



Before the Appellate Board
National Electric Power Regulatory Authority
(NEPRA)
Islamic Republic of Pakistan

NEPRA Office , Ataturk Avenue (East), G5/1, Islamabad
Tel. No.+92 051 2013200 Fax No. +92 051 2600030
Website: www.nepra.org.pk E-mail: office@nepra.org.pk

No. NEPRA/Appeal/009/2024/ 6/4

July 25, 2024

1. Muhammad Shafique,
S/o. Fazal Muhammad,
R/o. Chak No. 67/JB,
Sadhaar, Faisalabad
Cell No. 0301-5555866
2. Chief Executive Officer,
FESCO Ltd,
West Canal Road, Abdullah Pur,
Faisalabad
3. Ch. Shahzad Ahmed Bajwa,
Advocate High Court,
12-Faisal Park, Imamia Colony,
Shahdara, Lahore
Cell No. 0301-4174291
4. Sub Divisional Officer (Operation),
FESCO Ltd,
Jhang Road Sub Division,
Faisalabad
5. POI/Electric Inspector,
Energy Department, Govt. of Punjab,
Opposite Commissioner Office,
D.C.G Road, Civil Lines,
Faisalabad Region, Faisalabad

Subject: **Appeal No.009/2024 (FESCO Vs. Muhammad Shafique) Against the Decision Dated 27.10.2023 of the Provincial Office of Inspection to Government of the Punjab Faisalabad Region, Faisalabad**

Please find enclosed herewith the decision of the Appellate Board dated 25.07.2024 (04 pages), regarding the subject matter, for information and necessary action accordingly.

Encl: As Above


(Ikram Shakeel)
Deputy Director
Appellate Board

Forwarded for information please.

1. Director (IT) –for uploading the decision on NEPRA website



National Electric Power Regulatory Authority

Before The Appellate Board

In the matter of

Appeal Nos.009/POI-2024

Faisalabad Electric Supply Company Limited

.....Appellant

Versus

Muhammad Shafique S/o. Fazal Muhammad,
R/o. Chak No.67/JB, Sadhaar, Faisalabad

.....Respondent

APPEAL U/S 38(3) OF REGULATION OF GENERATION, TRANSMISSION AND DISTRIBUTION OF ELECTRIC POWER ACT, 1997

For the Appellant:

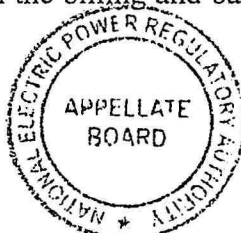
Mr. Shahzad Ahmed Bajwa Advocate
Mr. Javed Iqbal MS-II

For the Respondent:

Mr. Shahid Mehmood

DECISION

1. Through this decision, the appeal filed by the Faisalabad Electric Supply Company Limited (hereinafter referred to as the "Appellant") against the decision dated 27.10.2023 of the Provincial Office of Inspection, Faisalabad Region, Faisalabad (hereinafter referred to as the "POI") is being disposed of.
2. Brief facts of the case are that Muhammad Shafique (hereinafter referred to as the "Respondent") is an industrial consumer of the Appellant bearing Ref No.24-13215-5501288-U with sanctioned load of 285.48 kW and the applicable Tariff category is B-2(b). The metering equipment of the Respondent was checked by the Appellant on 29.04.2023 and reportedly, billing meter of the Respondent was found 33% slow due to one phase being dead and the backup meter was found working within BSS limits. Subsequently, billing was shifted on the backup meter by the Appellant vide MCO dated 27.05.2023, and a detection bill of 148,440 units for the period from March 2021 to May 2023 was debited to the Respondent due to the difference of readings between the billing and backup meters and added to the bill for





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May 2023.

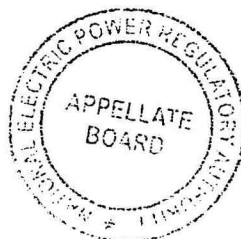
3. Being aggrieved, the Respondent filed a complaint before the POI on 08.06.2023 and challenged the above detection bill. The complaint of the Respondent was disposed of by the POI vide the decision dated 27.10.2023, wherein the detection bill of 148,440 units for the period from March 2021 to May 2023 debited to the Respondent was cancelled and the Appellant was allowed to recover net 35,936 units for two months i.e. February 2023 and March 2023 as per Clause 4.3.3c(ii) of the CSM-2021.
4. Subject appeal was filed by the Appellant before the NEPRA against the above-referred decision of the POI. In its appeals, the Appellant objected to the maintainability of the impugned decision, *inter alia*, on the main grounds that the detection bill of 148,440 units for the period from March 2021 to May 2023 was debited to the Respondent due to the difference between the backup and billing meters; that the impugned decision is against the law and facts of the case; that the POI erroneously declared the above detection bill as null and void and ignored the M&T checking report and slowness of the impugned meter; that the impugned decision is sketchy, patchy, based on surmises and conjectures, therefore if the same is not set aside the Appellant shall suffer irreparable loss and injury for no fault on their part.

5. **Proceedings by the Appellate Board**

Upon the filing of the instant appeal, a notice dated 06.02.2024 was sent to the Respondent for filing reply/para-wise comments to the appeal within ten (10) days, which were filed on 29.02.2024. In his reply, the Respondent rebutted the version of the Appellant regarding charging the impugned detection bill and contended that the billing meter was found 33% slow, whereas the impugned detection bill was debited for the previous eighteen months on account of the difference of readings between the billing and backup meters. The Respondent further contended that there is no provision in CSM-2021 for charging the difference bill, hence the impugned detection bill was rightly cancelled by the POI. The Respondent finally prayed for upholding the impugned decision.

6. **Hearing**

- 6.1 Hearing was conducted at NEPRA Regional Office Lahore on 02.03.2024, which was attended by both parties. Learned counsel for the Appellant contended that during M&T checking dated 29.04.2023, the billing meter was found 33% slow, whereas the backup



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meter was found ok and the difference of 148,440 units was observed between the billing and backup meters, therefore the detection bill of 148,440 units for the period from March 2021 to May 2023 was debited to the Respondent to recover the revenue loss sustained by the Appellant. As per learned counsel for the Appellant, the above detection bill was cancelled by the POI without perusing the documentary evidence. According to the learned counsel for the Appellant, the POI afforded relief beyond the prayer of the Respondent, as such the impugned decision is liable to be set aside.

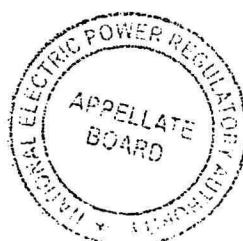
6.2 On the contrary, the representative for the Respondent repudiated the version of the Appellant and argued that the detection bill of 148,440 units for the period from March 2021 to May 2023 was debited to the Respondent without any justification as there is no provision given in CSM-2021 for recovery of difference of units beyond two billing cycles. Learned counsel for the Respondent further contended that if presumed that the impugned billing meters had not recorded actual consumption as to why the Appellant failed to point out the discrepancy in time. Learned counsel for the Respondent finally that the appeal is liable to be dismissed with cost.

7. Arguments heard and the record perused. Following are our observations:

7.1 Detection bill of 148,440 units for the period from March 2021 to May 2023 was debited to the Respondent due to the difference of readings between the billing and backup meters: The metering equipment of the Respondent was checked by the Appellant on 29.04.2023 and reportedly, 148,440 units were found uncharged due to the difference between the backup and billing meters. Therefore, a detection bill of 148,440 units for the period from March 2021 to May 2023 was debited to the Respondent due to the difference of readings between the billing and backup meters, which was challenged before the POI.

7.2 According to clause 6.2.4 of the CSM-2021, XEN/DM(O) of the DISCOs will physically check at site at least 10% readings of the meters of industrial, agricultural, and commercial connections having load above 40 kW and up to 500 kW and report the same discrepancy. In the instant case, the connection under dispute is sanctioned for 285 kW load and the meter reading is being taken by the senior officer of the Appellant but the Appellant did not point out any irregularity in the billing as well as the discrepancy in the metering equipment of the Respondent from March 2021 to checking dated 29.04.2023.

7.3 The Appellant debited the impugned detection bill for twenty-six months for the period from March 2021 to May 2023 on the basis of the readings of the billing and backup meters, which is unwarranted, and inconsistent with the provision of the CSM-2021. Under these



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circumstances, we are of the considered view that the detection bill of 148,440 units for the period from March 2021 to May 2023 debited by the Appellant to the Respondent is unjustified and the same is liable to be declared null and void.

7.4 33% slowness in the impugned meter of the Respondent was observed on 29.04.2023, therefore the Respondent is liable to be charged the revised supplementary bill for two billing cycles prior to checking dated 29.04.2023 as per Clause 4.3.3c(ii) of the CSM-2021 and the bills w.e.f checking dated 29.04.2023 to MCO dated 27.05.2023 be revised by raising the multiplication factor due to 33% slowness of the impugned meter, under Clause 4.3.3c(i) of the CSM-2021. The impugned decision is liable to be modified to this extent.


8. In view of what has been stated above, it is concluded that:

8.1 the detection bill of 148,440 units for the period from March 2021 to May 2023 debited by the Appellant to the Respondent is unjustified and the same is cancelled.


8.2 The Respondent may be charged the revised supplementary bill for two billing cycles prior to checking dated 29.04.2023 as per Clause 4.3.3c(ii) of the CSM-2021 and the bills w.e.f checking dated 29.04.2023 to MCO/shifting of billing on back yo meter dated 27.05.2023 be revised by raising the multiplication factor due to 33% slowness of the impugned meter, according to Clause 4.3.3c(i) of the CSM-2021.


8.3 The billing account of the Respondent be overhauled, accordingly.

9. Impugned decision is modified in the above terms.


Abid Hussain
Member/Advisor (CAD)

Dated: 25-07-2024


Naweed Illahi Sheikh
Convener/DG (CAD)


Muhammad Irfan-ul-Haq
Member/ALA (Lic.)

