



# National Electric Power Regulatory Authority

## Islamic Republic of Pakistan

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**Registrar**

No. NEPRA/R/TCD-05/ 9459

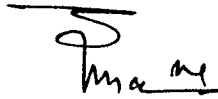
12-8-2014

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

Subject: Decision of the Authority in the Matter of Review Motion filed by LESCO Against the Decision of NEPRA in the matter of complaint filed by M/s Faster Consultants on behalf of Mian Zahid Rasool/Sheikh Mansoor Zafar under Section 39 of Regulation of Generation, Transmission and Distribution of Electric Power Act, 1997 Against LESCO Regarding Detection Bill  
Complaint # LESCO-93/2013

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

Encl : As Above

  
( Syed Safer Hussain )

Copy to:

1. C.E/Customer Services Director, Lahore Electric Supply Company Ltd. 22-A, Queens Road, Lahore
2. M/s Faster Consultants, 22, F/2, Ichhra Shopping Centre, Lahore.



**NATIONAL ELECTRIC POWER REGULATORY AUTHORITY**  
**(NEPRA)**

**Complaint No. LESCO-93/2013**

**Lahore Electric Supply Company (LESCO)** ..... Petitioner  
through its Chief Executive Officer  
22-A, Queen's Road, Lahore.

**M/s Faster Consultants** ..... Complainant  
22, F/2, Ichra Shopping Center  
Lahore.

**Date of Decision:** July 3, 2014

**Date of Hearing:** April 22, 2014

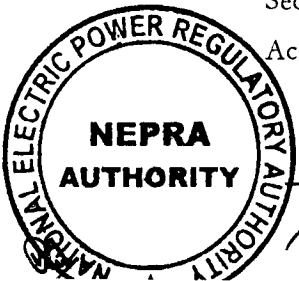
**Present:**

Mr. Habibullah Khilji	Vice Chairman
Khawaja Muhammad Naeem	Member (Tariff)
Maj (R) Haroon Rashid	Member (Consumer Affairs)

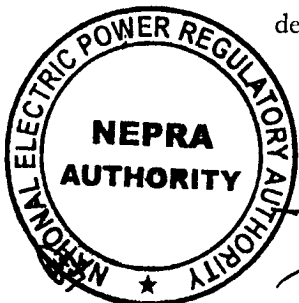
Subject: **DECISION OF THE AUTHORITY IN THE MATTER OF REVIEW MOTION FILED BY LESCO AGAINST THE DECISION OF NEPRA IN THE MATTER OF COMPLAINT FILED BY M/S FASTER CONSULTANTS ON BEHALF OF MIAN ZAHID RASOOL/SHEIKH MANSOOR ZAFAR UNDER SECTION 39 OF REGULATION OF GENERATION, TRANSMISSION AND DISTRIBUTION OF ELECTRIC POWER ACT, 1997 AGAINST LESCO REGARDING DETECTION BILL**

**Decision**

1. This decision shall dispose of the review motion filed by Lahore Electric Supply Company (hereinafter referred to as the 'Petitioner' or 'LESCO') against the decision of NEPRA dated January 20, 2014 in the matter of complaint of M/s Faster Consultants on behalf of Mian Zahid Rasool/Sheikh Mansoor Zafar (hereinafter referred to as the 'Complainant') under Section 39 of the Regulation of Generation, Transmission and Distribution of Electric Power Act, 1997.



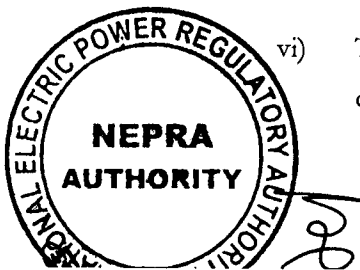
2. As per facts, the Complainant filed a complaint on July 10, 2013 wherein it was stated that LESCO team checked their meter on October 30, 2009 and they were charged Rs.6,125,987/- as detection bill. Their meter was also checked by the M&T team on March 13, 2008 wherein it was informed that there was no discrepancy or stealing of energy of any kind. The Complainant prayed to withdraw the detection bill as original meter was found correct and there was no involvement of theft. Upon enquiry, LESCO reported that the metering equipment was checked by the standing committee on October 30, 2009 in the presence of Complainant's representative and found remote control devices installed/inserted inside the case of backup meter to control the output of CTs in such a configuration so as to connect and disconnect using the inserted relays through a remote control signal device. On this basis, a detection bill of 884317 units amounting to Rs.10,285,518/- (including sales tax amounting to Rs.4,159,531/-) for the period from 09/2007 to 10/2009 (26 months) was charged to the Complainant. Moreover, three equal installments of detection bill amounting to Rs.6,125,987/- were also allowed to the Complainant, out of which the Complainant paid two installments and an amount of Rs.2,041,996/- is still outstanding against the Complainant. Hearing in the matter was also held on September 4, 2013 at NEPRA Head Office, Islamabad. The impugned backup meter which was checked by LESCO on October 30, 2009 was installed at the Complainant's premises on September 26, 2008. This implies that the impugned backup meter remained intact for about 14 months at Complainant's premises. Upon inquiry, LESCO failed to justify charging of detection bill for 26 months on a meter which was installed for about 14 months.
3. LESCO was provided numerous opportunities to justify charging of detection bill for 26 months against a meter which remained installed at site for 14 months but LESCO could not justify the same. As per the Electricity Act, 1910, licensee may charge the consumer for the amount of energy deemed to have been dishonestly abstracted, consumed or used, for the period during which the meter, maximum demand indicator or other measuring apparatus had, in the opinion of the licensee, remained disconnected, injured, altered or prevented from registering the amount of energy supplied or the electrical quantity contained in the supply. As per the provisions of Consumer Service Manual, in such cases, LESCO can charge detection bill up to six months maximum, however, the instant issue pertains to the period prior to approval of Consumer Service Manual, thus Consumer Service Manual is not applicable in this case. The case was examined in detail in light of documents placed on record by both the parties, arguments advanced in the hearing, applicable law and LESCO was directed to revise the detection bill from 26 months (884317 units) to 14 months (476171 units). The said decision was conveyed to LESCO for compliance vide letter dated January 21, 2014.



4.

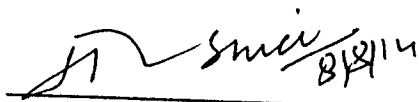
Being aggrieved with the impugned decision, LESCO vide its letter dated February 19, 2012 submitted the instant review motion, wherein, LESCO inter alia, stated as under:

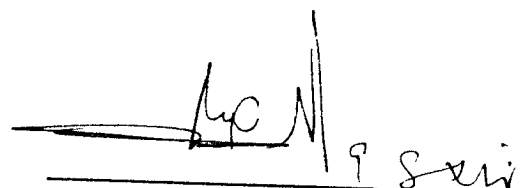
- i) The standing committee of LESCO visited the site on October 30, 2009. The Anti Theft Box (ATB) was found re-welded, postal orders on backup meter were found re-pasted. Both the meters i.e TOU and backup meter were removed and checked at M&T in presence of the consumer's representative. The seals of the backup meter were found bogus. Remote control signal devices were found inserted inside the case of the backup meter to control the output of CTs in such a configuration so as to connect and disconnect using the inserted relays through a remote control device, and energy recording mechanism of both the TOU and backup meter was interrupted for stealing purpose.
- ii) The supply was disconnected and FIR was lodged on October 30, 2009. Thereafter, a detection bill amounting to Rs.1,02,85,518/- was prepared under section 26A of the Electricity Act 1910 for 884317 units for the period from 09/2007 to 10/2009 (26 months). The Complainant challenged the sales tax (Rs. 4,159,531/-) added in the detection bill before the civil court and did not challenge the detection bill amounting to Rs. 61,25,987/-. The Complainant requested for payment of detection bill in three installments, which was accorded and he paid two installments. Instead of payment of the last installment, the Complainant lodged a complaint before NEPRA.
- iii) The request of the Complainant for review of detection bill before the Regional Review Committee of LESCO is still under consideration and is yet to be finalized.
- iv) The complaint pertains to detection bill duly prepared under section 26A of the Electricity Act 1910 on account of dishonest abstraction of energy and does not fall within the ambit of section 39 of the NEPRA Act as such, the impugned decision has been given without jurisdiction and lawful authority, is not sustainable under law and liable to be set aside.
- v) The detection bill was charged under section 26A of the Electricity Act 1910 on account of dishonest abstraction of energy which does not call for scrutiny by NEPRA but the civil court has exclusive jurisdiction in the matter as enunciated by the Supreme Court of Pakistan.
- vi) The connection is installed in the name of Mian Mehmood Ahmed whereas the complaint has been lodged by M/s Faster Consultants, hence the complaint being

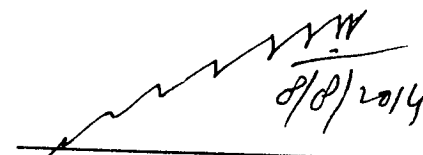


incompetent could not be processed under the law and the same should have been rejected without going into merits. Moreover, the complaint was time barred and the same was moved at a belated stage against the bill which was charged in 2010, hence the impugned decision is not sustainable and is liable to be set aside. If the impugned decision is not set aside, it would cause an irreparable loss to public exchequer. LESCO has prayed that the decision of Member (Consumer Affairs) dated January 20, 2014 may be set aside and the complaint moved by the respondent be dismissed with costs throughout.

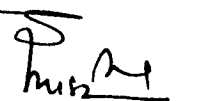
5. The Authority considered the review motion filed by LESCO and provided an opportunity of hearing to both the parties on April 22, 2014. In terms of Regulation 3(2) of the NEPRA (Review Procedure) Regulations, 2009, a motion seeking review of any order of the Authority is competent only upon discovery of new and important matter of evidence or on account of some mistake or error apparent on the face of record. The perusal of the decision sought to be reviewed clearly indicates that all material facts and representations made were examined in detail and there is neither any occasion to amend the impugned decision, nor any error inviting indulgence as admissible in law has been pleaded out. Therefore, the Authority is convinced that the review would not result in the withdrawal or modification of the impugned decision. Moreover, the review motion is time barred under NEPRA (Review Procedure) Regulations, 2009. Hence, the motion for review is declined.

  
(Maj (R) Haroon Rashid)  
Member

  
(Khawaja Muhammad Naeem)  
Member

  
(Habibullah Khilji)  
Vice Chairman



  
12.08.14