



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

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No. NEPRA/AB/Appeal-032/POI-2018/ 2242-2246

December 14, 2018

1. Muhammad Farooq Ahmad  
S/o. Sh. Basheer Ahmad,  
Prop: Shaikh Basheer Ahmad Cold Storage  
& Ice Factory, Bypass Road, Layyah,  
Tehsil & Distt. Layyah
2. Chief Executive Officer,  
MEPCO Ltd,  
MEPCO Complex, Khanewal Road,  
Multan
3. Sardar Mazhar Abbas Mahar  
Advocate High Court  
45-Zakariya Block, District Courts,  
Multan
4. Sub Divisional Officer (Op),  
MEPCO Ltd,  
2<sup>nd</sup> Sub Division,  
Layyah
5. Electric Inspector  
Multan Region,  
249-G, Shah Rukn-e-Alam Colony,  
Phase II, Multan

Subject: **Appeal Titled Muhammad Farooq Ahmad Vs. MEPCO Against the Decision Dated 29.12.2017 of the Provincial Office of Inspection to Government of the Punjab Multan Region, Multan**

Please find enclosed herewith the decision of the Appellate Board dated 13.12.2018, regarding the subject matter, for information and necessary action accordingly.

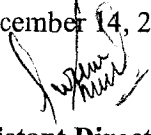
**Encl: As Above**

No. NEPRA/AB/Appeal-032/POI-2018/ 2247

Forwarded for information please.

(Ikram Shakeel)

December 14, 2018

  
Assistant Director  
Appellate Board

✓ X. Registrar



National Electric Power Regulatory Authority

Before Appellate Board

In the matter of

Appeal No. 032/2018

Muhammad Farooq Ahmed S/o Sh. Basheer Ahmed,  
Prop Shaikh Basheer Ahmed Cold Storage & Ice Factory,  
Bypass Road, Layyah, Tehsil & District Layyah

.....Appellant

Versus

Multan Electric Power Company Limited

.....Respondent

**APPEAL UNDER SECTION 38(3) OF REGULATION OF GENERATION,  
TRANSMISSION, AND DISTRIBUTION OF ELECTRIC POWER ACT, 1997  
AGAINST THE DECISION DATED 19.12.2017 PASSED BY PROVINCIAL  
OFFICE OF INSPECTION MULTAN REGION, MULTAN**

For the appellant:

Mr. Muhammad Farooq Ahmed

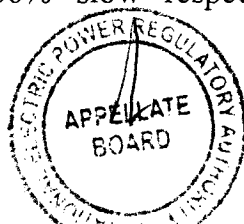
For the respondent:

Sardar Mazhar Abbas Advocate

Mr. Ali Hassan Javaid SDO

**DECISION**

1. Facts, in brief, are that the respondent is an industrial consumer (cold storage) of MEPCO bearing Ref No.27-15732-0828906 having a sanctioned load of 158 kW under the B-2(b) tariff. Premises of the appellant was visited by MEPCO on 12.06.2015 and the Automatic Meter Reading (AMR) meter was initially installed as a backup meter in series with the TOU billing meter (old billing meter). Billing of the appellant continued on the old billing meter till September 2015, after which it was shifted on the AMR meter in October 2015, whereas the TOU meter was retained as a backup meter. Subsequently, metering equipment of the appellant was checked by metering & testing (M&T) MEPCO on 08.08.2016, wherein both the AMR billing and TOU backup meters were found 35.34% and 35.66% slow respectively due to a damaged Current



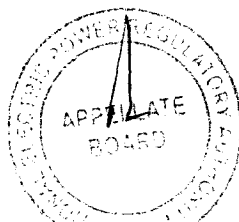


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Transformer (CT). Resultantly, the detection bill of Rs.225,619/- for the cost of 13,331 units for the period 10.06.2016 to 05.07.2016 was charged to the appellant by MEPCO @ 35.34% slowness of AMR billing meter. Multiplication factor (MF) of the appellant was enhanced from 80 to 123.2 due to 35.34% slowness of the AMR billing meter by MEPCO w.e.f August 2016 and onwards. The damaged CT was replaced by MEPCO on 29.12.2016. Later on, the audit department vide its audit note No.113 dated 19.04.2017 pointed out less charging of 38,366 units/16 kW MDI due to difference of consumption between the billing and backup meters, hence MEPCO charged the detection bill of Rs.682,438/- for 38,366 units/16 kW MDI for the period 12.06.2015 (installation of AMR meter) to 05.10.2015 (shifting of billing on AMR meter) to the appellant and added in the bill for May 2017.

2. The appellant being aggrieved with the above billing, filed a complaint before the Provincial Office of Inspection (POI) and assailed the detection bill of Rs.225,619/- for 13,331 units for the period 10.06.2016 to 05.07.2016 charged @ 35.34% slowness of AMR billing meter and added in the bill for October 2016 and the detection bill of Rs.682,438/- for 38,366 units/16 kW MDI for the period 12.06.2015 to 05.10.2015 charged vide audit note No.113 dated 19.04.2017 and added in the bill for May 2017. The matter was disposed of by POI vide its decision dated 19.12.2017 with the following conclusion:

*“Keeping in view all the aspects of the case and summing up the above observations, calculations & conclusion, this forum declares the assessment of both the detection bills of 38,366 units/16 kW MDI and Rs.225,619/- for 12,100 units as correct*

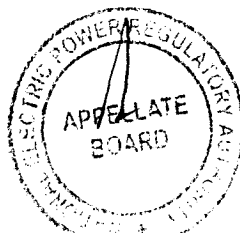




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*& justified. Respondents are directed to overhaul the petitioner's account accordingly."*

3. The appellant filed subject appeal against the decision dated 19.12.2017 of POI (hereinafter referred to as the impugned decision) before NEPRA wherein, the appellant inter alia, opposed the charging of the detection bill of Rs.682,438/- for 38,366 units/ 16 kW MDI on the ground that the audit note is an internal matter between DISCO and the audit department and he could not be held responsible for payment of any detection bill on the recommendation of the audit department relying upon the judgment reported as 2014 MLD 1253. The appellant contended that the detection bill of Rs.225,619/- for the cost of 13,331 units for the period 10.06.2016 to 05.07.2016 charged @ 35.34% slowness of AMR billing meter observed on 08.08.2016 is illegal, void as the said checking of the metering equipment was conducted without his association. The appellant pointed out that the impugned decision was rendered by POI without checking the metering equipment, hence the same is liable to be modified. Notice of the appeal was issued to MEPCO for filing reply/para-wise comments, which however were not filed.
4. Hearing of the appeal was conducted in Multan on 16.10.2018 for which notices were served to both the parties. Mr. Muhammad Farooq the appellant appeared in person and Sardar Mazhar Abbas advocate and Mr. Ali Hassan Javaid SDO represented the respondent MEPCO. The appellant reiterated the same arguments as contained in the memo of the appeal and stated that both the detection bills of Rs.225,619/- and Rs.682,438/- charged @ 35.34% slowness of AMR billing meter and on the



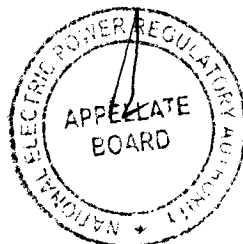


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recommendation of audit department respectively, are unjustified and liable to be cancelled. Conversely, the representative for the respondent MEPCO declared both the detection bills as justified, defended the impugned decision and pleaded for upholding the same.

5. Arguments heard and the record perused. The respondent challenged the detection bills of Rs.682,438/- for 38,366 units/16 kW MDI for the period, 12.06.2015 to 05.10.2015 charged vide audit note No.113 dated 19.04.2017 and Rs.225,619/- for 13,331 units for the period 10.06.2016 to 05.07.2016 debited @ 35.34% slowness of AMR billing meter before POI.

As far as charging the detection bill of Rs.682,438/- for 38,366 units/16 kW MDI for the period 12.06.2015 to 05.10.2015 charged vide audit note No.113 dated 19.04.2017 is concerned, it is observed that neither accuracy of both the AMR billing and TOU backup meters was checked nor any report to this effect was produced before POI. Moreover, the above said detection bill charged on the audit recommendation is illegal as the audit observation is an internal matter between the DISCO and the audit department and the consumer cannot be held responsible for the payment of any detection bill on account of audit observation. Reliance in this regard is placed on the judgments reported in 2014 MLD 1253 titled M/s. Mehmood Textile Mills v/s MEPCO and 2008 YLR 308 titled WAPDA v/s Fazal Karim. Hence the detection bill of Rs.682,438/- for 38,366 units/16 kW MDI for the period 12.06.2015 to 05.10.2015 charged to the appellant is declared null and void. The impugned decision to this extent is liable to be set aside.





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The detection bill of Rs.225,619/- for the cost of 13,331 units for the period 10.06.2016 to 05.07.2016 debited @ 35.34% slowness of the AMR billing meter observed by M&T MEPCO on 08.08.2016. We are in agreement with the analysis of POI that AMR billing meter remained defective/dead during the period 08.06.2016 to 29.12.2016, hence the detection bill of Rs.225,619/- for the cost of 13,331 units for the period 10.06.2016 to 05.07.2016 was rightly debited to the appellant @ 35.34% slowness of the AMR billing meter and the appellant is obligated to pay the same. The impugned decision to this extent is liable to be maintained.

6. In consideration of what has been stated above, it is concluded that the impugned decision for declaring the detection bill of Rs.682,438/- for 38,366 units/16 kW MDI for the period 12.06.2015 to 05.10.2015 charged vide audit note No.113 dated 19.04.2017 as justified is incorrect, however, the appellant should be charged the detection bill of Rs.225,619/- for the cost of 13,331 units for the period 10.06.2016 to 05.07.2016 debited @ 35.34% slowness of the AMR billing meter.

7. The appeal is disposed of in above terms.

Muhammad Qamar-uz-Zaman  
Member

Nadir Ali Khoso  
Convener

Muhammad Shafique  
Member

Dated: 13.12.2018

