



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

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No. NEPRA/Appeal/179/POI/2019/ 1126


November 19, 2020

1. Sajid Riaz
Assistant Manager (Finance),
C/o. Zonal Office (Central),
99-C, Shah Rukan-e-Alam Colony,
Multan,
For Fauji Foundation (FONGAS),
Gas Filling Station, Qasba Gujrat,
Tehsil Kot Addu, District Muzaffargarh
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,
Qasba Gujrat Sub Division,
Qasba Gujrat
5. POI/Electric Inspector
Multan Region,
249-G, Shah Ruken-e-Alam Colony,
Phase II, Multan

Subject: Appeal Titled MEPCO Vs. Sajid Riaz Against the Decision Dated 11.12.2018
Provincial Office of Inspection to Government of the Punjab Multan Region,
Multan

Please find enclosed herewith the decision of the Appellate Board dated 11.11.2020, regarding the subject matter, for information and necessary action accordingly.

Encl: As Above


(Ikram Shakeel)
Assistant Director
Appellate Board

✓ Forwarded for information please.

1. Director (IT) –for uploading the decision on NEPRA website



National Electric Power Regulatory Authority

Before Appellate Board National Electric Power Regulatory Authority, Islamabad

In the matter of

Appeal No. 179/2019

Multan Electric Power Company Limited

.....Appellant

Versus

Sajid Riaz Assistant Manager (Finance) C/o. Zonal Office (Central)

99-C, Shah Rukan-e-Alam Colony, Multan for Fauji Foundation (FONGAS)

Gas Filling Station, Qasba Gujrat, Tehsil Kot Addu, District Muzaffargarh ...Respondent

**APPEAL UNDER SECTION 38(3) OF REGULATION OF GENERATION,
TRANSMISSION, AND DISTRIBUTION OF ELECTRIC POWER ACT, 1997
AGAINST THE DECISION DATED 11.12.2018 PASSED BY PROVINCIAL
OFFICE OF INSPECTION, MULTAN REGION, MULTAN**

For the appellant:

Sardar Mazhar Abbas Advocate

Mr. M. Arbaz SDO

For the respondent:

Mr. Intiaz Ahmed Malik

DECISION

1. Brief facts leading to the filing of instant appeal are that the respondent is an industrial consumer of Multan Electric Power Company (MEPCO) bearing Ref No.27-15724-0402401 having a sanctioned load of 106 kW under the B-2b tariff. Metering equipment of the respondent was checked by metering and testing (M&T) MEPCO on 06.09.2017 and reportedly, the Automatic Meter Recording (AMR) billing meter was found 33.1% slow and the Time of Use (TOU) backup meter was found 32% slow. Hence multiplication factor (MF) of the respondent was raised from 40 to 59.6 due to 33.1% slowness of the AMR billing meter by MEPCO w.e.f September 2017 and onwards. A detection bill (first detection bill) of Rs.753,486/- for 387,458 units/190.19 kW MDI for the period from 06.10.2016 to 27.08.2017 was debited to the



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respondent by MEPCO @ 33.1% slowness of the AMR billing meter and added in the bill for October 2017.

2. Being aggrieved, the respondent initially approached Wafaqi Mohtasib and assailed the above billing charged by MEPCO. The honorable Wafaqi Mohtasib forwarded the complaint vide letter No. WMS-MLN/0003054/17 dated 29.11.2017 to NEPRA for further adjudication. Additional Director General (CAD) NEPRA vide letter dated 20.03.2018 referred the matter to the Provincial Office of Inspection (POI) for the decision. The defective AMR billing meter of the respondent was again checked by M&T MEPCO on 26.09.2018 and reportedly, it was found 66.27% slow due to two defective current transformers (CTs). MF of the respondent was further enhanced from 59.6 to 118.59 due to 66.27% slowness of the AMR billing meter by MEPCO w.e.f September 2018 and onwards. During POI joint checking of the metering equipment of the respondent on 15.10.2018, 66.27% slowness was established in the AMR billing meter, the report was signed by both the parties without raising any objection. Another detection bill (second detection bill) of Rs.314,848/- for 17,291 units for the period 17.08.2018 to 30.11.2018 was debited to the respondent @ 66.27% slowness of the AMR billing meter. The complaint of the respondent was disposed of by POI vide its decision dated 11.12.2018 in which the first detection bill of Rs.753,486/- for 387,458 units/190.19 kW MDI for the period from 06.10.2016 to 27.08.2017 charged @ 33.1% slowness of the AMR billing meter was declared as null and void and MEPCO was directed to charge the bills with enhanced MF=118.59 due to 66.27% slowness w.e.f September 2018 and onwards till the replacement of the slow AMR billing meter.



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3. Subject appeal has been filed against the above decision (hereinafter referred to as impugned decision) before NEPRA in which MEPCO contended that first detection bill of Rs.753,486/- for 387,458 units/190.19 kW MDI for the period from 06.10.2016 to 27.08.2017 and second detection bill of Rs.314,848/- for 17,291 units were charged to the respondent @ 33.1% slowness of the AMR billing meter as observed during MEPCO checking dated 06.09.2017 and @ 66.27% slowness of the AMR billing meter as observed during MEPCO checking dated 26.09.2018 respectively. MEPCO further contended that both the above detection bills are justified and the arrears of Rs.814,660/- increased till November 2018 are payable by the respondent. As per MEPCO, POI failed to see the case in letter and spirit and passed the impugned decision on surmises and conjectures. According to MEPCO, the matter exclusively falls within the domain of the Civil Court and the POI has no lawful authority to decide the same. MEPCO submitted that the POI has not applied his judicious mind and rendered the impugned decision contrary to the facts and law. MEPCO finally prayed for setting aside the impugned decision.
4. Notice of the appeal was issued to the respondent for filing reply/para-wise comments, which were submitted on 24.09.2019. In his reply, the respondent explained the facts that the first detection bill of Rs.753,486/- for 387,458 units/190.19 kW MDI for the period from 06.10.2016 to 27.08.2017 was debited to the respondent by MEPCO and added in the bill for October 2017; that the above detection bill was initially assailed before Wafaqi Mohtasib from where the complaint was forwarded to NEPRA; that the ADG (CAD) NEPRA vide letter dated 20.03.2018 referred the matter to POI, who has



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cancelled the first detection bill of Rs.753,486 and directed MEPCO to replace the defective AMR billing meter at the earliest; that the meter replacement cost of Rs.12,000/- was deposited in January 2019 but MEPCO has not installed the new AMR billing meter till date; that the slowness of the meter is beyond the technical expertise and that the appeal filed by MEPCO is not judicious.

5. Hearing of the appeal was held in NEPRA regional office Multan on 29.10.2020 which was attended by both the parties. Learned counsel for MEPCO argued that 33.1% slowness was observed in the AMR billing meter of the respondent during MEPCO checking dated 06.09.2017, which is also confirmed through galaxy data. As per learned counsel for MEPCO, the consumption data justifies the charging of the first detection bill of Rs.753,486/- for 387,458 units/190.19 kW MDI for the period from 06.10.2016 to 27.08.2017 to the respondent @ 33.10% slowness of the AMR billing meter. Learned counsel for MEPCO opposed the impugned decision and prayed to allow the whole period of first detection bill of Rs.753,486/- in the best interest of justice. On the contrary, the representative for the respondent supported the impugned decision and prayed for upholding the same.

6. Arguments heard and the record examined. it is observed as under:

- i. MEPCO raised the preliminary objection that the instant matter falls within the domain of Civil Court and the POI has no jurisdiction to adjudicate the instant matter. It is noted that the matter pertains to the billing due to a defective/slow meter and the POI is empowered to entertain such disputes pursuant to Section 38 of the



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NEPRA Act, 1997. Moreover, the honorable Supreme Court of Pakistan vide judgment reported in PLD 2012 SC 371 authorized POI to adjudicate the disputes of such nature. Hence objection of MEPCO in this regard is overruled.

- ii. MEPCO charged two detection bills i.e. first detection bill of Rs.753,486/- for 387,458 units/190.19 kW MDI for the period from 06.10.2016 to 27.08.2017 @ 33.1% slowness of the AMR billing meter as observed during M&T checking dated 06.09.2017 and second detection bill of Rs.314,848/- for 17,291 units for the period 17.08.2018 to 30.11.2018 @ 66.27% slowness of the AMR billing meter on the basis of M&T checking dated 26.09.2018. MF was initially enhanced from 40 to 59.61 due to 33.1% slowness by MEPCO w.e.f September 2017 till August 2018 and further enhanced from 59.61 to 118.59 due to 66.27% slowness w.e.f September 2018 and onwards.
- iii. According to clause 4.4 of the Consumer Service Manual (CSM), the consumer may be charged the detection bill maximum for two months in case of a slow meter. In the instant case, MEPCO charged the first detection bill for a period of eleven months i.e.06.10.2016 to 27.08.2017 due to 33.1% slowness of the AMR billing meter, which is a violation of the foregoing clause of CSM. The respondent can only be charged the detection bill maximum for two months i.e. July 2017 and August 2017 if 33.1% slowness in the AMR billing meter is proved from the consumption data. Following comparison of consumption in this regard is done:



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Undisputed months			Disputed months		
Month	Units	MDI	Month	Units	MDI
Jul-2016	5,440	44	Jul-2017	14,320	45
Aug-2016	5,880	38	Aug-2017	10,411	49

Examination of the above consumption data reveals that the units/MDI recorded in the disputed months of July 2017 and August 2017 are higher than the units/MDI recorded in the corresponding months of the year 2016. This establishes that the AMR billing meter was functioning correctly till August 2017 and became 33.1% slow w.e.f September 2017 and onwards. Hence, POI has rightly declared the first detection bill of Rs.753,486/- for 387,458 units/190.19 kW MDI for the period from 06.10.2016 to 27.08.2017 charged @ 33.1% slowness of the AMR billing meter as null and void.

- iv. As regards the charging of second detection bill of Rs.314,848/- for 17,291 units for the period 17.08.2018 to 30.11.2018 to the respondent @ 66.27% slowness of the AMR billing meter. It is observed that 66.27% slowness in the AMR billing meter pointed out by M&T MEPCO on 26.09.2018 was also verified by POI during joint checking on 15.10.2018. Hence the respondent may be charged the second detection bill maximum for two months i.e. August 2017 and September 2017 @ 66.27% of the AMR billing meter if proved. Analysis of consumption in this regard is done below:

Undisputed months			Disputed months		
Month	Units	MDI	Month	Units	MDI
Aug-2017	10,411	49	Aug-2018	9,122	46
Sep-2017	14,448	66	Sep-2018	6,122	28

Perusal of the above consumption data reveals that the units/MDI recorded in the disputed month August 2018 are compatible with the units/MDI recorded in the



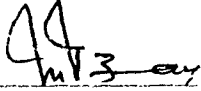
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corresponding month of the year 2017, however a drastic decline in units/MDI in the disputed month September 2018 was observed as compared to the units/MDI recorded in September 2017. It proves that the AMR billing meter became 66.27% slow in September 2018. As such, there is no justification to charge the second detection bill of Rs.314,848/- for 17,291 units for the period 17.08.2018 to 30.11.2018 to the respondent @ 66.27% slowness of the AMR billing meter and should be withdrawn. The determination of POI for charging the bills with enhanced MF=118.59 due to 66.27% slowness to the respondent w.e.f September 2018 and onwards till its replacement of the slow AMR billing meter is correct and should be maintained.

v. Since the respondent had deposited Rs.12,000/- as meter replacement cost in January 2019, therefore MEPCO is directed to replace the slow AMR billing meter of the respondent at the earliest as already directed by POI.

vi. The billing account of the respondent be overhauled, accordingly.

7. Foregoing in view, the appeal is dismissed.


Muhammad Qamar-uz-Zaman
Member


Nadir Ali Khoso
Convener


Muhammad Shafique
Member

Dated: 11.11.2020