



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

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No. NEPRA/Appeal/042/2026/ 738

October 06, 2026

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| 1. Ubaid-ur-Rehman,
R/o. Khara Nau, Sadhoki,
Tehsil Lahore Cantt,
District Lahore | 2. Chief Executive Officer,
LESCO Ltd,
22-A, Queens Road,
Lahore |
| 3. Malik Azhar Iqbal Khokhar,
Advocate High Court,
Office: 5-Bank Square, 1 st Floor,
Mall Road, Lahore
Cell No. 0300-5266189
0345-7530621 | 4. Amjad Naeem,
Advocate High Court,
Chamber No. 29, Buleh Shah Block,
Car Parking, District Courts,
Kasur
Cell No. 0307-6502515 |
| 5. Assistant Manager (Operation),
LESCO Ltd,
Raja Jang Sub Division,
Tehsil Kot Radha Kishan,
District Kasur | 6. 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.042/2026 (LESCO vs. Ubaid-ur-Rehman) Against the Decision Dated 15.01.2026 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 06.10.2026 (05 pages), regarding the subject matter, for information and necessary action, accordingly.

Encl: As Above


(Ikram Shakeel)
Additional 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.042/POI-2026

Lahore Electric Supply Company Limited

.....Appellant

Versus

Ubaid Ur Rehman, R/o. Khara Nou, Sadhoki,
Tehsil Lahore Cantt, District Lahore

.....Respondent

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

For the Appellant:

Malik Azhar Iqbal Khokhar Advocate

For the Respondent:

Nemo

DECISION

1. Through this decision, the appeal filed by Lahore Electric Supply Company Limited (hereinafter referred to as the "Appellant") against the decision dated 15.01.2026 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 Mr. Ubaid Ur Rehman (hereinafter referred to as the "Respondent") is an agricultural consumer of the Appellant bearing Ref No. 45-11753-1299603-R, with a sanctioned load of 15 kW, and the applicable tariff category is D-2(b). The billing meter of the Respondent became defective (short/smoky), therefore it was replaced with a new meter by the Appellant vide MCO dated 03.07.2025. The removed meter was sent to M&T for data retrieval, which vide report dated 17.09.2025 declared that the impugned meter was reprogrammed (illegally assess to software) by the Respondent for theft of electricity. Therefore, the electricity of the premises was disconnected by the Appellant, and FIR dated 21.09.2025 was registered against the Respondent. Thereafter, a detection bill of Rs.5,685,008/- for 178,214 units for the period from August 2022 to June 2025, was charged to the Respondent @ 50% load factor of the

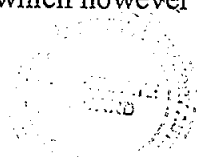




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connected load i.e., 15 kW and added to the bill for September 2025.

3. Being dissatisfied with the above actions of the Appellant, the Respondent filed a complaint before the POI and challenged the above detection bill. The complaint of the Respondent was disposed of vide POI decision dated 15.01.2026, wherein, the detection bill of 5,685,008/- for 178,214 units for the period from August 2022 to June 2025 was declared void, unjustified and of no legal effect. As per the POI decision, the Appellant was allowed to charge revised monthly bills for the period from January 2025 to June 2025 to the Respondent on the basis of load factor and overhaul the billing account of the Respondent.
4. Being dissatisfied, the Appellant filed the instant appeal before the NEPRA against the aforementioned decision of the POI, which was registered as Appeal No.042/POI-2026. In its appeal, the Appellant opposed the impugned decision *inter alia*, on the main grounds that the impugned decision is against the law and facts of the case; that the POI has exceeded its powers; that the lower forum has committed a grave error of law and fact while interpreting Clause 4.3.3c(ii) of the CSM-2021 in paras 3 & 4 of the impugned decision, whereas said provision does not bar retrospective assessment while access to meter software is established; that once illegal access to the meter software stood established on record, the Appellant was legally entitled under NEPRA law to recover the loss of energy from the date of illegally statetd and not merely for two or three billing cycles, which limitation applies only to cases of meter malfunctioning and not to proven cases of illegal access or abstraction; that the POI failed to draw the necessary legal distinction between malfunctioning of metering equipment and deliberate illegal access to meter software, thereby applying an incorrect provision of law to the facts of the case, which amount to misreading and non-reading of material; that the billing meter of the Respondent was found tampered (illegally accessed to software) during the M&T checking for the dishonest abstraction of electricity; therefore, FIR was registered against the Respondent and a detection bill of Rs.5,685,008/- for 178,214 units for the period from August 2022 to June 2025 was charged to the Respondent based on the connected load and that the impugned decision is against the settled principles of law and is liable to be set aside.
5. Notice dated 11.03.2026 was sent to the Respondent for filing reply/para-wise comments to the appeal within ten (10) days, which however were not filed.





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6. Hearing was fixed for 20.08.2026 at the NEPRA Regional Office Lahore, wherein a counsel appeared for the Appellant, and no one represented the Respondent. During the hearing, learned counsel for the Appellant reiterated the same version as contained in memo of the appeal and contended that the billing meter of the Respondent was checked by the M&T team on 17.09.2025, wherein it was declared tampered (illegally accessed to software) and the events occurred from 19.08.2022 to 01.07.2025, therefore, a detection bill of Rs.5,685,008/- for 178,214 units for the period from August 2022 to June 2025 was debited to the Respondent. As per the learned counsel for the Appellant, the POI cancelled the above detection bill, which is contrary to the facts of the case and law applicable in the instant case. Learned counsel for the Appellant defended the charging of the impugned detection bill and prayed that the same be declared as justified.
7. Arguments were heard and the record was perused. Following are our observations:
- i. **Detection bill of Rs.5,685,008/- for 178,214 units from August 2022 to June 2025:**
- In the instant case, the Appellant claimed that M&T on 17.09.2025 detected that the impugned meter of the Respondent was intentionally tampered (illegally access to software) for dishonest abstraction of electricity. The Appellant debited a detection bill Rs.5,685,008/- for 178,214 units for the period from August 2022 to June 2025, to the Respondent, which was challenged by the Respondent before the POI.
- ii. Having found the above discrepancies, the Appellant was required to follow the procedure stipulated in Clause 9.2 of the CSM-2021 to confirm the illegal abstraction of electricity by the Respondent and thereafter charge the Respondent accordingly. However, in the instant case, the Appellant has not followed the procedure as stipulated under the ibid clause of the CSM-2021. From the submissions of the Appellant, it appears that the billing meter of the Respondent was checked by the Appellant in the absence of the Respondent.
- iii. As per the judgment of the Supreme Court of Pakistan reported in *PLD 2012 SC 371*, the POI is the competent forum to check the metering equipment, wherein theft of electricity was committed through tampering with the meter and decide the fate of the disputed bill, accordingly. However the Appellant removed the impugned meter without got checked by the POI being competent forum.
- iv. In order to verify the contention of the Appellant regarding charging the impugned detection bill on account of illegal abstraction of electricity through illegal access to software, the consumption data of the Respondent is analyzed in the table below:



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Month	Units	Month	Units
Sep-19	828	Aug-22	621
Oct-19	1598	Sep-22	227
Nov-19	35	Oct-22	306
Dec-19	344	Nov-22	111
Jan-20	255	Dec-22	369
Feb-20	817	Jan-23	424
Mar-20	3451	Feb-23	554
Apr-20	0	Mar-23	306
May-20	0	Apr-23	273
Jun-20	265	May-23	640
Jul-20	2633	Jun-23	651
Aug-20	2187	Jul-23	650
Sep-20	1601	Aug-23	1444
Oct-20	1456	Sep-23	877
Nov-20	36	Oct-23	427
Dec-20	528	Nov-23	66
Jan-21	74	Dec-23	150
Feb-21	856	Jan-24	301
Mar-21	114	Feb-24	392
Apr-21	96	Mar-24	411
May-21	420	Apr-24	258
Jun-21	2695	May-24	679
Jul-21	2463	Jun-24	486
Aug-21	2923	Jul-24	511
Sep-21	598	Aug-24	473
Oct-21	1030	Sep-24	477
Nov-21	82	Oct-24	212
Dec-21	777	Nov-24	35
Jan-22	8	Dec-24	62
Feb-22	529	Jan-25	125
Mar-22	1197	Feb-25	128
Apr-22	588	Mar-25	153
May-22	1545	Apr-25	51
Jun-22	1070	May-25	75
Jul-22	516	Jun-25	486
Average	960	Average	383

The above table shows that the normal average consumption charged during the disputed period is much less than the normal average consumption charged during the periods before the dispute. This indicates that actual consumption was not recorded by the impugned meter

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during the disputed period. However, the Appellant debited the detection bill for thirty-five (35) months, which is contrary to the Clause 9.2.3c of the CSM-2021. As per aforesaid clause of the CSM-2021, the Respondent may be charged the detection bill a maximum period of six months on account of theft of electricity through tampered meter.

- v. In view of the foregoing discussion, we are of the considered view that the detection bill of Rs.5,685,008/- for 178,214 units for the period from August 2022 to June 2025, charged by the Appellant to the Respondent, is unjustified and the same is liable to be cancelled as already determined by the POI.
- vi. It is an admitted fact that actual consumption could not be recorded by the impugned meter during the disputed period; therefore, it would be fair and appropriate to debit the revised detection bill for 30,551 units for six months i.e., from January 2025 to June 2025 as per below calculation:

Total detection units to be charged= $\frac{\text{Total detection units} \times \text{No. of months allowed}}{\text{Total months}}$
$= \frac{178,214 \times 06}{35} = 30,551 \text{ units}$

8. In view of what has been stated above, it is concluded that:
- i. The detection bill of Rs.5,685,008/- for 178,214 units for the period from August 2022 to June 2025, is not justified being contrary to Clause 9.2.3(c) of the CSM-2021 and the same is cancelled.
- ii. The Appellant may charge the revised detection bill for 30,551 units for six months i.e., from January 2025 to June 2025, pursuant to Clause 9.2.3(c) of the CSM-2021.
9. The appeal is disposed of in the above terms.

Abid Hussain
Member/Advisor (CAD)

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

Naweed Illahi Sheikh
Convener/DG (CAD)

Dated: 06-10-2026

