



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

NEPRA Office , Ata Turk Avenue (East), G5/1, Islamabad
Tel. No. +92 051 2013200 Fax No. +92 051 2600030
Website: www.nepra.org.pk E-mail: office@nepra.org.pk

No. NEPRA/AB/Appeal/233/POI/2019/ 637

January 19, 2021

1. Office Incharge
National Savings Centre,
Baghbanpura, Lahore
2. Chief Executive Officer
LESCO Ltd,
22-A, Queens Road,
Lahore
3. Mehar Shahid Mehmood
Advocate High Court,
Office No. 34, Third Floor,
Ali Plaza, 3-Mozang Road,
Lahore
4. Sub Divisional Officer (Opr),
LESCO Ltd,
Baghbanpura Sub Division,
Lahore
5. Electric Inspector/POI
Lahore Region, Energy Department,
Govt. of Punjab, Block No. 1,
Irrigation Complex, Canal Bank,
Dharampura, Lahore

Subject: **Appeal Titled LESCO Vs. Office Incharge National Savings Baghbanpura Lahore Against the Decision Dated 25.06.2019 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 08.01.2021, regarding the subject matter, for information and necessary action accordingly.

Encl: **As Above**

(Ikram Shakeel)
Deputy Director (M&E)
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.233/POI-2019

Lahore Electric Supply Company Limited

.....Appellant

Versus

Office Incharge, National Savings Centre, Baghbanpura, Lahore

.....Respondent

APPEAL UNDER SECTION 38(3) OF REGULATION OF GENERATION, TRANSMISSION AND DISTRIBUTION OF ELECTRIC POWER ACT, 1997 AGAINST THE DECISION DATED 25.06.2019 PASSED BY PROVINCIAL OFFICE OF INSPECTION LAHORE REGION LAHORE

For the appellant:

Mehar Shahid Mahmood advocate

Mr. Sajjad Alam SDO

For the respondent:

Mr. Khaliq Hussain

DECISION

1. Brief facts giving rise to the filing of instant appeal are that Lahore Electric Supply Company Limited (hereinafter referred to as LESCO) is a licensee of National Electric Power Regulatory Authority (hereinafter referred to as NEPRA) for distribution of electricity in the territory specified as per terms and conditions of the license and the respondent is its commercial consumer bearing Ref No.44-11354-0504700-U having a sanctioned load of 5 kW under the applicable tariff A-2C. Billing meter of the respondent was found defective in October 2017 and it was replaced with a new meter by LESCO



National Electric Power Regulatory Authority

in February 2018. The removed billing meter of the respondent was checked by metering and testing (M&T) LESCO on 09.03.2018 but the data could not be downloaded as the meter was found dead stop. After issuing notice dated 26.03.2018 to the respondent regarding the said discrepancy, a detection bill of Rs.516,464/- for 30,004 units for the period May 2017 to October 2017 (6 months) was debited by LESCO to the respondent and added in the bill for May 2018.

2. Being aggrieved, the respondent filed an application before the Provincial Office of Inspection (POI) on 19.02.2019 and challenged the above detection bill along with the bills for October 2017 to January 2018. The matter was decided by POI vide decision dated 25.06.2019 in which the above detection bill along with bills for October 2017 to January 2018 were cancelled and LESCO was allowed to charge the bills w.e.f September 2017 and onwards till the replacement of the defective meter on the basis of consumption of September 2016 and onwards.
3. The appeal in hand has been filed by LESCO against the above decision inter-alia on the grounds that the meter under dispute was checked on 09.03.2018 and it was found dead stop; that the detection bill of Rs.516,464/- for 30,004 units for the period May 2017 to October 2017 was charged to the respondent on the basis of above checking; that POI did not apply his judicious mind and passed the impugned decision based on assumptions and presumptions; that the impugned decision is against the facts and law and liable to be set aside.
3. Notice of the appeal was served upon the respondent for filing reply/para-wise comments,



National Electric Power Regulatory Authority

which were filed on 24.10.2019. In his reply, the respondent explained the facts of the case that the exaggerated bills for the period September 2017 to January 2018 were charged by LESCO due to a defective meter, which was replaced with a new meter in February 2018; that the consumption recorded by the new meter during the summer season is even lower than the consumption of the disputed period of the winter season; that LESCO did not produce the disputed meter before POI for checking; that the detection bill of Rs.516,464/- for 30,004 units for the period May 2017 to October 2017 was charged in violation of clause 4.4 of the Consumer Service Manual (CSM) and that the appeal is liable to be dismissed.

4. After issuing notice, hearing of the appeal was held in NEPRA Regional Office Lahore on 30.12.2020 in which both the parties were present. Learned counsel for LESCO repeated the same contentions as given in memo of the appeal and contended that the meter of the respondent was found defective in October 2017 and it was replaced with a new meter by LESCO in February 2018. As per learned counsel for LESCO, the detection bill of Rs.516,464/- for 30,004 units for the period May 2017 to October 2017 was debited to the respondent as per provisions of CSM. Learned counsel for LESCO termed the above detection bill as justified and payable by the respondent. On the other hand, the representative for the respondent supported the impugned decision and prayed for upholding the same.
5. Arguments heard and record perused. Following are our observations:
 - i. LESCO charged the estimated bills for the period October 2017 to January 2018 to



National Electric Power Regulatory Authority

the respondent due to the defective meter, which was replaced with a new meter in February 2018. Subsequently, LESCO charged a detection bill of Rs.516,464/- for 30,004 units for the period May 2017 to October 2017 (6 months) to the respondent in May 2018. The respondent challenged the above billing before POI.

- ii. Charging the detection bill for six months (May 2017 to October 2017) to the respondent in case of a defective meter in violation of clause 4.4 of CSM. The said clause of CSM allows LESCO to charge the detection bill maximum for two billing cycles due to defective meter. Besides the above detection bill was charged to the respondent on the basis of connected load which is also inconsistent with clause 4.4 of CSM. Moreover, the disputed billing meter was not produced by LESCO before POI for verification of defectiveness. Under these circumstances, the detection bill of Rs.516,464/- for 30,004 units for the period May 2017 to October 2017 charged by LESCO is unjustified and may be cancelled, which is also the determination of POI.
- iii. As the meter of the respondent was found defective in October 2017, hence it would be judicious to charge the detection bill for two retrospective months i.e. September 2017 and October 2017 and onwards billing till the replacement of the defective meter in February 2018 on the basis of consumption of corresponding month of the previous year or average consumption of last eleven undisputed months, whichever is higher in pursuance of clause 4.4 of CSM. The impugned decision is liable to be modified to this extent.



National Electric Power Regulatory Authority

6. From what has been discussed above, it is concluded that the impugned decision for declaring the detection bill of Rs.516,464/- for 30,004 units for the period May 2017 to October 2017 as null and void is in accordance with facts and law and does not call for any interference and is maintained to this extent. However, the respondent should be charged the bills of September 2017 and onwards till the replacement of the defective meter on the basis of consumption of the corresponding month of the previous year or average consumption of the last eleven undisputed months, whichever is higher in pursuance of clause 4.4 of CSM. The billing account of the respondent may be overhauled accordingly.
7. The impugned decision is modified in the above terms.

Muhammad Qamar-uz-Zaman
Member/SA (Finance)

Nadir Ali Khoso
Convener/DG (M&E)

Muhammad Shafique
Member/SA (Legal)

Dated: 08.01.2021