



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

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No. NEPRA/AB/Appeal-118/POI-2017/ 1804-1808

November 30, 2017

1. Chief Officer,
Near Water Tanki,
Abdul Hakim's Town,
Tehsil & District Bahawalpur,
(Through Ehsan Ullah),
Sub Engineer & Occupier of Premises)
2. Chief Executive Officer
MEPCO Ltd,
MEPCO Complex, Khanewal Road,
Multan
3. Sardar Mazhar Abbas Mahar,
Advocate High Court,
45-Zikriya Block,
District Courts, Multan
4. Sub Divisional Officer,
MEPCO Ltd,
Baghdad-ul-Jadeed Sub Division,
Bahawalpur
5. Electric Inspector
Multan Region,
249-G, Shah Ruken-e-Alam Colony,
Phase II, Multan

Subject: Appeal Titled MEPCO Vs. Chief Officer Abdul Hakim Town Against the Decision Dated 23.05.2017 of the Electric Inspector/POI to Government of the Punjab Multan Region, Multan

Please find enclosed herewith the Decision of the Appellate Board dated 28.11.2017, regarding the subject matter, for information and necessary action accordingly.

Encl: As Above

No. NEPRA/AB/Appeal-118/POI-2017/ 1809

Forwarded for information please.

(Ikram Shafeel)

November 30, 2017

Assistant Director
Appellate Board

✓ Registrar

CC:

I. Member (CA)



National Electric Power Regulatory Authority

Before Appellate Board

In the matter of

Appeal No. NEPRA/Appeal-118/POI-2017

Multan Electric Power Company Limited

.....Appellant

Versus

Chief Officer, New Tanki Abdul Hakim's Town,
Tehsil & District bahawlapur, (Through Ehsan Ullah,
Sub Engineer & Occupant of Premises)

.....Respondent

For the appellant:

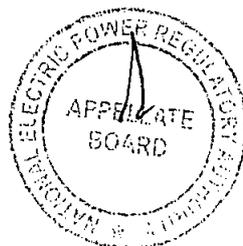
Sardar Mazhar Abbas advocate
Engr. M Shabbir Ahmed SDO

For the respondent:

Nemo

DECISION

1. This decision shall dispose of an appeal filed by Multan Electric Power Company Limited (hereinafter referred to as MEPCO) against the decision dated 23.05.2017 of Provincial Office of Inspection, Multan region, Multan (hereinafter referred to as POI) under Section 38(3) of NEPRA Act 1997:
2. Brief facts of the case are that the respondent is a domestic consumer of MEPCO having two connections bearing Ref No.20-15419-064000 with sanctioned load of 1 kW under A-1(a) tariff (first connection) and Ref No.19-15419-0604001 with sanctioned load of 4 kW under A-1(a) tariff (second connection). Meter of the first connection of the respondent was initially checked by surveillance team MEPCO in June 2014 and reportedly it was found defective with display washed out. As per





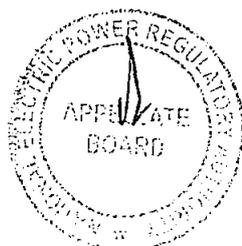
National Electric Power Regulatory Authority

MEPCO, the respondent malafidely shifted the load of his second connection to the defective meter of the first connection due to which the consumption of healthy meter of the second connection was reduced. Defective meter of the first connection of the respondent was replaced by MEPCO in May 2015. Subsequently on the recommendation of audit department vide Audit Note No.16 dated 07.05.2015, a detection bill of Rs.49,219/- for 2,742 units for the period May 2014 to October 2014 was charged to the respondent against the first connection.

3. Being aggrieved, the respondent filed an application before POI and challenged the aforementioned detection bill, which was decided by POI vide its decision dated 23.05.2017 with the following conclusion:

“Summing up all the above observations and keeping in view the aspects of the case, this forum declares the charging of the detection bill amounting to Rs.49,219/- for the cost of 2742 units for the period May 2014 to October 2014 as Null, Void and of no legal affect. The respondent are directed to withdraw the same and charge revise bill for the disputed period of 05/2014 to MCO/replacement of meter @ Clause 4.4(e) of NEPRA approved Consumer Service Manual, 2010. The account of the petitioner be overhauled accordingly.”

4. The appeal in hand has been filed by MEPCO against the decision dated 23.05.2017 of POI (hereinafter referred to as the impugned decision). MEPCO in its appeal contended that the meter of the first connection of the respondent was checked by Surveillance MEPCO in June 2014 and its display found vanished. According to MEPCO, the respondent shifted his whole load of the second connection to the first connection therefore the consumption recorded by the second connection during the period May 2014 to October 2014 decreased. As per MEPCO, the detection bill of

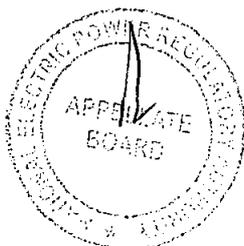




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Rs.49,219/- for 2,742 units for the period May 2014 to October 2014 charged to the respondent vide Audit Note No.16 dated 07.05.2015 against the first connection is justified and the respondent is liable to pay the same. MEPCO pointed out that the POI is not authorized to adjudicate the instant matter as the same falls in the jurisdiction of a Civil Court. MEPCO finally pleaded for the cancellation of the impugned decision being violative of law and provisions of the Consumer Service Manual (CSM).

5. Notice of the appeal was issued to the respondent for filing reply/parawise comments, which however were not filed.
6. Notice of the hearing was issued and the appeal was heard in Multan on 20.10.2017 in which Sardar Mazhar Abbas advocate along with Mr. Muhammad Shabir Ahmed SDO represented the appellant MEPCO but no one appeared for the respondent. Learned counsel for MEPCO reiterated the same arguments as described in memo of the appeal and contended that meter of the first connection of the respondent became defective in May 2014 and he malafidely shifted the whole load of the healthy meter of the second connection on the first connection during the period May 2014 to October 2014. MEPCO representative further explained that the analysis of the consumption data of both the connections of the respondent for the period of three years revealed that the less consumption was recorded by both the meters during the aforesaid disputed period, therefore, the detection bill of Rs.49,219/- for 2,742 units for the period May 2014 to October 2014 charged against the first connection is payable by the respondent.
7. We have heard arguments of MEPCO and examined the record placed before us, it has been observed as under:
 - i. As for as the objection of MEPCO regarding the jurisdiction of POI is concerned, it is clarified that the POI is empowered to adjudicate the instant matter being a





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metering and billing dispute under Section 38 of NEPRA Act, 1997. Objection of MEPCO in this regard has no force, therefore rejected.

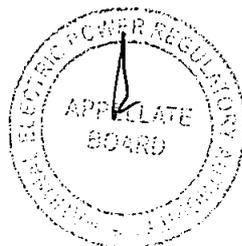
- ii. A detection bill of Rs.49,219/- for 2,742 units was charged to the respondent by MEPCO vide Audit Note No.16 dated 07.05.2015 against the first connection, which was disputed by the respondent before POI.
- iii. The detection bill of Rs.49,219/- for 2,742 units for the period May 2014 to October 2014 was charged to the respondent against the first connection on the plea that the whole load of the second connection was shifted on the defective meter of the first connection, which allegedly reduced the consumption of the second connection. However the total consumption of both the connections for the disputed period reveals that the total consumption of both the meters of the respondent is higher than the total consumption of the corresponding undisputed period of the preceding year. Pursuant to the decision of Lahore High Court, the audit observation is internal matter between the DISCO and its audit department and the consumer cannot be held responsible for the same. In this regard reliance is placed on Lahore High Court Judgement dated 25.09.2007, reported in 2008 YLR 308, which is reproduced below:

“WAPDA through chairman –Petitioner versus Fazal Karim respondent.

Electricity Act (IX of 1910)—

---Ss.24 &26—Demand of amount from consumer on basis of Audit report/objection without issuing show cause notice to him or joining him with proceedings to justify Audit report—Validity—Audit report would neither be binding on consumer nor could he be held responsible for fault of department.”

We endorse the impugned decision that the detection bill of Rs.49,219/- for 2,742 units for the period May 2014 to October 2014 charged on the recommendation of Audit department is unjustified, therefore cancelled.





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iv. Since the meter of the first connection became defective with display washed out in May 2014, it would be judicious to charge the electricity bill for the period May 2014 and onwards till the meter change order as per clause 4.4(c) of CSM as already determined by POI.

8. Forgoing in view, we do not find any reason to interfere with the impugned decision, which is upheld and consequently the appeal is dismissed.

Muhammad Qamar-uz-Zaman
Member

Nadir Ali Khoso
Convener

Muhammad Shafique
Member

Dated: 28.11.2017

