



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

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No. NEPRA/Appeal/107/2021/667

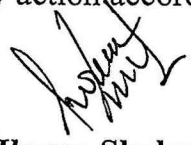
November 20, 2023

- |   |   |
|---|---|
| 1. M/s. Good Luck Flour Mills,<br>Defence Road, 24-KM,<br>Multan Road, Lahore<br>(Through present tenant Zaighum Tanveer)                             | 2. Chief Executive Officer<br>LESCO Ltd,<br>22-A, Queens Road,<br>Lahore  |
| 3. Rai Abid Ali Kharal,<br>Advocate High Court,<br>Elahi Law Associates, Office No. 25,<br>3 <sup>rd</sup> Floor, Ali Plaza, 3-Mozang Road,<br>Lahore | 4. A. D. Bhatti,<br>Advocate High Court,<br>First Floor, Rehmat Tower,<br>13-Fane Road, Lahore  |
| 5. Assistant Manager (Operation),<br>LESCO Ltd,<br>Chung Sub Division,<br>Lahore  | 6. POI/Electric Inspector,<br>Lahore Region, Energy Department,<br>Govt. of Punjab, Block No. 1,<br>Irrigation Complex, Canal Bank,<br>Dharampura, Lahore |

Subject: **Appeal Titled LESCO Vs. M/s. Good Luck Flour Mills Against the Decision Dated 15.06.2021 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 20.11.2023 (05 pages), regarding the subject matter, for information and necessary action accordingly.

Encl: **As Above**

  
(Ikram Shakeel)  
Deputy Director (AB)

Forwarded for information please.

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



# National Electric Power Regulatory Authority

## Before The Appellate Board

In the matter of

Appeal No.107/POI-2021

Lahore Electric Supply Company Limited

.....Appellant

Versus

M/s. Good Luck Floor Mills Through the present tenant,  
Zaigham Tanveer, Defense Road, 24-KM,  
Multan Road, Lahore

.....Respondent

## APPEAL U/S 38(3) OF REGULATION OF GENERATION, TRANSMISSION, AND DISTRIBUTION OF ELECTRIC POWER ACT, 1997

For the Appellant:

Rai Abid Ali Kharal Advocate

For the Respondent:

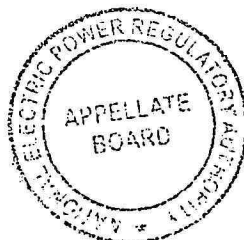
Mr. A.D. Bhatti Advocate

## DECISION

1. Through this decision, the appeal filed by the Lahore Electric Supply Company Limited (hereinafter referred to as the "Appellant") against the decision dated 15.06.2021 of the Provincial Office of Inspection, Lahore Region, Lahore (hereinafter referred to as the "POI") is being disposed of.
2. Briefly speaking, M/s. Good Luck Floor Mills (hereinafter referred to as the "Respondent") is an industrial consumer of the Appellant bearing Ref No.24-11264-9000910 with sanctioned load of 490 kW and the applicable Tariff category is B-2(b). The Appellant has claimed that both the billing and backup meters of the Respondent were found 33% slow due to one dead phase during the Metering & Testing ("M&T") team checking dated 26.12.2019. Resultantly, a detection bill of Rs.2,829,398/- for 119,478 units for seven (07) months for the period from May 2019 to November 2019 was charged by the Appellant to the Respondent @ 33% slowness of the meter and added to the bill for January 2020.

Appeal No.107/POI-2021

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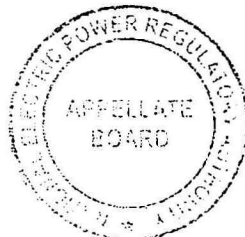
3. Being aggrieved, the Respondent filed a complaint before the POI on 13.02.2020 and challenged the above detection bill. During joint checking dated 15.03.2021 of POI, both the billing and back meters were found 33% slow due to one dead phase. The complaint of the Respondent was disposed of by the POI vide the decision dated 15.06.2021, wherein the detection bill of Rs.2,829,398/- for 119,478 units for seven (07) months for the period from May 2019 to November 2019 was cancelled and the Appellant was allowed to charge the revise the bills w.e.f. October 2019 and onwards till the replacement of the impugned meter of the Respondent to account for 33% slowness.
4. Through the instant appeal, the afore-referred decision dated 15.06.2021 of the POI has been impugned by the Appellant before the NEPRA. In its appeal, the Appellant objected to the maintainability of the impugned decision, *inter alia*, on the main grounds that the impugned decision is against the law and facts; that the POI did not apply his independent and judicious mind; that the POI failed to decide the matter within 90 days, which is violative of Section 26(6) of Electricity Act, 1910; that the loss of revenue sustained by the Appellant due to red phase being dead; that the POI has not thrashed out the consisting reasons of the Appellant in the matter and passed the illegal order and that the impugned decision be set aside.

5. **Proceedings by the Appellate Board**

Upon filing of the instant appeal, a notice dated 11.11.2021 was sent to the Respondent for filing reply/para-wise comments to the appeal within ten (10) days, which were filed on 22.12.2021. In the reply, the Respondent defended the impugned decision and submitted that the Appellant debited the detection bill of Rs.2,829,398/- for 119,478 units for seven (07) months for the period from May 2019 to November 2019 in violation of Clause 4.4 of the CSM-2010. The Respondent further submitted that the POI has rightly reduced the period of slowness for two months in the case of a slow meter as per the applicable provisions of the CSM. As per Respondent, the POI has exclusive jurisdiction to adjudicate the instant matter of the slow meter and the impugned decision is liable to be upheld.

6. **Hearing**

- 6.1 Hearing was initially conducted at NEPRA Regional Office Lahore on 02.06.2023, which however was adjourned till the next date on the request of counsel for the Appellant. Hearing of the appeal was again conducted at NEPRA Regional Office Lahore on 08.09.2023, which



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was attended by the counsels for both the Appellant and the Respondent. Learned counsel for the Appellant contended that the billing meter of the Respondent was found running 33% slow during checking dated 26.12.2019, which was also verified by the POI during joint checking dated 15.03.2021, as such the recovery of detection bill of Rs.2,829,398/- for 119,478 units for seven (07) months for the period from May 2019 to November 2019 @ 33% slowness be allowed in the best interest of justice. Learned counsel for the Appellant prayed for setting aside the impugned decision.

6.2 On the contrary, learned counsel for the Respondent repudiated the stance of the Appellant regarding the above detection bill, supported the impugned decision for revision of the same for two months, and prayed for upholding the same.

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

7.1 Objection regarding the time limit for POI to decide the complaint:

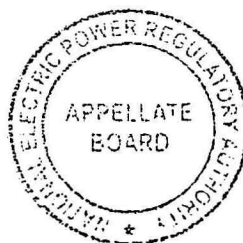
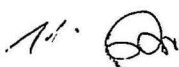
As per the record, the Respondent filed a complaint before the POI on 13.02.2020 under Section 38 of the NEPRA Act. POI pronounced its decision on 15.06.2021 after 90 days of receipt of the complaint. The Appellant has objected that the POI was bound to decide the matter within 90 days under Section 26(6) of the Electricity Act, 1910. In this regard, it is observed that the forum of POI has been established under Section 38 of the NEPRA Act which does not put a restriction of 90 days on POI to decide complaints. Section 38 of the NEPRA Act overrides provisions of the Electricity Act, 1910. Reliance in this regard is placed on the judgments of the honorable Lahore High Court Lahore reported in *PLJ 2017 Lahore 627* and *PLJ 2017 Lahore 309*. Keeping in view the overriding effect of the NEPRA Act being later in time, and the above-referred decisions of the honorable High Court, the objection of the Respondent is rejected.

7.2 Detection bill of Rs.2,829,398/- for 119,478 units for seven (07) months for the period from May 2019 to November 2019

Reportedly, one phase of both the impugned billing and backup meters of the Respondent was found dead stop during checking dated 26.12.2019, therefore, a detection bill of Rs.2,829,398/- for 119,478 units for seven (07) months for the period from May 2019 to November 2019 was debited to the Respondent @ 33% slowness of the meter, which was challenged before the POI.

7.1 During the POI joint checking dated 15.03.2021, 33% slowness in the impugned billing and backup meters was established, hence the period of slowness needs to be determined. It is observed that the Appellant charged the detection bill for seven months to the Respondent

Appeal No.107/POI-2021





## National Electric Power Regulatory Authority

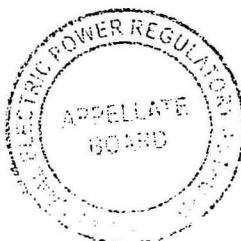
on account of 33% slowness of the impugned meter, which is contrary to Clause 4.4(e) of the CSM-2010. The said clause of the CSM-2010 being relevant in the instant case is reproduced below:

“

*(e) The charging of consumers on the basis of defective code, where the meter has become defective and is not recording the actual consumption will not be more than two billing cycles. The basis of charging will be 100% of the consumption recorded in the same month of the previous year or the average consumption of the last 11 months whichever is higher. Only the Authorized employee of LESCO will have the power to declare a meter defective. However, the consumer has a right to challenge the defective status of the energy meter and the LESCO will get the meter checked at the site with a check meter or a rotary sub-standard or digital power analyzer accompanied by an engineer of the metering and testing laboratory free of cost. ”*

Type of fault Defect	Cost of replacement of meter	Mode of determination of consumption	Competent Authority	Appellate Authority	Period of Loss	Remarks
Defective/ damaged/ burnt meter not due to consumer fault	Cost to be borne by LESCO	As given above at 4.4(e)	The Competent Authority to determine the type of fault/defect shall be the respective load sanctioning authority	On meter being declared as defective- Next higher office, Review Committee, POI, NEPRA in the order of appearance	Defective charging to a maximum of two billing cycles for regular bills. No previous charging on defective code	Nil
Slowness owing to age/other reasons not related to illegal abstraction/ stealing	Cost to be borne by LESCO	Through previous consumption data. Check meter, Slowness through check/Rotary Substandard,	Do	Do	Do	Test check Proforma to be signed by the consumer/ his authorized representative or POI at the time of inspection

11/10/2021



		Grid meter/ power analyzer				
Meter defective/burnt due to the Consumer's fault including overloading, internal writing defect	Consumer to pay	Verification of load, Check meter, Rotary Substandard, another meter in series, Or at Grid meter/power analyzer	Do	Do	Do	Do

7.2 The above-referred table of Clause 4.4(e) of the CSM-2010 restricts the Appellant to charge the detection bill maximum for two months to the Respondent in case of slow meter. Under these circumstances, the contention of the Appellant for recovery of the detection bill of Rs.2,829,398/- for 119,478 units for seven (07) months for the period from May 2019 to November 2019 @ 33% slowness of the meter is not correct being contrary to the facts and violative of the foregoing clause of the CSM-2010 and the above detection bill is set aside. The impugned decision is liable to be maintained to this extent.

7.3 Since the meter under dispute was found 33% slow during the checking dated 26.12.2019, the detection bill for two retrospective months i.e. October 2019 and November 2019 @ 33% slowness of the meter is chargeable as per Clause 4.4(e) of the CSM-2010. Moreover the bills w.e.f December 2019 and onwards till the replacement of the impugned meter be revised with enhance MF to account for 33% slowness as per Clause 4.4(c) of the CSM-2010.

7.4 The billing account of the Respondent be overhauled after adjusting payments made against the above detection bill.

8. The Appeal is disposed of in the above terms.



Abid Hussain  
Member



Muhammad Irfan-ul-Haq  
Member



Naweed Illahi Sheikh  
Convener

Dated: 20-11-2023

