



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

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No. NEPRA/Appeal/270/POI/2019/ *Stc*

October 27, 2021

- |   |  |
|---|--|
| 1. IB Employees Cooperative Housing Society,<br>Through its Secretary,<br>Mr. Shujaat Ullah Qureshi,<br>Having Office at Block-K,<br>Pak Secretariat, Islamabad | 2. Chief Executive Officer<br>IESCO Ltd,<br>Head Office, St. No. 40,<br>Sector G-7/4, Islamabad                    |
| 3. Faisal Bin Khurshid,<br>Advocate Supreme Court,<br>Office No. 3, First Floor,<br>National Arcade, 4-A,<br>F-8 Markaz, Islamabad                              | 4. Assistant Manager (Operation),<br>IESCO Ltd,<br>Nilore Sub Division,<br>Lehtrar Road, Thanda Pani,<br>Islamabad |
| 5. POI/Electric Inspector,<br>Islamabad Region,<br>XEN Office, Irrigation & Power Department,<br>Rawal Dam Colony, Park Road,<br>Islamabad                      |  |

Subject: **Appeal Titled IESCO Vs. IB Employees Cooperative Housing Society Against the Decision Dated 06.08.2019 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 20.10.2021, 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.270/POI-2019

Islamabad Electric Supply Company Limited

.....Appellant

Versus

Shujaaat Ullah Qureshi Secretary IB Employees Cooperative  
Housing Society Having office at Block-K,  
Pak Secretariat, Islamabad

.....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. Ammar Yasir SDO  
Mr. Ali Asghar LS

#### For the Respondent:

Nemo

### DECISION

1. Through this decision, an appeal filed by Islamabad Electric Supply Company Limited (hereinafter referred to as IESCO) against the decision dated 06.08.2019 of the Provincial Office of Inspection Islamabad Region, Islamabad (hereinafter referred to as POI) under Section 38(3) of the NEPRA Act 1997 is being disposed of.



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2. Brief facts giving rise to the instant appeal are that the Respondent is a domestic consumer of IESCO bearing Ref No.28-14357-6451200 with sanctioned load of 5 kW under the A-1b tariff. The billing meter of the Respondent was installed by IESCO in August 2016, however, IESCO charged nil consumption for the period September 2016 to December 2017 (16 months) to the respondent. Thereafter, the bill of 55,816 (off peak=41,307+peak=14,509) units was charged to the Respondent in January 2018 as per the meter reading. IESCO charged further bills on an estimated basis to the Respondent on the plea that the meter was not existing at the site and the Respondent was using electricity illegally, detail of which is constructed below:

Month	Off peak	Peak	Total Units
April 2018	41,307	14,509	55,816
February 2019	41,307	14,509	55,816
March 2019	41,307	14,509	55,816
April 2019	41,307	14,509	55,816
May 2019	30,980	10,881	41,861

Against the above-estimated billing, the Respondent made payment of Rs.966,175/- in February 2019 only. The electric supply of the Respondent was disconnected by IESCO in May 2019 due to non-payment of the arrears.

3. Being aggrieved with the actions of IESCO, the Respondent disputed the accumulated arrears of Rs.2,747,865/- till July 2019 before the POI. The Complaint of the Respondent was disposed of by the POI vide decision dated 06.08.2019 wherein, IESCO was directed to refund the paid amount of Rs.966,175/-, withdraw the arrears of Rs.2,506,078/-, install a new meter and charge as per the meter reading, fix the



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responsibility on SDO and concerned officials and overhaul the billing account of the Respondent to avoid any future litigation.

4. Through the instant appeal, IESCO challenged the POI decision dated 06.08.2019 (hereinafter referred to as the impugned decision) before NEPRA in which it is contended that the meter of the Respondent was not present at site and IESCO meter readers took bogus readings with fake snapshots, for which disciplinary action was taken against the delinquent officials. IESCO further contended that defective code was fed and a bill of Rs.966,175/- for 55,816 units was charged to the Respondent, which was paid by him without resorting to defense. As per IESCO, estimated bills were charged to the Respondent till May 2019 and the arrears of Rs.2,747,865/- increased due to nonpayment of bills by the Respondent. According to IESCO, the Respondent intentionally and deliberately misplaced the energy meter from the site to evade the genuine payments of the consumption. IESCO submitted that the Respondent neither provided the energy meter No.235530 nor produced any police report regarding the theft of the said meter to date. IESCO further submitted that the impugned decision suffers from technical, factual, and legal infirmities, which is unlawful, malafide, arbitrary, and calls for interference by this Authority. IESCO stated that the opinion of POI is scanty, without a 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. 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 filed.



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6. Hearing of the appeal was conducted in NEPRA Head Office, Islamabad on 12.08.2021, which was attended by learned counsel along with IESCO officials for the Appellant and no one appeared for the Respondent. Learned counsel for IESCO repeated the same version as given in memo of the appeal and argued that the Respondent obtained a domestic connection having sanctioned load of 5 kW but the said connection was being used for the supply of electricity to society. Learned counsel for IESCO averred that the connection was not granted to the said society due to the non-availability of NOC from the competent authority in the light of order of the Honorable Supreme Court of Pakistan. As per learned counsel for IESCO, meter readers took fake readings since the date of installation of connection, hence nil consumption was charged from September 2016 and onwards till December 2017. Thereafter, the first bill of 55,816 units was charged to the Respondent in January 2018 as per the meter reading. Learned counsel for IESCO averred that IESCO fed lock code to the Respondent's connection due to misplacement of billing meter and estimated bills were charged till May 2019. According to learned counsel for IESCO, the Respondent made payment of only one bill of Rs.966,175/-, hence the arrears increased to the tune of Rs.2,747,865/- till July 2019 for which supply of the Respondent was disconnected in May 2019. Learned counsel for IESCO opposed the impugned decision on the grounds that the POI has misconstrued the facts of the case and cancelled the entire arrears without giving any just reason. Learned counsel for IESCO prayed for setting aside the impugned decision.



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

- i. The billing meter of the Respondent was installed by IESCO in August 2016 but a nil consumption was charged for the period from September 2016 to December 2017 (16 months) to the Respondent. Subsequently, IESCO charged first bill of 55,816 (off peak=41,307, peak=14,509) units in January 2018. Thereafter, an estimated billing was done by IESCO to the Respondent on the plea that the meter is not at the site and the Respondent is using electricity illegally:

Month	Off-peak	Peak	Total units
April 2018	41,307	14,509	55,816
February 2019	41,307	14,509	55,816
March 2019	41,307	14,509	55,816
April 2019	41,307	14,509	55,816
May 2019	30,980	10,881	41,861

The Respondent made a payment of Rs.966,175/- in February 2019. The electric supply of the Respondent was disconnected by IESCO in May 2019 due to non-payment of the above bills. The Respondent disputed the arrears of Rs.2,747,865/- till July 2019 before the POI.

- ii. This whole scenario indicates that IESCO did not take meter readings since the date of installation of the connection and charged fake billing with nil consumption during the period September 2016 to December 2017. In the month of January 2018, IESCO charged accumulated 55,816 (off peak=41,307, peak=14,509) units to the Respondent. This is gross negligence on the part of IESCO officials and also a violation of the Consumer Service Manual which



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binds IESCO to take monthly readings and charge the consumer accordingly. As a matter of fact, the concerned IESCO staff is liable to face disciplinary action due to their failure in observing monthly readings and bills issued accordingly. We are of the opinion that the above accumulated 55,816 units charged to the Respondent pertain to the period September 2016 to January 2018 (17 months). Therefore, the average consumption of the Respondent calculated is 55,816 units  $\div$  17 months = 3,283 units/month for the period September 2016 to January 2018, which is justified and the Respondent is responsible for the payment of the bill of 55,816 accumulated units charged in January 2018. The impugned decision is liable to be modified to this extent.

- iii. However, the estimated bills charged @ 55,816 units/months in the months of April 2018, February 2019 to April 2019 and 41,861 units charged in May 2019 are neither compatible with the sanctioned load i.e. 5 kW nor in line with the above calculated average consumption of 3,283 units/month. Therefore, we hold that the bills for the month of April 2018, February 2019, March 2019, April 2019, and May 2019 are unjustified and liable to be withdrawn. However, the Respondent is liable to be charged @ 3,283 units/ months for April 2018, February 2019, March 2019, April 2019, and May 2019 on the basis of average consumption for the period September 2016 to January 2018. The determination of POI is liable to be modified to this extent.



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8. Foregoing into consideration, we conclude as under:

- i. First bill of 55,816 (off peak=41,307, peak=14,509) units charged by IESCO to the Respondent in January 2018 is justified and should be paid by the Respondent.
- ii. However, the bills for the month of April 2018, February 2019, March 2019, April 2019 and May 2019 are excessive, unjustified, illegal and the same should be withdrawn.
- iii. The Respondent should be charged the revised bills @ 3,283 units/months for the months i.e. April 2018, February 2019, March 2019, April 2019, and May 2019.
- iv. The billing account of the Respondent may be overhauled after adjusting payment of Rs.966,175/- already made by him against the above-disputed billing.

9. The impugned decision is modified in the above terms.

Abid Hussain  
Member/Advisor (CAD)

Maria Rafique  
Member/ Legal Advisor

Nadir Ali Khoso  
Convener/Senior Advisor (CAD)

Dated: 20.10.2021



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