



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

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No. NEPRA/Appeal/035/POI/2019/ 025

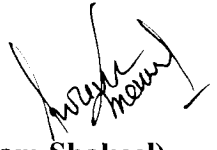
January 19, 2021

1. Malik Muhammad Sher Khan
Through Muhammad Ramzan,
R/o. Chak No. 138/TDA,
Heera Minar, Mehboob Canal,
Tehsil & District Layyah
2. Chief Executive Officer,
MEPCO Ltd,
MEPCO Complex, Khanewal Road,
Multan
3. Mian Haroon Aziz Qazi
Advocate High Court
123-Old Block, District Courts,
Multan
4. Sub Divisional Officer (Op),
MEPCO Ltd,
1st Sub Division,
Layyah
5. POI/Electric Inspector
Multan Region,
249-G, Shah Ruken-e-Alam Colony,
Phase II, Multan

Subject: **Appeal Titled MEPCO Vs. Muhammad Sher Khan Against the Decision Dated 30.08.2018 Provincial Office of Inspection to Government of the Punjab Multan Region, Multan**

Please find enclosed herewith the decision of the Appellate Board dated 13.01.2021, regarding the subject matter, for information and necessary action accordingly.

Encl: **As Above**


(Ikram Shakeel)
Deputy Director (M&E)
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. 035/POI-2019

Multan Electric Power Company Limited

.....Appellant

Versus

Malik Muhammad Sher Khan Through Muhammad Ramzan
R/o Chak No.138/TDA, Heera Miner, Mehboob Canal,
Tehsil District Layyah

.....Respondent

**APPEAL UNDER SECTION 38(3) OF REGULATION OF GENERATION,
TRANSMISSION, AND DISTRIBUTION OF ELECTRIC POWER ACT, 1997
AGAINST THE DECISION DATED 30.08.2018 PASSED BY PROVINCIAL
OFFICE OF INSPECTION MULTAN REGION, MULTAN**

For the appellant:

Mian Haroon Aziz Advocate

For the respondent:

Mr. Muhammad Ramzan

DECISION

1. Briefly speaking, the respondent is an industrial consumer of Multan Electric Power Company Limited (MEPCO) bearing Ref No.28-15718-1126659 with a sanctioned load of 30 kW and the applicable tariff is B-2(b). Electric supply of the respondent was disconnected by MEPCO in November 2017 due to non-payment of arrears pertains to the bills for August 2017, September 2017, and October 2017, which was restored vide reconnection order (RCO) dated 06.12.2017 after clearance of the dues. The billing meter of the respondent was found dead stop at running load=10.5 kW during metering and testing (M&T) MEPCO checking dated 28.02.2018. Notice dated 05.03.2018 was issued to the respondent regarding the defectiveness of the billing meter and the bills for



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February 2018 and March 2018 were charged on DEF-EST code by MEPCO. Thereafter, the defective meter of the respondent was replaced with a new meter by MEPCO in April 2018 and a detection bill of Rs.110,365/- for 5,995 units for the period January 2018 to March 2018 was charged to the respondent and added in the bill for April 2018.

2. Being aggrieved, the respondent filed an application before the Provincial Office of Inspection (POI) on 09.05.2018 and assailed the above detection bill. POI disposed of the matter vide its decision dated 30.08.2018, wherein the detection bill of Rs.110,365/- for 5,995 units for the period January 2018 to March 2018 was declared as null and void. As per the impugned decision, MEPCO may charge the bills @ 463 units/month for September 2017 and October 2017 to the respondent.
3. Being dissatisfied with the decision dated 30.08.2018 of POI (hereinafter referred to as the impugned decision), MEPCO has filed the instant appeal before NEPRA, wherein it is contended that the respondent defaulted in making the payments of the bills for the months August 2017, September 2017 and October 2017 due to which his connection was disconnected in November 2017. MEPCO further contended that the electric supply of the respondent was restored vide RCO dated 06.12.2017 after clearance of the arrears. As per MEPCO, the billing meter of the respondent was found dead stop at running load = 10.5 kW during M&T MEPCO checking dated 28.02.2018 for which notice dated 05.03.2018 was served to the respondent and a detection bill of Rs.110,365/- for 5,995 units for the period January 2018 to March 2018 was charged to the respondent and added in the bill for April 2018. According to MEPCO, the above detection bill was fully proved



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as legal, valid, and justified on the basis of authentic documents on record. MEPCO submitted that the impugned decision is illegal, self-contradictory, arbitrary, vague, without jurisdiction bias, and based on surmises and conjectures. MEPCO prayed that the impugned decision is liable to be set aside.

4. Notice of the appeal was sent to the respondent for filing reply/para-wise comments, which however were not filed.
5. Hearing of the appeal was held at NEPRA Regional Office Multan on 24.12.2020 in which both the parties were present. Learned counsel for MEPCO reiterated the same arguments as given in memo of the appeal and contended that the billing meter of the respondent was found dead stop by MEPCO on 28.02.2018. Learned counsel for MEPCO further contended that notice dated 05.03.2018 was sent to the respondent regarding the defectiveness of the billing meter and the detection bill of Rs.110,365/- for 5,995 units for the period January 2018 to March 2018 was charged to the respondent and added in the bill for April 2018 as per detection policy approved by NEPRA. Learned counsel for MEPCO termed the above detection bill as justified and payable by the respondent. Conversely, the representative for the respondent supported the impugned decision and prayed for upholding the same.
6. Arguments were heard and the record was perused. It is observed as under:
 - i. The billing meter of the respondent was found dead stop with readings off peak=23,687, peak=4,858 by SDO MEPCO in January 2018, hence the respondent



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was charged an average bill of 462 units by MEPCO for January 2018. The said meter was again checked by M&T MEPCO on 28.02.2018 and reportedly it was found dead stop. Notice dated 05.03.2018 was issued to the respondent regarding the defectiveness of the billing meter and the bills for February 2018 and March 2018 were charged on DEF-EST code by MEPCO. The defective meter of the respondent was replaced with a new meter by MEPCO in April 2018 and the detection bill of Rs.110,365/- for 5,995 units for the period January 2018 to March 2018 was charged to the respondent based on the 40% load factor of the connected load and added in the bill for April 2018. The respondent assailed the above detection bill before POI.

- ii. Pursuant to clause 4.4(e) of the Consumer Service Manual (CM), the respondent may be charged the bills on DEF-EST code due to a defective meter, and the basis of charging the bills be made on 100% of the consumption of the corresponding month of the previous year or average consumption of last eleven months, whichever is higher. In the instant case, MEPCO initially charged the bills from January 2018 to March 2018 on DEF-EST code to the respondent due to a dead stop meter, which is in line with the foregoing clause of CSM. However, charging the above detection bill for the cost of 5,995 units for the same disputed months i.e. January 2018 to March 2018 @ 40% load factor of the connected load i.e. 8 kW tantamount to overburdening the respondent. Besides, the above detection bill was charged contrary to the provisions of chapter 4 of the CSM. Under these circumstances, we



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are inclined to agree with the determination of the POI for cancellation of the detection bill of Rs.110,365/- for 5,995 units for the period January 2018 to March 2018 charged by MEPCO to the respondent in April 2018.

iii. Similarly, the findings of POI for revision of the bills @ 463 units/month for the months i.e. September 2017 and October 2017 are based on merits and should be maintained to this extent.

iv. The billing account of the respondent may be revised after making adjustments of payments made (if any) against the above bills.

7. Foregoing in view, the appeal is dismissed.

Muhammad Qamar-uz-Zaman
Member/SA (Finance)

Muhammad Shafique
Member/SA (Legal)

Nadir Ali Khoso
Convener/DG (M&E)

Dated: 13.01.2021