

# Before the Appellate Board National Electric Power Regulatory Authority (NEPRA)

# Islamic Republic of Pakistan

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No. NEPRA/Appeal/044/2024/6/4

July 11, 2025

- Muhammad Latif, S/o. Ahmad Bakhsh, Through Muhammad Hanif, R/o. Shopping Plaza, Civil Hospital, Multan Cell No. 0300-7373022
- 3. Muhammad Arshad Mughal, Advocate High Court, 06 Justice Tariq Mehmood Block, District Courts, Multan Cell No. 0300-8733006
- Sub Divisional Officer (Op), MEPCO Ltd, Hasan Parwana Sub Division, Multan

- Chief Executive Officer, MEPCO Ltd, MEPCO Complex, Khanewal Road, Multan
- 4. Executive Engineer (Operation), MEPCO Ltd, Cantt Division, Multan

POI/Electric Inspector,

6. Multan Region, Energy Department, Govt. of Punjab, 249-G, Shah Rukan-e-Alam Colony, Phase-II, Multan

Subject:

Appeal No.044/2024 (MEPCO vs. Muhammad Latif) Against the Decision Dated 26.04.2024 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 11.07.2025 (05 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



### Before The Appellate Board

In the matter of

### Appeal No.044/POI-2024

Multan Electric Power Company Limited

.....Appellant

Versus

Muhammad Latif S/o. Ahmed Bakhsh, Through Muhammad Hanif, R/o. Shopping Plaza, Civil Hospital, Multan

.....Respondent

APPEAL UNDER SECTION 38(3) OF THE REGULATION OF GENERATION, TRANSMISSION, AND DISTRIBUTION OF ELECTRIC POWER ACT, 1997

For the Appellant:

Mr. Muhammad Arshad Mughal Advocate

Mr. Saqib Inaam SDO

For the Respondent: Mr. Muhammad Hanif

### **DECISION**

- 1. Brief facts of the case are that Muhammad Latif (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.28-15117-0754703-U having a sanctioned load of 08 kW and the applicable tariff category is B-1(b). Display of the billing meter (the "first meter") of the Respondent was found defective during checking dated 30.12.2022, hence the DEF-EST code was fed by the Appellant w.e.f December 2022 and onwards. Later on, the impugned meter of the Respondent was replaced with a new meter (the "second meter") by the Appellant on 08.03.2023 and sent to M&T lab for data retrieval. As per the M&T report dated 28.08.2023, 6,925 units were found less charged, hence the Appellant debited a detection bill of Rs.308,717/- for 6,925 units to the Respondent on account of pending units and added to the bill for October 2023. Later on, the second meter of the Respondent became defective in October 2023 and the same was replaced with a new meter (the "third meter") by the Appellant in October 2023.
- 2. Being aggrieved, the Respondent filed an application before the Provincial Office of Inspection, Multan Region, Multan (hereinafter referred to as the "POI") and challenged the detection bill of Rs.308,717/- for 6,925 units debited by the Appellant along with arrears of

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Rs.78,000/- added in October 2023. The complaint of the Respondent was disposed of by the POI vide decision dated 26.04.2024, wherein the detection bill of Rs.308,717/- for 6,925 units and the excessive units of 1,669 units are declared null, void and of no legal effect. The Appellant was directed to adjust the 50% payment already made by the Respondent against the impugned detection bills.

- 3. Being dissatisfied, the Appellant has filed the instant appeal before the NEPRA and assailed the decision dated 26.04.2024 of the POI (hereinafter referred to as the "impugned decision"). In its appeal, the Appellant opposed the maintainability of the impugned decision *inter alia*, on the following grounds that the POI has failed to observe the case in letter and spirit and the policy formulated in the Consumer Service Manual (the "CSM") and passed the impugned decision on surmises and conjectures; that the POI did not decide the matter within 90 days as envisaged under Section 26(6) of the Electricity Act 1910; that the matter exclusively falls within the domain of civil court; that the POI did not apply his judicious mind while deciding the matter and that the impugned decision is liable to be set aside.
- 4. Notice dated 24.06.2024 of the appeal was issued to the Respondent for filing reply/para-wise comment, which were filed on 09.07.2024. In the reply, the Respondent prayed for dismissal of the appeal with cost *inter alia*, on the following grounds that the appeal is neither maintainable nor sustainable; that the impugned decision was passed keeping in view the CSM and is a well-reasoned and lawful decision; that the POI exercised the jurisdiction vested under the law and rightly declared the detection bill and the case mentioned in the instant para does not apply to the facts and figures of the case; and that the stance of the Appellant before the lower forum was false, frivolous and baseless.
- 5. Hearing of the appeal was conducted at NEPRA Regional Office Multan on 07.02.2025, wherein learned counsel along with SDO appeared for the Appellant, whereas the representative for the Respondent tendered appearance. Learned counsel for the Appellant contended that the billing meter of the Respondent was found defective with vanished display in December 2022 and the same was replaced with a new meter in April 2023 and checked in the M&T laboratory. Learned counsel for the Appellant further contended that 6,925 units were found uncharged as per the M&T data retrieval report, therefore a detection bill of Rs.308,717/- for 6,925 units was debited to the Respondent. Learned counsel for the Appellant argued that the POI did not consider the real aspects of the case and erroneously declared the above detection bill as null and void. Learned counsel for the Appellant prayed that the impugned decision is unjustified and liable to be struck down. On the other hand, the

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representative for the Respondent rebutted the contention of the Appellant regarding charging the impugned detection bill, supported the impugned decision for cancellation of the same, and prayed for dismissal of the appeal.

- 6. Having heard the arguments and record perused. Following are our observations:
- 6.1 While addressing the preliminary objection of the Appellant regarding the jurisdiction of the POI, the Respondent filed his complaint before the POI on 20.10.2023 under Section 38 of the NEPRA Act. POI pronounced its decision on 26.04.2024 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, of 1910. Reliance in this regard is placed on the judgments of the honorable Lahore High Court Lahore reported in 2017 PLJ 627 Lahore and 2017 PLJ 309 Lahore. 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 As regards another objection of the Appellant regarding the jurisdiction of the POI, it is clarified that the dispute of billing pertains to the metering equipment and the POI has exclusive jurisdiction to adjudicate the same under Section 38 of the NEPRA Act, 1997, and as per procedure laid down in Punjab (Establishment and Powers of Office of Inspection) Order, 2005. The above objection of the Appellant is not valid and, therefore overruled.
- 6.3 As per the available record, the display of the first meter of the Respondent became defective in December 2022, hence the bills for the period from December 2022 to March 2023 were charged on DEF-EST code. Thereafter, the impugned meter of the Respondent was replaced with second meter in April 2023 and checked by the M&T team of the Appellant. As per the M&T report dated 28.08.2023 of the Appellant, 6,925 units were found uncharged, therefore, the Appellant charged a detection bill of Rs.308,717/- for 6,925 units to the Respondent based on pending units. Subsequently, the second meter became defective in October 2023, which was replaced with third meter by the Appellant in October 2023.
- 6.4 The Respondent challenged before the POI the detection bill of Rs.308,717/- for 6,925 units and the bills for the period from April 2023 to October 2023 charged by the Appellant. Both the disputes will be discussed in the below paras separately:

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### 6.5 Bills for the period from April 2023 to October 2023:

As regards the bill for October 2023, it is observed that the second meter of the Respondent was installed in April 2023 and subsequently, it became defective in October 2023. The Appellant replaced the second meter with the third meter due to defectiveness on 17.10.2023. The Respondent assailed the bill of October 2023 with the plea that excessive units were charged by the Appellant during the period from April 2023 to October 2023.

6.6 To verify the contention of the Respondent regarding excessive billing, the units already charged during the period from April 2023 to October 2023 be compared with the final reading of the second meter noted at the time of its removal from the site.

| A                     |       | В                             |         | С                        |  |
|-----------------------|-------|-------------------------------|---------|--------------------------|--|
| Units already charged |       | Units to be charged           |         | Net units to be credited |  |
| Month                 | Units |                               |         |                          |  |
| Apr-23                | 0     |                               |         | A.D.                     |  |
| May-23                | 774   | _                             |         |                          |  |
| Jun-23                | 2415  |                               | ding of |                          |  |
| Jul-23                | 2453  | second meter<br>on 17.10.2023 |         | A-B                      |  |
| Aug-23                | 2511  |                               |         |                          |  |
| Sep-23                | 2650  |                               |         |                          |  |
| Oct-23                | 0     |                               |         |                          |  |
| Total                 | 10807 | Total                         | 9,138   | 1,669                    |  |

- 6.7 As evident from the above table, the Appellant debited 1,669 units excessively to the Respondent during the period from April 2023 to October 2023, which needs to be credited to the billing account of the Respondent as decided by the POI.
- 6.8 Detection bill of Rs.308,717/- for 6,925 units charged on account of pending units:

The Appellant neither produced the impugned meter before the POI for verification of alleged defectiveness nor could justify the charging of the impugned detection bill before the said forum. The Appellant even failed to follow the procedure as laid down in Chapter 4 of the CSM-21 in case of defective meter due to vanished display. The Appellant was required to retrieve the data within three months from the date of replacement of the first meter as per Clause 4.3.2(d) of the CSM-2021, however the Appellant took more than five months for retrieval of data.

6.9 To further verify their contention regarding charging the impugned detection bill on account of pending units, the consumption data of the Respondent is reproduced below:

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| Month                         | Units | Month    | Units | Month   | Units |  |  |  |
|-------------------------------|-------|----------|-------|---------|-------|--|--|--|
| Dec-21                        | 1481  | Dec-22., | 1612  | Dec-23  | 686   |  |  |  |
| Jan-22                        | 1226  | Jan-23   | 1388  | Jan-24  | 650   |  |  |  |
| Feb-22                        | 1191  | Feb-23   | 1413  | Feb-24  | 388   |  |  |  |
| Mar-22                        | 1133  | Mar-23   | 1005  | Mar-24  | 279   |  |  |  |
| Apr-22                        | 921   | Apr-23   | 0     | Apr-24  | 143   |  |  |  |
| May-22                        | 1294  | May-23   | 774   | May-24  | 137   |  |  |  |
| Jun-22                        | 1714  | Jun-23   | 2415  | Jun-24  | 730   |  |  |  |
| Jul-22                        | 1418  | Jul-23   | 2453  | Jul-24  | 427   |  |  |  |
| Aug-22                        | 1112  | Aug-23   | 2511  | Aug-24  | 437   |  |  |  |
| Sep-22                        | 1220  | Sep-23   | 2650  | Sep-24  | 450   |  |  |  |
| Oct-22                        | 1773  | Oct-23   | 0     | Oct-24  | 282   |  |  |  |
| Nov-22                        | 1277  | Nov-23   | 4630  | Nov-24  | 160   |  |  |  |
|                               |       |          |       |         |       |  |  |  |
| Average                       | 1313  | Average  | 1738  | Average | 397   |  |  |  |
| Detection bill of 6,925 units |       |          |       |         |       |  |  |  |

Perusal of the above table reveals that the detection units charged during the disputed period are much higher as compared to the consumption of the corresponding months of the previous and succeeding years. As such, the detection bill of Rs.308,717/- for 6,925 units debited to the Respondent on the basis of pending units is unjustified and the same is cancelled, which is also the determination of the POI.

- 6.10 It is further noticed that consumption of the Respondent during the disputed period i.e. December 2022 to March 2023 is much less than the healthy consumption of new meter as recorded during the period from April 2023 to October 2023, hence it would be fair and appropriate to charge the revised bills for December 2022 to March 2023 on DEF-EST code as per Clause 4.3.1(b) of CSM-2021.
- 6.11 The billing account of the Respondent be overhauled, accordingly.

7. The appeal is disposed of in the above terms.

Abid Hussain

Member/Advisor (CAD)

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

Naweed Illahi Sheikh Convener/DG (CAD)

Dated: 11-07-2025

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