



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

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No. NEPRA/AB/Appeal/018/2018/ 2297-2301

December 14, 2018

1. Zahid Naseer
R/o. Haji Kot,
Kala Khatai Road,
Shahdara, Lahore
2. Chief Executive Officer
LESCO Ltd,
22-A, Queens Road,
Lahore
3. Muhammad Arif Malhi
Advocate High Court,
01-District Courts, Sheikhpura
4. Assistant Manager (Operation)
LESCO Ltd,
G. T. Road 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. Zahid Naseer Against the Decision Dated 05.12.2017 of the Provincial Office of Inspection to Government of the Punjab Lahore Region, Lahore**

Please find enclosed herewith the decision of the Appellate Board dated 13.12.2018, regarding the subject matter, for information and necessary action accordingly.

Encl: As Above

No. NEPRA/AB/Appeal/018/2018/ 2302

Forwarded for information please.

(Ikram Shakeel)

December 14, 2018


Assistant Director
Appellate Board

1. Registrar



National Electric Power Regulatory Authority

Before Appellate Board

In the matter of

Appeal No. 018/2018

Lahore Electric Supply Company LimitedAppellant

Versus

Zahid Naseer R/o Haji Kot, Kala Khatai Road, Shahdara, Lahore..... Respondent

**APPEAL UNDER SECTION 38(3) OF REGULATION OF GENERATION,
TRANSMISSION, AND DISTRIBUTION OF ELECTRIC POWER ACT, 1997
AGAINST THE DECISION DATED 05.12.2017 PASSED BY PROVINCIAL
OFFICE OF INSPECTION LAHORE REGION, LAHORE**

For the appellant:

Mr. Muhammad Arif Malhi Advocate

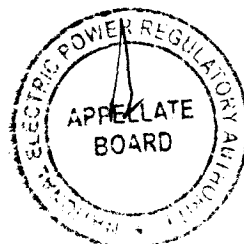
Mr. Jamshaid Khursheed SDO

For the respondent:

Nemo

DECISION

1. As per facts of the case, the respondent is an industrial consumer of Lahore Electric Supply Company Limited (hereinafter referred to as LESCO) bearing Ref No.24-11122-2621156 with a sanctioned load of 101kW under B-2(b) tariff. The date and time of the TOU billing meter of the respondent was found disturbed by metering and testing (M&T) LESCO on 08.01.2015 as per its report dated 28.07.2015. There after LESCO charged the average bills @ 45,720 units/131 kW MDI per month for the periods March 2015 to January 2016 & March 2016 to July 2016 excluding June 2016 on the basis of highest monthly consumption. The metering



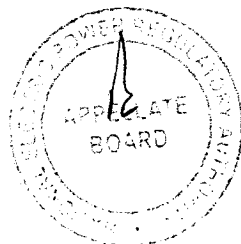


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equipment of the respondent was again checked by M&T LESCO on 09.06.2016, wherein both the TOU billing and backup meters were found within permissible limits but the discrepancy of disturbed date and time was noticed in the TOU billing meter. LESCO again charged two detection bills of Rs.1,170,678/- of 45,720/131 kW MDI for February 2016 and Rs.357,213/- of 28,520 units for June 2016 on account of less charging of units/MDI during the said months.

2. Being aggrieved with the exaggerated billing, the respondent filed two applications before the Provincial Office of Inspection (POI) and disputed the bills for the period March 2015 to July 2016 and both the detection bills of February 2016 and June 2016. The matter was decided by POI vide its decision dated 05.12.2017 with the following conclusion.

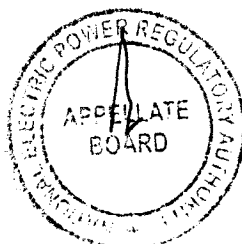
“Summing the foregoing discussion, it is held that the impugned monthly bills from 03/2015 to 07/2016 charged on exaggerated average of 45,720 units/131 KW MDI per month as well as charging of the additional detection bill amounting to Rs.1,170,678/- and Rs.357,213/- charged in the bill of 06/2016 and Rs.2,155,733/- charged in the bill for 07/2016 are 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 months of 03/2015 to 07/2016 and onwards till the replacement of the impugned billing meter/shifting of billing to an accurate meter, on the basis of the consumption recorded during the corresponding months of the previous year being undisputed between the parties, after excluding the already charged units during the said period. The respondents are directed to overhaul the account of the petitioner accordingly and any excess amount recovered be adjusted in future bills.”





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3. LESCO has filed the instant appeal against the above mentioned decision (hereinafter referred to as the impugned decision) inter-alia on the grounds that the POI passed the impugned decision in violation of section 26(6) of Electricity Act, 1910; that the POI failed to consider M&T LESCO checking dated 09.06.2016, wherein the date and time of the TOU billing meter were found disturbed; and that the consumption after meter change order (MCO) is correct.
4. Notice of the appeal was served to the respondent for filing reply/para-wise comments, which however were not filed.
5. After issuing notices to the parties, the hearing of the appeal was held at Lahore on 29.10.2018, wherein Mr. Arif Malhi advocate along with Mr. Jamshaid Khursheed SDO represented the appellant LESCO but no one appeared for the respondent. Learned counsel for LESCO contended that the TOU billing meter of the respondent was found erratic with date and time malfunctioning during LESCO checking dated 08.01.2015 and 09.06.2016. As per learned counsel for LESCO, actual consumption was not recorded during the period March 2015 to July 2016 due to defective meter, hence the respondent was charged bills during the said period on the basis of one month's highest consumption. Regarding the detection bills for February 2016 and June 2016, learned counsel for LESCO argued that the said detection bills were charged on account of less charging of units/MDI during the said months. Learned counsel for LESCO termed the bills for the period March 2015 to July 2016

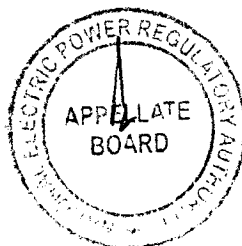




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and the detection bills for February 2016 and June 2016 as justified and payable by the respondent.

6. Arguments heard and record perused. The metering equipment of the respondent was checked by LESCO on 08.01.2015 and 09.06.2016 and on both the occasions, reportedly the TOU billing meter of the respondent was found defective with date and time upset. LESCO charged the average bills @ 45,720 units/131 kW MDI for the periods March 2015 to January 2016, March 2016 to May 2016, July 2016 and two detection bills of Rs.1,170,678/- & Rs.357,213/- for February 2016 and June 2016 respectively on the basis of highest monthly consumption. Pursuant to clause 4.4(e) of Consumer Service Manual (CSM), the consumer is liable to be charged on DEF-EST code due to a defective meter, which provides to charge the electricity bill on the basis of 100% of consumption of corresponding month's consumption of previous year or average consumption of last eleven months, whichever is higher. In the instant case, LESCO charged the average/detection bills for the period March 2015 to July 2016 on the basis of one month's highest consumption in violation of the foregoing clause of CSM. Hence, the electricity bills charged @ 45,720 units/131 kW MDI for the periods March 2015 to January 2016, March 2016 to May 2016, July 2016 and the detection bills of Rs.1,170,678/- for February 2016 and Rs.357,213/- for June 2016 are declared null and void, however, the respondent should be charged the electricity bills for the period March 2015 to July 2016 on the basis of corresponding month's consumption of previous year or average consumption of last eleven months,





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whichever is higher as prescribed in clause 4.4 (e) of CSM.

7. The appeal is disposed of in above terms.

Muhammad Qamar-uz-Zaman
Member

Nadir Ali Khoso
Convener

Muhammad Shafique
Member

Dated: 13.12.2018

