

INQUIRY REPORT IN THE MATTER OF EXCESSIVE BILLING BY DISCOs **JULY & AUGUST - 2023**

BACKGROUND:

The Authority took a very serious notice upon the complaints which were reported in NEPRA offices from all over the Pakistan regarding excessive, inflated, and wrong bills charged by the distribution companies to the consumers during the months i.e. July 2023 and August 2023. On such violations of the applicable documents, the Authority decided to conduct a hearing of all distribution companies and also invite Ministry of Energy (Power Division) to attend the said hearing. In this regard, a hearing notice was issued vide letter dated 10.09.2023. The hearing was held on 13.09.2023 wherein CEOs of all the distribution companies participated online and expressed their point of views before the Authority. It was noted during the course of proceedings that the numerous distribution companies are charging meter readings, whereby snaps readings differ from the readings recorded on the consumers' bills. In other cases, snaps of meter reading are either invisible or deliberately not taken. Similarly, some cases were reported that monthly meter readings are being taken beyond billing cycle of 30 days, which resulted in undue/inflated charging of upper slab bills to the less user consumer(s) hence, changing category from protected to un-protected.

INQUIRY COMMITTEE:

2. Consequent to the above hearing, the Authority decided to constitute a committee comprising of following NEPRA professionals to probe into the matter of over/excessive billing issues and to submit its report along with recommendations to the Authority for consideration within 20 (twenty) working days:

- i) Mr. Ubedullah Memon, Director (CAD), Convener
- ii) Mr. Lashkar Khan Qambrani, Director (CAD), Member
- iii) Hafiz Irfan Ahmed, Addl. Director (M&E), Member
- iv) In-charges of all NEPRA Regional Offices, Members

PROCEEDINGS:

3. In order to start the proceedings, gather the data and to hold discussions with all the stakeholders, the Committee conducted meetings with all the DISCO's representatives, Power Information Technology Company (PITC) and carried out site visits. All the Regional Offices visited the respective DISCOs and inquired the matter in detail, whereas, IESCO was visited by the head office committee members. After detailed deliberations, the sufficient volume of data/record has been gathered particularly from PITC and all the relevant companies as well. The following have been observed:-

3.1. Analysis of Domestic Consumers tariff category A-1 (a), Charged Excessive Bills:

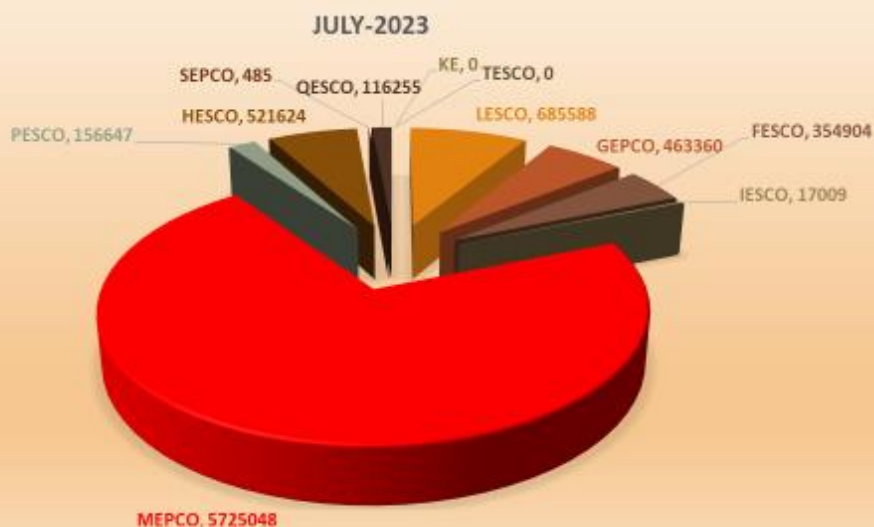
| Sr. # | Name of DISCO | Billing Month | Reading Period More than 30 days | Consumers charged higher slab due to excessive reading period | Consumers converted from Protected to Non-Protected | Consumers whose life line status changed to Non-life line | Consumers without valid meter reading/ snap date |
|-------|---------------|---------------|----------------------------------|---|---|---|--|
| 1 | MEPCO | July, 2023 | 5,725,048 | 2,137,973 | 647,155 | 40,668 | 15 |
| | | August, 2023 | 2,265,271 | 230,746 | 32,190 | 3,515 | 138,723 |
| 2 | GEPCO | July, 2023 | 463,360 | 61,439 | 20,526 | 618 | 57 |
| | | August, 2023 | 1,192,062 | 157,202 | 30,510 | 1,211 | 43 |
| 3 | FESCO | July, 2023 | 354,904 | 60,169 | 18,368 | 157 | 10 |
| | | August, 2023 | 844,058 | 237,971 | 34,273 | 757 | 9,694 |
| 4 | LESCO | July, 2023 | 685,588 | 88,321 | 19,336 | 2,020 | 123,440 |
| | | August, 2023 | 650,460 | 69,692 | 10,700 | 1,662 | 126,014 |
| 5 | HESCO | July, 2023 | 521,624 | 113,640 | 15,736 | 1,181 | 94 |
| | | August, 2023 | 208,481 | 13,727 | 1,541 | 160 | 39,362 |
| 6 | PESCO | July, 2023 | 156,647 | 9,810 | 4,411 | 238 | 2,875 |
| | | August, 2023 | 156,949 | 11,530 | 3,305 | 272 | 638 |
| 7 | QESCO | July, 2023 | 116,255 | 3,719 | 856 | 153 | 116,255 |
| | | August, 2023 | 48,732 | 2,335 | 353 | 34 | 48,732 |
| 8 | IESCO | July, 2023 | 17,009 | 6,529 | 1,237 | 42 | 1,848 |
| | | August, 2023 | 28,841 | 2,134 | 363 | 21 | 68 |
| 9 | SEPCO | July, 2023 | 485 | 20 | 1 | 0 | 485 |
| | | August, 2023 | 325,764 | 5,158 | 542 | 91 | 325,764 |
| 10 | KE | July, 2023 | Nil | Nil | Nil | Nil | 77,869 (inaccurate snap) |
| | | August, 2023 | Nil | Nil | Nil | Nil | 65,675 (inaccurate snap) |
| 11 | TESCO | July, 2023 | - | - | - | - | - |
| | | August, 2023 | - | - | - | - | - |

ANALYSIS

The above table shows the different heads under which the domestic consumers were excessively charged during the months of July, 2023 & August, 2023. It is surprisingly noted that more than 57 lacs consumers in MEPCO were charged for more than 30 days of billing cycle in the month of July, 2023 followed by GEPCO i.e., around 12 lacs in August, 2023. Similarly, FESCO i.e., more than 8 lacs in August, 2023, LESCO around 7 lacs in both months and HESCO more than 5 lacs in the month of July, 2023. This resulted in change of slab from lower to higher, change of status from protected to un-protected and change of status from life line to non-life line for thousands of consumers.

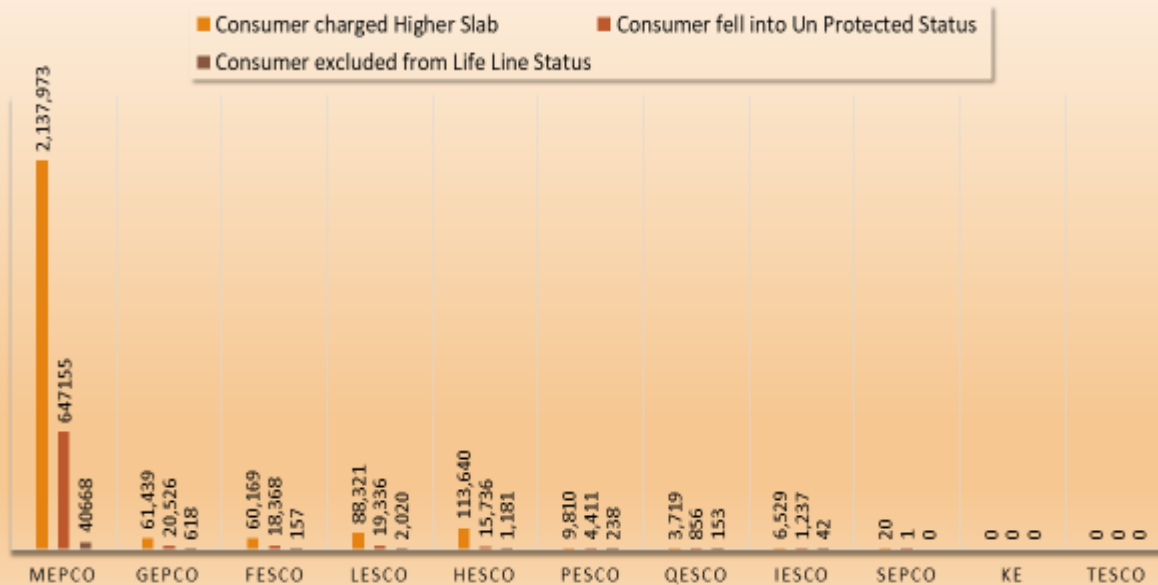
It is further noted with grave concern that during the months of July, 2023 & August, 2023, thousands of consumers were served electricity bills having invalid snaps, in which MEPCO, LESCO, QESCO and SEPCO are major contributors.

DISCO Wise-No. of Consumers having Billing Cycle above 30 Days



IMPACT ON CONSUMERS

JULY-2023

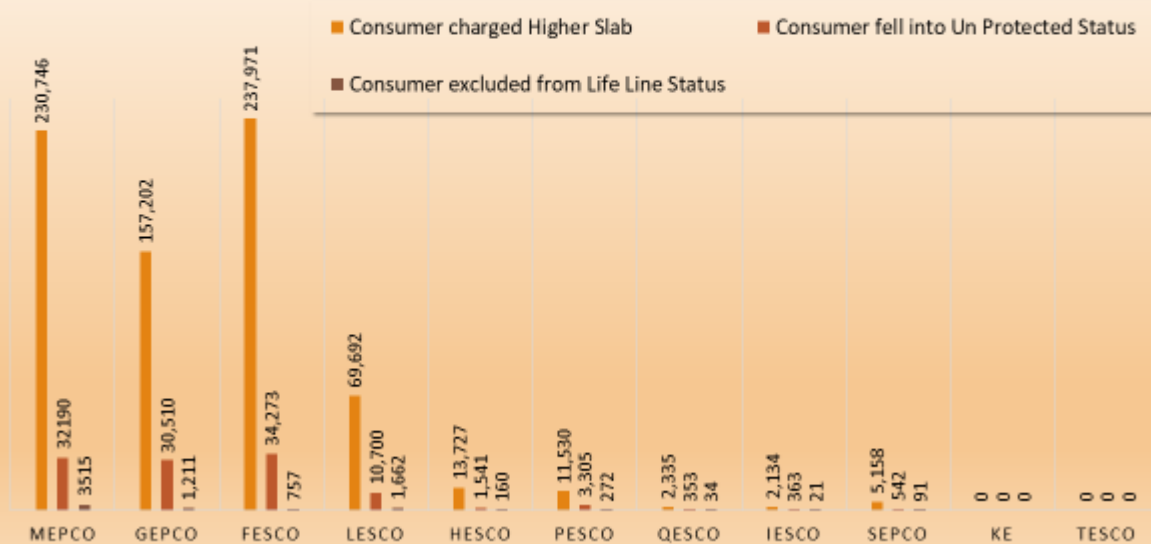


DISCO Wise-No. of Consumers having Billing Cycle above 30 Days



IMPACT ON CONSUMERS

AUGUST 2023

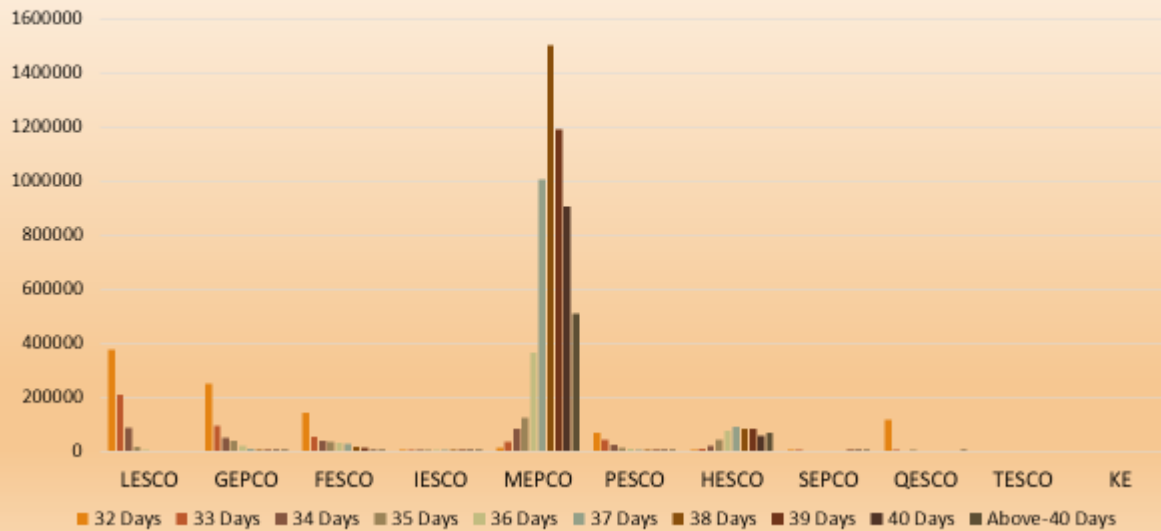


3.2. Details of the consumers who were charged reading period more than 30 days

| Sr. # | Name of DISCO | Billing Month | Total | 31 & 32 Days | 33 Days | 34 Days | 35 Days | 36 Days | 37 Days | 38 Days | 39 Days | 40 Days | > 40 |
|-------|---------------|---------------|------------|--------------|-----------|-----------|---------|---------|---------|---------|---------|---------|---------|
| 1 | LESCO | July, 2023 | 685,588 | 373,912 | 206,875 | 85,711 | 15,935 | 3,155 | - | - | - | - | - |
| | | August, 2023 | 650,460 | 500,851 | 127,726 | 17,475 | 4,397 | 11 | - | - | - | - | - |
| 2 | GEPCO | July, 2023 | 463,360 | 247,986 | 93,494 | 47,549 | 38,408 | 20,501 | 6,915 | 2,350 | 588 | 484 | 5,085 |
| | | August, 2023 | 1,192,062 | 627,444 | 301,918 | 124,155 | 64,812 | 40,145 | 16,737 | 9,964 | 3,002 | 1,931 | 1,954 |
| 3 | FESCO | July, 2023 | 354,904 | 141,204 | 52,747 | 37,663 | 34,700 | 29,981 | 24,433 | 15,934 | 11,505 | 2,848 | 3,889 |
| | | August, 2023 | 844,058 | 104,517 | 75,582 | 75,409 | 78,946 | 58,778 | 53,509 | 67,909 | 89,018 | 109,681 | 130709 |
| 4 | IESCO | July, 2023 | 17,009 | 2,286 | 1,466 | 6 | 3,107 | 1,798 | 2,346 | 3,296 | 2 | 868 | 1,834 |
| | | August, 2023 | 28,841 | 27,142 | 308 | 26 | 12 | 158 | 8 | 62 | 687 | 83 | 355 |
| 5 | MEPCO | July, 2023 | 5,725,048 | 10676 | 35144 | 82228 | 123554 | 364056 | 1005369 | 1500692 | 1188901 | 904835 | 509593 |
| | | August, 2023 | 2,265,271 | 1181076 | 693647 | 226429 | 61452 | 25198 | 13,577 | 10639 | 9752 | 22619 | 20882 |
| 6 | PESCO | July, 2023 | 156,647 | 67,547 | 39,666 | 22,206 | 11,074 | 7,280 | 5,802 | 2,304 | 662 | 72 | 34 |
| | | August, 2023 | 156,949 | 71,728 | 39,617 | 18,433 | 8,929 | 5,822 | 4,245 | 4,305 | 2,010 | 1,244 | 616 |
| 7 | HESCO | July, 2023 | 521,624 | 4,769 | 9,482 | 19,283 | 40,782 | 75,243 | 88,432 | 80,117 | 80,018 | 56,443 | 67,055 |
| | | August, 2023 | 208,481 | 110,945 | 43,905 | 14,411 | 5,323 | 4,268 | 5,784 | 5,458 | 4,726 | 4,108 | 9,553 |
| 8 | SEPCO | July, 2023 | 485 | 442 | 39 | 0 | 0 | 0 | 0 | 0 | 1 | 1 | 2 |
| | | August, 2023 | 325,764 | 325,759 | 0 | 0 | 0 | 1 | 0 | 0 | 3 | 0 | 1 |
| 9 | QESCO | July, 2023 | 116,255 | 116,248 | 3 | 0 | 2 | 0 | 0 | 0 | 0 | 0 | 2 |
| | | August, 2023 | 48,732 | 43,771 | 0 | 0 | 909 | 1,045 | 1,679 | 485 | 843 | 0 | 0 |
| 10 | TESCO | July, 2023 | - | - | - | - | - | - | - | - | - | - | - |
| | | August, 2023 | - | - | - | - | - | - | - | - | - | - | - |
| 11 | KE | July, 2023 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| | | August, 2023 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| Total | | | 10,687,614 | 5,104,351 | 2,540,452 | 1,091,090 | 512,413 | 318,823 | 236,377 | 213,185 | 208,063 | 213,428 | 249,432 |

As per the notified tariff terms and conditions, billing period means a billing month of 30 days or less reckoned from the date of last meter reading. However, the above table illustrates the billing cycles carried out by different DISCOs that ranges from above 30 days to 40 days and even more. It is alarmingly noted that thousands of consumers were charged for more than 40 days billing. This was the major cause of overbilling during the months of July, 2023 & August, 2023. In this regard, MEPCO followed by GEPCO, FESCO, LESCO and HESCO are the DISCOs who heavily done such overbilling. Overall, all DISCOs are responsible for such unjustified exercise.

No. of Consumers Spread Over Inflated Billing Period July-2023



No. of Consumers Spread Over Inflated Billing Period August 2023



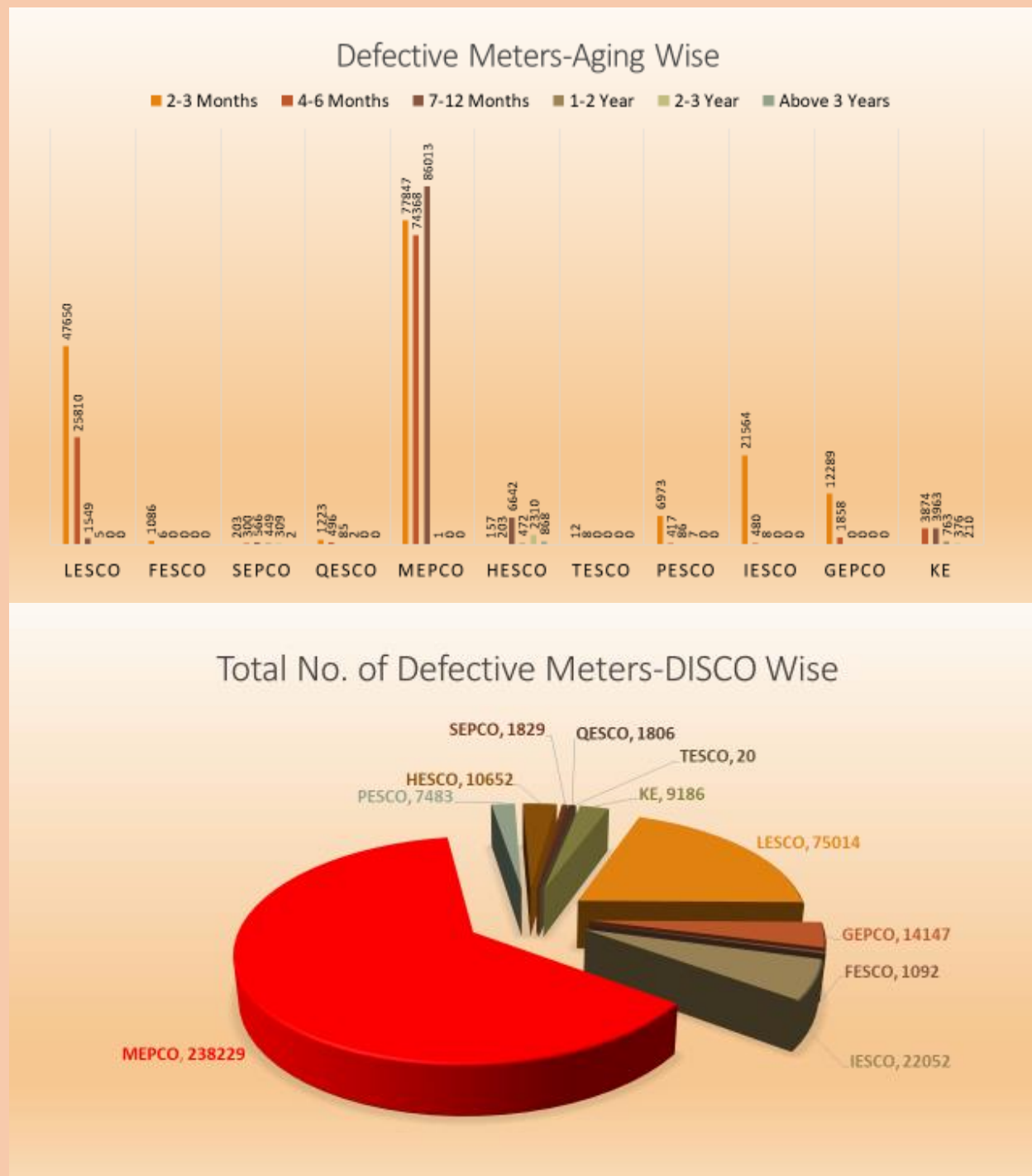
3.3 Analysis of age wise Defective Meters in DISCOs Impacting Higher Bills:

| Sr. # | Name of DISCO | No. of Defective Meters | | | | Aging of Defective Meters (*) | |
|-------------------------|---------------|-------------------------|-------------------|---------------------|-----------|-------------------------------|---------|
| | | Ending June, 2023 | Ending July, 2023 | Ending August, 2023 | Total (*) | | |
| 1 | LESCO | 70,790 | 93,837 | 102,714 | 75,014 | 02-03 months: | 47,650 |
| | | | | | | 04-06 months: | 25,810 |
| | | | | | | 07-12 months: | 1,549 |
| | | | | | | 01-02 Years: | 05 |
| 2 | FESCO | 24,540 | 24,221 | 24,188 | 1092 | 02-03 months | 1086 |
| | | | | | | 04-06 months: | 06 |
| 3 | SEPCO | 2,542 | 2,184 | 2,067 | 1829 | 02-03 months | 203 |
| | | | | | | 04-06 months: | 300 |
| | | | | | | 07-12 months: | 566 |
| | | | | | | 01-02 Years: | 449 |
| | | | | | | 02-03 Years: | 309 |
| | | | | | | Above 03 Years: | 02 |
| 4 | QESCO | 3,052 | 3,296 | 3,117 | 1,806 | 02-03 months | 1223 |
| | | | | | | 04-06 months: | 496 |
| | | | | | | 07-12 months: | 85 |
| | | | | | | 01-02 Years: | 02 |
| 5 | MEPCO | 219,584 | 249,571 | 272,370 | 238229 | 02-03 months | 77847 |
| | | | | | | 04-06 months: | 74368 |
| | | | | | | 07-12 months: | 86013 |
| | | | | | | 01-02 Years: | 01 |
| 6 | HESCO | 12,276 | 11,669 | 10,866 | 10652 | 02-03 months | 157 |
| | | | | | | 04-06 months: | 203 |
| | | | | | | 07-12 months: | 6642 |
| | | | | | | 01-02 Years: | 472 |
| | | | | | | 02-03 Years: | 2310 |
| | | | | | | Above 03 Years: | 868 |
| 7 | TESCO | 69 | 54 | 51 | 20 | 02-03 months | 12 |
| | | | | | | 04-06 months: | 08 |
| 8 | PESCO | 11,323 | 14,868 | 12,794 | 7483 | 02-03 months | 6973 |
| | | | | | | 04-06 months: | 417 |
| | | | | | | 07-12 months: | 86 |
| | | | | | | 01-02 Years: | 07 |
| 9 | IESCO | 18,002 | 30,921 | 35,157 | 22052 | 02-03 months | 21564 |
| | | | | | | 04-06 months: | 480 |
| | | | | | | 07-12 months: | 08 |
| 10 | GEPCO | 22,267 | 27,862 | 29,154 | 14147 | 02-03 months | 12289 |
| | | | | | | 04-06 months: | 1858 |
| 11 | KE | | | | 9,186 | 02-03 months: | Awaited |
| | | | | | | 04-06 months: | 3,874 |
| | | | | | | 07-12 months: | 3,963 |
| | | | | | | 01-02 Years: | 763 |
| | | | | | | 02-03 Years: | 376 |
| | | | | | | Above 03 Years: | 210 |
| Pending DF Meters Total | | 384,445 | 458,483 | 492,478 | 381,510 | 02-03 months: | 169,004 |
| | | | | | | 04-06 months: | 107,820 |
| | | | | | | 07-12 months: | 98,912 |
| | | | | | | 01-02 Years: | 1,699 |
| | | | | | | 02-03 Years: | 2,995 |
| | | | | | | Above 03 Years: | 1080 |

According to Clause 4.3 of Consumer Service Manual (CSM), the defective meters are required to be replaced immediately however, in case of non-availability the meters are required to be replaced within two billing cycles. It is evident from the above table that due to non-replacement of defective meters thousands of consumers have been charged on average basis for more than (02) months and even in large number of cases one (01) year to three (03) years and even above three (03) years. The respective DISCOs did not bother to replace the defective meters even after three years.

Had these meters been replaced on time, there could have been a chance to calculate the authentic figures of losses.

Taking a closer look, it is observed that more than 04 lac consumers were excessively charged during the period of 02 months i.e., from June, 2023 to August, 2023 on account of applying defective code by declaring the meters as defective. DISCOs have failed to replace defective meters or feed MCO even after long duration ranging from (02) months to more than (03) years. DISCOs are deliberately using such tactics for the purpose of charging electricity bill on average basis, which may lead to loss either to consumers or to the national exchequer.



3.4 Analysis of Sample Bills Checked along with all type of Discrepancies:

| Sr # | Description | Name of DISCO | | | | | | | | | | | | | | | | | | | | | |
|---------|--|---------------|------|-------|------|-------|------|-------|-----|-------|-------|-------|-----|-------|-----|-------|-----|-------|------|-------|------|-----|-----|
| | | PESCO | | TESCO | | IESCO | | FESCO | | GEPCO | | LESCO | | MEPCO | | QESCO | | SEPCO | | HESCO | | KE | |
| | | No | % | No | % | No | % | No | % | No | % | No | % | No | % | No | % | No | % | No | % | No | % |
| 1 | Total No. of Sample Bills Checked | 300 | 100 | 89 | 100 | 183 | 100 | 330 | 100 | 2500 | 100 | 199 | 100 | 600 | 100 | 429 | 100 | 480 | 100 | 466 | 100 | 571 | 100 |
| 2 | Total No. of Bills where discrepancies found | 292 | 97.3 | 44 | 50 | 119 | 65 | 270 | 82 | 2453 | 98 | 199 | 100 | 470 | 78 | 429 | 100 | 442 | 92 | 466 | 100 | 211 | 37 |
| 3 | Total No. of Bills where difference in reading between snap & bill charged | 220 | 73.3 | 0 | 0 | 05 | 2.7 | 30 | 9 | 10 | 0.4 | 31 | 16 | 11 | 2 | 35 | 8 | 42 | 9.5 | 45 | 9.7 | 20 | 4 |
| 4 | Total No. of Bills where protected status was affected due to overbilling | 43 | 14.3 | 0 | 0 | 19 | 10.3 | 0 | 0 | 0 | 0 | 1 | 1 | 9 | 2 | 10 | 2 | 5 | 1.1 | 6 | 1.3 | 2 | 0 |
| 5 | Total No. of Bills where slab of consumer was changed due to overbilling | 37 | 12.3 | 0 | 0 | 12 | 6.5 | 0 | 0 | 5 | 0.2 | 0 | 0 | 4 | 1 | 1 | 0 | 5 | 1.1 | 6 | 1.3 | 11 | 2 |
| 6 | Total No. of bills where defective code was allotted for more than two months | 150 | 50 | 15 | 17 | 12 | 6.5 | 10 | 3 | 27 | 1.08 | 20 | 10 | 200 | 33 | 150 | 35 | 60 | 13.5 | 51 | 11 | 38 | 7 |
| 7 | Total no. of bills where snap date is not mentioned on bills | 57 | 19 | 0 | 0 | 17 | 9.2 | 119 | 36 | 497 | 19.88 | 29 | 15 | 81 | 14 | 69 | 16 | 65 | 14.7 | 81 | 17.3 | 0 | 0 |
| 8 | Total no. of bills without meter snapshot | 26 | 8.6 | 50 | 56 | 15 | 8.19 | 53 | 16 | 225 | 9 | 29 | 15 | 16 | 3 | 57 | 13 | 50 | 11 | 80 | 17.2 | 23 | 4 |
| 9 | Total no. of bills where snapshot reading not clear | 22 | 7.3 | 10 | 11.2 | 04 | 2.18 | 10 | 3 | 449 | 17.9 | 24 | 12 | 5 | 1 | 41 | 10 | 44 | 10 | 34 | 7.3 | 3 | 1 |
| 10 | Total no. of bills where detection was charged without following CSM procedure | 21 | 7 | 15 | 17 | 09 | 4.9 | 62 | 62 | 27 | 1.08 | 14 | 7 | 2 | 0 | 0 | 0 | 70 | 15.9 | 29 | 6.2 | 21 | 2 |
| 11 | Total no. of bills where difference in dates between snap & schedule date | 85 | 28.3 | 39 | 44 | 14 | 7.6 | 115 | 34 | 2500 | 100 | 199 | 100 | 25 | 4 | 206 | 48 | 70 | 15.9 | 120 | 25.8 | 12 | 2 |
| 12 | Total no. of bills where meter no. is not clear | 240 | 80 | 0 | 0 | 70 | 38.2 | 306 | 93 | 2453 | 98.12 | 0 | 0 | 117 | 20 | 348 | 81 | 27 | 6.1 | 9 | 1.93 | 91 | 16 |
| 13 | Total no. of bills where meter no. is mismatched | 0 | 0 | 0 | 0 | 03 | 1.6 | 1 | 0.3 | 0 | 0 | 0 | 0 | 0 | 0 | 1 | 0 | 0 | 0 | 5 | 1.1 | 0 | |
| 14 | Total no. of bills that were corrected in all aspects | 8 | 2.7 | 45 | 50 | 64 | 35 | 60 | 18 | 0 | 0 | 0 | 0 | 130 | 22 | 0 | 0 | 4 | 4 | 0 | 0 | 350 | |

According to Clause 6.1.1 of Consumer Service Manual (CSM), meter reading of all consumers are required to be carried out on routine basis each month to record the consumption of electricity. Clause 6.1.3 of CSM makes it mandatory for meter readers to take snapshots of meter readings through mobile/ hand held units. The Clause 6.2 of CSM envisages a procedure for carrying out percentage check for charging actual consumption to the consumers.

This set of data is based on the random sampling and subsequent field verification carried out by the NEPRA Regional Offices located in every DISCO. Above table indicates a terrible picture pertaining to the metering and billing mechanism being done by all the DISCOs. The above table depicts that a large number of bills have multiple discrepancies. Based on the above sampling, there are huge number of discrepancies such as invalid snap, snap without meter date or reading, bill without snap, mismatch between snap & bill, mismatch between readings of bill & snaps, late posting of MCO or SCO and double units charging during the defective meter period average plus based on the load etc. All this heavily impacts in form of change of status from protected to unprotected, from lower slab to higher slab and from life line to non-life line etc. There is no any single DISCO in the country who is charging bills in 100% correct manner which is serious matter of concern at present. Further, in TESCO, there are no registered residential consumers. TESCO has submitted that their domestic consumers are subsidized by the Govt. of Pakistan, therefore, TESCO submitted that no such record exists in TESCO.

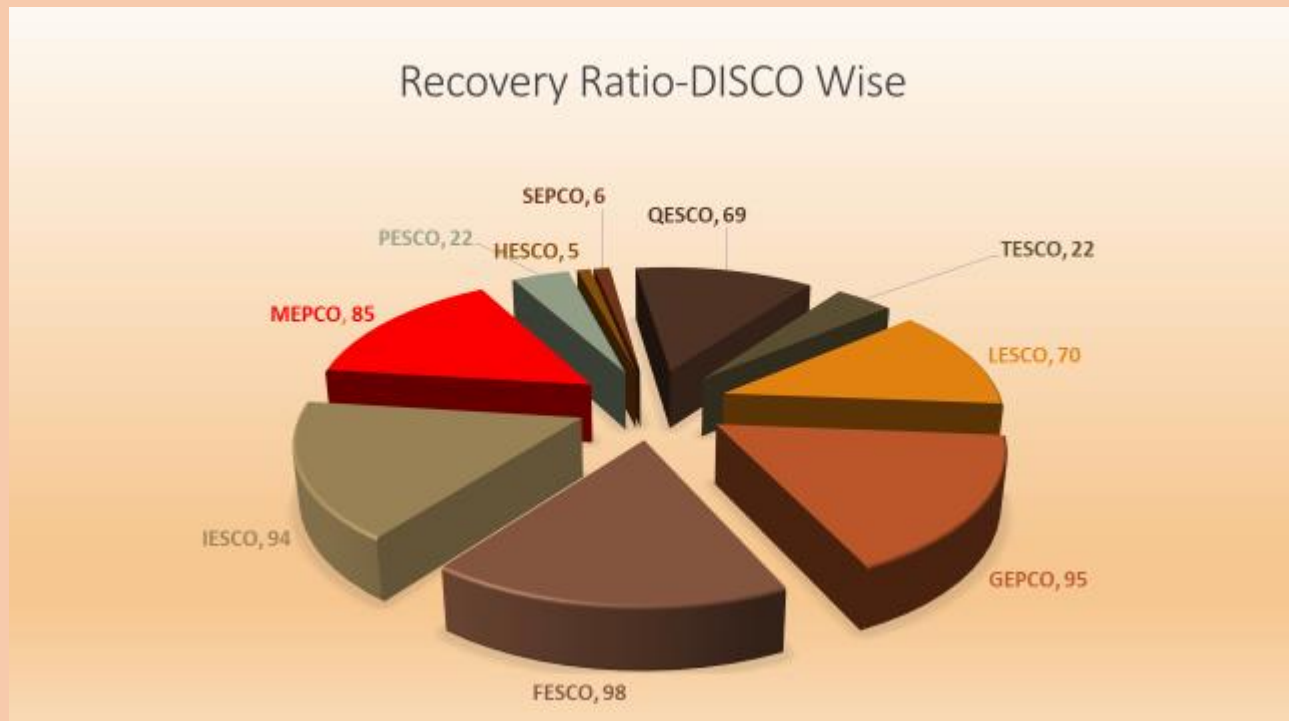
4. DETECTION BILLING

4.1. Clauses 9.1 and 9.2 of CSM provide a procedure for charging detection bills. It has been observed that the detection bills charged by DISCOs are fake and frivolous due to which recovery ratio is very less in some DISCOs. It is further observed that some amount has also been returned/ credited to the consumers by DISCOs meaning thereby that the detection bills were wrongly charged. The situation is alarming in HESCO and SEPCO having recovery ratio of 5% & 6% respectively; whereas, the recovery ratio of detection bills in IESCO, GEPCO & FESCO is much better in average of 94%, 95% & 98% respectively. The recovery ratio in MEPCO, LESCO and QESCO are 85%, 70% & 69% respectively. The recovery ratio of detection bills in TESCO and PESCO is about 22%. KE has not submitted the detail of recovery made against detection bills. KE is of the view that the detection bills are charged during a certain point in time, whereas the payments of not only detection bills but arrears, if any, against monthly electricity bills are usually made by the consumers in installments over a prolonged time period which are posted collectively in respective consumer accounts. Therefore, collections against detection bills cannot be separately mapped to provide specific recovery amount against detection bills. It has been observed that the detection bills have been charged in violation of provisions of CSM. Had the detection bills been correctly charged, there would have a chance of more recovery.

4.2. It is relevant to state that recovery ratio is becoming less due to charging of wrong detection bills. The good paying consumers do not pay their regular bills due to inclusion of wrong detection bills. This results in increase of AT&C losses of feeder and consequently the number of load shedding hours are increased, which leads to more number of switching operations, thus causing deterioration of switchgears panels. The only purpose of charging detection is to show the improvement in losses up to books level, however, actually it is not so. On the other hand, system is completely damaged and good paying consumers are badly suffering.

4.1. Analysis of Recovery Ratio for Detection Bills:

| Sr. # | Name of DISCO | Recovery Ratio for Every 100 Detection Bills Charged by Respective DISCOs |
|-------|---------------|---|
| 1 | MEPCO | 85% |
| 2 | GEPCO | 95% |
| 3 | FESCO | 98% |
| 3 | LESCO | 70% |
| 4 | HESCO | 05% |
| 6 | PESCO | 22% |
| 7 | QESCO | 69% |
| 8 | IESCO | 94% |
| 9 | SEPCO | 06% |
| 10 | KE | Not Provided |
| 11 | TESCO | 22% |



5 Comparison between Hand Held Units and Snaps through Mobile:

- 5.1. The CSM provides that it is mandatory for meter readers to take snapshots of meter readings through mobile sets / handheld units. During inquiry, it came to the knowledge that DISCOs except KEL are carrying out meter reading through Mobile Phone instead of Handheld Units (HHU).

- 5.2. Handheld units designed for meter reading often have specialized features for this task. They offer better control, accuracy and ease of use. Handheld units are typically built to withstand harsh environmental conditions which is important when taking photos of outdoor or hard-to-reach meters. Hand held units have longer battery life compared to smartphones ensuring they remain operational during extended meter reading sessions. Some handheld units can directly integrate with data management systems making it easier to transfer and store meter reading data.
- 5.3. Moreover, handheld units are typically designed with security measures to prevent tampering with date and time stamps. This can help to ensure the accuracy and reliability of the meter reading data. Handheld units may provide an audit trail of actions taken including when and where each reading was recorded. This can make it more challenging for meter readers to falsify data without detection.
- 5.4. On the other hand, DISCOs have pleaded that most of the reading staff have a mobile phone, so there is no additional cost for the device itself. Modern smartphones come equipped with high-resolution cameras that can capture detailed images of electricity meters. Mobile phones are easy to carry and are used for other apps or making calls. Smartphones often have built-in GPS, allowing to record the exact location where the photo was taken which can be useful for tracking meter locations. However, there are a number of disadvantages for using smart phones such as taking photos and using a smartphone for other tasks can drain the battery quickly which may not be ideal for extended meter reading sessions. Mobile phones are generally less rugged than dedicated handheld units and may not withstand harsh environmental conditions as well. Smartphones can be distracting, during the meter reading process.
- 5.5. Moreover, mobile phones being multipurpose devices are susceptible to tampering with date and time settings. Some users may change these settings intentionally. Mobile phones may not provide the same level of detail and audit trail for meter reading activities. Employers may have less control and oversight over meter readers.
- 5.6. The Handheld units are more reliable for taking meter readings, however, the only disadvantage is that these units are expensive as compared to smartphones.

6. FINDINGS:

- 6.1. It is very unfortunate that distribution companies are deliberately carrying out such malpractices in order to hide their inefficiencies due to which thousands of consumers suffered with higher electricity bills. Overall, it can be said that most of the DISCOs have failed to charge the electricity bills in accordance with the relevant clauses of CSM i.e. 4.3, 6.1.1, 6.1.3 & 6.2 and terms & conditions of tariff approved by the Authority. The DISCOs have also failed to carry out the mechanism of percentage checking as provided in CSM. Moreover, detection bills have been charged in violation of clause 9.1 and 9.2 of CSM.
- 6.2. It is relevant to state that consumer(s) particularly domestic and less electricity users suffered a lot due to such overbilling and compelled to not pay the bill. This ultimately affect the recovery of DISCOs and increase in AT&C losses and subsequently load shedding.
- 6.3. The DISCOs are responsible for over charging of bills to the consumers and have been found involved in such illegal practices due to failure to abide by the relevant provisions of the

applicable documents. The DISCOs have also charged detection bills to hundreds of thousands of consumers in violation of the provisions of Consumer Service Manual.

- 6.4. TESCO has submitted that all the domestic consumers (A-1) are subsidized from the day one in TESCO by the Govt. of Pakistan therefore, there are no registered domestic consumers in TESCO.

7. CONCLUSIONS:

Foregoing in view, it is concluded that Distribution Companies are charging excessive bills/detection bills to the consumers by adopting illegal & unlawful practices, therefore, prima facie, are in violation of NEPRA Act, Consumer Service Manual, Terms & Conditions of Tariff and other applicable documents, etc.

8. RECOMMENDATIONS:

Keeping the above in view, the following is recommended and determined by the Authority.

- 8.1 Legal proceedings against all Distribution Companies including KEL under NEPRA Fine Regulations, 2021 for violation of the provisions of NEPRA Act, CSM and tariff terms & conditions etc.
- 8.2 DISCOs may be directed to replace all defective meters immediately having age above two (02) months and to submit the compliance report within two (02) months. Data of such meters be retrieved and the consumers be charged actual reading instead of average billing.
- 8.3 The DISCOs may be directed to coordinate with Power Information Technology Company (PITC) and review all the inflated charged bills since June 2023 and onwards which caused conversion of category of billing from protected /life line consumers into unprotected/non-life line consumers due to billing cycle above 30 days, excessive billing; whatsoever by collecting account No. wise details from PITC.
- 8.4 DISCOs may be directed to obtain the required data / details from PITC as per Table 3.1, 3.2 and 3.3 for the purpose of revision of inflated bills on pro-rata basis. DISCOs shall correct the bills within one billing cycle and issue revised bills to the affected consumers without compromising on their status of protected/ life line consumer as the case may be, and submit compliance report within thirty (30) days.
- 8.5 The DISCOs may be directed to initiate proceedings against concerned officials for violation of provisions of Consumer Service Manual and other applicable documents as per their service rules on account of carrying out such illegal practices and submit compliance report within thirty (30) days.
- 8.6 The DISCOs may be directed to procure Handheld Units (HHU) for carrying out meter readings in more transparent manner.
- 8.7 HESCO, SEPCO, PESCO & TESCO may be directed to circle wise scrutinize each un-recovered detection bills charged during July 2018 to June 2023 to validate their authenticity and ensure recovery of the same. In case it is proved that detection bill was charged wrongly, the revenue as well as the billed units be reversed and the amount appearing as receivables be adjusted accordingly. Action may be taken against the relevant SDO and XEN for violation of provisions of CSM in charging detection bills and submit the compliance report within thirty (30) days. MEPCO, QESCO and LESCO may be directed to immediately recover the unpaid detection bills charged during July 2018 to June 2023.

- 8.8 The DISCOs may be directed to follow the provisions of Consumer Service Manual in true letter and spirit in meter readings, percentage checking to ensure accuracy of meter readings, issuance of detection bills and replacement of defective meters. Moreover, the DISCOs be directed to educate their officers/ officials about NEPRA Act, tariff terms & conditions, CSM, Consumer Eligibility Criteria etc.