

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

Islamic Republic of Pakistan

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No. NEPRA/AB/Appeal/192/POI/2018/ 029

January 11, 2022

- Ashiq Hussain, S/o. Barkat Ali, R/o. House No. 38, Street No. 57, Ghulam Mohi-ud-Din Road, Chah Miran, Lahore
- Chief Executive Officer LESCO Ltd,
 22-A, Queens Road, Lahore

3. Mehar Shahid Mahmood, Advocate High Court, Office No. 34, Third Floor, Ali Plaza, 3-Mozang Road, Lahore

- Ch. Muhammad Yasin Zahid, Advocate High Court,
 8-Chishti Plaza, 13-Fane Road, Lahore
- Sub Divisional Officer (Operation), LESCO Ltd, Kot Khawaja Saeed Abad Sub Division, Lahore
- 6. POI/Electric Inspector
 Lahore Region, Energy Department,
 Govt. of Punjab, Block No. 1,
 Irrigation Complex, Canal Bank,
 Dharampura, Lahore

Subject:

Appeal Titled LESCO Vs. Ashiq Hussain Against the Decision Dated 29.06.2018 of the Provincial Office of Inspection to Government of the Punjab Lahore Region, Lahore

Please find enclosed herewith the decision of the Appellate Board dated 03.01.2022, 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



Before Appellate Board

In the matter of

Appeal No. 192/POI-2018

Lahore Electric Supply Company Limited

.....Appellant

Versus

APPEAL UNDER SECTION 38(3) OF REGULATION OF GENERATION, TRANSMISSION, AND DISTRIBUTION OF ELECTRIC POWER ACT, 1997 AGAINST THE DECISION DATED 29.06.2018 PASSED BY PROVINCIAL OFFICE OF INSPECTION LAHORE REGION, LAHORE

For the Appellant:

Ch. Muhammad Yasin Zahid Advocate

For the Respondent:

Mr. M. Adnan

DECISION

- Through this decision, an appeal filed by Lahore Electric Supply Company Limited
 (hereinafter referred to as the LESCO) against the decision dated 29.06.2018 of the
 Provincial Office of Inspection, Lahore Region, Lahore (hereinafter referred to as the
 POI) is being disposed of.
- 2. LESCO is a licensee of the National Electric Power Regulatory Authority (hereinafter referred to as the NEPRA) for the distribution of electricity in the territory specified as per terms and conditions of the license and the Respondent is its industrial consumer

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bearing Ref No.46-11351-2100703 with a sanctioned load of 38 kW under the B-2(b) Tariff category. As per fact of the case, the billing meter of the Respondent was checked by the Metering and Testing (M&T) LESCO on 01.02.2018 and reportedly it was found 66% slow due to the two phases being dead. Later on, a detection bill of Rs.1,221,843/- for 68,262 units for the period February 2016 to October 2017 [twenty-one (21) months] was charged to the Respondent by LESCO at the rate of 66% slowness of the meter.

3. Being aggrieved, the Respondent filed W.P.No.181323/2018 before the Lahore High Court Lahore against the above detection bill. The Honorable High Court vide order dated 19.03.2018 disposed of the matter with the direction to the Respondent to approach the POI. Accordingly, the Respondent filed an application before the POI on 17.04.2018 and disputed the detection bill of Rs.1,221,843/- for 68,262 units for the said twenty-one (21) months. The POI checked the meter in presence of both the parties on 24.05.2018 and 66% slowness in the billing meter was established, the report of the POI was signed by both parties. Subsequently, the matter was disposed of by the POI vide decision dated 29.06.2018, wherein the detection bill of Rs.1,221,843/- for 68,262 units for the period, February 2016 to October 2017 [twenty-one (21) months] charged by the LESCO was declared as null and void. The LESCO was directed to charge 66% slowness of the meter w.e.f December 2017 and onwards till the shifting of billing to an accurate meter as per Clause 4.4(e) of the

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Consumer Service Manual (CSM). The LESCO was further directed to overhaul the billing account of the Respondent, accordingly.

- 4. Being dissatisfied with the decision of POI dated 29.06.2018 (hereinafter referred to as the impugned decision), LESCO filed the instant appeal before the NEPRA. In its appeal, the LESCO opposed the maintainability of the impugned decision inter alia, on the following grounds; (1) the impugned decision is against the facts and law; (2) the POI miserably failed to appreciate the consumption data in true perspective and erred in holding that the impugned meter was running correctly; (3) the POI failed to appreciate that the complaint could not be entertained as no notice was served upon the LESCO before filing the same as required under Section 26(6) of the Electricity Act 1910; and (4) the impugned decision is liable to be set aside.
- 5. Notice for filing reply/para-wise comments to the appeal was served to the Respondent, which however were not filed.
- 6. The hearing in the matter was held at the NEPRA Regional Office Lahore on 26.11.2021 which was attended by both the parties. Learned counsel for the LESCO reiterated the same contentions as given in memo of the appeal and stated that the detection bill of Rs.1,221,843/- for 68,262 units for the period February 2016 to October 2017 [twenty-one (21) months] was charged to the Respondent at the rate of 66% slowness of the meter as observed by the M&T LESCO on 01.02.2018. Learned

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counsel for LESCO further averred that the POI wrongly referred Clause 4.4(e) of the CSM for the determination of the fate of billing, whereas Chapter 9 of the CSM is applicable in the instant case which allows LESCO to charge the detection bill maximum for six (6) months. Learned counsel for the LESCO argued that the above detection bill was charged due to the dip in the consumption during the disputed period i.e. February 2016 to October 2017. Learned counsel for the LESCO finally prayed to allow the detection bill for six (6) months. On the contrary, the representative for the Respondent opposed the stance of the LESCO and submitted that as to why the LESCO did not point out the 66% slowness during the disputed period i.e. February 2016 to October 2017 and charged the illegal, unjustified detection bill. The representative for the Respondent supported the impugned decision and prayed for its maintainability.

- 7. Argument heard and the record examined. Following are our observations:
 - i. As regards the objection of the LESCO for not issuing notice as per the Electricity Act, 1910 by the Respondent before filing a complaint to the POI, it is elucidated that the matter was adjudicated by the POI under the NEPRA Act, 1997 and as per procedure laid down in Punjab (Establishment and Powers of Office of Inspection) Order, 2005, which does not require for service of any notice before approaching the POI. The above objection of LESCO is not valid, therefore dismissed.





- ii. The M&T LESCO observed 66% slowness in the metering equipment of the Respondent on 01.02.2018 and accordingly charged a detection bill of Rs.1,221,843/- for 68,262 units for the period February 2016 to October 2017 [twenty-one (21) months] to the Respondent, which was assailed before the POI. During the POI joint checking dated 17.04.2018, 66% slowness in the billing meter was confirmed and the said checking report was signed by both parties without raising any objection. Hence only the period of slowness needs to be ascertained.
- iii. LESCO charged the above detection bill for a period of twenty-one (21) months i.e. February 2016 to October 2017 to the Respondent at the rate of 66% slowness of the billing meter, which is violative of Clause 4.4 of the CSM. Said Clause of the CSM allows the LESCO to recover the detection bill maximum for two (2) months in case of a slow/defective meter. Hence, we hold that the detection bill of Rs.1,221,843/- for 68,262 units for the period February 2016 to October 2017 [twenty-one (21) months] charged to the Respondent by the LESCO is unjustified and the same is declared as null and void, which coincides with the determination of the POI.
- iv. Since defectiveness in the billing meter of the Respondent was observed by the LESCO on 01.02.2018, hence the Respondent is liable to be charged the bills maximum for two (2) months i.e. December 2017 and January 2018 as per Clause 4.4 of the CSM and onward bills with enhanced Multiplication Factor till

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the replacement of the slow meter, which is also the determination of the POI. The billing account of the Respondent may be overhauled after adjusting payments made against the above detection bill.

8. Foregoing in view, the appeal is dismissed.

Abid Hussain Member/Advisor (CAD) Nadir Ali Khoso Convener/Senior Advisor (CAD)

Dated: 03.01.2022

