 units</b>  |

5. In view of above, we have reached to the conclusion that the arrear bill of Rs.220,199/- added in the bill for December 2014 is unjustified hence cancelled. The respondent should pay the electricity bills for the cost of 11,901 off peak and 2,380 peak units. Billing account of the respondent be overhauled after making the adjustment of payments already made by the respondent.
6. The impugned decision is modified in above terms.

Muhammad Qamar-uz-Zaman  
Member

Muhammad Shafique  
Member

Nadir Ali Khoso  
Convener

Dated: 19.06.2018

