



Registrar

National Electric Power Regulatory Authority Islamic Republic of Pakistan

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No. NEPRA/ADG(CAD)/TCD-02/ 22/63-65

August 20, 2020

Chief Executive Officer
Islamabad Electric Supply Company (IESCO)
Street No. 40, G-7/4,
Islamabad

Subject: **DECISION IN THE MATTER OF COMPLAINT FILED BY MR. SHAHID IKRAM UNDER SECTION 39 OF THE REGULATION OF GENERATION, TRANSMISSION AND DISTRIBUTION OF ELECTRIC POWER ACT, 1997 AGAINST IESCO REGARDING ARREARS IN BILL (AC # 07-14127-1701000)**

Please find enclosed herewith the decision of Member (Consumer Affairs) dated 19.08.2020 (04 Pages), regarding the subject matter, for compliance within thirty (30) days.

Encl: As above


(Hafeez Ullah Khan)
Deputy Registrar

Copy to:

1. C.E./Customer Services Director
Islamabad Electric Supply Company (IESCO)
Street No. 40, G-7/4, Islamabad
2. Mr. Shahid Ikram
House No. 259, Street No. 05, I-10/3
Islamabad.



BEFORE THE
NATIONAL ELECTRIC POWER REGULATORY AUTHORITY
(NEPRA)

Complaint No. IESCO-168/10/2018

Mr. Shahid Ikram **Complainant**
House No. 259, Street No. 05, I-10/3
Islamabad.

Versus

Islamabad Electric Supply Company (IESCO) **Respondent**
Head Office IESCO, Street No. 40,
Sector G-7/4
Islamabad.

Dates of Hearings: 1) 22nd October 2018
2) 22nd November 2018
3) 1st August 2019
4) 3rd March 2020

On behalf of Complainant:

1) Mr. Shahid Ikram

On behalf of Respondent:

1) Mr. Muhammad Athar (Adll. DCM)
2) Syed Azmat Ali Shah (SDO, F-11)

Subject: **DECISION IN THE MATTER OF COMPLAINT FILED BY MR. SHAHID IKRAM**
UNDER SECTION 39 OF THE REGULATION OF GENERATION,
TRANSMISSION AND DISTRIBUTION OF ELECTRIC POWER ACT, 1997
AGAINST IESCO REGARDING ARREARS IN BILL (AC # 07-14127-1701000)

DECISION

This Decision shall dispose of the complaint filed by Mr. Shahid Ikram (hereinafter referred to as the "Complainant") against Islamabad Electric Supply Company (hereinafter referred to as the "Respondent" or "IESCO"), filed under Section 39 of the Regulation of Generation, Transmission and Distribution of Electric Power Act, 1997 (hereinafter referred to as the "NEPRA Act").

2. The Complainant in his complaint stated that his meter was replaced by IESCO without any prior intimation and arrears of 28147 units were illegally charged in the month of September 2018. The Complainant further stated that he approached IESCO for resolution of the issue but no proper response was given by IESCO.

3. The matter was taken up with IESCO vide letter dated October 11, 2018, wherein IESCO was directed not to disconnect the electricity supply of the Complainant's premises and issue current bills to the complainant for payment. A hearing in the matter was held on October 22, 2018 at NEPRA Head Office, Islamabad, which was attended by both the parties. During the proceedings of the hearing, it was revealed that the terminal of the meter became defective in April 2018 and the meter was replaced in May 2018. The impugned meter was sent to the laboratory for data retrieval. The data retrieval report transpired that a three segment reading (Agricultural) meter was installed at the premises of the Complainant instead of two segment reading meter due to which T3 segment of the meter was not recorded from the date of installation of connection and all the units of T3 segment remained pending for which a bill amounting to Rs. 466,790/- for 28147 pending units was charged by IESCO.

4. IESCO was directed to provide some information w.r.t data retrieval, MCO, billing history etc. In response, IESCO vide its letter dated February 01, 2019 submitted the required documents/information. The said report was forwarded to the Complainant for information and comments. In response, the Complainant vide his rejoinder dated February 19, 2019 negated the facts stated in IESCO's report and raised observations and further contested that IESCO should have installed a proper meter at site. In view of the said, IESCO was directed vide letter dated March 28, 2019 to reinstall the old/removed meter in series with existing meter of the Complainant for determining the actual quantum of energy being consumed by the Complainant as there was no significant change in consumption pattern of the Complainant after replacement of impugned meter in May 2018.

5. In response, IESCO vide its letter dated July 04, 2019 submitted that the impugned meter was installed at the complainant premises in series with existing/billing meter from which it has been revealed that there is no difference in consumption recorded on the existing/billing meter and the impugned meter. IESCO further added that as per data retrieval report, the removed meter had 3 segments, and only 2 segments were being charged, whereas the 3rd segment reading was not charged to the Complainant which was pointed out after data retrieval. Therefore, the 3rd segment is chargeable to the Complainant. In order to proceed further into the matter, IESCO was directed to provide some more information/documents w.r.t detailed working of Rs. 466,790/- for 28147 units, justification for charging bill after lapse of 8 years, action taken against delinquents/officials etc. In response, IESCO vide its letter dated December 04, 2019

submitted the required information/documents and further submitted that all the proceedings in the matter were carried out as per departmental rules and regulations. However, IESCO failed to prove that the disputed units i.e. 28147 amounting to Rs. 466,790/- charged to the Complainant for past eight (08) years are justified.

6. The case has been analyzed in detail in light of written/verbal arguments of the parties. Following has been observed:

- i. A connection under domestic tariff, having 7 kW load was provided to the Complainant on April 15, 2011.
- ii. IESCO installed a 3 segment meter at site. These three segment meters were used to be installed for agricultural connections. IESCO was supposed to install a ToU meter, at the Complainant's premises, meant for residential connection.
- iii. The said meter became defective in April 2018 and was replaced in May 2018. The impugned meter was sent to the laboratory for data retrieval. The data retrieval report transpired that a three segment reading meter was installed at the premises of the Complainant, due to some mistake, instead of two segment reading meter, due to which T3 segment consumption of the meter was not charged from the date of installation of connection and all the units recorded on T3 segment remained pending for which a bill for amounting to Rs. 466,790/- for 28147 pending units was charged by IESCO for the last eight (08) years i.e. from the date of connection to the date of replacement the meter.
- iv. IESCO had admitted the fact that it had mistakenly installed an agricultural meter which has three segment reading mechanism instead of regular two part reading meter (having peak and off-peak tariff part). Due to which, the third part (T3) units remained pending and were overlooked while charging monthly bills.
- v. "Electricity" is categorized under the definition of "goods" in terms of Sales of Goods Act, 1930. Further, the distribution companies cannot claim any bills from the consumers for the period beyond three years under section 3 read with item number 53 Part VI of First Schedule of the Limitation Act, 1908. Since the consumer had consumed the electricity units and were pending in the energy meter, therefore, IESCO could only claim amount of



units for the last three years i.e. from the date of replacement of the impugned meter in terms of Limitation Act.

- vi. It has been revealed that it was negligence on part of IESCO to not install the appropriate meter but since the units were consumed and recorded in the energy meter, therefore, the consumer should not be absolved from paying the cost of pending units. As far as limitation for charging the units is concerned, IESCO can only charge the consumer for the period of last three years i.e. from May 2015 to April 2018 in terms of Limitation Act, 1908.

9. Foregoing in view, IESCO is directed to charge the Complainant only for the period of last three (03) years from May 2015 to April 2018 in terms of Limitation Act 1908.

10. Compliance report to be submitted within thirty (30) days, positively.



(Rehmatullah Baloch)
Member (Consumer Affairs)

Islamabad, August 19 , 2020