

# National Electric Power Regulatory Authority

ISLAMIC REPUBLIC OF PAKISTAN
NEPRA Head Office

Ataturk Avenue (East) Sector G-5/1, Islamabad. Ph:051-2013200, Fax: 051-2600021

Consumer Affairs
Department

TCD.05/ 2672 -2025

July 02, 2025

Chief Executive Officer (CEO), LESCO, 22-A, Queen's Road Lahore.

Subject: DECISION IN THE MATTER OF COMPLAINT FILED BY MR. RIZWAN KHALID, MANAGING DIRECTOR, M/S HILTON SUITES PVT. LTD., SECTION 39 OF THE REGULATION OF GENERATION, TRANSMISSION & DISTRIBUTION OF ELECTRIC POWER ACT, 1997, AGAINST LESCO REGARDING IMPOSITION OF UNJUSTIFIED UNITS IN FORM OF DETECTION BILL(S) (A/C# 44 11516 1643601, 44 11516 1643607 & 44 11516 1643609).

LESCO-NHQ-38281-05-24

Please find enclosed herewith the decision of NEPRA Complaints Resolution Committee (CRC) dated July 02, 2025, regarding the subject matter for necessary action and compliance within fifteen (15) days.

## Encl: As above

Copy to:

 Chief Engineer/Customer Services Director, LESCO, 22-A, Queen's Road, <u>Lahore</u>.

 Incharge Central Complaint Cell, LESCO & -Focal Person to NEPRA, LESCO, 22-A, Queens Road, <u>Lahore</u>. 042-99204859

XEN (Operation), Gulberg Division,
 Near, 132kV Garden Town Grid Station, Lahore.

 Mr. Rizwan Khalid, Managing Director, M/s Hilton Suites Pvt. Ltd., Mian Mehmood Ali Qureshi Road, Near Hussain Chowk, <u>Lahore</u>. 0323-3333350 (Muhammad Abril FAIRS OF CAD)

Assistant Director (CAD)

NEPRA
Islamabad

(CAD)



### BEFORE THE

# NATIONAL ELECTRIC POWER REGULATORY AUTHORITY

### (NEPRA)

Complaint No. LESCO-NHQ-38281-05-24

Mr. Rizwan Khalid

Managing Director
M/s Hilton Suits Pvt. Ltd.

Mian Mehmood Ali Kasuri Road, Lahore.

Versus

Lahore Electric Supply Company (LESCO)

22-A, Queens Road, Lahore.

Date of Hearing:

August 06, 2024

December 30, 2024 January 10, 2025 January 17, 2025 April 17, 2025

On behalf of:

Complainant:

Mr. Rizwan Khalid

Respondents:

1) Mr. Muhammad Tahir XEN (Operation), LESCO

2) Mr. Fiaz Hussain XEN (Operation), LESCO3) Mr. Bilal Aslam Revenue Officer, LESCO

Subject: DECISION IN THE MATTER OF COMPLAINT FILED BY MR. RIZWAN KHALID UNDER SECTION 39 OF THE REGULATION OF GENERATION, TRANSMISSION AND DISTRIBUTION OF ELECTRIC POWER ACT, 1997 AGAINST LESCO REGARDING DETECTION BILL (A/C# 44 11516 1643601, 44 11516 1643607, 44 11516 9021800 & 44 11516 1643609)

#### DECISION

This decision shall dispose of the complaint filed by Mr. Rizwan Khalid, Hilton Suits (Pvt) Limited (hereinafter referred to as the "Complainant") against Lahore Electric Supply Company (hereinafter referred to as the "LESCO") under Section 39 of the Regulation of Generation, Transmission and Distribution of Electric Power Act, 1997 (hereinafter referred to as the "NEPRA Act").

2. NEPRA received a complaint from Mr. Rizwan Khalid wherein the Complainant disputed the detection bill charged by LESCO on basis of data retrieval report of a single/backup meter installed against reference Nos. A/C# 44 11516 1643601, 44 11516 1643607 & 44 11516 1643609 despite regular payment of bills. The Complainant approached LESCO for redressal of grievance, however, upon non-resolution, the Complainant requested NEPRA to direct LESCO for correction of bills. Accordingly, the

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.....Complainant

.....Respondent

matter was taken up with LESCO and hearings were held at NEPRA Head Office, Lahore, which were attended by both the parties wherein the matter was discussed in detail. During the hearings, LESCO reported that the two Nos: of detection bills of 48273 & 495065 units were charged against reference No. i.e. 44-11516-1643607 on basis of meter slowness during August, 2021 and August, 2023 respectively. Another detection bill of 50764 units was charged against reference No. i.e. 44-11516-1643609 due to the slowness during August, 2023. During the hearing, it also came into notice that the instant matter remained subjudice before the civil court, however, the Complainant submitted documentary evidences regarding withdrawal of the case from the court.

- 3. The case has been examined in detail in light of the record made so available by the parties, arguments advanced during the hearings and applicable law. Following has been observed:
  - (i) The Complainant has four (04) electricity connections installed by LESCO against Hilton Suites, Mian Mehmood Ali Kasuri Road, District Lahore against reference Nos. 44115169021800, 44115161643601, 44115161643607 and 44115161643609. A backup/monitoring meter was also installed since energization of connection. During checking on July 05, 2021 M&T Department reported 66.6% slowness of two connections bearing reference Nos. 44115161643607 & 44115161643609. Subsequently, in August, 2021 both the reference Nos. i.e. 44-11516-1643607 & 44115161643609 were charged by LESCO two detection bills amounting to Rs. 16,57,763 for 48273 units and Rs. 17,29,474/- for 50764 units respectively for a period of six (06) months (February, 2021 to July, 2021) on pretext of 66.6% slowness of meter. Both the defective meters were replaced on September 01, 2021. LESCO did report any discrepancy against other two reference Nos. which shows that accuracy of the respective meters is within permissible limits.

Sec. Section

- (ii) Additionally, backup/monitoring meter was also found display washed and replaced on April 13, 2023. Subsequently, on the basis of data retrieval report of the backup meter, LESCO charged 495065 units in the form of another detection bill in August, 2023 against reference number 44-11516-1643607 for a period of sixty 65-months (August, 2017 to June, 2023) on account of difference of retrieved readings of backup meter and 04 Nos. reference Nos. 44115169021800. 44115161643601, 44115161643607 44115161643609. LESCO adjusted/withdrew the already charged two detection bills of 48273 & 50764 units during the charging of instant detection bill of 495065 units. However, during the process of pre-audit; the Auditor of LESCO vetted the said detection bill for amounting to Rs. 2,44,04,881/- for 488574 units to be charged against reference No. 44115161643607. The dispute raised by the Complainant was that detection bill has been charged by LESCO with the mala fide intent while being inconsiderate of the relevant clauses of Consumer Service Manual (CSM).
- (iii) Perusal of documentary evidence reveals that supplementary bills of 48273 & 50764 units against reference Nos. 44-11516-1643607 and 44-11516-1643609 were charged for a period of six (06) months (February, 2021 to July, 2021) based on 66% slowness i.e. two phase dead as checked by M&T, LESCO during July, 2021 while the same is inconsistent with Clause-4.3.3 of Consumer Service Manual (CSM) for charging supplementary bill in case of established slowness. As per which LESCO is restricted to charge supplementary bill only for the period of two previous billing cycles prior to date of checking which has not been followed by LESCO in the instant case. Clause 4.3.3 of CSM provides that if the metering installation proves to be incorrect during the checking(s), DISCO shall install a "correct meter" immediately or within two billing cycles if meters are not available. Further, in case slowness is established, DISCO shall enhance multiplying factor for

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- charging actual consumption till replacement of the defective metering installation. Further, charging of a bill for the quantum of energy lost if any, because of malfunctioning of metering installation shall not be more than two previous billing cycles.
- (iv) Further, scrutiny of documents revealed that the Complainant lodged the instant complaint before NEPRA during the month of May, 2024 and in order to arrive at informed decision multiple hearings were held which were attended by both the parities. During the hearings and in reports submitted by LESCO, LESCO alleged the Complainant being involved in theft of electricity by using direct supply, however, no pictorial or video evidences in support of the arguments were provided. LESCO vide report dated April 24. 2025 further apprised that during individual checking of all four meters on April 04, 2023; no meter was found installed at site against reference No. 44-11516-1643607 and direct supply was observed at the time of checking with running load 105.2A. LESCO also submitted that Ref No. 44-11516-1643609 was also checked whereby Red & Yellow Phase of the energy meters were found dead. Terminal Block Strip found tampered, security sips of terminal block torn out. If this be the case, LESCO should have issued supplementary bills, however, the record is silent into this regard which shows that this point has been raised by LESCO to divert the case un-necessarily. Conversely, the Complainant denied allegation of direct supply instead informed that meter against Ref No. 44-11516-1643607 was burnt out which was brought into notice of the concerned LESCO officials who charged an amount of Rs. 100,000/- for replacement of burnt meter and shifted the load of the said burnt meter on the other connection under reference No. 24 11516 9021800. The Complainant further apprised that the burnt meter is still installed at the site and produced evidences (pictures) in support of his arguments. Hence, submission of evidences by the Complainant and non-issuance of supplementary bill(s) in lieu of discrepancies observed by LESCO during the site visit dated August 04, 2023; proves that neither consumer was involved in use of direct supply neither the meter was dead stopped rather burnt meter has not been replaced as yet.
- (v) Moreover, the difference of reading of backup meter and 4x billing meters does not attributes necessarily to establish slowness of billing meters. This can be chance that backup meter is fast. The result is silent with respect to checking carried out of backup meter. Therefore, charging of supplementary bills on account of difference in the reading of billing & back up meters for entire period i.e. 65-months (since date of installation of backup & billings meters) is unjustified and unsubstantiated. It is recorded fact that the meters were checked during July, 2021 while the detection bills against two phase dead were levied during August, 2021 without any enhancement of multiplying factor (MF) after August, 2021 and not restraining the bill up to two previous billing cycles, both in violation of clause 4.3.3 of CSM.
- (vi) According to Clause-6.1.4 of CSM, meter readers shall also check discrepancies in the metering system at the time of reading meters/taking snap shots and report the same in the reading book/discrepancy book or through any other appropriate method as per the standard practice. The concerned officer/official will take corrective action to rectify these discrepancies which was not rectified by LESCO for an extraordinary time period as suggested by exorbitant charging of detection bill, and at very belated stage which is not warranted. Further, M&T Department has also to check the accuracy of meters within six months which was also not done. If the display of backup meter had not been washed; the malfunctioning of backup meter would not have been detected which indicates that the backup meter was never properly checked. Moreover, LESCO also did not make any

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- checking of backup/monitoring meter since its installation i.e. August 01. 2017 which appeals that the current scenario could have been avoided by regular checking of backup meter by LESCO as well by M&T Department.
- (vii) Furthermore, as LESCO failed to point out at any stage about such discrepancy expeditiously from which stand point consumers have legitimate expectancy that what is being billed is actual cost of electricity and it is correct. In view of above, penalizing the Complainant on part of incompetency of LESCO officials is not justified. Henceforth, the above narration requires revision of the supplementary bills for the period of two previous billing cycles from the date of checking of defective meters and enhancement of multiplying factor till removal of discrepancy.
- (viii) Besides during the process of investigations made by NEPRA regarding excessive billing beyond billing cycle(s) and charging of detection bills on account of slowness more than two billing cycles, CEO LESCO provided an undertaking that no supplementary/detection bill on account of slowness will be charged to the consumers in violation of Consumer Service Manual (CSM).
- (ix)In view of the above, it is concluded that LESCO charged both the detection bills in violation of relevant provisions of Consumer Service Manual (bill charged on account of slowness) and did not carried out regular checking of backup meter. Further, supplementary bill amounting to Rs. 2,44,04,881/for 488574 units charged on the basis of data retrieved units stands being unjustified and the same is required to be withdrawn, however, bills charged on the account of slowness should be revised from six (06) months to two months (prior to date of checking) alongwith enhancement of multiplying factor (M.F) till the replacement of meters i.e. September 01, 2021.
- Foregoing in view, LESCO is directed to withdraw supplementary bill of 488574 units raised against reference No. 44 11516 1643607 on account of difference of retrieved readings between backup/monitoring meter and four (04) billing meters installed against reference Nos. 44115169021800, 44115161643601, 44115161643607 and 44115161643609. Moreover, supplementary bills issued for six months (February, 2021 to July, 2021) on account of slowness against Ref No. 44115161643607 & 44115161643609 be revised for two months prior to date of checking i.e. July 05, 2021 and multiplying factor be enhanced till replacement of these meters/removal of discrepancy i.e. September 01, 2021 in accordance with Clause-4.3.3 of Consumer Service Manual (CSM). Further, the burnt meter against reference No. 44115161643607 be replaced immediately. Compliance report be submitted within fifteen (15) days.

(Lashkar Khan Qambrani)

Member, Complaints Resolution Committee/ Director (Consumer Affairs)

(Muhammad Irfan ul Hag)

Member, Complaints Resolution Committee/ Assistant Legal Advisor (CAD)

(Naweed Illahi Shaikh

Convener, Complaints Resolution Completee

Director General (CAD)

Islamabad July

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NEPRA Islamabad

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