



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

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No. NEPRA/Appeal/267/POI/2019/ 1064

January 03, 2022

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|--|---|
| 1. Muhammad Saleem,
S/o. Ghulam Shabbir,
Prop: Control Shed,
Chak No. 419/TDA, Chowk Azam,
District Layyah | 2. Chief Executive Officer,
MEPCO Ltd,
MEPCO Complex, Khanewal Road,
Multan |
| 3. Aamir Aziz Qazi
Advocate High Court,
130-Old Block,
District Court, Multan | 4. Sub Divisional Officer (Op),
MEPCO Ltd,
Chowk Azam Sub Division,
Chowk Azam |
| 5. POI/Electric Inspector,
Multan Region,
249-G, Shah Ruken-e-Alam Colony,
Phase II, Multan | |

Subject: **Appeal Titled MEPCO Vs. Muhammad Saleem Against the Decision Dated 17.07.2019 Provincial Office of Inspection to Government of the Punjab Multan Region, Multan**

Please find enclosed herewith the decision of the Appellate Board dated 16.12.2021, 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.

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



National Electric Power Regulatory Authority

Before Appellate Board

In the matter of

Appeal No.267/POI-2019

Multan Electric Power Company Limited

.....Appellant

Versus

Muhammad Saleem S/o Ghulam Shabeer, Prop: Control Shed Located
at Chak No.419/TDA, Chowk Azam, District Layah

.....Respondent

APPEAL UNDER SECTION 38(3) OF REGULATION OF GENERATION, TRANSMISSION, AND DISTRIBUTION OF ELECTRIC POWER ACT, 1997 AGAINST THE DECISION DATED 17.07.2019 PASSED BY PROVINCIAL OFFICE OF INSPECTION, MULTAN REGION, MULTAN

For the Appellant:

Mr. Abdul Latif SDO

For the Respondent:

Mr. Muhammad Saleem

DECISION

1. Brief facts of the case are that the Respondent is an industrial consumer of the Multan Electric Power Company (the MEPCO) bearing Ref No.28-15735-1562704 having a sanctioned load of 19 kW under the B-1(b) tariff. The billing meter of the Respondent was checked by the MEPCO on 15.02.2017 and reportedly, it was found 31.34% slow due to the blue dead phase and the said slowness was confirmed by the Metering and Testing (M&T) MEPCO vide report dated 16.02.2017. Resultantly, a detection bill (first detection bill) amounting to Rs.152,275/- for the cost of a total of 7,721 units for the period August 2016 to January 2017 six (6) months was debited to the Respondent @ 31.34% slowness of the meter. MEPCO charged another detection bill (second detection bill) of Rs.244,600/- for 12,457 units for the period February





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2017 to December 2017 eleven (11) months to the Respondent @ 31.34% slowness, which was paid. The Multiplication Factor (MF) of the Respondent was raised from 1 to 1.46 due to 31.34% slowness of the meter by the MEPCO for onwards billing.

2. Being aggrieved, the Respondent approached the Provincial Office of Inspection, Multan Region, Multan (the POI), and challenged the first detection bill. The complaint of the Respondent was disposed of by the POI vide decision dated 17.07.2019 (hereinafter referred to as the impugned decision), in which the first detection bill of Rs.152,275/- for the cost of a total of 7,721 units for the period August 2016 to January 2017 six (6) months was declared as null and void. As per the impugned decision, the MEPCO was directed to charge the bills for two (2) months only i.e. December 2016 and January 2017 due to the 31.34% slowness of the billing meter. The MEPCO was further directed to overhaul the billing account of the Respondent, accordingly.
3. The appeal in hand has been filed against the impugned decision before the NEPRA in which the MEPCO explained the following facts; (1) The billing meter of the Respondent was found 33% slow during the M&T checking dated 22.12.2017, therefore two detection bills i.e. first detection bill of Rs.152,275/- for 7,721 units for the period August 2016 to January 2017 six (6) months and second detection bill of Rs.244,600/- for 12,457 units for the period February 2017 to December 2017 eleven (11) months were debited to the Respondent at the rate of 33% slowness of the meter to recover the financial loss; (2) the POI failed to appreciate the real facts of the case and erred in giving the observations/conclusions, as such the impugned decision is void, ab-initio, and has been passed illegally with material irregularity; and (3) the impugned decision is against the force of law and same is not sustainable in the eye of



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law.

4. Notice of the appeal was issued to the Respondent for filing reply/para-wise comments, which were submitted on 09.12.2021. In his reply, the Respondent opposed the maintainability of the appeal, inter alia, on the following grounds; (1) the appeal filed before the NEPRA is time-barred as it was filed on 19.09.2019 against the impugned decision dated 17.07.2019; (2) both the detection bills i.e. first detection bill of Rs.152,275/- for 7,721 units for the period August 2016 to January 2017 six (6) months and second detection bill of Rs.244,600/- for 12,457 units for the period February 2017 to December 2017 eleven (11) months were debited to the Respondent in violation of Clause 4.4(e) of the Consumer Service Manual; (3) the impugned decision was passed after perusal of the record and analysis of the data; and (4) the impugned decision may be upheld.
5. Hearing of the appeal was held at the NEPRA Regional Office Multan on 09.12.2021, which was attended by both parties. SDO MEPCO argued that 33% slowness was observed in the billing meter of the Respondent during the checking in August 2016 but no detection bill was debited to the Respondent. SDO MEPCO contended that the first detection bill of Rs.152,275/- for 7,721 units for the period August 2016 to January 2017 six (6) months was debited to the Respondent on the recommendation of the Audit Note. SDO MEPCO assured to provide the audit note within a week. SDO MEPCO defended the charging of the first detection bill of Rs.152,275/- for 7,721 units for the period August 2016 to January 2017 six (6) months on the plea that the consumption remained low during the said period. SDO MEPCO finally prayed that the impugned decision is unjustified and liable to be set aside. On the contrary, the Respondent appearing in person repeated the same arguments as given in reply to





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the appeal, supported the impugned decision, and prayed for upholding the same.

6. Arguments heard, the record examined and our observations are as under:
- i. With regard to the preliminary objection of limitation raised by the Respondent, it is observed that the impugned decision was announced by the POI on 17.07.2019, copy of the same was received by the MEPCO on 12.09.2019 against which the MEPCO filed an appeal before the NEPRA on 17.09.2019 within thirty (30) days of receipt of the impugned decision as envisaged in Section 38(3) of the NEPRA Act, 1997. The objection of the Respondent regarding the limitation is not valid and dismissed.
 - ii. As far as the merits of the case are concerned, 33% slowness was observed in the billing meter of the Respondent during the MEPCO checking dated 15.02.2017, hence the first detection bill of Rs.152,275/- for 7,721 units for the period, August 2016 to January 2017 six (6) months were debited to the Respondent due to 33% slowness of the meter. The Respondent agitated the above bill before the POI.
 - iii. Since 31.34% slowness in the billing meter of the Respondent was allowed by the POI, however, the period of 31.34% slowness needs to be ascertained. Despite the assurance, the MEPCO did not provide the M&T checking report and the Audit Note. Even otherwise, the Audit observation is an internal matter between the MEPCO and the Audit Department, as such the Consumer cannot be held responsible for the payment of any detection bill based on Audit observation. In this regard, reliance is placed on the various judgments of Honorable Courts reported in 2014 MLD 1253 titled M/s. Mehmood Textile Mills v/s MEPCO and 2008 YLR 308 titled WAPDA v/s Fazal Karim. Besides, the Respondent was



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neither associated during the audit proceedings nor any prior notice was served by the MEPCO to him. As such the finding of the POI for cancellation of the first detection bill of Rs.152,275/- for 7,721 units for the period August 2016 to January 2017 six (6) months is correct and the same is liable to be maintained to this extent. Similarly, the determination of the POI for the revision of the bills for two (2) months i.e. December 2016 and January 2017 due to 31.34% slowness of the meter is consistent with Clause 4.4 of the CSM and should be upheld. The billing account of the Respondent should be overhauled after adjusting the payment made by the Respondent against the above bill.

7. Foregoing in view, the appeal is dismissed.

Abid Hussain
Member/Advisor (CAD)

Nadir Ali Khoso
Convener/Senior Advisor (CAD)

Dated: 16.12.2021

