

# Before the Appellate Board National Electric Power Regulatory Authority (NEPRA)

Islamic Republic of Pakistan

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No. NEPRA/AB/Appeal/014/POI/2020/ 156

February 08, 2022

 Agha Shahid Mehmood, S/o. Agha Zahid Mehmood, R/o. 53, Ravi Road, Lahore

- Chief Executive Officer LESCO Ltd,
   22-A, Queens Road,
   Lahore
- Saeed Ahmed Bhatti,
   Advocate High Court,
   66-Khyber Block, Allama Iqbal Town,
   Lahore
- Sub Divisional Officer (Opr), LESCO Ltd, Data Nagar Sub Division, Lahore
- 5. POI/Electric Inspector
  Lahore Region, Energy Department,
  Govt. of Punjab, Block No. 1,
  Irrigation Complex, Canal Bank,
  Dharampura, Lahore

Subject:

Appeal Titled LESCO Vs. Agha Shahid Mehmood Against the Decision Dated 27.09,2019 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 02.02.2022, 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



#### **Before Appellate Board**

In the matter of

#### Appeal No. 014/POI-2020

Lahore Electric Supply Company Limited	Appellant
Versus	
Agha Shahid Mehmood S/o Agha Zahid Mehmood,	
R/o.53, Ravi Road, Lahore	Respondent

APPEAL UNDER SECTION 38(3) OF REGULATION OF GENERATION, TRANSMISSION, AND DISTRIBUTION OF ELECTRIC POWER ACT, 1997 AGAINST THE DECISION DATED 27.09.2019 PASSED BY PROVINCIAL OFFICE OF INSPECTION LAHORE REGION, LAHORE

For the Appellant:
Mr. Saeed Ahmed Bhatti Advocate

For the Respondent: Nemo

#### **DECISION**

- 1. Through this decision, an appeal filed by the Lahore Electric Supply Company Limited (hereinafter referred to as the LESCO) against the decision dated 27.09.2019 of the Provincial Office of Inspection, Lahore Region, Lahore (hereinafter referred to as the POI) is being disposed of.
- 2. LESCO is a licensee of the National Electric Power Regulatory Authority (hereinafter referred to as the NEPRA) for the distribution of electricity in the

Appeal No.014-2020

Page 1 of 6



territory and as per terms and conditions specified in the license and the Respondent is its industrial consumer bearing Ref No.46-11151-0489409 with a sanctioned load of 6 kW under the B-1(b) Tariff category. As per the stated facts of the case, the billing meter of the Respondent was found defective with washed display during the LESCO checking for which notice dated 05.09.2018 was issued to the Respondent. Thereafter, a detection bill of Rs.71,425/- for 4,995 units was charged to the Respondent by the LESCO on the basis of connected load and included in the bill for January 2019. The disputed meter of the Respondent was sent to the Metering and Testing (M&T) laboratory for the data retrieval, which however could not be retrieved due to error.

- 3. Being dissatisfied, the Respondent filed a complaint before the POI on 07.03.2019 and disputed the above detection bill, which was disposed of vide the POI decision dated 27.09.2019, wherein the detection bill of Rs.71,425/- for 4,995 units was declared null and void. As per the POI decision, LESCO was allowed to charge the bill of January 2019 on the basis of consumption of January 2018.
- 4. Subject appeal has been filed by the LESCO against the afore-mentioned decision (hereinafter referred to as the impugned decision) before the NEPRA. In its appeal, the LESCO objected to the maintainability of the impugned decision, inter alia, on the following grounds, (1) the display of the billing meter of the Respondent was found vanished, therefore notice dated 05.09.2018 was issued to the Respondent; (2) the detection bill of Rs.71,425/2 for 4,995 units was debited to the Respondent

Appeal No.014-2020

Page 2 of 6



on the basis of connected load; (3) the POI neither recorded the evidence nor perused the relevant record/consumption data in true perspective and decided the application of the Respondent on mere surmises and conjectures without any justification and cogent reasons; (5) the impugned decision was rendered by the POI after the expiry of statutory period of ninety (90) days, hence it is ex-facie corum non judice, ab-initio void and without jurisdiction; (6) the Respondent did not serve notice prior to filing the complaint to the POI as required under Section 26(6) of the Electricity Act, 1910. LESCO finally prayed that the impugned decision be set aside.

- 5. The Respondent was issued notice for filing reply/para-wise comments, which were not filed.
- 6. Hearing of the appeal was conducted at the NEPRA Regional Office Lahore on 14.01.2022, wherein learned counsel appeared for the LESCO, however, no one appeared for the Respondent. Learned counsel for the LESCO reiterated the same contentions as given in memo of the appeal and stated that the detection bill of Rs.71,425/- for 4,995 units was debited to the Respondent based on connected load since the billing meter of the Respondent was found defective with display washed on 05.09.2018. Learned counsel for the LESCO opposed the determination of POI for revision of the bill of January 2019 as per consumption of January 2018 and prayed to allow the bills to be charged as per criteria laid down in Chapter 4 of the Consumer Service Manual (CSM).

Appeal No 014-2020

Page 3 of 6



- 7. Arguments heard, perused the record placed before us and our observations are as under:
  - i. With regard to the preliminary objection of the LESCO for the failure of the POI in deciding the matter within ninety (90) days as provided under Section 26(6) of the Electricity Act, 1910, it is clarified that the period of ninety (90) days provided in the Electricity Act, 1910 is not relevant for the POI established under the Section 38 of NEPRA Act, 1997. NEPRA is the appellate authority against the decisions of the POI and not that of Electric Inspectors. The same has already been held by the Honorable Lahore High Court, Lahore in the judgments reported in PLJ 2017-Lahore-627 and PLJ-2017-Lahore-309. Therefore, the stated time limit of ninety (90) days is inapplicable. The objection of the LESCO in this regard carries no weight, therefore rejected.
  - ii. As regards another objection of the LESCO for not issuing notice as per the Electricity Act, 1910 by the Respondent before filing a complaint to the POI, it is elucidated that the matter was adjudicated by the POI under the NEPRA Act, 1997 and as per procedure laid down in Punjab (Establishment and Powers of Office of Inspection) Order, 2005, which do not require for service of any notice before approaching the POI. The above objection of LESCO is not valid, therefore overruled.
  - iii. LESCO charged the detection bill of Rs.71,425/- for 4,995 units due to the

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defective meter with vanished display as observed on 05.09.2018. According to Clause 4.4 of the CSM, a consumer can be charged the detection bill for two months in case of a defective meter and the basis of charging the detection bill be made on 100% consumption of corresponding months of the previous year or average consumption of last eleven months, whichever is higher. However, in the instant case, LESCO has violated the ibid Clause of the CSM by charging the detection bill on the basis of the connected load. Moreover, no justification was given by LESCO for charging the said detection bill on the connected load instead of the DEF-EST code. LESCO neither provided the detection proforma nor could produce the meter under dispute before the POI for checking. Therefore, we are of the view that the detection bill of Rs.71,425/- for 4,995 units charged by the LESCO is unjustified and declared null and void, which is also the determination of the POI.

- iv. Since the discrepancy of the vanished display was observed in the disputed meter of the Respondent on 05.09.2018, the Respondent may be charged the detection bill for two (2) months i.e. July 2018 and August 2018, pursuant to Clause 4.4(e) of the CSM. Moreover, the bills w.e.f September 2018 and onwards till the replacement of the defective meter be charged on DEF-EST code. The impugned decision is liable to be modified to this extent.
- 8. Summing up the above-narrated facts, we conclude that the detection bill of Rs.71,425/- for 4,995 units charged by the LESCO to the Respondent is unjustified and the same is cancelled. The Respondent may be billed the

Appeal No.014-2020 Page 5 of 6



detection bill of July 2018 and August 2018 two months and the bills with DEF-EST code w.e.f September 2018 and onwards till the replacement of the defective meter as per Clause 4.4 of the CSM. The billing account of the Respondent may be overhauled after the adjustment of credit/debit against the abovementioned disputed period.

9. The impugned decision is modified in the above terms.

Abid Hussain Member/Advisor (CAD) Nadir Ali Khoso Convener/Senior Advisor (CAD)

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Date: 02.02.2022

