

# Before the Appellate Board National Electric Power Regulatory Authority (NEPRA)

## Islamic Republic of Pakistan

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No. NEPRA/AB/Appeal-021/POI-2015/ 603 - 607

June 18, 2015

- Iqbal Avenue Housing Society (Pvt.) Ltd, Through its General Secretary, Iqbal Avenue Housing Society, Phase-I, Near Shaukat Khanum Hospital, Lahore
- The Chief Executive Officer LESCO Ltd,
   22-A, Queens Road,
   Lahore

3. Malik Zahid Hussain, Advocate High Court, Corporate Law Advisors, 10-A, Turner Road, Lahore 4. Zubair Mehmood Chaudhary, Advocate High Court, Basement Saleemi Chambers, 15-Edwards Road, Lahore

 Ch. Muhammad Rasheed, Sub Divisional Officer, LESCO Ltd, Air Line Sub Division, Lahore

Subject:

Appeal Titled LESCO Vs. Iqbal Avenue Housing Society (Pvt.) Ltd Against the Decision Dated 27.01.2015 of the Electric Inspector/POI to Government of the Punjab Lahore Region, Lahore

Please find enclosed herewith the order of the Appellate Board dated 18.06.2015, regarding the subject matter, for information and necessary action accordingly.

Encl: As Above

(M. Qamar Uz Zaman)

No. NEPRA/AB/Appeal-021/POI-2015/ 608

Forwarded for information please.

1. Registrar

2. Director (CAD)

3. Electric Inspector/POI, Lahore Region

4. Master File

gion 22/06/15 - D/RO-I

CC:

- 1. Chairman
- 2. Vice Chairman/Member (CA)
- 3. Member (Tariff)
- 4. Member (M&E)
- 5. Member (Licensing)

June 18, 2015

Member Appellate Board

Registrar 67/8
Dy No. 22-86-65
Dated 22-86-65



For the respondent:

Zubair Mehmood Ch. Advocate

# **National Electric Power Regulatory Authority**

#### **Before Appellate Board**

In the matter of

### Appeal No. NEPRA/Appeal-021/POI-2015

Lahore Electric Sup	ply Company Limited
	Appellant
<u>V</u> 6	<u>ersus</u>
Iqbal Avenue Cooperative Housing Society (Pv Office, Phase-I, Near Shauk	t.) Limited, Through its General Secretary, Head at Khanum Hospital, Lahore.
	Respondent
Date of Hearing:	08/06/2015
For the appellant:	
Malik Zahid Hussain Advocate	

#### <u>ORDER</u>

- This order shall dispose of appeal filed by Lahore Electric Supply Company Limited (hereinafter referred to as LESCO) against the decision dated 27.01.2015 of the Provincial Office of Inspection/Electric Inspector Lahore Region, Lahore (hereinafter referred to as POI) under Section 38(3) of the Regulation of Generation, Transmission and Distribution of Electric Power Act 1997 (hereinafter referred to as "the Act").
- 2. Brief facts giving rise to the instant appeal are that LESCO is a licensee of National Electric Power Regulatory Authority (hereinafter referred to as NEPRA) for distribution of electricity in the

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territory specified as per terms and conditions of the license and the appellant is its consumer bearing Ref No.43-11217-1188401 with the sanctioned load of 5 kW under A-2c tariff.

- 3. As per facts of the case, billing meter of the respondent was checked by M&T LESCO and display was found washed. As per LESCO the meter was sent to laboratory for downloading the data and electricity bill amounting to Rs. 563,064/- for 29,579 units was issued by LESCO to the respondent in the billing month of November 2013. The meter was replaced on 21.11.2013. The respondent being aggrieved with the aforementioned bill filed an application dated 16.12.2013 before POI and challenged the same. In response the matter was contested by LESCO before POI with the contention that the respondent was charged for the electricity units consumed by him and he was liable to pay the bill.
- 4. The matter was decided by POI vide his decision dated 27.01.2015 and the operative portion of the decision is reproduced below:

"Summing up the foregoing discussion, it is held that the impugned monthly bill amounting to Rs. 563,064/- for the month of 11/2013 for 29579 units is void, unjustified and of no legal effect; therefore, the petitioner is not liable to pay the same. However, the respondents are allowed to charge a revised monthly bill for the said month i.e 11/2013 for 15468 units. The respondents are directed to over-haul the account of the petitioner accordingly and any excess amount recovered be adjusted in future bills.

The petition is disposed of in above terms."

5. Being aggrieved with the above decision dated 27.01.2015 of POI, LESCO has filed the instant appeal through Malik Zahid Advocate before NEPRA under section 38 (3) of the Act. In the appeal, LESCO stated that in response to the petition filed by the respondent, LESCO contested the matter and proved that the bill raised against the respondent was lawful and legal but the disputed bill was set aside by POI in his impugned decision. LESCO stated that no notice was issued by the respondent under section 26 of the Electricity Act, 1910, hence the petition of the respondent was not maintainable. LESCO informed that due to difference of index reading of the meter 29,579 units were charged to the respondent in November 2013 which he was legally bound to pay. LESCO averred that impugned decision of POI was against the settled principles of law and he had no

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jurisdiction upon matter and controversy. According to LESCO, notice of the respondent to POI for checking of the meter came to their knowledge when a copy of the complaint was received. According to LESCO, POI failed to re-download data of the disputed meter which was available for inspection by POI. LESCO averred that POI ignored the fact that the bill was raised against the respondent in view of report of SDMC lab which was never challenged by the respondent and therefore challenging the same before POI was in utter disregard to settled principles of law. LESCO informed that the chip of the old meter was available and same was got downloaded and for this purpose cumulative billing data up to meter reading date 26.11.2014 was attached which showed that the final reading on the meter was 135343.31 kWh and 726.66 MDI. According to LESCO the bill was charged to the respondent accordingly and the impugned decision was not maintainable. LESCO contended that there was no dispute of detection bill and the bill charged against the respondent was according to actual meter reading which was legal, justified and according to the units consumed and it was duty of the respondent to pay outstanding dues. LESCO stated it would suffer irreparable loss and injury if the appeal was not accepted. Finally LESCO prayed as under:

"Under the above circumstances it is therefore most respectfully prayed that the impugned order dated 27.01.2015 passed by learned Electric Inspector Lahore region Lahore may be set aside in the interest of justice and equity and also declare that the appellant has charged the consumer on the basis of actual meter reading/consumption and no excess reading has been charged.

It is further prayed that during pendency of the appeal, the decision of the Electric Inspector/POI, Lahore Region, Lahore dated 27.01.2015 may kindly be suspended and the respondent may kindly be directed to pay the electricity bill.

Any other relief which this Honorable Authority deems fit and proper may also be awarded to the applicants."

6. In response to the instant appeal a notice was issued to the respondent for submission of reply/parawise comments which were received on 14.04.2015. The respondent in its reply/parawise comments raised the preliminary objection and stated that POI had clearly monitored and adjudged the matter and there was no ground to agitate the matter. According to the respondent, LESCO failed miserably to point out any illegality/irregularity or jurisdiction effect, infirmity or perversity in the



decision dated 27.01.2015, therefore, the appeal was liable to be dismissed. He averred that the detection bill issued by LESCO was with malafide intention and therefore it was not entitled for any relief. The respondent rejected the legal grounds of LESCO and stated that the impugned decision was passed in accordance with the law and facts and by rightly exercising the powers. As per respondent, the decision was passed on merits and was liable to be maintained. In the end the respondent prayed as under:

"Under the circumstances, it is, therefore, most respectfully prayed that appeal may very kindly be rejected with special cost being devoid of any merits in the interest of justice."

- 7. The appeal was heard in Lahore on 08.06.2015 in which Malik Zahid Hussain Advoacte appeared for LESCO and Zubair Mahmood Ch. Advocate entered his appearance for the respondent. Malik Zahid Hussain Advocate, learned counsel for LESCO stated that display of meter of the respondent was found washed during M&T checking and the meter was therefore sent to laboratory for data retrieval. He contended that on the receipt of meter reading data from the laboratory, the respondent was charged for difference of the units and the bill amounting to Rs. 563,064/-for 29,579 units was legal and the respondent was obligated to pay the same in accordance with the law. Zubair Mahmood Ch. Advocate, learned counsel for the respondent argued that meter of the respondent was checked, removed and sent to the laboratory without any notice and without association of the respondent in the checking process. He pleaded that checking of the meter by LESCO was not reliable. He pointed out that LESCO did not facilitate for re-downloading data of the disputed meter by POI which made the things suspicious. According to the counsel for the respondent, LESCO violated the clause 4.4 (b) of Consumer Service Manual (hereinafter referred to as CSM) and failed to inform the respondent regarding checking of the meter and also failed to install check meter in series with the billing meter. The counsel for LESCO could not give any satisfactory reply for query regarding non production of the meter to POI for verification of data of the removed meter.
- 8. We have heard arguments of both the parties considered the record placed before us. Following are our observations:
  - i. The meter of the respondent was checked by M&T LESCO and which reportedly found display of meter washed but the respondent was not associated in the checking.



- ii. Reportedly the meter was sent by LESCO to laboratory where the data was retrieved but the respondent was not present in this process. Detection bill of Rs. 563,064/- for 29,579 units was issued to the respondent in November 2013.
- iii. No check meter was installed in series with the disputed billing meter for verification of consumption as required under clause 4.4 (b) of CSM.
- iv. Meter was replaced vide MCO dated 21.11.2013. It is strange to note that final reading of the removed meter reading was shown on MCO as 135,343 whereas reportedly the display of this meter was found washed. This is a contradiction.
- v. The disputed billing meter was not produced by LESCO to POI for retrieval of the data and verification on the plea that re-downloading of the data was not technically possible.
- vi. POI has analyzed the consumption data of the respondent for the years 2012, 2013 and 2014 and rightly determined consumption for November 2013 as 15,468 units instead of 29,579 units. We are in agreement with the determination of POI that the respondent is to be charged for 15,468 units in November 2013.
- 9. In view of the observations in the foregoing paragraphs, it is concluded that the impugned bill of Rs. 563,064/- for the month of November 2013 for 29,579 units is void, unjustified and of no legal effect and the respondent is not liable to pay the same. The respondent may be charged for 15,468 units for November 2013. We do not find any reason to interfere in the impugned decision of POI and the same is therefore upheld.

10. The appeal of LESCO is dismissed accordingly.

Muhammad Qamar-uz-Zaman Member

> Nadir Ali Khose Convener

Date: 18.06.2015

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Muhammad Shafique

Member