



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

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No. NEPRA/Appeal/101/POI/2020/ 041

January 23, 2023

- |   |   |
|---|---|
| 1. Muhammad Allah Yar,<br>S/o. Muhammad Ismail,<br>Prop: Ahmad Steel Casting,<br>Glotiyan More, Small Industrial Estate,<br>Daska, District Sialkot | 2. Chief Executive Officer,<br>GEPCO Ltd,<br>565-A, Model Town,<br>G. T. Road, Gujranwala           |
| 3. Saeed Ahmed Bhatti,<br>Advocate High Court,<br>66-Khyber Block, Allama Iqbal Town,<br>Lahore   | 4. Sub Divisional Officer,<br>GEPCO Ltd,<br>Gujranwal Road Sub Division,<br>Daska, District Sialkot |
| 5. POI/Electric Inspector,<br>Gujranwala Region,<br>Energy Department, Govt. of Punjab,<br>Munir Chowk, Near Kacheri Road,<br>Gujranwala            |   |

Subject: **Appeal Titled GEPCO Vs. Muhammad Allah Yar Against the Decision Dated 18.03.2020 of the Provincial Office of Inspection to Government of the Punjab Gujranwala Region, Gujranwala**

Please find enclosed herewith the decision of the Appellate Board dated 19.01.2023, regarding the subject matter, for information and necessary action accordingly.

**Encl: As Above**

**(Ikram Shakeel)**  
**Deputy Director (M&E)/**  
**Appellate Board**

Forwarded for information please.

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



## National Electric Power Regulatory Authority

### Before The Appellate Board

In the matter of

### Appeal No.101/POI-2020

Gujranwala Electric Power Company Limited .....Appellant

Versus

Muhammad Allah Yar, S/o. Muhammad Ismail,  
Prop: Ahmed Steel Casting, Glotiyan More,  
Small Industrial Estate, Daska, District Sialkot .....Respondent

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

For the Appellant:

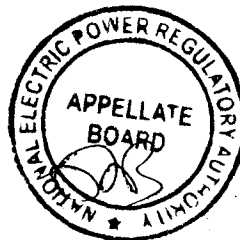
Mr. Saeed Ahmed Bhatti Advocate  
Mr. Muzaffar Ahmed

For the Respondent:

Nemo

### DECISION

1. Through this decision, the appeal filed by the Gujranwala Electric Power Company Limited (hereinafter referred to as the "Appellant") against the decision dated 18.03.2020 of the Provincial Office of Inspection, Gujranwala Region, Gujranwala (hereinafter referred to as the "POI") is being disposed of.
2. Briefly speaking, Mr. Muhammad Allah Yar (hereinafter referred to as the "Respondent") is an industrial consumer of the Appellant bearing Ref No.28-12227-0002400 with sanctioned load of 490 kW and the applicable Tariff category is B-2(b). The Appellant has claimed that the old billing meter of the Respondent

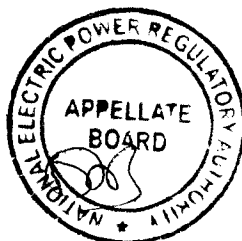




## National Electric Power Regulatory Authority

became defective, hence it was replaced with a new meter on 04.08.2017 and sent for data retrieval. As per the M&T report dated 15.08.2017, the Respondent was found involved in the dishonest abstraction of energy through tampering (relay installed) with the old meter. Therefore, FIR No. 432/17 dated 16.08.2017 was registered against the Respondent on account of dishonest abstraction of energy, and the electric supply of the premises was disconnected by the Appellant. Resultantly, a detection bill (the “first detection bill”) of Rs.5,459,544/- against 209,090 units for the period 18.06.2017 to 04.08.2017 was charged by the Appellant to the Respondent and added to the bill for September 2017. On request of the Respondent, the Appellant made four installments of the above detection bill. The Respondent submitted an affidavit for the payment of the above installments and accordingly paid the first installment amounting to Rs.1,794,034/- in October 2017, thereafter electric supply of the Respondent was restored by the Appellant. Subsequently, the Respondent defaulted in making payment of agreed installments, therefore the Appellant disconnected the electricity of the premises on 16.03.2018. During the equipment removal process, the impugned billing meter of the Respondent was checked by the Appellant on 13.04.2018 and reportedly, it was found slow by 50% due to two defective phases. Notice dated 18.05.2018 thereof was served to the Respondent regarding the above slowness and another detection bill (the “second detection bill”) of Rs.4,315,177/- against 163,680 units for the period 15.01.2018 to 13.04.2018 was charged to the Respondent and added to the bill for May 2018.

3. Being aggrieved with the above actions of the Appellant, the Respondent filed an application before the POI on 26.10.2018 and challenged the above two detection bills and the bills for July 2017 and August 2017. The complaint of the Respondent





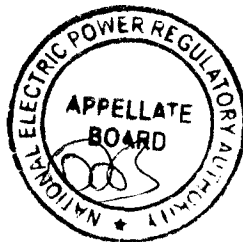
## National Electric Power Regulatory Authority

was disposed of by the POI vide the decision dated 18.03.2020, wherein (i) the bills issued against July 2017 and August 2017 and (ii) the first detection bill of Rs.5,459,544/- against 209,090 units for the period 18.06.2017 to 04.08.2017 were declared as justified and payable by the Respondent. The POI, however, directed the Appellant to withdraw the second detection bill of Rs.4,315,177/- against 163,680 units for the period 15.01.2018 to 13.04.2018 being unjustified. The POI further directed the Appellant to charge the revised bill of February 2018 after adding 50% slowness of the impugned billing meter.

4. Through the instant appeal, the afore-referred decision dated 18.03.2020 of the POI has been impugned by the Appellant before the NEPRA. In its appeal, the Appellant objected to the maintainability of the impugned decision to the extent of the cancellation of the second detection bill of Rs.4,315,177/- against 163,680 units for the period 15.01.2018 to 13.04.2018 and argued that the POI has miserably failed to analyze the consumption data and cancelled the second detection bill. As per the Appellant, the charging of the second detection bill was fully proved as per downloaded data before the POI, as such the finding of the POI with regard to the second detection bill is misconceived and erroneous. The Appellant finally prayed that the impugned decision to the extent of cancellation of the second detection bill be set aside.

### 5. Proceedings by the Appellate Board

- 5.1 Upon filing of the instant appeal, a notice dated 22.10.2020 was sent to the Respondent for filing reply/para-wise comments to the appeal within ten (10) days. The Respondent however did not submit the reply to the Appeal.





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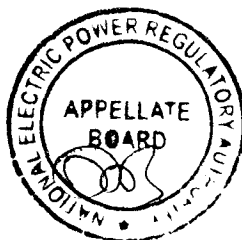
### 6. Hearing

- 6.1 After issuing notices dated 08.06.2022 to both parties, hearing of the subject appeal was held at NEPRA Regional Office Lahore on 17.06.2022, however, no one appeared on behalf of Respondent and therefore hearing was adjourned for 23.08.2022. On the given date no one appeared from both the parties.
- 6.2 The hearing of the Appeal was rescheduled at Lahore on 23.08.2022, however, no one appeared from either side; consequently, hearing was fixed on 29.09.2022. The hearing was attended by counsel along with SDO for the Appellant and no one appeared for the Respondent. Learned counsel for the Appellant reiterated the same version as contained in the memo of the appeal and contended that the billing meter of the Respondent was found 50% slow due to two defective phases on 13.04.2018, as such the second detection bill of Rs.4,315,177/- against 163,680 units for the period 15.01.2018 to 13.04.2018 was debited to the Respondent. Learned counsel for the Appellant averred that the second detection bill was charged on the basis of downloaded data of the AMR meter, which shows that the impugned meter remained 50% slow during the period 15.01.2018 to 13.04.2018. As per the representative for the Appellant, the impugned decision for cancellation of the second detection bill is unjustified and the same is liable to be struck down.

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

**7.1 Second detection bill of Rs.4,315,177/- against 163,680 units for the period 15.01.2018 to 13.04.2018 debited in May 2018**

The facts submitted before us transpire that the Respondent approached the POI against the charging of (i) the bills for July 2017 and August 2017, (ii) the first





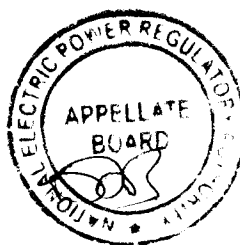
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detection bill of Rs.5,459,544/- against 209,090 units for the period 18.06.2017 to 04.08.2017 and (iii) the second detection bill of Rs.4,315,177/- against 163,680 units for the period 15.01.2018 to 13.04.2018. The POI vide impugned decision allowed the Appellant to recover the bills for July 2017, August 2017, the first detection bill of Rs.5,459,544/- against 209,090 units for the period 18.06.2017 to 04.08.2017 and the bill of February 2018 after adding 50% slowness of the impugned meter. However, the POI cancelled the second detection bill of Rs.4,315,177/- for 163,680 units for the period 15.01.2018 to 13.04.2018 charged by the Appellant to the Respondent. The Appellant has filed this appeal defending the second detection bill charged to the Respondent and prayed for setting aside the impugned decision to the extent of cancellation of the second detection bill.

7.2 The impugned billing meter of the Respondent was allegedly discovered as 50% slow by the Appellant on 13.04.2018 and the second detection bill of Rs.4,315,177/- against 163,680 units for the period 15.01.2018 to 13.04.2018 was issued in May 2018. Therefore the matter will be dealt with under the provisions of the CSM-2010. Clause 4.4 of the CSM-2010 enumerates the procedure to confirm the defect/slowness in the metering equipment and charge the Consumer on the basis of thereof. Sub-clauses (b), (c), and (e) of Clause 4.4 of the CSM-2010 being relevant in the instant are reproduced below:

**"4.4 Meter Replacement**

*(b) Should the GEPCO at any time, doubt the accuracy of any metering equipment, the GEPCO may after informing the consumer, install another duly calibrated and tested metering equipment in series with the impugned metering*





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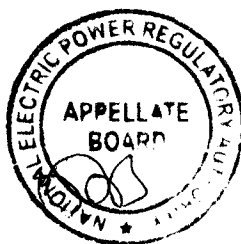
*equipment to determine the difference in consumption or maximum demand recorded by the check metering equipment and that recorded by the impugned metering equipment during a fixed period. If one such comparative test being made the impugned metering equipment should prove to be incorrect, the impugned metering equipment shall be removed from the premises with the written consent of the consumer, and the GEPCO in the absence of any interference or alteration in the mechanism of the impugned metering equipment being detected by the GEPCO shall install "correct meter" without any further delay.*

*(c) Where it is not possible for the GEPCO to install check metering equipment of appropriate capacity in series with the impugned metering equipment, to check the accuracy of the impugned metering equipment as described above, the GEPCO shall, after informing (in writing) the consumer, test the accuracy of the impugned metering equipment at site by means of Rotary Sub-Standard or digital power analyzer. If incorrect, the impugned metering equipment shall be removed and immediately replaced upon settlement/payment of assessed amount. In case if a correct meter is not available then the multiplying factor shall be charged accordingly till the replacement with correct meter.*

*(d) .....*

*(e) The charging of consumers on the basis of defective code, where the meter has become defective and is not recording the actual consumption will not be more than two billing cycles. The basis of charging will be % of the consumption recorded in the same month of the previous year or the average consumption of the last 11 months whichever is higher. Only the Authorized employee of GEPCO will have the power to declare a meter defective. However, the consumer has a right to challenge the defective status of the energy meter and the GEPCO will get the meter checked at the site with a check meter or a rotary sub-standard or digital power analyzer accompanied by an engineer of the metering and testing laboratory free of cost.*

Under sub-clause 'b' above, upon doubt about the accuracy of the metering equipment of the Respondent, the Appellant was required to install a check metering equipment, after informing the Respondent, to determine the difference in consumption or maximum demand recorded by the check meter and the impugned meter during a fixed period. In case of confirmation of slowness in the





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impugned meter, the same was required to be removed with the written consent of the Consumer.

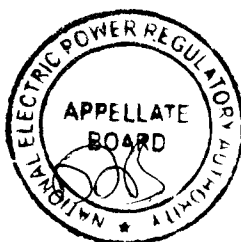
7.3 Alternatively, the Appellant was required to follow the procedure given in sub-clause (c) of Clause 4.4 of the CSM-2010, which stipulates the checking of metering equipment after informing (in writing) the consumer, by means of a Rotary Sub-standard or digital power analyzer.

7.4 As per the record presented before us, there is no evidence that the Appellant followed the procedure either under sub-clause (b) or sub-clause (c) of the CSM-2010. The Appellant has claimed that the metering equipment was checked in presence of the Respondent, however, the Test check proforma dated 13.04.2018 as submitted by the Appellant is not signed by the Respondent. The essence of Clause 4.4 of the CSM-2010 is to ensure transparency by taking the consumer on board. The claim of the Appellant about the meter without following the laid down procedure suffers from credibility insufficiency.

7.5 The Appellant claims that the POI did not consider the consumption data for confirmation of 50% slowness in the impugned billing meter. To verify this assertion of the Appellant, the consumption data of the Respondent is analyzed in the below table:

Undisputed			Disputed			% increase/decrease
Month	Units	MDI	Month	Units	MDI	(MDI)
Jan-17	266720	570	Jan-18	146080	659	16%
Feb-17	244320	573	Feb-18	85120	290	-49%

As evident from the above table, MDI increased by 16% during the disputed month







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of January 2018 in comparison with the MDI recorded during the corresponding month of the year 2017, however, MDI drastically declined by 49% in February 2018 as compared to the MDI recorded in February 2017. This indicates that the impugned billing meter of the Respondent was functioning correctly till January 2018 and it became slow in February 2018. Under these circumstances, we hold that the second detection bill of Rs.4,315,177/- against 163,680 units for the period 15.01.2018 to 13.04.2018 charged to the Respondent due to the 50% slowness of the meter is unjustified and it is declared null and void.

7.6 Since the meter under dispute was found slow by 50% in the month of February 2018, therefore the Appellant may revise the bill of February 2018 only after adding 50% slowness of the impugned meter, which is also the determination of POI.

7.7 The billing account of the Respondent may be overhauled after adjustment of the payments made against the above detection bill.

8. Foregoing in view, the appeal is dismissed.

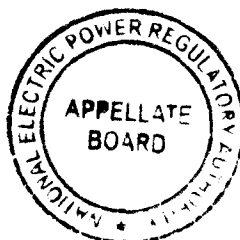
Syed Zavar Haider  
Member

Abid Hussain  
Convener

Muhammad Irfan-ul-Haq  
Member

Dated: 19/01/2022

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