



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/074/2018/ 964-968

October 28, 2020

1. Kashif Amanat  
S/o. Amanat Ali,  
Liaquat Market, Chowk Begum Kot,  
Shahdara, Lahore
2. Chief Executive Officer  
LESCO Ltd,  
22-A, Queens Road,  
Lahore
3. Mian Muhammad Mudassar Bodla  
Advocate Supreme Court,  
Syed Law Building,  
4-Mozang Road, Lahore
4. Assistant Manager (Opr),  
LESCO Ltd,  
City Sub Division,  
Muridke, District Sheikhpura
5. Electric Inspector/POI  
Gujranwala Region,  
Govt. of Punjab, Munir Chowk,  
Near Kacheri Road, Gujranwala

Subject: Appeal Titled LESCO Vs. Kashif Amanat Against the Decision Dated 18.07.2012 of the Provincial Office of Inspection to Government of the Punjab Gujranwala Region, Gujranwala

Please find enclosed herewith the decision of the Appellate Board dated 27.10.2020, regarding the subject matter, for information and necessary action accordingly.

Encl: As Above

(Ikram Shakeel)  
Assistant Director  
Appellate Board

Forwarded for information please.

1. Director (IT) –for uploading the decision on NEPRA website



# National Electric Power Regulatory Authority

## Before Appellate Board National Electric Power Regulatory Authority Islamabad

In the matter of

### Appeal No.074/2018

Lahore Electric Supply Company Limited .....Appellant

Versus

Kashif Amanat S/o Amanat Ali R/o Liaquat Market,  
Chowk Begum Kot, Shahdara, Lahore .....Respondent

### **APPEAL UNDER SECTION 38(3) OF REGULATION OF GENERATION, TRANSMISSION, AND DISTRIBUTION OF ELECTRIC POWER ACT, 1997 AGAINST THE DECISION DATED 18.07.2012 PASSED BY PROVINCIAL OFFICE OF INSPECTION GUJRANWALA REGION, GUJRANWALA**

For the appellant:

Mian Muhammad Mudassar Bodla Advocate

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.27-11652-2601108 with a sanctioned load of 170 kW under the B-2(b) tariff. Metering equipment of the respondent was checked by metering and testing (M&T) LESCO on 18.08.2006 and reportedly the billing meter (the disputed billing meter) was found 11% slow as compared to the backup meter. Said disputed billing meter was found 12.1% slow as compared to the backup meter during another M&T



## National Electric Power Regulatory Authority

LESCO checking dated 24.11.2006. LESCO served a detection bill (first detection bill) of Rs.266,696/- for 25,848 units/416 kW MDI for the period July 2006 to December 2006 (6 months) to the respondent on the recommendation of the audit department vide Audit Note No.036 dated 03.02.2007 and added in the bill of January 2007. Multiplication factor of the respondent was raised from 80 to 91 due to 11% slowness of the disputed billing meter w.e.f February 2007 and onwards. Subsequently, the same disputed billing meter was again checked by M&T LESCO on 11.07.2011 and reportedly it was found 37.9% slow as compared to the backup meter and the total difference of units between the disputed billing and backup meters was observed as 443,168 units. Resultantly, the respondent was charged another detection bill (second detection bill) of Rs.4,050,057/- for 429,087 units [443,168 (total difference) – 25,848 (already charged)] by LESCO. The electric supply of the respondent was disconnected by LESCO on 09.09.2011 due to the nonpayment of the above electricity bills.

2. Being aggrieved, the respondent challenged the above detection bills before the Civil Court Ferozwala. The connection of the respondent was restored by LESCO on 19.09.2011 on the direction of honorable Civil Court. LESCO charged an additional bill of Rs.1,071,128/- to the respondent in November 2011 on account of fuel price adjustment. A new meter was installed in series with the disputed billing meter of the respondent by LESCO in November 2011. Subsequently, the honorable Civil Court vide order dated 11.01.2012 returned the case to the respondent for filing the same at the proper forum. The electric supply of the respondent was again

↓



## National Electric Power Regulatory Authority

disconnected by LESCO on 12.01.2012 due to the nonpayment of arrears of Rs.3,800,000/-. Thereafter, the respondent approached the Provincial Office of Inspection (POI) on 09.05.2012 against the above irregular billing charged by LESCO. The metering equipment of the respondent was checked by POI in presence of both the parties on 29.06.2012 and the disputed billing meter was found 41.42% slow and the backup meter was found working within BSS limits. The complaint of the respondent was disposed of by POI vide its decision dated 18.07.2012 with the following conclusion:

*"In the light of above facts, it is held that the disputed meter was correct till 07/2006 and it became slow by 11% w.e.f 08/2006 onward till 05/2011, whereas the disputed meter became 37.9% slow w.e.f 06/2011 and onward till the replacement of the impugned meter in 11/2011; therefore the impugned detection bill for Rs.4,050,057/-, impugned fuel price adjustment thereon as Rs.1071127.65/- the billing charged with MF=91 on KVARH/MDI and the difference of 25848 units posted/recovered in the bill for 01/2007 are void, unjustified and of no legal effect and the petitioner is not liable to pay the same. However, the respondents are directed to charge 11% slowness w.e.f 08/2006 till 05/2011 and 37.9% slowness w.e.f 06/2011 onward till the replacement of the impugned meter and they are further directed to restore the connection of the petitioner immediately. The respondents are also directed to overhaul the account of the petitioner and adjust in future bills, the amount Rs.500,000/- deposited by the petitioner during civil litigation."*

*A*



## National Electric Power Regulatory Authority

3. Being dissatisfied, LESCO initially filed an appeal before the Advisory Board, Lahore on 31.07.2012 and assailed the POI decision dated 18.07.2012, which was disposed of by the Advisory Board vide order dated 18.09.2012. The operative portion of which is reproduced below:

*“In the light of the above discussion, Advisory Board is of the considered opinion that the impugned decision of the Electric Inspector is constituent of this role as “Office of Inspection” depicted under Section 38 of NEPRA Act 1997 and appeal against the decision/order is preferable to Authority (NEPRA) under the prevailing subsection 3 of Section 38 of NEPRA Act, 1997 notified vide the Gazette of Pakistan dated 29.09.2011. The appellants are at liberty to approach the Authority for seeking remedy in their cause.”*

4. LESCO filed writ petition No.31335/2012 before Lahore High Court Lahore against the aforesaid order of the Advisory Board. Honorable High Court, Lahore dismissed the writ petition No.31335/2012 of LESCO vide order dated 12.02.2018. Consequently, LESCO has filed the instant appeal against the POI decision dated 18.07.2012 (hereinafter referred to as the impugned decision) before NEPRA. In its appeal, LESCO explained that the disputed billing meter of the respondent remained slow during various checkings dated 07.09.2006, 24.11.2006 and 11.07.2011, hence two detection bills [first detection bill of Rs.266,696/- for 25,848 units/416 kW MIDI for the period July 2006 to December 2006 + second detection bill of Rs.4,050,057/- for 429,087 units] were charged to the respondent. LESCO contended that 41.42% slowness in the disputed billing meter was established during POI joint checking



## National Electric Power Regulatory Authority

dated 29.06.2012 but POI directed to debit 11% slowness and 37.9% slowness for the period August 2006 to May 2011 and for the period June 2011 and onwards till the replacement of the disputed billing meter respectively. As per LESCO, POI has afforded the relief beyond the prayer of the respondent by declaring the first detection bill of 25,848 units for January 2007 as void. According to LESCO, the POI admitted the gradual increase in slowness (11% to 41.42%) of the disputed billing meter but did not consider this aspect. LESCO prayed for setting aside the impugned decision.

5. Notice of the appeal was issued to the respondent for filing reply/para-wise comments, which however were not submitted.
6. Notice was issued and hearing of the appeal was conducted at NEPRA Regional Office Lahore on 04.09.2020, which was attended by the learned counsel for LESCO and no one appeared for the respondent. Learned counsel for LESCO reiterated the same arguments as prescribed in the memo of the appeal and contended that the disputed billing meter remained slow as compared to the backup meter since the date of installation i.e. March 2006 till its replacement in November 2011 and the gradual increase in the slowness of the disputed billing meter was also confirmed by POI during joint checking dated 29.06.2012. Learned counsel for LESCO termed the first detection bill of 25,848 units and the second detection bill of 429,087 units as justified and payable by the respondent. Learned counsel for LESCO assured to provide the consumption data/reading sheet of both the disputed billing and backup meters within ten days to support his contention regarding the above detection bills.



## National Electric Power Regulatory Authority

7. Arguments heard and the record examined. It is observed as under:

- i. LESCO issued a service connection order (SCO) dated 04.02.2006 to the respondent and his connection was energized on 15.03.2006. Subsequently, the metering equipment of the respondent was checked by M&T LESCO thrice as per detail given below:

M&T checking dated	Billing meter	Backup meter
18.08.2006	11% slow	Ok
24.11.2006	12.1% slow	Ok
11.07.2011	37.9% slow	Ok

Consequently, LESCO charged three bills to the respondent i.e. first detection bill of Rs.266,696/- for 25,848 units/416 kW MDI for the period July 2006 to December 2006 on the basis Audit Note No.036 dated 03.02.2007, the second detection bill of Rs.4,050,057/- for 429,087 units being the difference of readings between the disputed billing and backup meters and the adjustment bill of Rs.1,071,128/ for July 2011 on account of fuel price adjustment. The disputed billing meter of the respondent was replaced with a new meter by LESCO in November 2011. The respondent assailed before POI the aforesaid bills charged by LESCO.

- ii. 41.42% slowness in the disputed billing meter was established during the POI joint checking dated 29.06.2012. It is also an admitted fact that the slowness in the disputed billing meter increased from 11% to 37.9% during the period August 2006 (first LESCO checking) to July 2011 (Last LESCO checking) but LESCO neither replaced the disputed billing meter nor got checked by POI being a

1



competent forum for the determination of its accuracy during this long period of five years.

- iii. It is further observed that the first detection bill of Rs.266,696/- for 25,848 units/416 kW MDI for the period July 2006 to December 2006 was debited on the basis

Audit Note No.036 dated 03.02.2007 but LESCO did not provide any document i.e. checking report, prior notice, first detection bill proforma and audit note to justify the charging of the first detection bill. Even otherwise, the audit observation is an internal matter between the LESCO and the Audit Department and the respondent cannot be held responsible for payment of any detection bill based on audit note. In this regard, reliance is placed on the cases reported in 2014 MLD 1253 titled M/s. Mahmood Textile Mills v/s MEPCO and 2008 YLR 308 titled WAPDA v/s Fazal Karim. In consideration of the above, the first detection bill of Rs.266,696/- for 25,848 units/416 kW MDI for the period July 2006 to December 2006 charged by LESCO is unjustified and liable to be declared null and void as already decided by POI.

- iv. Similarly, the second detection bill of Rs.4,050,057/- for 429,087 units along with the fuel price adjustment of Rs.1,071,128/- for the period March 2006 to July 2011 was debited to the respondent on account of the difference of readings between the disputed billing and backup meters. However, LESCO failed to provide the consumption data/reading sheet of both the disputed billing and backup meters for the period March 2006 to July 2011 for the determination of





## National Electric Power Regulatory Authority

quantum of the slowness of the disputed billing meter. Moreover, LESCO neither served prior notice to the respondent regarding the above discrepancy nor associated him during the alleged checking dated 11.07.2011. Under these circumstances, the second detection bill of Rs.4,050,057/- for 429,087 units along with the fuel price adjustment of Rs.1,071,128/- for the period March 2006 to July 2011 debited to the respondent on account of the difference of readings between the disputed billing and backup meters is declared null and void, which is also the determination of POI.

- v. Question arises what to be charged to the respondent. Since 11% slowness in the disputed billing meter was initially observed by LESCO in August 2006, hence the respondent may be charged the bills for the period August 2006 to April 2011 @ 11% slowness of the disputed billing meter. Subsequently, 37.9% slowness in the disputed billing meter was observed by LESCO on 11.07.2011, hence the respondent may be charged the detection bill for two months i.e. May 2011 to June 2011 @ 37.9 % slowness as per clause 4.4 of the Consumer Service Manual (CSM) and the bills for the period July 2011 to November 2011 (till replacement of the disputed billing meter) may be charged with enhanced MF=128.82 to account 37.9% slowness of the disputed meter. The impugned decision is liable to be modified to this extent.

8. Forgoing in view, it is concluded as under:

- i. The impugned decision to the extent of cancellation of the first detection bill of Rs.266,696/- for 25,848 units/416 kW MDI for the period July 2006 to





## National Electric Power Regulatory Authority

December 2006, the second detection bill of Rs.4,050,057/- for 429,087 units and the fuel price adjustment of Rs.1,071,128/- for the period March 2006 to July 2011 is correct and maintained.

- ii. The respondent may be charged the bills for the period August 2006 to April 2011 @ 11% slowness of the disputed billing meter and the bills from May 2011 to November 2011 (till replacement) @ 37.9% slowness of the disputed billing meter.
  - iii. The billing account of the respondent should be revised as per paras i to ii above and payments made (if any) during the said periods be adjusted accordingly.
9. The impugned decision is modified in the above terms.

Muhammad Qamar-uz-Zaman  
Member

Muhammad Shafique  
Member

Nadir Ali Khoso  
Convener

Dated: 27.10.2020

