



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

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No. NEPRA/Appeal/133/2024/871

September 24, 2025

- | | |
|--|---|
| 1. Muhammad Arshad Khan,
S/o. Allah Rakha,
R/o. Kot Haji Sambi Khan,
Talondi Post Office, Attari Karam Singhoor,
Tehsil Chunian, District Kasur
Cell No. 0300-6578174
0333-5993175 | 2. Chief Executive Officer,
LESCO Ltd,
22-A, Queens Road,
Lahore |
| 3. Saeed Ahmed Bhatti,
Advocate High Court,
66-Khyber Block, Allama Iqbal Town,
Lahore
Cell No. 0300-4350899 | 4. Assistant Director (Operation),
LESCO Ltd,
Ellah Abad Sub Division,
Kasur |
| 5. POI/Electric Inspector,
Lahore Region-II,
Energy Department, Govt. of Punjab, 342-B,
Near Allah Hoo Chowk,
Johar Town, Lahore
Phone No. 042-99333968 | |

Subject: **Appeal No.034/2025 (LESCO vs. Muhammad Arshad Khan) Against the Decision Dated 26.09.2024 of the Provincial Office of Inspection to Government of the Punjab Lahore Region-II, Lahore**

Please find enclosed herewith the decision of the Appellate Board dated 24.09.2025 (04 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 of the Appellate Board on the NEPRA website



National Electric Power Regulatory Authority

Before the Appellate Board

In the matter of

Appeal No.133/POI-2024

Lahore Electric Supply Company Limited

.....Appellant

Versus

Muhammad Arshad Khan, S/o. Allah Rakha,
R/o. Kot Haji Sambi Khan, Talondi Post Office,
Attari Karam Singhoor, Tehsil Chunian, District Kasur

.....Respondent

APPEAL U/S 38(3) OF THE REGULATION OF GENERATION, TRANSMISSION AND DISTRIBUTION OF ELECTRIC POWER ACT, 1997

For the Appellant:

Mr. Saeed Ahmed Bhatti Advocate

For the Respondent:

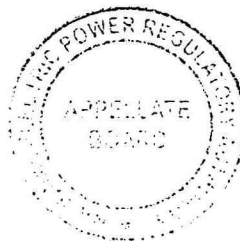
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DECISION

1. Through this decision, the appeal filed by Lahore Electric Supply Company Limited (hereinafter referred to as the "Appellant") against the decision dated 26.09.2024 of the Provincial Office of Inspection, Lahore Region-II, Lahore (hereinafter referred to as the "POI") is being disposed of.
2. Brief facts of the case are that Muhammad Arshad Khan (hereinafter referred to as the "Respondent") is an agricultural consumer of the Appellant bearing Ref No.45-11734-0971601-R with a sanctioned load of 7.46 kW and the applicable Tariff category is D-2b. The billing meter of the Respondent was checked by the Metering & Testing (M&T) team of the Appellant on 10.07.2024 and reportedly, it was found 33% slow due to one phase being dead stop. Therefore, the impugned meter of the Respondent was replaced with a new meter in July 2024, and a detection bill for Rs.398,364/- for 10,374 units for the period from January 2024 to June 2024 (six months) was charged to the Respondent.
3. Being aggrieved, the Respondent filed a complaint before POI on 23.08.2024 and assailed the above detection bill. The complaint of the Respondent was disposed of by POI vide the

Appeal No.133/POI-2024

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decision dated 26.09.2024, wherein the detection bill of Rs.398,364/- for 10,374 units for the period from January 2024 to June 2024 was cancelled and the Appellant was directed to charge the revised bill w.e.f. May 2024 and onwards till the replacement of the impugned meter by raising M.F from 1 to 1.5 due to 33% slowness.

4. The Appellant filed instant appeal before the NEPRA against the afore-referred decision of the POI (the "impugned decision"), which was registered as Appeal No. 133/POI-2024. In its appeal, the Appellant opposed the maintainability of the impugned decision, *inter-alia*, on the following grounds that the impugned decision is against the law and facts of the case; that the POI misconceived and misconstrued the real facts of the case and erred in declaring the detection bill of Rs.398,364/- for 10,374 units for the period from January 2024 to June 2024 as cancelled and the revision of the bills with enhanced M.F=1.5 w.e.f May 2024 and onwards till the replacement of the slow meter; that Clause 4.3.3c(ii) of the CSM-2021 cannot be made applicable in the instant case; that the POI miserably failed to analyze the consumption data and other authentic documents in true perspective; that the impugned decision is result of misreading and non-reading of the documents placed on record; that the impugned decision is illegal, unlawful, arbitrary, vague, with jurisdiction and that the same is liable to be set aside.
5. Notice dated 17.12.2024 of the appeal was issued to the Respondent for filing reply/para-wise comment, which were filed on 31.12.2024. In his reply, the Respondent opposed the charging of the impugned detection bill of Rs.398,364/-, defended the impugned decision for cancellation of the above detection bill. The Respondent prayed for upholding the impugned decision.
6. Hearing of the appeal was conducted at NEPRA Regional Office Lahore on 12.06.2025, wherein learned counsel appeared for the Appellant and none represented the Respondent. Learned counsel for the Appellant contended that one phase of the billing meter of the Respondent was found defective on 10.07.2024; therefore, a detection bill of Rs.398,364/- for 10,374 units for the period from January 2024 to June 2024 was charged to the Respondent to recover the revenue loss sustained by the Appellant. As per learned counsel for the Appellant, actual consumption could not be charged during the disputed period; therefore, recovery of the above detection bill should be allowed in the best interest of justice. Learned counsel for the Appellant argued that the POI did not consider the real aspects of the case and



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erroneously declared the above detection bill as null and void, and revised the bills with MF=1.5 w.e.f May 2024 and onwards till the replacement of the impugned meter. Learned counsel for the Appellant prayed that the impugned decision is unjustified and liable to be struck down.

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

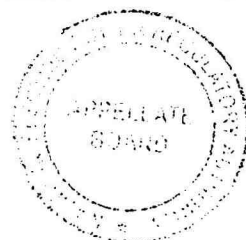
7.1 The Respondent approached the POI and assailed the detection bill of Rs.398,364/- for 10,374 units for the period from January 2024 to June 2024 (six months) charged by the Appellant, which was cancelled by the lower forum, and the Appellant was directed to charge revised M.F=1.5 w.e.f May 2024 and onwards till the replacement of the impugned meter. Against which the instant appeal is preferred before the NEPRA.

7.2 It is observed that the Appellant debited the detection bill of Rs.398,364/- for 10,374 units for six months for the period from January 2024 to June 2024 on account of 33% slowness of the meter, which violates Clause 4.3.3c(ii) of the CSM-2021. It is further clarified that the honorable NEPRA Authority vide order dated 13.06.2024 retained the period of supplementary/detection bill for two billing cycles in case of the slowness of the metering equipment/defective CTs as mentioned in Clause 4.4(e) of CSM-2010 (existing Clause 4.3.3 of CSM-2021), the operative portion of which is reproduced below:

"For the reasons stated above, we reject the proposal of the distribution companies and retain the period of the supplementary bills for two (02) billing cycles in the case of the slowness of the metering installation/defective CTs as mentioned in clause 4.4(e) of CSM-2010 (existing clause 4.3 of CSM-2021). In a vigilant system, slowness of the metering installation should be detected timely manner; hence, the distribution companies must bring efficiency in their working and replace the slow meters/defective CTs within the stipulated period as provided in clause 4.3 of the CSM-2021 in true letter and spirit. The distribution companies should ensure the charging of supplementary bills maximum for two billing cycles. If in the cases where the slowness of the metering installation is not pointed out timely manner and the metering installation is not replaced within the maximum period of two (02) billing cycles, the competent authority of the relevant distribution company shall take disciplinary action against the concerned officials and fix the responsibility for negligence in such cases."

7.3 In light of the foregoing order of the Authority, we are of the considered view that the charging of the detection bill beyond two billing cycles is inconsistent with the foregoing clause of the CSM-2021 and the POI has rightly cancelled the above detection bill.

7.4 Since the impugned meter was found 33% slow on 10.07.2024, therefore, the Appellant may





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charge the supplementary bill for two billing cycles retrospectively before the checking dated 10.07.2024, and the bills with enhanced MF w.e.f the checking dated 10.07.2024 and onwards till the replacement of the impugned meter.

7.5 The billing account of the Respondent be overhauled accordingly.

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

Abid Hussain
Member/Advisor (CAD)

Dated: 24-09-2025

Naweed Illahi Sheikh
Convener/DG (CAD)

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

