



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

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No. NEPRA/AB/Appeal-156/POI-2016/1760-1764

November 29, 2017

1. Zahid Jamal,  
S/o Jamal Ahmad,  
R/o Mohallah Qila Maseeta,  
Muridke, Distt, Sheikhpura
2. Chief Executive Officer  
LESCO Ltd,  
22-A, Queens Road,  
Lahore
3. Muhammad Arif Malhi,  
Advocate High Court,  
01-District Courts,  
Sheikhpura
4. Sub Divisional Officer,  
LESCO Ltd,  
Canal Park Sub Division,  
Muridke, Distt. Sheikhpura
5. Electric Inspector,  
Gujranwala Region,  
Govt. of Punjab,  
Munir Chowk, Near Kacheri Road,  
Gujranwala

Subject: Appeal Titled LESCO Vs. Zajid Jamal Against the Decision Dated 30.06.2016 of the Electric Inspector/POI to Government of the Punjab Gujranwala Region, Gujranwala

Please find enclosed herewith the Decision of the Appellate Board dated 24.11.2017, regarding the subject matter, for information and necessary action accordingly.

Encl: As Above

(Ikram Shakeel)

No. NEPRA/AB/Appeal-156/POI-2016/1765

November 29, 2017

Forwarded for information please.

Assistant Director  
Appellate Board

1. Registrar

CC:

1. Member (CA)



# National Electric Power Regulatory Authority

## Before Appellate Board

In the matter of

Appeal No. NEPRA/Appeal-156/POI-2016

Lahore Electric Supply Company Limited .....Appellant

Versus

Zahid Jamal, S/o Jamal Ahmed, R/o Mohallah Qila Msecta,  
Muridke, District Sheikhpura .....Respondent

For the appellant:

Mr. Muhammad Arif Malhi Advocate

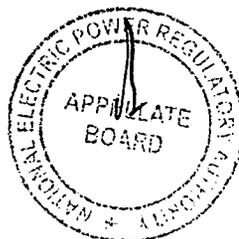
Mr. Ashiq Ali SDO

For the respondent:

Nemo

## DECISION

1. As per facts of the case, the respondent is an industrial consumer of Lahore Electric Supply Company Limited (hereinafter referred to as LESCO) bearing Ref No.27-11651-0004140 with a sanctioned load of 145 kW. under B-2 tariff. The billing meter of the respondent was checked by metering and testing (M&T) LESCO on 30.01.2010 and allegedly, it was found 33.33% slow, hence for the purpose of metering, the multiplication factor (MF) of the respondent was raised from 2 to 3 w.e.f February 2010 and onwards. Subsequently LESCO issued a detection bill amounting to Rs.270,329/- for the period July 2009 to January 2010 (7 months)



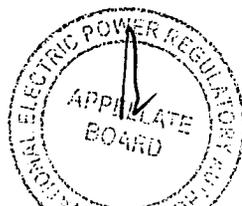


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@ 33.33% slowness of the meter along with the adjustment bill of Rs.29,729/- to the respondent in July 2010.

2. The above referred action of LESCO was assailed by the respondent through a civil suit and during the pendency of the same, the respondent approached the Provincial Office of Inspection, Lahore Region, Lahore (hereinafter referred to as POI) and the disputed meter of the respondent was checked by POI in presence of both the parties on 11.02.2011, which was found 5.82% slow. The electricity bills for the period July 2009 to September 2011 were revised by LESCO @ 5.82% slowness of the meter and accordingly a credit of Rs.1,140,130/- was afforded to the respondent. In the meanwhile, the slowness was corrected to 5.63% as per calculation as pointed out by the respondent vide the application dated 06.05.2011. The multiplication factor for the purposes of billing of the respondent was revised from 3 to 2.11 due to 5.63% slowness of the meter w.e.f October 2011 and onwards.
3. The respondent withdrew the civil suit on 21.03.2013 and through a complaint dated 22.05.2013 filed before the POI had challenged the 5.63 % slowness of the meter; charging of electricity bills with MF=2.11; late payment surcharges (LPS) and low power factor (LPF) penalty imposed in the bill for June 2010, July 2010, January 2011, March 2011 & March 2012. The complaint was decided by the POI vide its decision dated 30.06.2016 with the following conclusion.

*"In the light of above facts, it is held that the impugned meter was correct and the slowness charged @ 5.82% from 07/2009 to 09/2010 and 5.63% slowness from 10/2011 to 06/2015 with MF 2.11 and LPF penalties charged in the bills of 06/2010,*

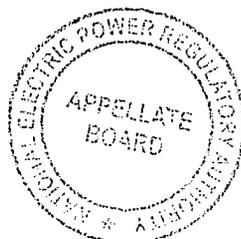




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*07/2010, 01/2011, 03/2011 & 03/2012 are void, unjustified and of no legal consequence; therefore the petitioner is not liable to pay the same. The respondents are directed to withdraw the above impugned slowness charges and LPIF penalties and overhaul the account of the petitioner accordingly. The excess amount recovered by refunded by adjustment in future bills."*

4. LESCO has filed the instant appeal against the abovementioned decision (hereinafter referred to as the impugned decision) with the contentions inter-alia that the billing meter of the respondent was checked by M&T LESCO in January 2010 and it was found 33.33% slow due to one phase being dead, hence MF of the respondent was raised from 2 to 3 w.e.f February 2010 and onwards; that the detection bill amounting to Rs.270,329/- for the period July 2009 to January 2010 (7 months) @ 33.33% slowness of the meter along with the adjustment bill of Rs.29,729/- was debited to the respondent in July 2010; that 5.82% slowness of the meter was observed by POI during joint checking on 11.02.2011, therefore the electricity bills were revised accordingly and a credit of Rs.1,140,130/- was afforded to the respondent by LESCO in October 2011. In its appeal, it was also pointed out by LESCO that if the respondent was aggrieved with the aforesaid slowness declared by the POI, the appropriate remedy was to file an appeal and no fresh complaint was competent before the POI.
5. Notice of the appeal was issued to the respondent for filing reply/parawise comments, which however were not filed.

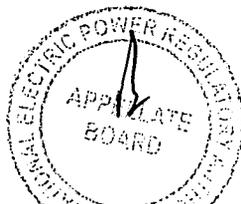




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6. The hearing of the appeal was conducted at Lahore on 03.11.2017, wherein Mr. Arif Malhi advocate along with Mr. Ashiq Ali SDO represented the appellant LESCO but no one appeared for the respondent despite service of notice. Learned counsel for LESCO raised the preliminary objection as to the maintainability of the impugned decision and contended that the same was decided after the statutory period of 90 days of the receipt of the complaint as envisaged under Section 26(6) of Electricity Act, 1910. On merit, learned counsel for LESCO contended that the meter of the respondent was checked by LESCO in July 2009 and it was found working okay that the said meter of the respondent was again checked by M&T LESCO on 30.01.2010 and it was found 33.33% slow due to one phase being dead that the detection bill of Rs.270,329/- for 17,988 units for the period July 2009 to January 2010 (7 months) and the enhancement of MF from 2 to 3w.c.f. February 2010 and onwards due to 33% slowness of the meter is justified and the same are payable by the respondent.

7. Arguments heard and record perused. Admittedly the application moved by the respondent was disposed of by POI vide the impugned decision dated 30.06.2016 much after the expiry of the statutory period of 90 days as pointed out by LESCO, but it is relevant to mention that the matter was adjudicated by POI under Section 38 of the NEPRA Act, 1997 (not as Electric Inspector under Section 26(6) of Electricity Act 1910) which does not impose any restriction of time limit upon POI for deciding the matter. Therefore, the objection of LESCO to this effect is without any





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substance. As regards the billing dispute, 33.33% slowness of the meter was observed by M&T LESCO on 30.01.2010, therefore the Multiplication factor for the purposes of billing was enhanced from 2 to 3 due to 33.33% slowness of the meter w.e.f February 2010 and onwards. Subsequently a detection bill of Rs.270,329/- for 17,988 units for the period July 2009 to January 2010 was debited to the respondent by LESCO in July 2010 on account of 33% slowness of the meter. The disputed meter of the respondent was checked by POI in presence of both the parties on 11.02.2011 and it was found 5.82% slow. The results of the checking were conveyed to both the parties, resultantly the electricity bills for the period July 2009 to September 2011 were revised by LESCO @ 5.82% slowness of the disputed meter and accordingly a credit of Rs.1,140,130/- was afforded to the respondent by LESCO in October 2011. Meanwhile the slowness of the meter was corrected as 5.63% as pointed out by the respondent and onwards bills were charged with MF=2.11 due to 5.63% slowness of the meter from October 2011 and onwards. In addition, low power factor penalty (LPF) was also imposed by LESCO in the months of June 2010, July 2010, January 2011, March 2011 and March 2012. The respondent filed another application dated 22.05.2013 before POI and assailed the entire billing along with LPF and late payment surcharges (LPS) from July 2009 and onwards. It is also a matter of record that the disputed meter of the respondent was replaced by LESCO vide MCO dated 18.06.2015. Initially 33.33% slowness of the meter was observed by M&T LESCO on 30.01.2010 but POI during its joint checking dated 11.02.2011

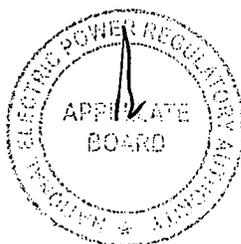




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noticed 5.82% slowness of the disputed meter, which however was corrected as 5.63% slowness as pointed out by the respondent vide an application dated 06.05.2011. Under these circumstances, the electricity bills for the period July 2009 to September 2011 charged @ 5.82% slowness of the meter along with LPS are prima facie unjustified. The bills already charged with enhanced MF=2.11 due to 5.63% slowness of the meter for the period October 2011 and onwards till MCO dated 18.06.2015 are justified and the respondent is responsible for the payment of the same. As the impugned meter of the respondent remained defective for the period July 2009 and onwards till MCO dated 18.06.2015, therefore imposition of LPF penalty by LESCO during the billing months of June 2010, July 2010, January 2011, March 2011 & March 2012 is not correct and LESCO is required to recalculate the LPF penalty for the aforesaid months after @ 5.63% slowness of the meter and issue the revise bills accordingly.

8. From the discussion in forgoing paragraphs, we have reached to the conclusion that:
- i. the electricity bills for the period July 2009 to September 2011 charged to the respondent by LESCO @ 5.82% slowness of the meter along with LPS are unjustified, therefore cancelled as already decided by POI and accordingly credit be afforded to the respondent for the payments made during the said period.
  - ii. The respondent should be charged the electricity bills for the period July 2009 to September 2011 @ 5.63% slowness of the meter.





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- iii. The electricity bills already charged with enhanced MF 2.11 (5.63 % slowness) w.e.f October 2011 and onwards till MCO dated 18.06.2015 are justified and the respondent should pay the same.
- iv. Imposition of LPF penalty during the billing months of June 2010, July 2010, January 2011, March 2011 & March 2012 to the respondent by IESCO is unjustified, therefore cancelled as already determined in the impugned decision. However the respondent is obligated to pay the LPF penalty for the aforesaid months in accordance with the revised bills.
- v. The billing account of the respondent should be overhauled in accordance with para 8 (i), (ii) and (iii) above.

9. The impugned decision is modified in above terms.

Muhammad Qamar-uz-Zaman  
Member

Nadir Ali Khoso  
Convener

Muhammad Shafique  
Member

Dated: 24.11.2017

