



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

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No. NEPRA/Appeal/074/POI/2020/ 928

November 23, 2021

1. Malik Amjad Iqbal,
S/o. Malik Ahmad Khan,
Ice Factory, R/o. Bhar Pur,
Tehsil Kalar Kahar, District Chakwal
2. Chief Executive Officer
IESCO Ltd,
Head Office, St. No. 40,
Sector G-7/4, Islamabad
3. Faisal Bin Khurshid,
Advocate Supreme Court,
Office No. 3, First Floor,
National Arcade, 4-A,
F-8 Markaz, Islamabad
4. Executive Engineer/Deputy Manager,
IESCO Ltd,
Chakwal Operation Division,
IESCO Complex, Opposite 15 Office,
Chakwal
5. POI/Electric Inspector,
Islamabad Region,
XEN Office, Irrigation & Power Department,
Rawal Dam Colony, Park Road,
Islamabad

Subject: Appeal Titled IESCO Vs. Malik Amjad Iqbal Against the Decision Dated 07.11.2019 of the Provincial Office of Inspection to Government of the Punjab Islamabad Region, Islamabad

Please find enclosed herewith the decision of the Appellate Board dated 15.11.2021, 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.074/POI-2020

Islamabad Electric Supply Company Limited

.....Appellant

Versus

Malik Amjad Iqbal S/o Malik Ahmed Khan, Ice Factory,
R/o Bharpur, Tehsil Kallar Kahar, District Chakwal

.....Respondent

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

For the Appellant:

Mr. Faisal Bin Khurshid Advocate

Mr. Zubair Ashraf SDO

For the Respondent:

Mr. Malik Amjad Iqbal

DECISION

1. Through this decision, an appeal filed by the Islamabad Electric Supply Company Limited (IESCO) against the decision dated 07.11.2019 of the Provincial Office of Inspection, Islamabad region, Islamabad (the POI) is being disposed of.
2. As per facts of the case, the Respondent is an industrial consumer of the IESCO

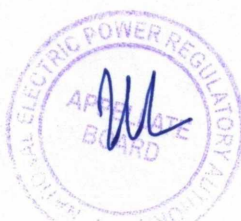




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bearing Ref No.27-14523-9014000 with a sanctioned load of 53 kW and the applicable tariff is B-2(b). The billing meter of the Respondent was found 33% slow due to the red phase being dead during the Metering and Testing (M&T) IESCO checking dated 27.05.2019. Notice dated 10.06.2019 was issued to the Respondent regarding 33% slowness of the billing meter and a detection bill (the first detection bill) of Rs.57,357/- for 1,155 units for the period April 2019 to May 2019 two (2) months was charged by the IESCO to the Respondent @ 33% slowness of the billing meter. Reportedly, the defective current transformer (CT) of the billing meter of the Respondent was replaced by the IESCO on 11.07.2019. Subsequently, the Audit department vide the Audit Note#141 dated 17.07.2019 pointed out that the Multiplication Factor (MF) was not raised by the IESCO in the billing month of June 2019 due to which 33% slowness was not charged and recommended to charge a bill of Rs.130,781/- for a total of 5,208 (off peak=4,782, peak=426) units+14 kW MDI for June 2019 to the Respondent. Resultantly, the IESCO debited another detection bill (the second detection bill) of Rs.130,781/- for total of 5,208 (off peak=4,782, peak=426) units+14 kW MDI for June 2019 to the Respondent on 24.09.2019.

3. Being aggrieved with the actions of the IESCO, the Respondent assailed the arrears of Rs.372,323/- before the POI, which included the first detection bill of Rs.57,357/- and the second detection bill of Rs.130,781/-. Complaint of the Respondent was disposed





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of by the POI vide decision dated 07.11.2019, wherein, the second detection bill of Rs.130,781/- for a total of 5,208 (off peak=4,782, peak=426) units+14 kW MDI for June 2019 charged by the IESCO to the Respondent was declared as null and void. As per the decision of the POI, the IESCO was directed to recover only the first detection bill of Rs.57,357/- for 1,155 units for the period April 2019 to May 2019 from the Respondent.

4. Through the instant appeal, afore-referred decision dated 07.11.2019 of POI has been impugned by the IESCO in which it is contended that the billing meter of the Respondent was found 33% slow by the M&T IESCO on 27.05.2019, which recommended to recover the first detection bill for 1,155 units on account of 33% slowness of the billing meter from the Respondent and enhance the MF w.e.f May 2019 and onwards. The IESCO further contended that defective CT of the billing meter was replaced on 11.07.2019 and the second detection bill of Rs.130,781/- for June 2019 was debited to the Respondent in September 2019 on the basis of Audit Note No.141 dated 17.07.2019 due to 33% slowness of the billing meter. As per the IESCO, the impugned decision suffers from technical, factual, and legal infirmities, which is unlawful, malafide, arbitrary, and calls for interference by this Authority. According to the IESCO, the defunct billing meter ceased to register energy whatsoever was consumed by the Respondent legitimately. The IESCO submitted that





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the opinion of the POI is scanty, without valid basis and reflection of wheeling and dealing as it is passed without taking into account the expert opinion based on technical testing, which shows the real aspects of the case. The IESCO finally prayed for setting aside the impugned decision.

5. Notice for filing reply/para-wise comments to the appeal was issued to the Respondent, which however were not submitted.
6. Hearing of the appeal was conducted in the NEPRA Head Office, Islamabad on 20.09.2021, wherein both the parties were present. Learned counsel for the IESCO reiterated the same version as contained in the memo of the appeal and contended that 33% slowness was reported in the billing meter of the Respondent by the M&T IESCO on 27.05.2019, hence the first detection bill of Rs.57,357/- for 1,155 units for the period April 2019 to May 2019 was charged to the Respondent @ 33% slowness of the billing meter. Learned counsel for the IESCO averred that the second detection bill of Rs.130,781/- was debited to the Respondent on the basis of Audit Note No.141 dated 17.07.2019, which was disputed before the POI. As per learned counsel for the IESCO, the POI did not consider the merits of the case and cancelled the second detection bill of Rs.130,781/- on a single count of the audit observation. Learned counsel for the IESCO pointed out that the NEPRA Appellate Board in the previous decision of Appeal No.025/POI-2013 titled "LESCO vs Shahnaz Meraj" decided the





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fate of bills on merits instead of audit observation. Learned counsel for the IESCO prayed for setting aside the impugned decision to the extent of cancellation of the second detection bill of Rs.130,781/-. On the contrary, the Respondent appearing in person repudiated the contentions of learned counsel for the IESCO and argued that the defective CT of the billing meter was replaced in June 2019 but the report was sent by the IESCO in July 2019. As per the Respondent, the bill of 10,572 units charged in June 2019 was correct and no detection bill is chargeable to him. According to the Respondent, the impugned decision for the cancellation of the second detection bill of Rs.130,781/- is correct and shall be maintained.

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

- i. The billing meter was found 33% slow during the M&T IESCO checking dated 27.05.2019, which recommended charging the first detection bill of 1,155 units for April 2019 and May 2019 and to enhance the MF for onward billing. The IESCO charged the first detection bill of Rs.57,357/- for 1,155 units for the period April 2019 to May 2019 to the Respondent on account of 33% slowness of the billing meter. Later on, the IESCO replaced the defective CT of the billing meter and charged the second detection bill of Rs.130,781/- for a total of 5,208 (off peak=4,782, peak=426) units + 14 kW MDI for June 2019 on the observation of the Audit department. The Respondent assailed the abovementioned detection bills





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before the POI, who vide impugned decision allowed the first detection bill of Rs.57,357/- and set aside the second detection bill of Rs.130,781/- for total 5,208 (off peak=4,782, peak=426) units + 14 kW MDI for June 2019.

ii. As regards the fate of the second detection bill of Rs.130,781/- for June 2019, the IESCO claims that 33% slowness in the billing meter was established but charging of bill with enhanced MF=29.85 for June 2019 was omitted, which was rightly charged on the recommendation of the Audit Department. It is observed that the Audit para is an internal matter between IESCO and the Audit Department and the Respondent cannot be held responsible for payment of any detection bill on the recommendation of the Audit Department. In this regard, reliance is placed on the various judgments of Honorable Courts reported in 2014 MLD 1253 titled M/s. Mehmood Textile Mills v/s MEPCO and 2008 YLR 308 titled WAPDA v/s Fazal Karim. Besides, the Respondent was neither associated during the audit proceedings nor any prior notice was served by the IESCO to him. Hence, there is no justification to charge the second detection bill of Rs.130,781/- to the Respondent on the basis of audit observation.

iii. IESCO claims that the defective CT of the billing meter of the Respondent was replaced on 11.07.2019, which however was negated by the Respondent. As per the Respondent, the defective CT of the billing meter was replaced by the IESCO in





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June 2019 enabled the billing meter to record actual consumption and the bill of June 2019 is correct and he cannot pay further bills for the same month. To verify the contentions of both the parties, test check proforma dated 11.07.2019 of the IESCO was examined, which transpires that the date of replacement of the defective CT of the billing meter was altered/manipulated by the IESCO. Moreover, the IESCO did not provide the original test check proforma to this forum in support of its contentions. Besides, the following comparison of the disputed consumption of June 2019 with the undisputed consumption of June 2018 does not support the stance of IESCO for less charging of units in the disputed month of June 2019.

Disputed		Undisputed	
Month	Total units	Month	Total units
June 2019	10,572	June 2018	10,416

We are convinced with the arguments of the Respondent that the defective CT of the disputed billing meter was replaced in June 2019 and the actual bill was charged in the said month. In view of the above discussion, we hold that the recommendation of the Audit Department vide the Audit Note No.141 dated 17.07.2019 for recovery of the second detection bill amounting to Rs.130,781/- for a total 5,208 (off peak=4,782, peak=426) units+14 kW MDI for June 2019 from the Respondent is unjustified, incorrect and the same should be withdrawn. The billing account of the





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Respondent may be overhauled accordingly.

8. Foregoing in view, the appeal is dismissed.

Abid Hussain
Member/Advisor (CAD)

Maria Rafique
Member/ Legal Advisor

Nadir Ali Khoso
Convener/Senior Advisor (CAD)

Dated: 15.11.2021

