



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

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No. NEPRA/Appeal/003/2024/ 639

July 02, 2025

- |  |   |
|--|---|
| 1. Rana Muhammad Usman,<br>S/o. Muhammd Yaqoob Khan,<br>Prop: Rice Mills located at Mouza<br>Bahawalpur, Sukha Qasba Marral Road,<br>Multan<br>Cell No. 0301-8638598<br>0300-9737395 | 2. Chief Executive Officer,<br>MEPCO Ltd,<br>MEPCO Complex, Khanewal Road,<br>Multan  |
| 3. Muhammad Arshad Mughal,<br>Advocate High Court,<br>06 Justice Tariq Mehmood Block,<br>District Courts, Multan<br>Cell No. 0300-8733006  | 4. Executive Engineer (Operation),<br>MEPCO Ltd,<br>Cantt Division,<br>Multan   |
| 5. Sub Divisional Officer (Op),<br>MEPCO Ltd,<br>Industrial Estate Sub Division,<br>Multan   | 6. POI/Electric Inspector,<br>Multan Region,<br>Energy Department, Govt. of Punjab,<br>249-G, Shah Rukan-e-Alam Colony,<br>Phase-II, Multan |

Subject: **Appeal No.003/2024 (MEPCO vs. Rana Muhammad Usman) Against the Decision Dated 28.09.2023 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 02.07.2025 (06 pages), regarding the subject matter, for information and necessary action accordingly.

Encl: **As Above**

  
**(Ikram Shakeel)**  
**Deputy Director**  
**Appellate Board**

Forwarded for information please.

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



# National Electric Power Regulatory Authority

## Before The Appellate Board

In the matter of

### Appeal No.003/POI-2024

Multan Electric Power Company Limited

.....Appellant

Versus

Rana Muhammad Usman S/o. Muhammad Yaqoob Khan,  
Prop: Rice Mills located at Mouza Bahawalpur,  
Sukha Qasba Marral Road, Multan

.....Respondent

### APPEAL U/S 38(3) OF THE REGULATION OF GENERATION, TRANSMISSION, AND DISTRIBUTION OF ELECTRIC POWER ACT, 1997 (the "NEPRA ACT")

For the Appellant:

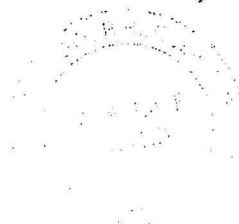
Mr. Muhammad Arshad Mughal Advocate

For the Respondent:

Mr. Javel Iqbal

## DECISION

1. Brief facts of the case are that Rana Muhammad Usman (hereinafter referred to as the "Respondent") is an industrial consumer of Multan Electric Power Company Limited (hereinafter referred to as the "Appellant") bearing Ref No.27-15118-1095213-U with sanctioned load of 157 kW and the applicable tariff category is B-2(b). The metering equipment of the Respondent was checked by the M&T team of the Appellant on 23.11.2021 and reportedly, both the billing and backup meters were found 33% slow due to one phase being dead stop. Notice dated 07.12.2021 was issued to the Respondent regarding the above discrepancy and a detection bill of Rs.1,896,099/- against 54,503 units+435 kW MDI for the period from 03.06.2019 to 31.10.2021 was charged by the Appellant to the Respondent @ 33% slowness of the meter.
2. Being aggrieved with the above actions of the Appellant, the Respondent approached the Provincial Office of Inspection, Multan Region, Multan (hereinafter referred to as the "POI") on 24.01.2022 and challenged the above detection bill debited by the Appellant. During joint checking dated 17.02.2022 of POI, 33% slowness was established in the





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metering equipment of the Respondent. The complaint of the Respondent was disposed of by the POI vide decision dated 28.09.2023, wherein the detection bill of Rs.1,896,099/- was cancelled and the Appellant was directed to revise the detection bill for 9,756 units+97 kW MDI for September 2021 and October 2021.

3. Being dissatisfied, the Appellant has filed the instant appeal against the aforesaid decision dated 28.09.2023 of the POI (hereinafter referred to as the "impugned decision") before the NEPRA. In its appeal, the Appellant opposed the impugned decision *inter alia*, on the following grounds that the POI while deciding the application of the Respondent has failed to observe the case in letter and spirit and policy formulated in CSM; that the POI failed to decide the matter within 90 days, which is a clear violation of Section 26(6) of Electricity Act 1910, according to the judgment reported in 2015 MLD 1307; that the factual controversies were involved in this case, as such the matter falls within the domain of civil court; that the POI did not apply judicial mind and passed the impugned decision which is not sustainable in the eyes of law and that the impugned decision is liable to be set aside.
4. Notice dated 17.01.2024 was sent to the Respondent for filing reply/parawise comments to the appeal, which however were not filed.
5. Hearing of the subject appeal was initially conducted at NEPRA Regional Office Multan on 11.01.2025, which was attended by the representative for the Respondent, whereas no one tendered appearance for the Appellant. The representative for the Respondent supported the impugned decision and prayed for upholding the same. In order to provide final opportunity for hearing to the Appellant, hearing of the appeal was again conducted on 07.02.2025, which was attended by a counsel of the Appellant. Learned counsel for the Appellant repeated the same arguments as contained in memo of the appeal and averred that the impugned meter of the Respondent was found 33% slow during checking dated 23.11.2021, which was confirmed by the POI during joint checking dated 17.02.2022. Learned counsel for the Appellant further contended that the impugned meter remained 33% slow for a long period, as such the detection bill of Rs.1,896,099/- against 54,503 units+435 kW MDI for the period from 03.06.2019 to 31.10.2021 was debited to the Respondent to account for 33% slowness of the impugned meter to recover the revenue loss sustained by the Appellant. As per the Appellant, the above detection bill was cancelled by

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the POI without going into the merits of the case and revised the same for two months only. According to the Appellant, the impugned decision is not based on the facts of the case and the same is liable to be struck down.

6. Arguments were heard and the record was perused. Following are our observations:

6.1 Preliminary objection of the Appellant regarding the time limit to decide the complaint:

While addressing the objection of the Appellant regarding the jurisdiction of the POI, the Respondent filed his complaint before the POI on 24.01.2022 under Section 38 of the NEPRA Act. POI pronounced its decision on 28.09.2023 i.e. after ninety (90) days of receipt of the complaint. The Appellant has objected that the POI was bound to decide the matter within 90 days under Section 26(6) of the Electricity Act, 1910. In this regard, it is observed that the forum of POI has been established under Section 38 of the NEPRA Act which does not put a restriction of 90 days on POI to decide complaints. Section 38 of the NEPRA Act overrides provisions of the Electricity Act, 1910. Reliance in this regard is placed on the judgments of the honorable Lahore High Court Lahore reported in *PLJ 2017-Lahore-627* and *PLJ-2017-Lahore-309*. The relevant excerpt of the above judgments is reproduced below:

"PLJ 2017-Lahore-627:

*Regulation of Generation Transmission and Distribution of Electric Power Act, 1997--838(3)--Electricity Act, 1910, S. 26(6)--Constitution of Pakistan, 1973. Art. 199--Constitutional petition--Consumer of LESCO.. The sanctioned load was differed from the connected load--Determine the difference of charges of the previous period of misuse to be recovered from the consumer--Validity--No disconnection or penal action was taken against the petitioner rather only the difference of charges between the sanctioned load and load actually used by petitioner was charged, hence Clause 7.5 of Consumer Service Manual has not been violated-Issuance of detection bill itself amounts to notice and petitioner had also availed remedy before POI against determination--Order passed by POI was beyond 90 days--Order was not passed by the respondent under Section 26(6) of the Act as Electric Inspector rather the order was passed by him in the capacity of POI under Section 38(3) of Regulation of Generation, Transmission and Distribution of Electric Power Act, 1997 (NEPRA Act), therefore, the argument has no substance.*

PLJ-2017-Lahore-309:

*Learned counsel for the petitioner submitted that there was an outer time limit of 90 days for a decision by the Electric Inspector which has not been observed and which rendered the decision of the Electric Inspector a nullity. This submission of the learned*

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*counsel has been dealt with by the Appellate Board and in any case, is fallacious- The short and simple answer rendered by the Appellate Board was that the decision was made under Section 38 of the Act, 1997 and not in terms of Section 26 of the Electricity Act, 1910. Therefore, the outer time limit of 90 days was inapplicable.”*

Keeping in view the overriding effect of the NEPRA Act on the Electricity Act, 1910, and the above-referred decisions of the honorable High Court, the objection of the Appellant is dismissed.

### 6.2 Jurisdiction of the POI u/s 38 of the NEPRA Act:

The billing meter of the Respondent was found 33% slow during checking dated 23.11.2021 of the Appellant and the detection bill of Rs.1,896,099/- against 54,503 units+435 kW MDI for the period from 03.06.2019 to 31.10.2021 was debited to the Respondent. The entire facts of the case manifest that the case pertains to the billing due to a slow meter and the POI has been empowered to adjudicate such matters under Section 38 of the NEPRA Act. In this context, the honorable Supreme Court of Pakistan in the case reported as PLD 2012 SC 371 held that the POI has exclusive jurisdiction to entertain the complaints of billing, where, the metering equipment is involved and the Civil Court has the jurisdiction in case of bypassing the meter. Thus the objection of the Appellant has no force and the same is rejected.

6.3 As per checking dated 23.11.2021 of the Appellant, the impugned meter was found 33% slow, therefore the Appellant debited a detection bill of Rs.1,896,099/- against 54,503 units+435 kW MDI for the period from 03.06.2019 to 31.10.2021 to the Respondent @ 33% slowness of the impugned meter, which is under dispute.

6.4 Admittedly, 33% slowness in the impugned meter of the Respondent was established during the subsequent joint checking dated 17.02.2022 of the POI, hence only the period of slowness needs to be determined in the below paras.

6.5 To ascertain the plea of the Appellant, instant feed report for the period from 01.12.2020 to 01.01.2022 as provided by the Appellant was examined, which revealed that one phase of the impugned meter remained defective since long, however Clause 4.3.3c(ii) of the CSM-2021 restricts the Appellant to charge the detection bill maximum for two months in case of a slow meter, whereas in the instant case, the Appellant debited the impugned detection bill for twenty-eight months, which is inconsistent with the foregoing clause of the CSM-2021. It is further clarified that the honorable NEPRA Authority vide order dated 13.06.2024

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retained the period of supplementary/detection bill for two billing cycles in case of the slowness of the metering equipment/defective CTs as mentioned in Clause 4.4(e) of CSM-2010 (existing clause 4.3.3 of CSM-2021), the operative portion of which is reproduced below:

*"For the reasons stated above, we reject the proposal of the distribution companies and retain the period of the supplementary bills for two (02) billing cycles in the case of the slowness of the metering installation/defective CTs as mentioned in clause 4.4(e) of CSM-2010 (existing clause 4.3 of CSM-2021). In a vigilant system, slowness of the metering installation should be detected timely, hence the distribution companies must bring efficiency in their working and replace the slow meters/defective CTs within the stipulated period as provided in clause 4.3 of the CSM-2021 in true letter and spirit. The distribution companies should ensure the charging of supplementary bills maximum for two billing cycles. If in the cases where the slowness of the metering installation is not pointed out timely and the metering installation is not replaced within maximum period of two (02) billing cycles, the competent authority of the relevant distribution company shall take disciplinary action against the concerned officials and fix the responsibility for negligence in such cases."*

6.6 In light of the foregoing order of the Authority, we are of the considered view that the charging of the detection bill beyond two billing cycles is inconsistent with the foregoing clause of the CSM-2021. Therefore, the detection bill amounting to Rs.1,896,099/- against 54,503 units+435 kW MDI for the period from 03.06.2019 to 31.10.2021 debited to the Respondent along with LPS is unjustified and the same is cancelled as already determined by the POI.

6.7 The Respondent is liable to be charged the revised detection bill for two months before checking dated 23.11.2021 @ 33% slowness of the meter, according to Clause 4.3.3c(ii) of the CSM-2021 and the bills w.e.f checking dated 23.11.2021 and onwards till the replacement of the impugned meter by raising MF due to 33% slowness of the meter, according to Clause 4.3.3c(i) of the CSM-2021.

7. In view of what has been stated above, we have concluded that:

7.1 The detection bill of Rs.1,896,099/- against 54,503 units+435 kW MDI for the period from 03.06.2019 to 31.10.2021 is inconsistent with Clause 4.3.3c(ii) of the CSM-2021 and the same along with LPS is cancelled.



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7.2 The Respondent may be charged the revised detection bill for two billing cycles before checking dated 23.11.2021 @ 33% slowness of the meter, according to Clause 4.3.3c(ii) of the CSM-2021 and the bills w.e.f checking dated 23.11.2021 and onwards till the replacement of the impugned meter by raising MF due to 33% slowness of the meter, under Clause 4.3.3c(i) of the CSM-2021.

7.3 The billing account of the Respondent may be overhauled, accordingly.

8. Impugned decision is modified in the above terms..

Abid Hussain  
Member/Advisor (CAD)

Naweed Illahi Sheikh  
Convener/DG (CAD)

Muhammad Irfan-ul-Haq  
Member/ALA (Lic.)

Dated: 02-07-2025

