



**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](http://www.nepra.org.pk) E-mail: [office@nepra.org.pk](mailto:office@nepra.org.pk)

No. NEPRA/AB/Appeal/066/POI/2021/


February 21, 2022

- |   |  |
|---|--|
| 1. Khalid Masood,<br>S/o. Muhammad Tufail,<br>R/o. Khalid Steel Mills, G. T. Road,<br>Shalimar Town, Lahore,<br>Near Rehmat Masjid, Lakhodair Road,<br>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. Sub Divisional Officer (Operation),<br>LESCO Ltd,<br>Shalamar 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. Khalid Masood Against the Decision Dated 23.02.2021 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 14.02.2022, 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



## National Electric Power Regulatory Authority

### Before Appellate Board

In the matter of

Appeal No. 066/POI-2021

Lahore Electric Supply Company Limited

.....Appellant

Versus

Khalid Masood S/o Muhammad Tufail, R/o Khalid Steel Mills,  
G.T. Road, Shalimar Town, Lahore, Near Rehmat Masjid,  
Lakhodair Road, Lahore

.....Respondent

**APPEAL UNDER SECTION 38(3) OF REGULATION OF GENERATION,  
TRANSMISSION, AND DISTRIBUTION OF ELECTRIC POWER ACT, 1997  
AGAINST THE DECISION DATED 23.02.2021 PASSED BY PROVINCIAL  
OFFICE OF INSPECTION LAHORE REGION, LAHORE**

For the Appellant:

Mr. Saeed Ahmed Bhatti Advocate  
Mr. Shoaib Nawaz SDO

For the Respondent:

Mr. Khalid Hussain

### 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 23.02.2021 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







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territory and as per terms and conditions specified in the license and the Respondent is its industrial consumer bearing Ref No.24-11314-9002501 with a sanctioned load of 55 kW under the B-2(b) Tariff category. As per the stated facts of the case, the billing meter of the Respondent was checked by the Standing Committee LESCO on 22.02.2019 and it was found 33% slow due to the one dead phase. Notice dated 04.03.2019 was issued to the Respondent and a detection bill (hereinafter referred to as the original detection bill) of Rs.2,417,026/- for 76,908 units+796 kW MDI for the period January 2017 to January 2019 twenty-five (25) months was charged to the Respondent by the LESCO along with the bill of February 2019 with enhanced Multiplication Factor (MF)=3 due to 33% slowness of the billing meter.

3. Being dissatisfied, the Respondent initially approached the LESCO against the charging of the afore-referred detection bill. The review committee LESCO vide decision dated 07.02.2020 revised the detection bill of 51602 units+287 kW MDI. The Respondent subsequently filed an application dated 27.10.2020 before the POI and disputed the above detection bills including the revised bill. The complaint of the Respondent was disposed of vide the POI decision dated 23.02.2021, wherein the original detection bill of Rs.2,417,026/- for 76,908 units + 796 kW, MDI for the period January 2017 to January 2019 twenty-five (25) months, and the revised detection bill of 51602 units+287 kW MDI were declared null and void. As per the POI decision, LESCO was allowed to charge the revised detection bill for December 2018 and onwards till the replacement of the defective meter on the basis





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of consumption of December 2017 and onwards.

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 billing meter of the Respondent was found 33% slow on 22.02.2019; (2) the original detection bill of Rs.2,417,026/- for 76,908 units+796 kW MDI for the period January 2017 to January 2019 twenty-five (25) months was debited to the Respondent; (3) the Review Committee LESCO vide decision dated 07.02.2020 revised the detection bill of 51602 units+287 kW MDI, which is payable; (4) Clause 4.4 of the Consumer Service Manual (CSM) could not be made applicable in the instant case for the determination of the detection bill; (5) the impugned decision was rendered by the POI after the expiry of statutory period of ninety (90) days, hence it is ex-facie coram non judice, ab-initio void and without jurisdiction; (6) the Respondent did not serve notice prior filing complaint to the POI as required under Section 26(6) of the Electricity Act 1910. LESCO finally prayed that the impugned decision is liable to 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 30.12.2021, wherein learned counsel appeared for the LESCO and the Respondent was present in person. Learned counsel for the LESCO reiterated the same contentions as given in memo of the appeal and stated that the original detection





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bill of Rs.2,417,026/- for 76,908 units+796 kW MDI for the period January 2017 to January 2019 twenty-five (25) months was debited to the Respondent since the billing meter of the Respondent was found 33% slowness on 22.02.2019. Learned counsel for the LESCO argued that the review committee vide decision dated 07.02.2020 afforded the relief to the Respondent and revised the detection bill of 51602 units+287 kW MDI on the basis of consumption of December 2014 to December 2016. As per learned counsel for the LESCO, the Respondent appeared before the Review Committee and agreed to pay the revised detection bill, as such the Respondent is obligated to pay the same. According to the learned counsel for the Respondent, the dip in consumption during the disputed period January 2017 to January 2019 confirmed 33% slowness in the billing meter, hence the above revised detection bill charged to the Respondent is justified and payable. Learned counsel for the LESCO submitted that the Respondent did not make LESCO as a party before the POI, as such the POI did not proceed in accordance with law. On the contrary, the Respondent repudiated the contentions of the learned counsel for LESCO and averred that the original detection bill was initially disputed before the CEO LESCO from where the revised detection bill was issued, which was not accepted by him. The Respondent stated that as to why LESCO did not point out 33% slowness in the billing meter during the monthly readings and he is not responsible to pay the original detection due to the negligence on the part of LESCO. As per Respondent, the POI rightly revised the detection bill for two months, which is in line with the procedure as laid down in Chapter 4 of the CSM.



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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 does not require for service of any notice before approaching the POI. The above objection of LESCO is not valid, therefore overruled.
- iii. The billing meter of the Respondent was checked by the Standing Committee







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LESCO on 22.02.2019 and it was found 33% slow. Therefore, a detection bill of Rs.2,417,026/- for 76,908 units+796 kW MDI for the period January 2017 to January 2019 twenty-five (25) months was charged to the Respondent by the LESCO along with the bill of February 2019 with enhanced MF=3 due to 33% slowness of the billing meter. The Respondent initially approached the LESCO against the charging of the afore-referred detection bill. The review committee LESCO vide decision dated 07.02.2020 revised the detection bill for 51602 units+287 kW MDI. The Respondent subsequently disputed the original detection bill as well as the revised detection bill before the POI.

iv. According to Clause 4.4 of the CSM, a consumer can be charged the detection bill maximum for two (2) months in case of a slow/defective meter. In the instant case, LESCO has violated the ibid Clause of the CSM by charging the detection bill beyond two (2) months. Moreover, the meter under dispute was not got checked by the POI for verification of slowness. Therefore, we are of the view that the original detection bill of Rs.2,417,026/- for 76,908 units+796 kW MDI for the period January 2017 to January 2019 twenty-five (25) months as well as the revised detection bill of 51602 units+287 kW MDI charged by the LESCO is unjustified and declared null and void, which concurs with the determination of the POI.

v. Since the defectiveness in the disputed meter of the Respondent was observed on 22.02.2019, therefore the Respondent is liable to be charged the detection





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bill for two (2) months i.e. December 2018 and January 2019 as per Clause 4.4 of the CSM and the onwards bills till the replacement of the billing meter of the Respondent on DEF-EST code. The basis of charging the said bills be made @ 100% consumption of corresponding month of the previous year or average consumption of last eleven months, whichever is higher. The impugned decision is liable to be modified to this extent.

8. In view of what has been stated above, it is concluded that the impugned decision for cancellation of the original detection bill of Rs.2,417,026/- for 76,908 units+796 kW MDI for the period January 2017 to January 2019 twenty-five (25) months and revised detection bill of 51602 units+287 kW MDI is correct and maintained to this extent. The Respondent should be charged the bills for December 2018 and onwards till the replacement of defective meter as per 100% consumption of corresponding month of the previous year or average consumption of last eleven months, whichever is higher. The billing account of the Respondent be overhauled after adjusting payments made against the disputed bills.

9. The appeal is disposed of in the above terms.

Abid Hussain  
Member/Advisor (CAD)

Nadir Ali Khoso  
Convener/Senior Advisor  
(CAD)



Date: 14.02.2022