



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

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No. NEPRA/AB/Appeal/162/POI/2019/ 22/

March 10, 2021

- |   |   |
|---|---|
| 1. Muhammad Saddique<br>S/o. Karam Din,<br>R/o. Faisal Town, Manawala,<br>District Sheikhpura   | 2. Chief Executive Officer<br>LESCO Ltd,<br>22-A, Queens Road,<br>Lahore                                  |
| 3. Muhammad Arif Malhi,<br>Advocate High Court,<br>01-District Courts,<br>Sheikhpura  | 4. Sub Divisional Officer (Opr),<br>LESCO Ltd,<br>Manawala Sub Division,<br>Manawala, District Sheikhpura |
| 5. POI/Electric Inspector<br>Gujranwala Region,<br>Energy Department, Govt. of Punjab,<br>Munir Chowk, Near Kacheri Road,<br>Gujranwala |   |

Subject: **Appeal Titled LESCO Vs. Muhammad Saddique Against the Decision Dated 16.01.2019 of the Provincial Office of Inspection to Government of the Punjab Gujranwala Region, Gujranwala**

Please find enclosed herewith the decision of the Appellate Board dated 08.03.2021, 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.

Director (IT) –for uploading the decision on NEPRA website



# National Electric Power Regulatory Authority

## Before Appellate Board

In the matter of

## Appeal No. 162/POI-2019

Lahore Electric Supply Company Limited

.....Appellant

Versus

Muhammad Siddique S/o Karam Din R/o Faisal Town,  
Manawala, District Sheikhpura

.....Respondent

**APPEAL UNDER SECTION 38(3) OF REGULATION OF GENERATION,  
TRANSMISSION, AND DISTRIBUTION OF ELECTRIC POWER ACT, 1997  
AGAINST THE DECISION DATED 16.01.2019 PASSED BY PROVINCIAL  
OFFICE OF INSPECTION GUJRANWALA REGION, GUJRANWALA**

For the appellant:

Mr. Muhammad Arif Malhi Advocate

For the respondent:

Mr. Muhammad Siddique

## DECISION

1. Brief facts of the case are that the respondent is an industrial consumer of Lahore Electric Supply Company Limited (hereinafter referred to as LESCO) bearing Ref No.24-11833-0001414 with a sanctioned load of 38 kW under the B-2(b) tariff. The billing meter of the respondent was checked by metering and testing (M&T) LESCO on 21.05.2018 and reportedly 33% slowness was observed due to one dead phase. Notice dated 22.05.2018 was served to the respondent regarding the above slowness and a detection bill of Rs.190,027/- for 11,055 units for the period February 2018 to April 2018 (3 months) was debited to the respondent. Multiplication factor  
Appeal No.162/2019



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(MF) of the respondent was raised from 1 to 1.5 by LESCO w.e.f May 2018 and onwards till the replacement of slow meter vide meter change order (MCO) dated 28.06.2018.

2. Being aggrieved, the respondent agitated the above billing before the Provincial Office of Inspection (POI). The complaint of the respondent was decided by POI vide decision dated 16.01.2019 wherein the detection bill of Rs.190,027/- for 11,055 units for the period February 2018 to April 2018 and the bill of May 2018 with enhanced MF=1.5 charged @ 33% slowness of the meter were declared as null, void and of no legal effect.
3. LESCO has filed the instant appeal against the abovementioned decision (hereinafter referred to as the impugned decision) before NEPRA. In its appeal, LESCO opposed the impugned decision on the grounds that POI passed the impugned decision after the expiry of the stipulated period of 90 days in violation of Section 26(6) of Electricity Act, 1910; that the POI ignored that the billing meter of the respondent was found 33% slow on 21.05.2018 for which notice dated 22.05.2018 was sent to the respondent and a detection bill of 11,055 units for the period February 2018 to April 2018 and the bill with enhanced MF=1.5 were charged to the respondent to recover the slowness of the meter; that POI has failed to exercise its jurisdiction which was vested as per law; and that the impugned decision is liable to be set aside being illegal and unlawful.
4. Notice of the appeal was issued to the respondent for filing reply/para-wise comments, which however were not filed.



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5. Notice was issued and hearing of the appeal was held at NEPRA Regional Office Lahore on 26.02.2021, wherein learned counsel represented the appellant LESCO and the respondent appeared in person. Learned counsel for LESCO repeated the same version as contained in the memo of the appeal and contended that 33% slowness in the billing meter was observed on 21.05.2018, hence charging the detection bill of Rs.190,027/- for 11,055 units for the period February 2018 to April 2018 and bills with raised MF=1.5 from May 2018 and onwards is justified and the respondent is responsible for payment of the same. On the contrary, the respondent supported the impugned decision and prayed for upholding the same.
6. Arguments of both the parties were heard and the record examined. Following are our findings:
  - i. As regards the preliminary objection of LESCO regarding the failure of POI in deciding the matter within 90 days u/s 26(6) of Electricity Act, 1910, it may be noted that the said restriction of the time limit is inapplicable for the POI established under Section 38 of NEPRA Act, 1997. Reliance in this regard is placed on the Lahore High Court judgments cited as PLJ 2017-Lahore-627 and PLJ-2017-Lahore-309. As such the objection of LESCO in this regard carries no weight and rejected.
  - ii. On merits, 33% slowness was observed in the billing meter of the respondent by LESCO on 21.05.2018, hence the detection bill of Rs.190,027/- for 11,055 units for the period February 2018 to April 2018 and further bills with enhanced MF=3 w.e.f



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May 2018 and onwards were debited to the respondent @ 33% slowness of the said meter. The respondent assailed the above billing before POI.

iii. According to clause 4.4 of the Consumer Service Manual (CSM), the respondent is liable to be charged the detection bill for two months due to slow meter. Whereas LESCO has charged the above detection bill for three months i.e. (February 2018 to April 2018) in violation of the ibid clause of CSM. Hence we are of the view that the detection bill of 11,055 units for the period February 2018 to April 2018 charged @ 33% slowness of the meter is unjustified and should be cancelled as already determined in the impugned decision.

iv. 33% slowness of the billing meter of the respondent was observed by LESCO on 21.05.2018, hence the respondent is liable to be charged the bills for two months i.e. April 2018 and May 2018 in pursuance of clause 4.4 of CSM. Since LESCO has already charged the bill of May 2018 with enhanced MF=1.5, hence only the bill of April 2018 be revised to account for 33% slowness of the meter. Calculation in this regard is done below:

Month= April 2018

A. Units already charged = 14,853 units

B. Units to be charged with 33% slowness =  $\frac{14,853 \times 100}{67} = 22,169$  units

C. Net chargeable units = B-A = 22,169 – 14,853 = 7,316 units



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The respondent is liable to pay 7,316 units as detection bill for April 2018 and the bills with enhanced MF=1.5 w.e.f May 2018 and onwards till MCO dated 28.06.2018. 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 detection bill of Rs.190,027/- for 11,055 units for the period February 2018 to April 2018 is unjustified and rightly declared as null and void by POI. LESCO may recover the bill of 7,316 units for April 2018 and the bills with enhanced MF=1.5 w.e.f May 2018 and onwards till MCO dated 28.06.2018 from the respondent. The billing account of the respondent may be overhauled accordingly.
8. The appeal is disposed of in the above terms.

Muhammad Qamar-uz-Zaman  
Member/SA (Finance)

Nadir Ali Khoso  
Convener/DG (M&E)

Dated: 08.03.2021