



Registrar

National Electric Power Regulatory Authority
Islamic Republic of Pakistan

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No. NEPRA/DG(CAD)/TCD-05/ 5919-20

May 12, 2025

Chief Executive Officer,
Lahore Electric Supply Company (LESCO),
22-A, Queen's Road Lahore

Subject: **ORDER OF THE AUTHORITY IN THE MATTER OF SHOW CAUSE NOTICE
ISSUED TO LAHORE ELECTRIC SUPPLY COMPANY (LESCO) UNDER
REGULATION 4(8) & 4(9) OF THE NEPRA (FINE) REGULATIONS, 2021 FOR
CHARGING OF DETECTION BILLS ON ACCOUNT OF SLOWNESS OF
ENERGY METERS FOR MORE THAN TWO (2) BILLING CYCLES**
LESCO-03-02-2024

Enclosed please find herewith the Order of the Authority (total 03 Pages) in the subject matter for information.

Enclosure: As above

Wasim Anwar Bhinder
(Wasim Anwar Bhinder)

Copy to:

Customer Services Director (CSD),
Lahore Electric Supply Company (LESCO),
22-A, Queen's Road Lahore



BEFORE THE
NATIONAL ELECTRIC POWER REGULATORY AUTHORITY
(NEPRA)

LESCO-03-02-2024

Date of Hearing: January 22, 2025

Authority:

Mr. Waseem Mukhtar	Chairman
Mr. Rafique Ahmed Shaikh	Member (Technical)
Engr. Maqsood Anwar Khan	Member (Licensing)
Ms. Amina Ahmed	Member (Law)

On behalf of

LESCO:

Engr. Shahid Haider

Chief Executive Officer

Subject: **ORDER OF THE AUTHORITY IN THE MATTER OF SHOW CAUSE NOTICE ISSUED TO LAHORE ELECTRIC SUPPLY COMPANY (LESCO) UNDER REGULATION 4(8) & 4(9) OF THE NEPRA (FINE) REGULATIONS, 2021 FOR CHARGING OF DETECTION BILLS ON ACCOUNT OF SLOWNESS OF ENERGY METERS FOR MORE THAN TWO (2) BILLING CYCLES**

ORDER

This Order shall dispose of the proceedings of show cause notice issued to Lahore Electric Supply Company (LESCO) under Regulation 4(8) & 4(9) of the NEPRA (Fine) Regulations, 2021 on account of charging of detection bills for slowness of energy meters for more than two (2) billing cycles in violation of provisions of Consumer Service Manual (CSM).

2. In response to the various complaints received regarding detection bills due to slowness/ defectiveness of meters for more than two billing cycles, LESCO was directed vide letter No. TCD. 10/4298-2022 dated August 04, 2022 to furnish division wise list/data of detection bills charged to the consumers on account of slowness of energy meters for more than two (02) billing cycles with effect from January, 2021. The required report was submitted by LESCO vide letter No. 3791 NEPRA dated September 12, 2022 whereby it was noted that 3197 No. of consumers were charged detection bills on account of slowness of energy meters in blatant disregard of relevant provisions of CSM. It was noticed that in some cases detection bills were charged from 08 to 20 months.

3. Accordingly, LESCO was directed vide letter No. NEPRA/DG(CAD)/TCD-05/2097-99 dated February 07, 2023 to proceed as per following:

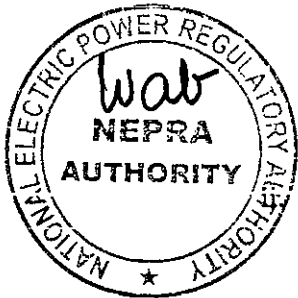
(i) Adjust the detection bills issued in lieu of slowness/ defectiveness of energy meters for more than two billing cycles in future billing of the affected consumers.

(ii) Initiate proceedings against the delinquent officials as per LESCO's services rules who violated provisions of the CSM.

(iii) Comply with the provisions of CSM in letter & spirit.



4. Furthermore, an Explanation was issued to LESCO vide letter No. NEPRA/DG(CAD)/TCD-05/2084 dated February 07, 2023 for charging of detection bills to consumers on account of slowness of energy meters for more than two (02) billing cycles in violation of Clause 4.3 of CSM. In response, LESCO vide its letter No. 9620 dated March 15, 2023 submitted its reply against the said Explanation. Following is the summary of the reply to the explanation submitted by LESCO:



- i. The earlier report submitted by LESCO dated September 12, 2022 is being scrutinized as to whether the slowness charged has not already been revised through different forums like POI / NEPRA/ Circle Review Committee / Regional Review Committee or other judicial forums. The report is being segregated on metering basis whether billing was made on the basis of TOU metering or AMR meters.

LESCO had already issued explicit directions to operational offices to strictly follow the guidelines of NEPRA while charging detection bills or slowness to consumers. LESCO requested to allow considerable time to verify above issues to avoid company's loss.

5. The submissions of LESCO were not acceded to by the Authority and the response of LESCO was found to be unsatisfactory. Therefore, the same was rejected by the Authority vide order dated August 01, 2023 and a Show Cause Notice was issued to LESCO vide letter No. NEPRA/DG(CAD)/TCD-05/20264 dated August 01, 2023 for charging of detection bills to its consumers on account of slowness of energy meters for more than two (02) billing cycles in violation of relevant provisions of CSM. In response, LESCO in its reply vide letter No.30943/CRG-20 dated August 21, 2023 submitted that Gujranwala Electric Supply Company (GEPCO) by way of CPLA No. 691 of 2020, challenged the matter before Honorable Supreme Court of Pakistan pleading that it is inconsistent with Section 26 (6) of the Electricity Act, 1910. The Supreme Court vide order dated May 17, 2023 held that to first place the matter before NEPRA in order to re-examine and revisit Clause 4.4 ibid (new version 4.3) after hearing all the DISCOs.

6. Meanwhile, pursuant to the Order of the Honorable Supreme Court of Pakistan dated May 17, 2023 in Civil Petition No. 691 of 2020, proceedings for the re-determination of the period of charging on account of slowness of the metering installation were underway and a hearing of the stakeholders was held at NEPRA on July 13, 2023 which was also attended by LESCO. Accordingly, the determination / decision of the Authority dated June 13, 2024 regarding revisiting Clause 4.3 of the Consumer Service Manual (CSM)-2021 (previously Clause 4.4(e) of CSM-2010) was conveyed to all the Distribution Companies (DISCOs) for information and compliance wherein no change was made and the period of charging of supplementary bills in case of meter slowness was restricted to two billing cycles.

7. In order to proceed further in the instant matter, an opportunity of online hearing was provided to LESCO on January 22, 2025. During the hearing, the CEO LESCO submitted that LESCO has always complied with the directions of the Authority and assured that LESCO shall abide by all the provisions of Consumer Service Manual (CSM) in true letter and spirit. Moreover, all cases where the consumers have been charged detection bills on account of slowness of energy meters for more than two billing cycles in violation of CSM shall be revised and relief shall be provided to the affected consumers within a period of two billing cycle.

8. Subsequently, in compliance with the directions issued during the aforementioned hearing, the CEO LESCO, through letter No. 4526 dated January 27, 2025, submitted an undertaking stating that adjustments for all such cases would be made within two billing cycles. Furthermore, a compliance report confirming the implementation would be submitted to NEPRA. Later, LESCO, vide letter No. 17056-58 dated April 21, 2025, reported that due credit/relief has been provided to 2,885 affected consumers, involving a total adjustment of 4.808 Million units.

9. The Authority has duly reviewed / considered the submissions put forth & assurances by the CEO LESCO to comply with the relevant provisions of CSM in future and determined them to be satisfactory. Hence, the Authority hereby accepts response of LESCO and concludes that there is no need for further proceedings in relation to the matter at hand.


(Rafique Ahmed Shaikh)
Member


(Engr. Maqsood Anwar Khan)
Member


(Amina Ahmed)
Member


(Waseem Mukhtar)
Chairman

