



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

NEPRA Office , Ataturk Avenue (East), G5/1, Islamabad  
Tel. No.+92 051 2013200 Fax No. +92 051 2600030  
Website: [www.nepra.org.pk](http://www.nepra.org.pk) E-mail: [office@nepra.org.pk](mailto:office@nepra.org.pk)

No. NEPRA/Appeal/030/2022/ 307

March 08, 2024

1. Muhammad Iqbal,  
S/o. Khadim Hussain,  
R/o. House No. 27-C-II,  
Punjab Government Employees  
Cooperative Housing Society,  
Lahore  
Cell No. 0300-4240605

2. Chief Executive Officer,  
LESCO Ltd,  
22-A, Queens Road,  
Lahore

3. Saeed Ahmed Bhatti,  
Advocate High Court,  
66-Khyber Block, Allama Iqbal Town,  
Lahore  
Cell No. 0300-4350899

4. Assistant Manager (Operation),  
LESCO Ltd,  
Baghbanpura Sub Division,  
Lahore

5. POI/Electric Inspector  
Lahore Region, Energy Department,  
Govt. of Punjab, Block No. 1,  
Irrigation Complex, Canal Bank,  
Dharampura, Lahore

Subject: Appeal No.030/2022 (LESCO Vs. Muhammad Iqbal) Against the Decision Dated 21.12.2021 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 08.03.2024 (04 pages), regarding the subject matter, for information and necessary action accordingly.

Encl: As Above

(Ikram Shakeel)  
Deputy Director  
Appellate Board

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.030/POI-2022

Lahore Electric Supply Company Limited

.....Appellant

Versus

Muhammad Iqbal S/o. Khadim Hussain,  
R/o. House No.27-C-II, Punjab Government Employees  
Cooperative Housing Society, Lahore

.....Respondent

### **APPEAL UNDER SECTION 38(3) OF THE REGULATION OF GENERATION, TRANSMISSION, AND DISTRIBUTION OF ELECTRIC POWER ACT, 1997**

For the appellant:

Mr. Saeed Ahmed Bhatti Advocate

For the respondent:

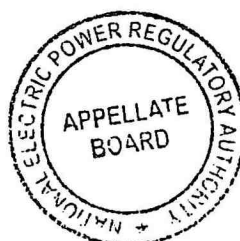
Mr. Muhammad Imran

### **DECISION**

1. As per facts of the case, Mr. Muhammad Iqbal (hereinafter referred to as the "Respondent") is an industrial consumer of Lahore Electric Supply Company Limited (hereinafter referred to as the "Appellant") bearing Ref No.46-11354-2124600 having a sanctioned load of 19 kW and the applicable tariff category is B-1(b). The defective billing meter of the Respondent was replaced with a new meter in July 2017 and sent to the metering and testing (M&T) laboratory for checking. Subsequently, the M&T team of the Appellant on 25.01.2018, and reportedly the billing meter was found 33% slow due to the red phase being dead Resultantly, a detection bill of Rs.326,657/- for 17,546 units for thirteen (13) months i.e. from June 2016 to June 2017 was debited to the Respondent as per consumption of August 2017 to January 2018.
2. Being aggrieved, the Respondent filed a complaint before the Provincial Office of Inspection, Lahore Region, Lahore (hereinafter referred to as the "POI") and challenged the above detection bill. The complaint of the Respondent was disposed of by the POI vide decision dated 21.12.2021, wherein it was held that the detection bill of Rs.326,657/- for 17,546 units for thirteen (13) months i.e. from June 2016 to June 2017 is void, unjustified and of no legal effect and the Appellant is allowed to charge revised bills w.e.f May 2017 and onwards as per consumption of corresponding month of the previous year or average consumption of last eleven months, whichever is higher.

Appeal No.030/POI-2022

Page 1 of 4



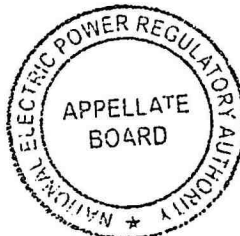


## National Electric Power Regulatory Authority

3. Being dissatisfied, the Appellant has filed the instant appeal before NEPRA and assailed the decision dated 21.12.2021 of the POI (hereinafter referred to as the "impugned decision"). In its appeal, the Appellant opposed the maintainability of the impugned decision *inter alia*, on the following grounds that the impugned decision is against the law and facts of the case; that the POI misconceived and misconstrued the real facts of the case and erred in declaring the detection bill of Rs.326,657/- for 17,546 units for thirteen (13) months i.e. from June 2016 to June 2017 as null and void; that the POI failed to consider the consumption data in true perspective and revise the bills w.e.f May 2017 and onwards; that the POI failed to decide the matter within 90 days, which is violative of Section 26(6) of the Electricity Act 1910; that the Respondent failed to serve notice to the Appellant prior filing complaint before the POI as per Section 24 of the Electricity Act, 1910; and that the impugned decision is liable to be set aside.
4. Notice dated 06.04.2022 of the appeal was issued to the Respondent for filing reply/para-wise comment, which were filed on 20.04.2022. In the reply, the Respondent prayed for dismissal of the appeal on the following grounds that the appeal is time-barred; that the POI after correct perusal of the record and provisions of the Consumer Service Manual in calculating the loss and also the responsibility has rightly been fixed upon the Appellant for destroying the evidence; and that the impugned decision is liable to be upheld.

### 5. Hearing

- 5.1 Hearing of the appeal was conducted at NEPRA Regional Office Lahore on 15.12.2023, wherein learned counsel appeared for the Appellant and the representative tendered appearance for the Respondent. Learned counsel for the Appellant contended that the billing meter of the Respondent was found defective, therefore it was replaced with a new meter in July 2017 and subsequently checked by the M&T team on 25.01.2018, wherein 33% slowness was found in the impugned meter, the detection bill of Rs.326,657/- for 17,546 units for thirteen (13) months i.e. from June 2016 to June 2017 was debited to the Respondent. Learned counsel for the Appellant argued that the POI did not consider the real aspects of the case and erroneously declared the above detection bill as null and void. Learned counsel for the Appellant prayed that the impugned decision is unjustified and liable to be struck down.
- 5.2 Conversely, the representative for the Respondent repudiated the version of the Appellant and contended that the billing meter was found 33% slow, hence the POI has rightly allowed the Appellant to recover the bills w.e.f May 2017 and onwards on the basis of consumption of corresponding month of the previous year or average consumption of last eleven months,



M.



## National Electric Power Regulatory Authority

whichever is higher. The Respondent defended the impugned decision and prayed for upholding the same.

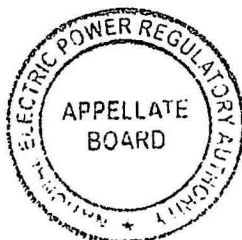
6. Having heard the arguments and record perused. Following are our observations:

6.1 While addressing the preliminary objection raised by the Respondent for limitation, it is observed that the copy of the impugned decision was obtained by the Appellant on 10.02.2022 and the appeal was filed before the NEPRA on 21.02.2022, which is within 30 days from the date of receipt of the impugned decision as per Section 38(3) of the NEPRA Act. Hence the objection of the Respondent has no force and the same is rejected.

6.2 While addressing the objection of the Appellant regarding the jurisdiction of the POI, the Respondent filed his complaint before the POI on 06.05.2021 under Section 38 of the NEPRA Act. POI pronounced its decision on 21.12.2021 i.e. after ninety (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, of 1910. Reliance in this regard is placed on the judgments of the honorable Lahore High Court Lahore reported in 2017 PLJ 627 Lahore and 2017 PLJ 309 Lahore. Keeping in view the overriding effect of the NEPRA Act on the Electricity Act, 1910, and the above-referred decisions of the honorable High Court, the objection of the Appellant is dismissed.

6.3 As regards another objection of the Appellant 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 Section 38 of the NEPRA Act, 1997 and as per procedure laid down in Punjab (Establishment and Powers of Office of Inspection) Order, 2005, which do not require for service of any notice before approaching the POI. The above objection of the Appellant is not valid and, therefore overruled.

6.4 As per the available record, the defective meter of the Respondent was replaced with a new meter by the Appellant in July 2017 and checked by the M&T team of the Appellant. As per the M&T report dated 25.01.2018, the red phase of the billing meter was found defective. Therefore, the Appellant charged a detection bill of Rs.326,657/- for 17,546 units for thirteen (13) months i.e. from June 2016 to June 2017 to the Respondent, which was assailed by him before the POI.



11-



## National Electric Power Regulatory Authority

6.5 Clause 4.4(e) of the Consumer Service Manual 2010 (the "CSM-2010") empowers the Appellant to recover their revenue loss by debiting detection bill maximum for two months in case of slowness of the metering equipment. Whereas the Appellant debited the detection bill for thirteen months, which is violative of Clause 4.4(e) of the CSM-2010. In view of the foregoing discussion, it is concluded that the detection bill of Rs.326,657/- for 17,546 units for thirteen (13) months i.e. from June 2016 to June 2017 debited to the Respondent is unjustified and the same is liable to be cancelled as already determined by the POI.

6.6 33% slowness in the impugned billing meter of the Respondent was observed by the M&T team of the Appellant, therefore, the Respondent is liable to be charged the revised detection bill for two billing cycles prior its checking by the Appellant after adding 33% slowness, according to Clause 4.4(e) of the CSM-2010. Moreover, the bill from the date of checking till the replacement of the impugned meter be revised by raising MF due to 33% slowness of the meter as per Clause 4.4(c) of the CSM-2010. Impugned decision is liable to be modified to this extent.

7. In view of what has been stated above, it is concluded that:

7.1 the detection bill of Rs.326,657/- for 17,546 units for thirteen (13) months i.e. from June 2016 to June 2017 debited to the Respondent is unjustified and the same is cancelled.

7.2 The Respondent may be charged the revised detection bill for two billing cycles prior to checking by the Appellant @ 33% slowness of the meter, according to Clause 4.4(e) of the CSM-2010 and the bill from the date of checking of the Appellant till the replacement of the impugned meter be revised by raising MF due to 33% slowness of the meter as per Clause 4.4(c) of the CSM-2010.

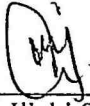
7.3 The billing account of the Respondent be overhauled after making the adjustment of payments made against the impugned detection bill.


8. The impugned decision is modified in the above terms.

On leave  
Abid Hussain  
Member/Advisor (CAD)

Dated: 08-03-2024

Appeal No.030/POI-2022

  
Naweed Illahi Sheikh  
Convener/DG (CAD)

  
Muhammad Irfan-ul-Haq  
Member/ALA (Lic.)

