



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

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No. NEPRA/AB/Appeal/128/2017/ 1056-1061

June 21, 2018

1. M/s Eehabas Engineering (Pvt.) Ltd,  
Through its Chief Executive,  
Mr. Eehab Latif,  
02-KM, Defence Road,  
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. A. D. Bhatti  
Advocate High Court,  
Office No. 4, Rehmat Tower,  
13-Fane Road, Lahore
5. Assistant Manager (Opr),  
LESCO Ltd,  
Chung 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 Eehabas Engineering (Pvt.) Ltd Against the Decision Dated 06.06.2017 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

No. NEPRA/AB/Appeal/128/2017/ 1062

Forwarded for information please.

(Ikram Shakeel)

June 21, 2018

  
Assistant Director  
Appellate Board

✓ 1. Registrar



# National Electric Power Regulatory Authority

## Before Appellate Board

In the matter of

Appeal No.128/2017

Lahore Electric Supply Company Limited

.....Appellant

Versus

M/s. Eehabas Engineering (Pvt.) Ltd, Through its Chief Executive,  
Mr. Eahab Latif, 02-Km, Defence Road, Lahore

.....Respondent

**APPEAL UNDER SECTION 38(3) OF REGULATION OF GENERATION,  
TRANSMISSION AND DISTRIBUTION OF ELECTRIC POWER ACT, 1997  
AGAINST THE DECISION DATED 06.06.2017 PASSED BY PROVINCIAL  
OFFICE OF INSPECTION LAHORE REGION LAHORE**

For the appellant:

Mr. Saeed Ahmed Bhatti Advocate

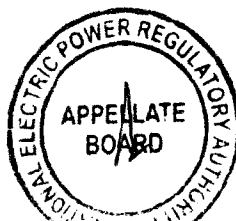
For the respondent:

Mr. A.D Bhatti Advocate

Mr. Jamshaid Alam Advocate

## DECISION

1. Brief facts give rise to the instant appeal are that the respondent is an industrial consumer of LESCO bearing Ref No.24-11235-9001015 with a sanctioned load of 480 kW under B-2b tariff. Metering equipment of the respondent was checked by Metering and Testing (M&T) LESCO on 26.08.2016 and reportedly both the TOU billing and backup meters were found defective with red phase dead and the date and time of the TOU billing meter was found malfunctioning. Multiplication factor (MF) of





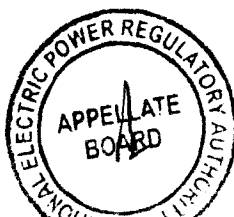
## National Electric Power Regulatory Authority

the respondent was raised from 160 to 240 w.e.f September 2016 and onwards, thereafter a detection bill of Rs.6,720,066/- for 351,232 units/1,372 kW MDI for the period November 2015 to August 2016 (10 months) was issued to the respondent by LESCO due to 33.33% slowness of the meter.

2. The respondent was dissatisfied with the actions of LESCO, therefore approached Provincial Office of Inspection (POI), Lahore Region, Lahore and challenged the bill with enhanced MF=240 for September 2016 total amounting to Rs.2,121,709/- along with the detection bill of Rs.6,720,066/-. During the pendency of case, the inspection of the metering equipment in presence of both the parties was conducted by POI on 23.11.2016, wherein both the TOU billing and backup meters were found 33.33% slow and the checking report was signed by both the parties. The complaint of the respondent was decided by POI vide its decision dated 06.06.2017 with the following conclusion:

*"Summing up the forgoing discussion, it is held, that I. That the impugned meter is slow 33.33% as already declared by the respondents. II. That the impugned detection bill amounting to Rs.6,720,066/- as cost of 351232 units /1372 kW MDI for the period from 11/2015 to 08/2016 (10 months) added in the bill for the month of 09/2016 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 period from 06/2016 to 08/2016 and onward on the basis of the declared 33.3% slowness till replacement of the meter/shifting of billing to an accurate meter, after excluding the already charged units during the said period. III. That 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 TOU meter at the petitioner's premises for future billing to avoid any further litigation."*

3. The subject appeal has been filed inter alia on the grounds that that 33.33% slowness

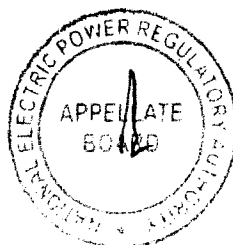




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was observed in both the TOU billing and backup meters due to red dead phase by M&T LESCO on 26.08.2016 that the same was also confirmed during POI joint checking dated 23.11.2016 that the detection bill of Rs.6,720,066/- for 351,232 units/1,372 kW MDI for the period November 2015 to August 2016 and the onward bills with enhanced MF=240 from September 2016 and onwards charged to the respondent on the basis of 33.33% slowness are quite legal, justified and that the impugned decision in this regard is not sustainable in the eye of law. LESCO raised the objection that the impugned decision is not maintainable legally as it was pronounced by the Electric Inspector after the mandatory period of 90 days as envisaged u/s 26(6) of Electricity Act, 1910.

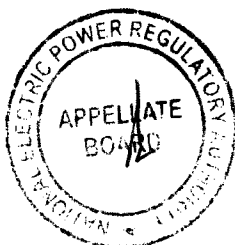
4. The respondent in his rebuttal denied the contentions of LESCO regarding charging 33.33% slowness and averred that neither any prior notice was served upon him nor the alleged inspection was carried during his presence and all the documents are concocted and fabricated. As per respondent, there is no justification to charge the detection bill for a period of ten months being inconsistent with clause 4.4(e) of Consumer Service Manual (CSM) and the bills of the said period were charged and paid as per actual meter reading. According to the respondent, LESCO neither installed a check meter in series with the defective meter nor replaced the defective meter. The respondent supported the impugned decision and submitted that POI has rightly determined the period of slowness with the prevailing law and rules and prayed for dismissal of the appeal with cost.





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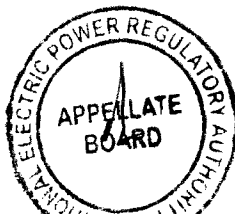
5. Hearing of the appeal was held in the NEPRA regional office Lahore on 25.05.2018, wherein both the parties appeared. Mr. Saeed Ahmed Bhatti learned counsel for LESCO contended that 33.33% slowness of the TOU billing meter was observed by M&T LESCO on 26.08.2016, which was confirmed by POI during the checking dated 23.11.2016. As per LESCO counsel's version, the detection bill amounting to Rs.6,720,066/- for 351,232 units/1,372 kW MDI for the period November 2015 to August 2016 and the onwards bills with enhanced MF=240 from September 2016 and onwards charged to the respondent by LESCO @ 33.33% slowness of the TOU billing meter are justified and he is responsible for payment of the same. Learned counsel for LESCO opposed the findings of POI and argued that the comparison of the consumption data in the impugned decision is incorrect. On the contrary, Mr. A.D. Bhatti learned counsel for the respondent reiterated the same stance as given in his reply/parawise comments to the appeal and pleaded that the appeal be dismissed being barred by time. Learned counsel further opposed the objection of LESCO regarding deciding the matter after the prescribed limit of 90 days and contended that the said restriction is applicable to an Electric Inspector and irrelevant for a POI. Learned counsel for the respondent prayed for maintaining the impugned decision, which is in accordance with facts and law.
6. Arguments heard, perused the record placed before us. 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, it may be explained that the period





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of 90 days is provided in Electricity Act, 1910 which 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 was inapplicable, therefore rejected. There is no force in the objection of the respondent regarding limitation as the copy of the impugned decision dated 06.06.2017 was obtained by LESCO on 22.06.2017 and the appeal against the same was filed before NEPRA on 19.07.2017 within 30 days as prescribed in sub-section 3 of section 38 of NEPRA Act, 1997. 33.33% slowness was observed in the TOU billing and the backup meters by M&T LESCO on 26.08.2016, hence MDI of the respondent was raised from 160 to 240 from September 2016 and onwards. Subsequently a detection bill of Rs.6,720,066/- for 351,232 units/1,372 kW MDI for the period November 2015 to August 2016 was charged by LESCO on account of 33.33% slowness of the meter. The respondent agitated the aforesaid irregular bills before POI. Metering equipment of the respondent was checked by POI in presence of both the parties on 23.11.2016, wherein 33.33% slowness in both the TOU billing and backup meters was established. Hence only the period of slowness need to be verified. The respondent was charged the detection bill for the period November 2015 to August 2016 (10 months) due to the slow meter in violation of clause 4.4 of CSM, which allows to charge the detection bill maximum for two months. Since 33.33% slowness of the metering equipment was observed by LESCO in August 2016, the respondent is liable to be charged the





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detection bill for the months June 2016 and July 2016 as discussed above. We are inclined to agree with the impugned decision that the detection bill of Rs.6,720,066/- for 351,232 units/1,372 kW MDI for the period November 2015 to August 2016 is null and void. LESCO is allowed to charge the detection bill @ 33.33% slowness of the meter for the months June 2016 & July 2016 and onwards bills with enhanced MP=240 till the replacement of the meter.

7. Forgoing in view, the appeal is dismissed.

Muhammad Qamar-uz-Zaman  
Member

Muhammad Shafique  
Member

Nadir Ali Khoso  
Convener

Dated: 19.06.2018

