

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

NEPRA Office, Atta Turk 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

May 10, 2019

No. NEPRA/AB/Appeal/080/2018/ 1008-1013

- Taj Din S/o. Malik Wazir Din, R/o. Ko Dewan Chand, Gujranwala
- 3. Muhammad Azam Khokhar Advocate High Court, 10-Fatima Jinnah Chambers, Session Courts, Gujranwala
- Assistant Manager (Opr), GEPCO Ltd, Ladhewal Sub Division, Near Aalam Chowk, By-Pass, Gujranwala

- Chief Executive Officer GEPCO Ltd, 565-A, Model Town, G. T. Road, Gujranwala
- Saeed Ahmed Bhatti Advocate High Court, Akram Mansion, Neela Gumbad, Lahore
- Electric Inspector, GujranwalaRegion, Govt. of Punjab, Munir Chowk, Near Kacher Barad, Gujranwala

Subject: <u>Appeal Titled GEPCO Vs. Taj Din Against the Decision Dated 29.8 2017 of the</u> <u>Provincial Office of Inspection to Government of the Punjabl Gujranwala</u> <u>Region, Gujranwala</u>

Please find enclosed herewith the decision of the Appellate Board date ()9.05.2019, regarding the subject matter, for information and necessary action accordingly.

Encl: <u>As Above</u>

No. NEPRA/AB/Appeal/080/2018/

Forwarded for information please.

(Ikram Shakeel) ° 10.

Assistant Director Appellate Board

Registrar



Before Appellate Board

In the matter of

Appeal No. 080/2018

Gujranwala Electric Power Company Limited

.....Appellant

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<u>Versus</u>

Taj Din S/o Malik Wazir Din R/o Kot Dewan Chand, GujranwalaRespondent

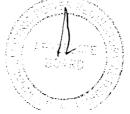
APPEAL UNDER SECTION 38(3) OF REGULATION OF GENERATION, TRANSMISSION, AND DISTRIBUTION OF ELECTRIC POWER ACT, 1997 AGAINST THE DECISION DATED 29.12.2017 PASSED BY PROVINCIAL OFFICE OF INSPECTION GUJRANWALA REGION, GUJRANWALA

<u>For the appellant:</u> Mr. Saeed Ahmed Bhatti Advocate Mr. M. Tariq SDO

<u>For the respondent:</u> Mr. Muhammad Azam Khokhar Advocate

DECISION

 As per facts of the case, the respondent is an industrial consumer of the appellant GEPCO bearing Ref No. 27-12132-2006900 with a sanctioned load of 19 kW under B-1 tariff. Electricity meter (first meter) of the respondent was found 66.66% slow by metering and testing (M&T) GEPCO on 27.04.2015. After issuing notice to the respondent, multiplication factor (MF) of the respondent's billing was raised from 1 to 3 due to 66.66% slowness of the first-meter w.e.f May 2015 and onwards till it's replacement with another meter (second meter) in August 2015. A detection bill of



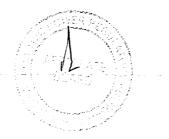


Rs.221,321/- for 11,916 units for the period November 2014 to April 2015 (6 months) was debited to the respondent @ 66.66% slowness of the first meter and added in the bill for June 2015. As per respondent, the detection bill was revised for 4,819 units for the period March 2015 to May 2015 by GEPCO but subsequently an adjustment bill of Rs.124,849/- was debited in the bill of April 2017 on account of recovery of the remaining amount of the aforesaid detection bill.

2. Being aggrieved, the respondent filed an application before the Provincial Office of Inspection (POI) on 02.05.2017 and challenged (i) detection bill of Rs.221,321/- for the period November 2014 to April 2015, (ii) the bill with enhanced MF=3 from May 2015 and onwards till meter change order (MCO) in August 2015 and (iii) the bill of April 2017 on account of fastness of the second billing meter. POI disposed of the matter vide its decision dated 29.12.2017 with the following conclusion:

"In the light of above facts, it is held that the 1^{st} disputed meter was correct till 04/2015 and it became 66.66% slow with effect from 05/2015 onward till its replacement in 08/2015; therefore the impugned detection bill of 11976 units charged from 11/2014 to 04/2015 is void, unjustified and of no legal effect and the petitioner is not liable to pay the same. The billing charged and recovered against the 2^{nd} disputed meter is correct, justified and legal. The respondents are directed to withdraw the impugned detection bill and overhaul the account of the petitioner accordingly."

3. The appeal in hand has been filed against the above referred decision with the contentions inter-alia that that the first meter of the respondent was found 66.66% slow on 27.04.2015 and a notice dated 08.04.2015 was issued to the respondent regarding the



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above discrepancy; that the detection bill of Rs.221,321/- for 11,916 units for the period November 2014 to April 2015 and the bills with enhanced MF=3 w.e.f May 2015 and onwards were charged to the respondentto recover the loss sustained due to 66.66% slowness of the first meter; that the billing is justified as per Consumer Service Manual (CSM); and that the impugned decision was not given without the stipulated period of 90 days. Notice of the appeal was sent to the respondent for filing reply/para-wise comments, which were filed on 04.06.2018. In his reply, the respondent rebutted the stance of GEPCO and contended that GEPCO is not authorized to charge any detection bill with retrospective effect prior to the checking dated 27.04.2015, which is violative of provisions of CSM. As per respondent, the quantum of error could not be determined through physical checking of the impugned meter and the assessment of chargeable units be based on the undisputed consumption of the disputed meter. The respondent defended the impugned decision and prayed for upholding the same.

4. Hearing of the appeal was conducted at Lahore on 19.04.2019, which was attended by both the parties. Learned counsel for GEPCO reiterated the same arguments as given in memo of the appeal and contended that 66.66% slowness observed in the first billing meter by GEPCO on 27.04.2015 and decline in the consumption justifies the charging of the detection bill of Rs.221,321/- for 11,916 units for the period November 2014 to April 2015 and enhancement of MF=3 from May 2015 and onwards. As per learned counsel for GEPCO, the bills in dispute are justified and payable by the respondent. Conversely, learned counsel for the respondent submitted that the analysis of POI is



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correct and is as per law. Having heard the arguments and perusal of record, it is observed as under:-

- i. As regards the objection of GEPCO regarding the failure of POI in deciding the matter within 90 days u/s 26(6) of Electricity Act, 1910, it may be noted that the said restriction of the time limit is inapplicable for the POI established under Section 38 of NEPRA Act, 1997. Reliance in this regard is placed on the Lahore High Court judgments cited as PLJ 2017-Lahore-627 and PLJ-2017-Lahore-309. As such the objection of GEPCO in this regard carries no weight, hence rejected.
- ii. The respondent assailed before POI (i) detection bill amounting to Rs.221,321/- for the period November 2014 to April 2015, (ii) the onward bills with enhanced MF=3 on account of 66.66% slowness of the first billing meter and (iii) the bill of April 2017 on account of fastness of the second billing meter.
- iii. Issue-I: Detection bill of Rs.221,321/- for the period November 2014 to April 2015.
 Pursuant to clause 4.4(e) of CSM, in case of a slow meter, the consumer is liable to be charged the detection bill maximum for two months, whereas in the instant case, the respondent was charged the detection bill for six months, which is in violation of ibid clause of CSM. Hence charging detection bill of Rs.221,321/- for the period November 2014 to April 2015 by GEPCO is unjustified.
- iv. Since 66.66% slowness of thefirst billing meter was observed by GEPCO on 27.04.2015, hence the detection bill for March 2015 and April 2015 is chargeable as



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per clause 4.4 of CSM, if justified. Consumption data in this regard is placed below:

Undisputed		Disputed	
Month	Units	Month	Units
Mar-2014	1,076	Mar-2015	1,009
Apr-2014	1,089	Apr-2015	1,101

Above comparison reveals that the consumption recorded during the disputed months compatible with the consumption of corresponding undisputed months of the previous year 2015, which proves that the meter was functioning correctly, therefore there is no justification to charge any detection bill to the respondent for the disputed months i.e. March 2015 to April 2015. Hence the impugned decision of POI for cancellation of the above detection bill is correct and maintained to this extent.

- v. Issue-II: The bills with enhanced MF=3 w.e.f May 2015 and onwards till MCO
 @ 66.66% slowness of the first meter. Pursuant to clause 4.4(c) of CSM, in case of slow meter, the consumer may be charged the electricity bill with enhanced MF till the replacement of slow meter, hence the respondent was rightly charged the electricity bills with enhanced MF=3 due to 66.66% slowness of the meter w.e.f May 2015 and onwards till MCO in August 2015 as already decided by POI.
- vi. **Issue-III**: The respondent assailed the bill of April 2017 on account of fastness of the second billing meter but the accuracy of the second billing meter was neither checked by GEPCO nor verified by POI. It is further noticed that the consumption from the start of the year 2017 became higher as compared to the consumption of the years 2014, 2015 and 2016. So the claim of the respondent for charging the





excessive bill for only April 2017 due to the fastness of the meter is not justified. We are in agreement with the determination of POI that the bill of April 2017 is correct and the respondent is obligated to pay the same.

5. In consideration above, we do not find any reason to interfere in the impugned decision which is upheld and consequently the appeal is dismissed.

Muhammad Qamar-uz-Zaman Member

Dated: 09.05.2019

Nadir Ali Khoso Convener

