



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

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No. NEPRA/AB/Appeal/145/POI/2021/ 206

March 01, 2022

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| 1. Master Khan Pathan,
R/o. Khursheed Colony Chowk,
Site Area, Kotri, District Jam Shoro | 2. Chief Executive Officer,
HESCO Ltd.,
WAPDA Offices Complex,
Hussainabad, Hyderabad |
| 3. Shaukat Ali Pathan,
Advocate High Court,
Office No. 03, Mezzanine Floor,
Syed Arcade, Hyder Chowk,
Near Ibrat Press, Hyderabad | 4. Executive Engineer (Operation),
HESCO Ltd,
Kotri Operation Division, Kotri |
| 5. POI/Electric Inspector
Hyderabad Region,
Government Building No. 48/B,
Civil Lines, Hyderabad | |

Subject: **Appeal Titled HESCO Vs. Master Khan Pathan Against the Decision Dated 11.10.2021 of the Provincial Office of Inspection to Government of the Sindh Hyderabad Region, Hyderabad**

Please find enclosed herewith the decision of the Appellate Board dated 15.02.2022, 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. Director (IT) –for uploading the decision on NEPRA website



National Electric Power Regulatory Authority

Before Appellate Board

In the matter of

Appeal No.145/POI-2021

Hyderabad Electric Supply Company LimitedAppellant

Versus

Master Khan Pathan, R/o Khursheed Colony Chowk,
Site Area, Kotri, District JamshoroRespondent

APPEAL UNDER SECTION 38(3) OF REGULATION OF GENERATION, TRANSMISSION, AND DISTRIBUTION OF ELECTRIC POWER ACT, 1997 AGAINST THE DECISION DATED 11.10.2021 PASSED BY PROVINCIAL OFFICE OF INSPECTION HYDERABAD REGION, HYDERABAD

For the Appellant:

Mr. Mujeeb-ur-Rehman XEN
Mr. Shakeel Ahmed A.D

For the Respondent:

Mr. Shaukat Ali Advocate
Mr. Yaseen

DECISION

1. Brief facts of the case are that the Hyderabad Electric Supply Company Limited (the HESCO) is a licensee of the National Electric Power Regulatory Authority (hereinafter referred to as the NEPRA) for the distribution of electricity in the territory specified as per terms and conditions of the license and the Respondent is its industrial consumer bearing Ref No.27-37221-0037910-R with a sanctioned load of 12 kW under the B-1 Tariff category. The connection of the Respondent



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remained disconnected for the period July 2012 to May 2016 and nil consumption was charged by the HESCO during the said period. Thereafter, the Respondent started his business in the month of June 2016 and the billing was carried out by the HESCO w.e.f June 2016 and onwards.

2. The Respondent was aggrieved with the billing of the HESCO, hence initially filed a CP No.D-1772-2016 before the Honorable High Court of Sindh, Hyderabad Circuit, and challenged the bills of Rs.228,576/- and Rs.122,166/- charged in the month of June 2016 and July 2016 respectively. In the petition, the Respondent has admitted the restarting of the business in June 2016. During the pendency of the Constitution Petition of the Respondent before the Honorable High Court, the Respondent filed an application before the Provincial Office of Inspection, Hyderabad Region, Hyderabad (the POI) on 17.08.2016 and disputed the abovementioned bills of June 2016 and July 2016. The POI disposed of the matter vide decision dated 11.10.2021, wherein the bills of Rs.228,576/- and Rs.122,166/- charged in June 2016 and July 2016 respectively along with Late Payment Surcharges (LPS) were cancelled.
3. Through the instant appeal, the HESCO has challenged the decision dated 11.10.2021 of the POI (hereinafter referred to as the impugned decision) before the NEPRA. In its appeal, HESCO contended that the meter of the Respondent was functioning correctly and the bills for 13,232 units and 7,105 units were debited to the Respondent in June 2016 and July 2016 respectively as per the correct dial reading of the meter. HESCO further contended that the M&T vide report dated 28.06.2018 confirmed that all the phases of the meter are working properly and its reading was noted as TL=34472, T1=005363, T2=029109. As per HESCO, the POI



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wrongly declared the charging of units in June 2016 and July 2016 as unjustified despite the reading of the billing meter of the Respondent was proved through the M&T report. According to HESCO, the impugned decision is one-sided, arbitrary, against justice and the same be set aside.

4. Notice of the appeal was issued to the Respondent for filing reply/para-wise comments, which were filed on 24.12.2021. In his reply, the Respondent submitted that the bills of June 2016 and July 2016 were wrongly charged by the HESCO, which were challenged before the POI. The Respondent further submitted that the HESCO official neither submitted the documents i.e. M&T checking report nor appeared before the POI for arguments, therefore the POI after full dressed trial decided the case in his favor by declaring the bills of June 2016 and July 2016 as null and void. As per Respondent, the connection was not in use during the period July 2012 to May 2016 and there was no consumption during the said period. According to the Respondent, HESCO did not point out any discrepancy during the monthly readings as per Clause 6.1(d) of the Consumer Service Manual (CSM). The Respondent prayed for the dismissal of the appeal.
5. Hearing of the appeal was fixed for 21.01.2022 at the NEPRA Regional Office Hyderabad and notice thereof was served upon both the parties. On the date of the hearing, the HESCO officials were in attendance and a counsel along with a representative for the Respondent appeared. XEN HESCO reiterated the same grounds as contained in memo of the appeal and contended that the connection of the Respondent remained disconnected till May 2016 and it was restored in June 2016. HESCO further contended that the bills of 13,232 units and 7,105 units charged in June 2016 and July 2016 respectively are as per the consumption



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recorded by the meter during the said months. As per XEN HESCO, the meter reading of the Respondent was verified by the M&T vide report dated 25.07.2018, hence both bills are justified and payable by the Respondent. On the contrary, learned counsel for the Respondent rebutted the version of HESCO, supported the impugned decision, and argued that the bills of June 2016 and July 2016 were debited by the HESCO without the reading as recorded by the meter. Learned counsel for the Respondent submitted that the impugned decision is justified and the same may be upheld.

6. Arguments heard and the record examined. It is observed as under:

- i. Scrutiny of record shows that the connection of the Respondent remained disconnected for the period July 2012 to May 2016 and nil consumption was charged by the HESCO during the said period. Thereafter, the Respondent admittedly started business in June 2016 and the billing was carried out by the HESCO w.e.f June 2016 and onwards. The Respondent disputed before the POI the bills of 13,232 units and 7,105 units charged by the HESCO in June 2016 and July 2016 respectively.
- ii. It is observed that HESCO charged the bill of 13,232 units in June 2016, however did not provide a copy of the bill of the said month to verify the initial and final reading of the meter during the said month. As per the billing statement of HESCO, the reading of the meter was noted as 11,222 in June 2016, whereas the bill for the said month was charged for the cost of 13,232 units which is higher than the total meter reading. This indicates that the Respondent was excessively billed in June 2016. It is noted that such high consumption charged in June 2016 is neither compatible with the units



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calculated as per the sanctioned load of the Respondent nor matches the future undisputed consumption as mentioned in the below table:

Month	Units already charged	Units/month calculated as per Annex-VIII of CSM
Aug-2016	4553	$\begin{aligned} &= \text{Sanctioned load (kW)} \times \text{No. of Hours} \times \text{Load factor} \\ &= 12 \times 730 \times 0.4 \\ &= \mathbf{3,504 \text{ units/month}} \end{aligned}$
Sep-2016	4473	
Oct-2016	0	
Nov-2016	715	

In view of the above, we agree with the findings of the POI that the bill of 13,232 units charged by the HESCO to the Respondent in June 2016 is unjustified and the same is liable to be set aside. The Respondent is liable to be charged the revised bill of 3,504 units for June 2016 as calculated in the above table as per CSM. The impugned decision is liable to be modified to this extent.

- iii. As far as the fate of the bill for 7,105 units debited in July 2016 is concerned, it is noticed that HESCO charged the said bill on a higher side as compared to the reading advanced from June 2016 to July 2016, which may be verified from the below calculation:

Assessment of Bill of July 2016				
(A) Reading	(B) Present	(C) Previous	(D)= B-C Difference of units to be charged	(E) Units already charged
Present	17326	11222	6104	7105

The above analysis of the consumption supports the contention of the Respondent that HESCO charged excessive bill in July 2016. Hence, the bill of 7,105 units charged by HESCO is declared excessive and is liable to be cancelled. It would be fair and appropriate to charge the revised bill of 6,104 units to the Respondent being the difference of readings noted in June 2016 and



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July 2016. The impugned decision is liable to be modified to this extent.

7. In view of what has been stated above, it is concluded that the impugned decision to the extent of cancellation of the bills of 13,232 units and 7,105 units charged by the HESCO in June 2016 and July 2016 respectively is correct and the same is maintained to that extent. The Respondent may be charged the revised bills as per the detail given below:

Month	Units	Remarks
June 2016	3,504	Calculated as per CSM
July 2016	6,104	difference of meter readings

However, the payments already made by the Respondent against the above-disputed bills shall be adjusted in the revised bills.

9. Forgoing into consideration, the appeal is partially accepted.

Abid Hussain
Member/Advisor (CAD)

Nadir Ali Khoso
Convener/Senior Advisor (CAD)

Date: 15.02.2022