



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

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No. NEPRA/Appeal/053/2021/ 3/4

March 11, 2024

- |   |  |
|---|--|
| 1. Shahid Mahmood Mughal,<br>S/o. Ghulam Nabi Mughal,<br>R/o. Gali Haji Ghulam Nabi Wali,<br>Mohallah Ittefaq Colony,<br>Landhiwala Warraich,<br>Gujranwala | 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<br>Cell No. 0300-4350899                                    | 4. Muhammad Azam Khokhar,<br>Advocate High Court,<br>10-Fatima Jinnah Chambers,<br>Session Courts, Gujranwala<br>Cell No. 0301-6434497   |
| 5. Sub Divisional Officer,<br>GEPCO Ltd,<br>Farooq Ganj Sub Division No. 1,<br>Gujranwala   | 6. POI/Electric Inspector,<br>Gujranwala Region,<br>Energy Department, Govt. of Punjab,<br>Munir Chowk, Near Kacheri Road,<br>Gujranwala |

**Subject: Appeal No.053/2021 (GEPCO Vs. Shahid Mahmood) Against the Decision Dated 29.01.2021 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 11.03.2024 (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 No.053/POI-2021

Gujranwala Electric Power Company Limited

.....Appellant

Versus

Shahid Mahmood Mughal S/o. Ghulam Nabi Mughal,  
R/o. Gali Haji Ghulam Nabi Wali, Mohallah Ittefaq Colony,  
Landhiwala Warraich, Gujranwala

.....Respondent

### **APPEAL UNDER SECTION 38(3) OF THE REGULATION OF GENERATION, TRANSMISSION, AND DISTRIBUTION OF ELECTRIC POWER ACT, 1997**

#### For the Appellant:

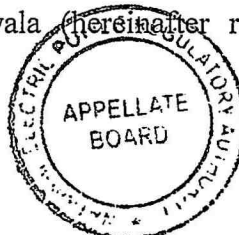
Mr. Saeed Ahmed Bhatti Advocate  
Mr. Asim Legal Assistant  
Mr. Hamad Mansha SDO  
Mr. Ahmed Ali Pervaiz SDO

#### For the Respondent:

Mr. Muhammad Azam Khokhar Advocate

### **DECISION**

1. As per the facts of the case, Mr. Shahid Mahmood (hereinafter referred to as the "Respondent") is an industrial consumer of Gujranwala Electric Power Company Limited (hereinafter referred to as the "Appellant") bearing Ref No.24-12115-0088000 having a sanctioned load of 08 kW and the applicable tariff category is B-1(b). The old billing meter of the Respondent with the vanished display was replaced with a new meter by the Appellant vide MCO dated 25.08.2019 and sent to M&T laboratory for checking. Notice dated 27.09.2019 was issued to the Respondent regarding the above discrepancy. As per the M&T report dated 15.10.2019, the impugned meter was found burnt out and data of the same could not be retrieved. Subsequently, a detection bill amounting to Rs.130,338/- for the cost of 6,222 (OP=5,510 + P=712) units for two months i.e. July 2019 and August 2019 was charged to the Respondent on the basis of consumption of corresponding months of previous year and added to the bill for December 2019
2. Being aggrieved, the Respondent filed a complaint before the Provincial Office of Inspection, Gujranwala Region, Gujranwala (hereinafter referred to as the "POI") on





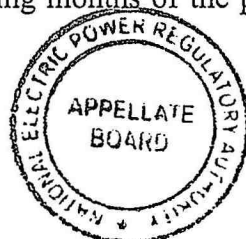
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11.01.2020 and challenged the above detection bill. The complaint of the Respondent was disposed of by the POI vide decision dated 29.01.2021, wherein it was held that the detection bill of Rs.130,338/- for 6,222 (OP=5,510 + P=712) units for two months i.e. July 2019 and August 2019 is void, unjustified, and of no legal effect and the Appellant is allowed to charge revised bill of 3,282 units for July 2019 as per consumption of corresponding month of the previous year.

3. Being dissatisfied, the Appellant has filed the instant appeal before NEPRA and assailed the decision dated 29.01.2021 of the POI (hereinafter referred to as the "impugned decision"). In its appeal, the Appellant opposed the maintainability of the impugned decision *inter alia*, on the following grounds that the billing meter was replaced with a new meter on 25.08.2019 and checked in M&T lab; that data could not be downloaded due to burnt meter; that the detection bill of Rs.130,338/- for 6,222 (OP=5,510 + P=712) units for two months i.e. July 2019 and August 2019 was debited to the Respondent; that the impugned decision is against the law and facts of the case; that the POI misconceived and misconstrued the real facts of the case and erred in declaring the detection bill of Rs.130,338/- for 6,222 (OP=5,510 + P=712) units for two months i.e. July 2019 and August 2019 as null and void; that the POI failed to consider the consumption data in true perspective and revise the bill of July 2019 only as per consumption of July 2018; that the POI failed to decide the matter within 90 days, which is violative of Section 26(6) of the Electricity Act 1910; that the Respondent failed to serve notice to the Appellant prior filing complaint before the POI as per Section 24 of the Electricity Act, 1910; and that the impugned decision is liable to be set aside.
4. Notice dated 19.05.2021 of the appeal was issued to the Respondent for filing reply/para-wise comment, which however were not filed.

### 5. Hearing

- 5.1 Hearing of the appeal was conducted at NEPRA Regional Office Lahore on 16.12.2023, wherein both parties were in attendance. Learned counsel for the Appellant contended that the billing meter of the Respondent was found defective, therefore it was replaced with a new meter by the Appellant on 25.08.2019 and subsequently checked by the M&T team on 15.10.2019, wherein the impugned meter was found burnt out. Learned counsel for the Appellant further contended that the detection bill of Rs.130,338/- for 6,222 (OP=5,510 + P=712) units for two months i.e. July 2019 and August 2019 was debited to the Respondent as per consumption of corresponding months of the previous year. Learned counsel for the





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Appellant argued that the POI did not consider the real aspects of the case and erroneously declared the above detection bill as null and void. Learned counsel for the Appellant prayed that the impugned decision is unjustified and liable to be struck down.

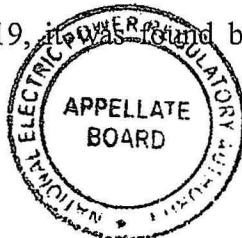
5.2 On the other hand, learned counsel for the Respondent rebutted the version of the Appellant regarding charging the above detection bill and argued that the electricity of the premises was being used through another connection, hence there is no justification to debit any detection bill for the months of July 2019 and August 2019. He supported the impugned decision for cancellation of the above detection bill and prayed for upholding the same. Learned counsel for the Respondent was directed to submit the consumption data of the second connection of the Respondent for years 2018 and 2019 to verify the use of electricity through the second connection during the disputed period.

6. Having heard the arguments and record perused. Following are our observations:

6.1 While addressing the objection of the Appellant regarding the jurisdiction of the POI, the Respondent filed his complaint before the POI on 11.01.2020 under Section 38 of the NEPRA Act. POI pronounced its decision on 29.01.2021 i.e. after ninety (90) days of receipt of the complaint. The Appellant has objected that the POI was bound to decide the matter within 90 days under Section 26(6) of the Electricity Act, 1910. In this regard, it is observed that the forum of POI has been established under Section 38 of the NEPRA Act which does not put a restriction of 90 days on POI to decide complaints. Section 38 of the NEPRA Act overrides provisions of the Electricity Act, of 1910. Reliance in this regard is placed on the judgments of the honorable Lahore High Court Lahore reported in 2017 PLJ 627 Lahore and 2017 PLJ 309 Lahore. Keeping in view the overriding effect of the NEPRA Act on the Electricity Act, 1910, and the above-referred decisions of the honorable High Court, the objection of the Appellant is dismissed.

6.2 As regards another objection of the Appellant for not issuing notice as per the Electricity Act, 1910 by the Respondent before filing a complaint to the POI, it is elucidated that the matter was adjudicated by the POI under Section 38 of the NEPRA Act, 1997 and as per procedure laid down in Punjab (Establishment and Powers of Office of Inspection) Order, 2005, which do not require for service of any notice before approaching the POI. The above objection of the Appellant is not valid and, therefore overruled.

6.3 As per the available record, the defective meter of the Respondent was replaced with a new meter by the Appellant on 25.08.2019 and checked by the M&T team of the Appellant. As per the M&T report dated 15.10.2019, the meter was found burnt out and the data could not be





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downloaded. Later on, the Appellant charged a detection bill of Rs.130,338/- for 6,222 (OP=5,510 + P=712) units for two months i.e. July 2019 and August 2019 to the Respondent, which was assailed by him before POI.

6.4 To check the justification of the impugned detection bill, the consumption data is reproduced in the below table:

Undisputed		Disputed	
Month	Units	Month	Units
Jul-18	3282	Jul-19	1491
Aug-18	4413	Aug-19	0

It is observed that 1,491 units and 0 units for July 2019 and August 2019 were charged to the Respondent in July 2019 and August 2019 which are much less than the consumption of corresponding months of the previous year. This indicates that the impugned meter of the Respondent remained defective during the disputed months i.e. July 2019 and August 2019. The Respondent however did not bring on record that the electricity was being used through second connection during the disputed months.

6.5 In such cases, Clause 4.4(e) of the Consumer Service Manual 2010 (the "CSM-2010") empowers the Appellant to recover their revenue loss by debiting detection bill maximum for two months in case of defectiveness of the metering equipment and the basis of charging the detection bill be made as per 100% consumption of corresponding month of the previous year or average consumption of last eleven months, whichever is higher. The Appellant debited the impugned detection bill to the Respondent based on the consumption of corresponding months of the previous year being higher, according to the ibid clause of the CSM-2010, which is justified and payable by the Respondent.

7. Foregoing in view, the appeal is accepted and the impugned decision is set aside.

On leave

Abid Hussain  
Member/Advisor (CAD)

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

Naweed Illahi Sheikh  
Convener/DG (CAD)

Dated: 11-03-2024

