



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

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No. NEPRA/Appeal/070/2021/ 302

March 08, 2024

1. Rai Noor Ahmad,
S/o. Mina Fateh Muhammad,
(Zubair Cold Storage),
R/o. Khursheed Nagar (Pundat)
Jarar Abad, Haveli Lakha,
Tehsil Depalpur, District Okara
Cell No. 0311-9292889

2. Chief Executive Officer,
LESCO Ltd,
22-A, Queens Road,
Lahore

3. Malik Asad Akram Awan,
Advocate High Court,
Sargodha Khushab Law Chambers,
First Floor, Turner Tower,
9-Turner Road, Lahore
Cell No. 0342-9786786

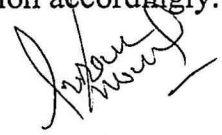
4. Sub Divisional Officer (Operation),
LESCO Ltd,
Bhoma Shah Sub Division,
Depalpur, Okara

5. POI/Electric Inspector
Lahore Region, Energy Department,
Govt. of Punjab, Block No. 1,
Irrigation Complex, Canal Bank,
Dharampura, Lahore

Subject: Appeal No.070/2021 (LESCO Vs. Rai Noor Ahmed) Against the Decision Dated 29.03.2021 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 08.03.2024 (06 pages), regarding the subject matter, for information and necessary action accordingly.

Encl: As Above


(Ikram Shakeel)
Deputy Director
Appellate Board

Forwarded for information please.

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



National Electric Power Regulatory Authority

Before The Appellate Board

In the matter of

Appeal No.070/POI-2021

Lahore Electric Supply Company Limited

.....Appellant

Versus

Rai Noor Ahmed S/o Mian Fateh Muhammad, Prop: Zubair Cold Storage,
R/o Khurshid Nagar, Jaffar Abad, Havelly Lakha,
Tehsil Depalpur, District Okara

.....Respondent

APPEAL UNDER SECTION 38(3) OF THE REGULATION OF GENERATION, TRANSMISSION, AND DISTRIBUTION OF ELECTRIC POWER ACT, 1997

For the Appellant:

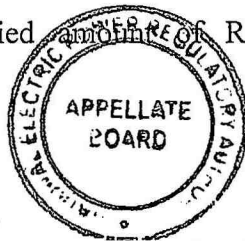
Malik Asad Advocate

For the Respondent:

Rai Noor Ahmed

DECISION

1. As per facts of the case, Mr. Rai Noor Ahmed (hereinafter referred to as the “Respondent”) is an industrial (cold storage) consumer of Lahore Electric Supply Company Limited (hereinafter referred to as the “Appellant”) bearing Ref No.24-11456-2314911 having a sanctioned load of 290 kW and the applicable tariff category is B-2(b). The billing meter was installed in series with the backup meter of the Respondent by the Appellant on 09.12.2015. Later on, the metering equipment of the Respondent was checked by the Metering and Testing (M&T) team of the Appellant on 26.04.2018, and reportedly the billing meter was found 45% slow, the backup meter was found okay and the difference of 68,000 units was noticed between the billing and backup meters readings. The Appellant issued a bill of Rs.2,936,009/- to the Respondent in May 2018, which contained the detection bill of Rs.1,446,312/- for 68,000 units for the period 14.12.2015 to 26.04.2018 charged on the basis of the difference between the billing and backup meters readings. The billing of the Respondent was shifted on the backup meter by the Appellant w.e.f. May 2018 and onwards.
2. Being aggrieved, the Respondent filed a complaint dated 20.07.2018 before the Provincial Office of Inspection, Lahore Region, Lahore (hereinafter referred to as the “POI”) and challenged the bill of Rs.2,936,009/- for May 2018. In his complaint, the Respondent prayed for withdrawal of the unjustified amount of Rs.700,000/- out of the total bill of





National Electric Power Regulatory Authority

Rs.2,936,009/- for May 2018. The disputed billing meter of the Respondent was checked by POI in the presence of both parties on 15.11.2018 and the billing meter was found within BSS limits, The Appellant representatives did not sign the checking report. The complaint of the Respondent was disposed of by the POI vide decision dated 26.12.2018, wherein it was held that the bill of Rs.2,936,009/- for May 2018 is void, unjustified and of no legal effect and the Appellant is allowed to charge revised bills w.e.f. May 2018 and onwards on the basis of actual consumption recorded by the billing meter after providing necessary Prime Minister (PM) relief and fuel price adjustment (FPA), etc.

3. Being dissatisfied with the afore-referred decision of the POI, the Appellant initially filed the Appeal No.129/POI-2019 before NEPRA u/s 38(3) of the NEPRA Act. NEPRA Appellate Board vide decision dated 25.11.2020 set aside the decision dated 26.12.2018 and remanded back the matter to POI for determination afresh, the operative portion of which is reproduced below:

“In consideration of the above, the impugned decision is set aside as being nonspeaking, deficient and the matter is remanded back to POI for deciding afresh on merits after providing the opportunity of hearing to both the parties.

4. Accordingly, the POI reheard the matter and disposed of vide decision dated 29.03.2021 with the following conclusion:

“Summing up the foregoing discussion, it is held;

- I. The TOU LT MDI Billing meter bearing No.3811, make PEL, having total KWH reading 6799.61x160 is working accurately within BSS limits of accuracy.*
- II. That the impugned monthly bill for the month of 05/2018 amounting to Rs.2,936,009/- charged on the basis of difference of reading of the billing meter and the backup meter, charging of excessive MDI of (O)488.8KW, (P)488.16KW, Non-providing of the PM relief and fuel price adjustment, etc. is void, unjustified and of no legal effect to the extent of Rs.700,000/- as prayed by the petitioner; therefore, the petitioner is not liable to pay the same. However, the respondents are allowed to charge revised monthly bill for the month of 05/2018 on the basis of the actual consumption recorded at the above-mentioned billing meter after providing necessary PM relief, excess MDI and fuel price adjustment, etc. (if not already granted) of Rs.700,000/- (as prayed by the petitioner), as this forum cannot go beyond the prayer of the petitioner.*
- III. The respondents are directed to over-haul the account of the petitioner accordingly and any excess amount recovered be adjusted in future bills. The petition is disposed of in the above terms.”*

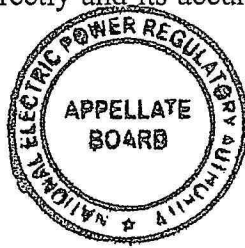


National Electric Power Regulatory Authority

5. The Appellant has filed the instant appeal before NEPRA and assailed the decision dated 29.03.2021 (hereinafter referred to as the "impugned decision"). In its appeal, the Appellant opposed the maintainability of the impugned decision, *inter-alia*, on the grounds that the impugned decision suffers from serious misreading and non-reading of record and has been passed in slipshod manner; that the same is self-contradictory; that the joint checking report of the POI was not signed by the Appellant; that the POI did not consider the reply of the Appellant submitted before the said forum; that the impugned decision is liable to be set aside in the best interest of justice.
6. A Notice was issued to the Respondent on 11.06.2011 for filing reply/para-wise comment, which were duly filed on 17.06.2021. In the reply, the Respondent rebutted the stance of the Appellant regarding charging the detection bill of Rs.1,446,312/- for 68,000 units for the period 14.12.2015 to 26.04.2018 on the basis of 45% slowness of the billing meter and submitted that it was found within specified limits during M&T and POI checking dated 09.11.2018 and 15.11.2018 respectively. The Respondent defended the impugned decision and prayed for the dismissal of the appeal with the cost.

7. Hearing

- 7.1 Hearings of the appeal were conducted at NEPRA Regional Office Lahore on 13.10.2022, 24.11.2022, and 02.06.2023, which however were adjourned on the request of either the Appellant or the Respondent. Finally, hearing in the matter was conducted at NEPRA Regional Office Lahore on 15.12.2023, wherein learned counsel appeared for the Appellant and the Respondent appeared in person. Learned counsel for Appellant reiterated the same arguments as given in memo of the appeal and contended that the billing meter of the Respondent was found 45% slow during M&T checking dated 26.04.2018 and the bill of Rs.2,936,009/- was debited to the Respondent in May 2018, which contained the detection bill of Rs.1,446,312/- for 68,000 units for the period 14.12.2015 to 26.04.2018. Learned counsel for the Appellant argued that the matter was remanded back to POI for adjudication afresh but the POI has afforded relief by reducing the amount of the detection bill up to Rs.700,000/- as prayed by the Respondent, which is illegal, unjustified, and the same is liable to be cancelled. Learned counsel for the Appellant prayed that the impugned decision is unjustified and liable to be struck down.
- 7.2 Conversely, the Respondent repudiated the version of Appellant and contended that the billing meter was functioning correctly and its accuracy was verified by POI, hence there is





National Electric Power Regulatory Authority

no justification to charge the excessive bill of Rs.2,936,009/- for May 2018. The Respondent defended the impugned decision and prayed for upholding the same.

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

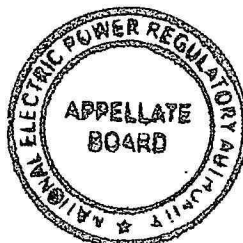
8.1 As per the available record, the disputed billing meter with T_L reading index=1.39 was installed in series with backup meter with T_L reading index=1,337 by the Appellant on the premises of the Respondent on 09.12.2015. Subsequently, M&T checked the metering equipment on 26.04.2018 and noticed a difference of readings between the billing and backup meters readings index noted on the billing and back meters are 5,823 and 7,844 respectively.

8.2 The Appellant charged a bill of Rs.2,936,009/- for May 2018 to the Respondent, which contained a detection bill of Rs.1,446,312/- for 68,000 units for the period 14.12.2015 to 26.04.2018 debited on the basis of the difference of readings between the billing and backup meters. The billing of the Respondent was shifted on the backup meter by the Appellant w.e.f May 2018 and onwards. The Respondent challenged the above detection bill before the POI.

8.3 The billing meter of the Respondent was found working within specified limits during the joint checking of POI dated 15.11.2018, said checking report was not signed by the representatives for the Appellant. Besides, The Appellant neither provided any detail of the impugned detection bill (detection proforma, prior notice) nor could justify the same. To further ascertain the contention of the Appellant regarding the alleged 45% slowness of the impugned billing meter, consumption data is analyzed in the below table:

Undisputed		Disputed		Undisputed	
Month	Units	Month	Units	Month	Units
Feb-17	2080	Feb-18	160	Feb-19	5920
Mar-17	62240	Mar-18	17600	Mar-19	73440
Apr-17	59040	Apr-18	52160	Apr-19	78560
Total	123360	Total	69920	Total	157920

8.4 From the above consumption analysis, it is confirmed that the total consumption recorded by the impugned billing meter of the Respondent during the disputed period i.e. February 2018 to April 2018 is much lesser than the total consumption of corresponding months of the years 2017 and 2019, which confirms that the impugned meter of the Respondent remained 45% slow. However, the Appellant instead of debiting 45% slowness to the Respondent debited the impugned detection bill on account of the difference in readings between the





National Electric Power Regulatory Authority

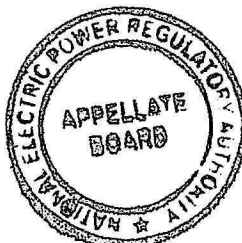
billing and backup meters. The Appellant even failed to provide the detection proforma to support their contention. Under these circumstances, we are of the considered view that the detection bill of Rs.1,446,312/- for 68,000 units for the period 14.12.2015 to 26.04.2018 debited to the Respondent on the basis of the difference of readings between the billing and backup meters is unjustified and liable to be cancelled.

8.5 Clause 4.4(e) of the Consumer Service Manual 2010 empowers the Appellant to recover their revenue loss by debiting detection bill maximum for two months in case of slowness of the metering equipment. We are of the considered view that the Respondent is liable to be charged the detection bill maximum for two billing cycles i.e. March 2018 and April 2018 @ 45% slowness of the impugned billing meter as per Clause 4.4(e) of the CSM-2010. Calculation in this regard is done below:

A	Total units already charged	
	Month	Units
	Mar-18	17600
	Apr-18	52160
	Total	69760
B	Total to be charged =	$\frac{\text{units already charged} \times 100}{(100-45)\% \text{ slowness}}$
	Total to be charged =	$\frac{69760 \times 100}{(100-45)}$
	Total to be charged =	126836
C	Units	
	To be charged	126836
	Already charged	69760
	Net to be charged	57076

The Respondent is liable to be charged the detection bill for net 57,076 units for two months i.e. March 2018 and April 2018 @ 45% slowness of the meter as per Clause 4.4(e) of CSM-2010. The impugned decision is liable to be modified to this extent.

9. In view of what has been stated above, it is concluded that:





National Electric Power Regulatory Authority

- 9.1 the detection bill of Rs.1,446,312/- for 68,000 units for the period 14.12.2015 to 26.04.2018 charged on account of the difference of readings between the billing and backup meters is unjustified and cancelled.
- 9.2 The Respondent may be charged the revised detection bill for 57,076 units for two months i.e. March 2018 and April 2018 @ 45% slowness of the meter as per Clause 4.4(e) of the CSM-2010.
- 9.3 The billing account of the Respondent be overhauled after making the adjustment of payments made against the impugned detection bill.
10. The impugned decision is modified in the above terms.

On leave

Abid Hussain
Member/Advisor (CAD)

Dated: 08-03-2024

Naweed Illahi Sheikh
Convener/DG (CAD)

Muhammad Irfan-ul-Haq
Member/ALA (Lic.)

