



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

NEPRA Office, Atta Turk Avenue (East), G5/1, Islamabad
Tel. No. +92 051 2013200 Fax No. +92 051 2600030
Website: www.nepra.org.pk E-mail: office@nepra.org.pk

No. NEPRA/AB/Appeal-186/POI-2016/1710-1714

November 29, 2017

1. M/s Saher Board (Pvt.) Ltd,
Through Tariq Nadeem,
Mills Manager, Chak No. 133/16-L,
G. T. Road, Musa Virk,
Tehsil Mian Channu, Distt. Khanewal
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,
Industrial Estate Sub Division,
Mian Channu
5. Electric Inspector
Multan Region,
249-G, Shah Ruken-e-Alam Colony,
Phase II, Multan

Subject: Appeal Titled MEPCO Vs. M/s Saher Board (Pvt.) Ltd Against the Decision Dated 13.10.2016 of the Electric Inspector/POI to Government of the Punjab Multan Region, Multan

Please find enclosed herewith the Decision of the Appellate Board dated 24.11.2017, regarding the subject matter, for information and necessary action accordingly.

Encl: As Above

No. NEPRA/AB/Appeal-186/POI-2016/1715

Forwarded for information please.

(Ikram Shakeel)

November 29, 2017

Assistant Director
Appellate Board

1. Registrar

CC:

1. Member (CA)

For info
— DD (IT)
Copy to: 2012 17
— Dir (CAD)
— DR / D14-II/MF



National Electric Power Regulatory Authority

Before Appellate Board

In the matter of

Appeal No. NEPRA/Appeal-186/POI-2016

Multan Electric Power Company Limited

.....Appellant

Versus

M/s. Sehar Boards (Pvt.) Ltd. Through Traiq Nadeem Mills
Manager Chak No.133/16-L, G.T. Road, Musa Virk,
Tehsil Mian Channu, District Khanewal

.....Respondent

For the appellant:

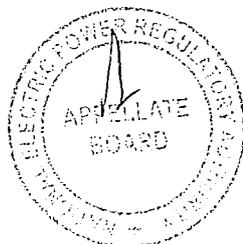
Sardar Mazhar Abbas Mahar Advocate

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 13.10.2016 of Provincial Office of Inspection, Multan region, Multan (hereinafter referred to as POI).
2. Brief facts of the case are that the respondent is an industrial consumer of MEPCO bearing Ref No. 27-15154-0002601 with a sanctioned load of 480 kW under B-2 tariff. A joint inspection was carried out by POI in presence of both the parties on 16.06.2009 and the billing meter of the respondent was found 59.5% slow in comparison with the check meter readings, hence multiplication factor (MF) of the

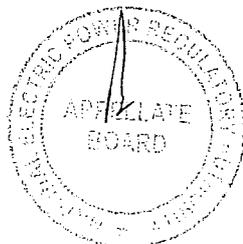




National Electric Power Regulatory Authority

respondent was raised to 19.74 due to 59.5% slowness of the billing meter by MEPCO w.e.f August 2009 and onwards. Subsequently the respondent received an electricity bill total amounting to Rs.1,426,603/- in the month of August 2010, which contained the current bill of Rs.1,278,393/- for 114,097 units/439 kW MDI charged on account of 59.5% slowness of the billing meter and the deferred amount of Rs.148,210/-.

3. The respondent was aggrieved with the aforementioned bill for August 2010, therefore challenged the same before POI. A check meter was installed in series with the billing meter of the respondent by MEPCO on 26.08.2010 and during the subsequent comparison between the readings of both the check and billing meters on 05.10.2010, the disputed billing meter was declared 20.48% fast by POI. The matter was disposed of by POI vide its decision dated 19.10.2010.
4. MEPCO was dissatisfied with the afore-referred decision dated 19.10.2010 of POI, therefore filed an appeal before the Advisory Board Punjab, Lahore (hereinafter referred to as the Advisory Board). The said case was remanded back to POI by the Advisory Board with the direction to decide it afresh within a period of two months.
5. In pursuance of the direction of the Advisory Board, the matter was reheard as admitted by POI, the disputed billing meter was 51.172% slow and was mistakenly declared 20.48% fast in the decision dated 19.10.2010 of POI. The case was decided by POI vide its decision dated 13.10.2016 with the following conclusion:





National Electric Power Regulatory Authority

- (i). *Revise the bills for the period May 2010 to September 2010 (5 months) @ 51.172% slowness (MF=16.38) and the credit of the excessive units be afforded accordingly.*
- (ii). *kW/MDI part of the respondent should be revised @ 433 kW MDI for May 2010 and September 2010 as recorded by the healthy check meter.*
- (iii). *The deferred amount of Rs.148,210/- added in the bill for August 2010 be investigated and adjusted accordingly.*
- (iv). *The future billing should be carried out on the basis of consumption recorded by the newly installed meter, if not converted.*
- (v). *The respondents account should be overhauled after adjustment of all credits and debits."*

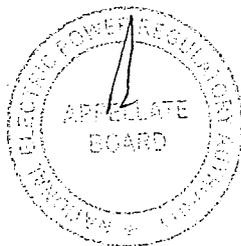
6. The appeal in hand has been filed against the decision dated 13.10.2016 of POI (hereinafter referred to as the impugned decision) before NEPRA under Section 38(3) of NEPRA Act, 1997. MEPCO raised the preliminary objection regarding the maintainability of the impugned decision and contended that the Electric Inspector has no lawful jurisdiction to decide the instant matter as the same falls in the jurisdiction of the Civil Court. MEPCO inter alia, contended that the billing meter of the respondent was earlier checked by M&T MEPCO in presence of POI and the respondent on 16.06.2009 and it was found 59.5% slow, therefore the respondent was charged the electricity bills amounting to Rs.1,278,393/- for 30,246 units/439 kW MDI and Rs.1195,532/- for 28,121 units/657 kW MDI by MEPCO in the months of August 2010 and September 2010 respectively @ 59.5% slowness of the billing meter in accordance with the provisions of the Consumer Service Manual (CSM). MEPCO finally pleaded for setting aside the impugned decision being void.





National Electric Power Regulatory Authority

7. Notice of the appeal was issued to the respondent for filing reply/parawise comments, which however were not filed.
8. After issuing notice, hearing of the appeal was held in Multan on 20.10.2017 in which Sardar Mazhar Abbas Mahar advocate represented the appellant MEPCO and no one appeared for the respondent. Learned counsel for MEPCO reiterated the same arguments as given in memo of the appeal and contended that the electricity bill for August 2010 was disputed by the respondent before POI, whereas the POI decided the bills for the period May 2010 to July 2010 and afforded the relief of the past bills, which is beyond the pleadings of the respondent. Learned counsel for MEPCO submitted that even the bill for August 2010 is justified and should be paid by the respondent.
9. We have heard arguments of MEPCO and perused the record placed before us. It has been observed that:
 - i. Admittedly there exists a metering and billing dispute between the parties and POI is competent to adjudicate the instant matter under Section 38 of NEPRA Act, 1997. The preliminary objection of MEPCO in this regard is not valid, therefore dismissed.
 - ii. The electricity bill total amounting to Rs.1,426,603/- was charged to the respondent by MEPCO in the month of August 2010 @ 59.5% slowness of the meter, which contained the deferred amount of Rs.148,210/- and the current bill of

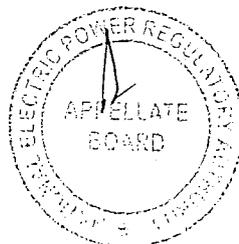




National Electric Power Regulatory Authority

Rs.1,278,393/- for 114,097 units/439 kW MDI. The respondent assailed the aforesaid bill before POI.

- iii. On the direction of POI, a check meter was installed in series with the disputed billing meter of the respondent on 26.08.2010 and during the subsequent comparison made between the readings of the check and the disputed billing meters on 05.10.2010, it emerged that the disputed billing meter was 51.172% slow instead of 59.5% slow.. Under these circumstances, the electricity bills amounting to Rs.1,278,393/- for 30,246 units/439 kW MDI and Rs.1195,532/- for 28,121 units/657 kW MDI debited by MEPCO for the months of August 2010 and September 2010 respectively @ 59.5% slowness of the disputed billing meter are unjustified, therefore liable to be declared null and void as already determined by POI.
- iv. The respondent is liable to be charged the kWh part for the bills of August 2010 and September 2010 @ 51.172% slowness as observed by POI on 05.10.2010 and the MDI part for the bill of September 2010 @ 433 kW MDI as recorded by the check meter. Impugned decision is liable to be maintained to this extent.
- v. As regards the determination of POI regarding the electricity bills for the period May 2010 to July 2010, we are convinced with the contention of MEPCO that the aforesaid electricity bills were not challenged by the respondent before POI as such the impugned decision for cancellation of the same is beyond the prayer of the





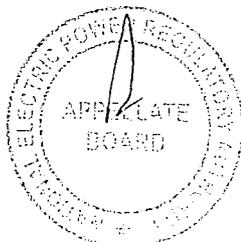
National Electric Power Regulatory Authority

respondent and liable to be withdrawn to this extent.

- vi. MEPCO may investigate the charging of the deferred amount of Rs.148,210/- added in the bill for August 2010, as nothing to the contrary was contended by MEPCO in its appeal. The impugned decision regarding the aforesaid deferred amount is correct and liable to be maintained.

10. Forgoing in view, we have reached to the conclusion that:

- i. The electricity bills for August 2010 and September 2010 charged to the respondent by MEPCO @ 59.5% slowness of the meter are not justified, therefore cancelled.
- ii. The respondent should be charged the kWh part of the bills for August 2010 and September 2010 @ 51.172% slowness of the disputed billing meter and MDI part of the bill for September 2010 @ 433 kW MDI as recorded by the check meter as already determined by POI.
- iii. The determination of POI regarding the deferred amount of Rs.148,210/- added in the bill for August 2010 is correct and should be maintained to this extent.
- iv. The impugned decision for cancellation of the electricity bills for the period May 2010 to July 2010 is beyond the prayer of the respondent, therefore declared null and void to this extent
- v. The Consumer account of the respondent should be overhauled after making the adjustment of excessive units already charged and the payments made (if any)





National Electric Power Regulatory Authority

against the disputed bills for August 2010 and September 2010.

11. The Impugned decision is modified in above terms.

Muhammad Qamar-uz-Zaman
Member

Nadir Ali Khoso
Convener

Muhammad Shafique
Member

Dated: 24.11.2017

