



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

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No. NEPRA/AB/Appeal/264/POI/2019/ 299

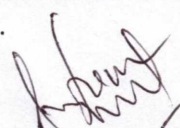
November 22, 2021

- |  |   |
|--|---|
| 1. Muhammad Asghar<br>S/o. Muhammad Nazir,<br>Through Shaukat Ali,<br>R/o. 474, Samundri Road,<br>Near Khurshid Masjid,<br>Hanjarwala, Lahore            | 2. Chief Executive Officer<br>LESCO Ltd,<br>22-A, Queens Road,<br>Lahore          |
| 3. Saeed Ahmed Bhatti<br>Advocate High Court,<br>66-Khyber Block, Allama Iqbal Town,<br>Lahore   | 4. Assistant Manager (Opr),<br>LESCO Ltd,<br>Mustafa Town Sub Division,<br>Lahore |
| 5. POI/Electric Inspector<br>Lahore Region, Energy Department,<br>Govt. of Punjab, Block No. 1,<br>Irrigation Complex, Canal Bank,<br>Dharampura, Lahore |   |

Subject: **Appeal Titled LESCO Vs. Muhammad Asghar Against the Decision Dated 28.06.2019 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 09.11.2021, 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

In the matter of

### Appeal No.264/POI-2019

Lahore Electric Supply Company Limited

.....Appellant

Versus

Muhammad Asghar S/o Muhammad Nazir Through Shaukat Ali Samsaani  
Road Near Khursheed Masjid Hanjarwala, Lahore

.....Respondent

### **APPEAL UNDER SECTION 38(3) OF REGULATION OF GENERATION, TRANSMISSION, AND DISTRIBUTION OF ELECTRIC POWER ACT, 1997 AGAINST THE DECISION DATED 28.06.2019 PASSED BY PROVINCIAL OFFICE OF INSPECTION LAHORE REGION, LAHORE**

For the Appellant:

Mr. Saeed Ahmed Bhatti advocate

For the Respondent:

Nemo

### DECISION

1. Briefly speaking, the Respondent is an industrial consumer of Lahore Electric Supply Company Limited (LESCO) bearing Ref No.46-11237-0400990-U having sanctioned load of 7 kW and the applicable tariff is B-1(b). The billing meter of the Respondent was found defective and replaced with a new meter by LESCO in February 2018. Thereafter, a detection bill of Rs.192,864/- for the cost of 15,000 units was debited to the Respondent on account of less charged units against which the Respondent paid an amount of Rs.130,000/- in February 2018.
2. Being aggrieved, the Respondent agitated the above detection bill before the Provincial Office of Inspection, Lahore Region, Lahore (the POI) on 25.06.2018. The complaint of the Respondent was disposed of by the POI vide decision dated 28.06.2019 in which the bill of Rs.192,864/- for 15,000 units debited to the Respondent in February 2018 was





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cancelled and LESCO was allowed to charge the bills to the Respondent w.e.f January 2018 and onwards till the replacement of defective meter on the basis of consumption of January 2017 and onwards.

3. Appeal in hand has been filed by LESCO against the POI decision dated 28.06.2019 (hereinafter referred to as the impugned decision) before NEPRA wherein the impugned decision was opposed on the following grounds (1) the billing meter of the Respondent was found defective in February 2018 and 15,002 units were found uncharged during replacement of defective meter in February 2018; (2) the detection bill of Rs.192,864/- for the cost of 15,000 units was charged to the Respondent on the basis of said checking; (3) the POI ignored the real facts of the case and revised the period of above detection bill for two months i.e. January 2018 and February 2018 as per the Clause 4.4 of the Consumer Service Manual (CSM); (4) the impugned decision was pronounced by the POI after the expiry of the statutory period of ninety (90) days, which is violative of Section 26(6) of Electricity Act 1910 and that the impugned decision is ex-facie coram non-judice, ab initio void and without jurisdiction and liable to be set aside.
4. Notice was sent to the Respondent to submit reply/para-wise comments to the appeal, which however were not filed.
5. After issuing the notice, hearing of the appeal was conducted at the NEPRA Regional Office Lahore on 21.10.2021 wherein learned counsel appeared for the Appellant LESCO and no one entered an appearance for the Respondent. Learned counsel for LESCO reiterated the same arguments as given in memo of the appeal and contended that the defective meter of the Respondent was replaced with a new meter by LESCO in February





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2018. Learned counsel for LESCO further contended that the bill of Rs.192,864/- for 15,000 units was debited to the Respondent due to less charged consumption. As per learned counsel for LESCO, consumption of the Respondent increased significantly after the replacement of the defective meter, which justifies the charging of the above-said bill. According to learned counsel for LESCO, defectiveness in the meter of the Respondent was admitted by the POI and a detection bill of two (2) months i.e. January 2018 and February 2018 was allowed, as such 15,000 units are recoverable from the Respondent.

6. Having heard arguments and the record perused. Following are our observations:

- i. As regards the preliminary objection of LESCO regarding the failure of the POI in deciding the matter within ninety (90) days as provided in Section 26(6) of Electricity Act, 1910, it is clarified that the period of ninety (90) days provided in Electricity Act, 1910 is not relevant for the Provincial Offices of Inspection (the POI) established under Section 38 of NEPRA Act, 1997. NEPRA is the appellate authority against the decisions of the POI and not that of Electric Inspectors. Same has already been held by Honorable Lahore High Court in the following cited judgments, PLJ 2017-Lahore-627 and PLJ-2017-Lahore-309 that the impugned order was passed by the POI under section 38 of NEPRA Act, 1997 and not by Electric Inspector under Electricity Act, 1910. Therefore, the specified time limit of ninety (90) days is inapplicable. The objection of LESCO in this regard is devoid of force, therefore rejected.
- ii. The billing meter of the Respondent was declared as defective by LESCO and was replaced with a new meter in February 2018. Thereafter, a bill of Rs.192,864/- for the cost of 15,000 units was charged by LESCO to the Respondent in February 2018 due to less charge consumption, which was disputed by him before the POI.





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iii. LESCO did not produce any document i.e. test check proforma, meter change order, detection proforma, segregation of 15,000 units before us in support of their stance with regard to the charging of the above-said bill. LESCO even failed to give the justification of charging such huge consumption in February 2018. Besides, the disputed meter was not produced before the POI for checking. Perusal of billing statement as provided by LESCO revealed that the disputed billing meter of the Respondent remained installed for the period September 2015 to February 2018 thirty (30) months. To further ascertain the justification of the disputed bill, an analysis of consumption data is done below:

Period: September 2015 to February 2018 (30 months)	
Units/month already charged	Units/month assessed as per Annex-VIII of CSM
= $\frac{\text{Total Units already charged}}{\text{No. of Months}}$	= Sanctioned Load (kW) x L.F x No. of Hrs/month
= $\frac{70,633}{30} = 2,354 \text{ units}$	= $7 \times 0.4 \times 730 = 2,044 \text{ Units}$

From the above table, it is evident that the bills already charged @ 2,354 units/month during the period September 2015 to February 2018 are higher than the units/month assessed as per the CSM. As such the Respondent cannot be further burdened by imposing another bill for the same period on account of less charged units. We are inclined to agree with the determination of the POI for cancellation of the bill of Rs.192,864/- of 15,000 units charged by LESCO to the Respondent in February 2018.

iv. Since the meter under dispute was found defective in February 2018, the Respondent is liable to be charged the bills for two (2) previous months i.e. January 2018 and February 2018 on the basis of consumption of January 2017 and February 2017 or an average consumption of last eleven (11) months i.e. February 2017 to December 2017,





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whichever is higher as per the Clause 4.4 of CSM. The impugned decision is liable to be modified to this extent.

7. Forgoing in preceding paragraphs, it is concluded that the bill of Rs.192,864/- of 15,000 units charged by LESCO to the Respondent in February 2018 is unjustified and declared null and void. The Respondent should be charged the bills for the months i.e. January 2018 and February 2018 on the basis of consumption of January 2017 and February 2017 or an average consumption of last eleven (11) months i.e. February 2017 to December 2017, whichever is higher as provided in Clause 4.4 of the CSM. The billing account of the Respondent may be overhauled after the adjustment of payments made, if any against the above bill.
8. The appeal is disposed of in the above terms.

Abid Hussain  
Member/Advisor (CAD)

Maria Rafique  
Member/ Legal Advisor

Nadir Ali Khoso  
Convener/Senior Advisor (CAD)

Dated: 09.11.2021

