



National Electric Power Regulatory Authority
Islamic Republic of Pakistan

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**OFFICE OF THE
REGISTRAR**

No. NEPRA/R/(CAD)/TCD-05/13448-44


28-10-2014

Chief Executive Officer
Lahore Electric Supply Company Ltd.
22-A, Queens Road, **Lahore**

Subject: **Decision in the Matter of complaint filed by Mr. Amjad Ali, Consultant, Zong, CMPak Ltd., under Section 39 of Regulation of Generation, Transmission and Distribution of Electric Power Act, 1997 Against LESCO Regarding Average Billing**
Complaint # LESCO-115/2013

Please find enclosed decision of NEPRA in the subject matter for necessary action and compliance within 30 days of the receipt of this letter.

Encl : **As Above**


28/10/14
(Iftikhar Ali Khan)
Deputy Registrar

Copy to:

Mr. Amjad Ali, Consultant, ZONG, CMPak Ltd. 113/15, Quaid-e-Azam Industrial Estate, Kotlakhpat, Lahore.



BEFORE THE
NATIONAL ELECTRIC POWER REGULATORY AUTHORITY
(NEPRA)

Complaint No: LESCO-115/2013

Mr. Amjad Ali Complainant
Consultant,
ZONG, CMPak Ltd. 113/15, Quaid-e-Azam Industrial Estate,
Kotlakhpat, Lahore.

Versus

Lahore Electric Supply Company (LESCO) Respondent
22-A, Queen's Road, Lahore.

Date of Hearing: July 08, 2014

Date of Decision: October 27, 2014

On behalf of:

Complainant: 1) Mr. Amjad Ali, Consultant ZONG
2) Mr. Nadeem Niaz, STO Zong

Respondent: Mr. Asgher Raza Choudhry, S.E LESCO

Subject: **DECISION IN THE MATTER OF COMPLAINT FILED BY MR. AMJAD ALI, CONSULTANT, ZONG, CMPAK LTD. UNDER SECTION 39 OF THE REGULATION OF GENERATION, TRANSMISSION AND DISTRIBUTION OF ELECTRIC POWER ACT, 1997 AGAINST LESCO REGARDING AVERAGE BILLING**

DECISION

1. This decision shall dispose of the complaint dated September 17, 2013 filed by Mr. Amjad Ali, Consultant ZONG CMPak Limited, Lahore (hereinafter referred to as the "Complainant") under Section 39 of the Regulation of Generation, Transmission and Distribution of Electric Power Act, 1997 against Lahore Electric Supply Company (hereinafter referred to as the "Respondent" or "LESCO").
2. The Complainant in his complaint stated that LESCO has been charging average bills since January 2011 to reference No. 24-11353-0260043 without any justification and intimation in

this regard. The Complainant prayed that LESCO be directed to revise charging of units as per actual electricity consumption when the meter was active or a new meter be installed for assessment of previous consumption.

3. The matter was taken up with LESCO for submission of para-wise comments. In response, LESCO vide letter dated October 31, 2013 reported that the meter of the Complainant has been replaced during last billing cycle. LESCO further stated that the previous meter was defective and average bills were charged according to the procedure. Moreover, the difference (if any) in charging of average consumption will be revised in the light of consumption recorded on new healthy meter.
4. The report of LESCO was sent to the Complainant for information / comments. In response, the Complainant vide letter dated November 12, 2013 approached this office and requested that LESCO may be advised to correct the bill since January 2011 in light of consumption of healthy meter.
5. The matter was again taken up with LESCO for submission of comments on the rejoinder of the Complainant. In response, LESCO vide letter dated December 17, 2013 reported that the connection was installed with sanctioned load of 29.11 kW by installing 50 kVA independent transformer. LESCO further reported that meter of the Complainant became defective and average units were being charged according to sanctioned / connected load. Moreover, owner of the building has also consumed the electricity from mobile tower's meter (the case under dispute). After replacement of the defective meter, the consumer has reduced his connected load. LESCO added that the claim of the Complainant for correction of bill after reducing his load is not justified and now the Complainant is being billed according to consumption recorded on new healthy meter. LESCO further submitted that the Complainant be advised to pay the bill to avoid disconnection of electricity besides applying for reduction of load. The report of LESCO was sent to the Complainant for information / comments.
6. In response, the Complainant vide letter dated January 09, 2014 raised observation over the report of LESCO and stated that there is no evidence produced by LESCO of using electricity by another consumer from ZONG connection and that consumer has his own independent connection and paying his bills regularly. In this regard, the Complainant produced an affidavit by that consumer wherein he declared for not using electricity from ZONG connection. The Complainant further stated that no indication of defective status of the meter had ever been shown on the electricity bills issued since January 2011 which shows that the meter was not defective and LESCO has been charging the units by enhancing meter reading index at its own. The Complainant prayed for revision of bills since January 2011 on the basis of consumption of new healthy meter. In light of rejoinder of the Complainant, the case was again taken up with LESCO for submission of comments.

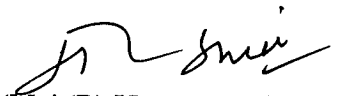
In response, LESCO vide letter dated March 26, 2014 submitted its report and reiterated its earlier version. LESCO further reported that the consumer has reduced his load therefore, the bills cannot be revised on the basis of consumption of the new meter. The report of LESCO was sent to the Complainant. In response the Complainant vide letter dated June 6, 2014 again approached this office and requested for revision of bills on the basis of new healthy meter.

7. To probe further into the matter, a hearing was held on July 8, 2014 at NEPRA Head Office, Islamabad which was attended by both the parties. During the hearing, the Complainant submitted that prior to 2007, the load was 29 kW. With the advancement in technology and application of GSM, the system has become automated and therefore load was reduced and their load is 6 kW since December 2011. The Complainant pressed that their actual consumption is low whereas LESCO has charged average bills and MDI on higher side. During the hearing LESCO's representative could not answer satisfactorily the queries raised by NEPRA regarding not changing of meter as per provisions of Consumer Service Manual (CSM) and charging of average bills as per the procedure laid down in CSM. Subsequent to the hearing, LESCO was directed vide letter dated July 9, 2014 to provide some additional information/documents with respect to billing statement & updated MDI of the Complainant's account, details of meter change since January 2008, rationale of charging average bills etc. In response, LESCO vide letter dated July 28, 2014 submitted the required information.
8. The case has been examined in detail in light of documents provided by both the parties, arguments advanced during the hearing and applicable law. The following has been observed:
 - i. As per LESCO, due to defective meter, average bills were charged to the Complainant as per connected load. Whereas as per the provisions of Consumer Service Manual, the charging of consumers on the basis of defective code, where the meter has become defective and is not recording actual consumption will not be more than two billing cycles. Further, the basis of charging will be 100% of the consumption recorded in the same month of previous year or average of the last 11 months whichever is higher.
 - ii. The meter of the Complainant was replaced on February 22, 2012, September 28, 2012 and October 04, 2013 due to display washed, meter defective and erratic behavior respectively. The meters installed on February 22, 2012 and September 28, 2012 were check meters and declared as billing meters. The billing data reveals that LESCO charged average bills from June 2012 to November 2012 despite installation of check meter.

- iii. LESCO is of the view that another consumer (Mr. Muhammad Jameel) has used electricity from the instant connection but in this regard no documentary evidence was provided by LESCO. On the other hand, the Complainant has submitted an affidavit of Mr. Muhammad Jameel wherein he has declared that he has never used electricity from ZONG connection.
- iv. As per the Complainant, LESCO has been charging average bills since January 2011 without any justification and the defective status of the meter (if any) has not been shown on the bills.
- v. From analysis of the billing history of the Complainant's account since January 2008 provided by LESCO, following has been observed:
 - a. The consumption of the Complainant during the year 2008 & 2009 when bills were being charged on normal basis was 36836 units (3069 units per month) & 43984 units (3665 units per month) respectively. The average consumption of the Complainant for 11 months (i.e. from June 2009 to April 2010) prior to charging of average bills is 4025 units. During the years 2010, 2011, 2012 & 2013, LESCO charged mostly average bills to the Complainant without any justification. LESCO charged average bills of 12697 units, 14701 units, 14700 units in numerous months of the years 2010, 2011, 2012 and 2013.
 - b. LESCO replaced the meter and installed check meter on the premises on February 22, 2012. The actual consumption after February 2012 is on lower side. From the month of June 2012, LESCO again charged average monthly bills to the tune of 14700 units, 15505 units and 14714 units without any justification. LESCO replaced the meter of the Complainant on September 28, 2012 but continued average billing upto November 2012.
 - c. The average normal consumption of the Complainant recorded on the healthy meter from December 2012 to May 2013 is 5777 units which is on lower side as compared with the bills charged by LESCO on average basis. Third time LESCO replaced the meter on October 04, 2013. The average monthly consumption recorded on the healthy meter w.e.f October 2013 to July 2014 is 2367 units.
- vi. The billing statement of the Complainant's account reveals that LESCO has charged average bills in violation of provisions of CSM. Initially LESCO reported that the bills will be revised on the basis of consumption of the new meter but later LESCO denied revision of bills on this basis with the plea that the consumer has reduced its

load. The MDI of the Complainant is on lower side than the sanctioned load i.e 29 kW.

9. Foregoing in view, LESCO is hereby directed to:
- i. Revise the bills charged to the Complainant on average basis from January 2011 to September 2013 as per the average consumption recorded on the healthy meter from December 2012 to May 2013 i.e. 5777 units per month. As such, the chargeable units become 190641 units (33 x 5777) instead of 395061 units already charged from January 2011 to September 2013.
 - ii. Advise the Complainant to apply to LESCO for reduction of load.
 - iii. Take disciplinary action under its service rules against the delinquent officials/officers involved in charging of average bills in violation of provisions of CSM.
10. Compliance report be submitted within thirty (30) days.


(Maj (R) Haroon Rashid)
Member (Consumer Affairs)
For and on behalf of Authority

Islamabad, October 27, 2014