

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

### Islamic Republic of Pakistan

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No. NEPRA/Appeal/167/2021/33/

March 14, 2024

- 1. The Administrative Officer, Government Engineering Academy, Punjab, Thokar Niaz Baig, Lahore
- 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. Amjad Ali,
  Advocate High Court,
  Office # 1, Ground Floor,
  Al-Rehman Centre, 13-Fane Road,
  Lahore
  Cell No. 0300-4906990
- Assistant Manager (Operation), LESCO Ltd, Niaz Baig Sub Division, Lahore

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

Subject: Nappeal No.167/2021 (LESCO Vs. Government Engineering Academy Punjab) Against the Decision Dated 17.03.2021 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 14.03.2024 (05 pages), regarding the subject matter, for information and necessary action accordingly.

Engl: As Above

Subject (1954)

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(Ikram Shakeel) Deputy Director Appellate Board

Forwarded for information please.

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



#### **Before The Appellate Board**

In the matter of

#### Appeal No. 167/POI-2021

Lahore Electric Supply Company Limited

.....Appellant

Versus

The Administrative Officer, Government Engineering Academy Punjab, Thokar Niaz Baig, 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. Amjad Ali Advocate

Mr. Muhammad Arif Admin Officer

#### DECISION

- 1. As per facts of the case, the Respondent namely, Government Engineering Academy Punjab is a general supply consumer of the Lahore Electric Supply Company Limited (hereinafter referred to as the "Appellant") bearing Ref No.24-11262-0051000 having sanctioned load of 119 kW and the applicable tariff category is A-3. The Respondent filed a complaint before the Provincial Office of Inspection Lahore Region, Lahore (hereinafter referred to as the "POI") on 26.08.2020 and disputed the bills for the period from July 2019 to July 2020. The complaint of the Respondent was disposed of by the POI vide the decision dated 17.03.2021, wherein the bills for the period July 2019 to July 2020 were declared null and void. As per the POI decision, the Appellant was directed to revise the bills for the aforesaid period @ 2,056 units per month as per the average consumption of the year 2018. The Appellant was further directed to install a new meter on the premises of the Respondent to avoid litigation in the future.
- 2. Subject appeal was filed against the afore-referred decision of the POI (hereinafter referred to as the "impugned decision") by the Appellant before the NEPRA. In the appeal, the

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## **National Electric Power Regulatory Authority**

Appellant opposed the impugned decision *inter alia*, on the following main grounds that the impugned decision is against the facts and law; 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 bills for the period from July 2019 to June 2020 as null and void; that the POI failed to consider the consumption data in true perspective and revise the bills for the aforesaid period @ 2,056 units/month; that the above bills charged to the Respondent are justified and payable by the Respondent; 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.

#### 3. Proceedings by the Appellate Board

Upon the filing of the instant appeal, a Notice dated 04.01.2021 was sent to the Respondent for filing reply/para-wise comments to the appeal within ten (10) days which were filed on 03.06.2022. In the reply, the Respondent opposed the maintainability of the appeal *inter alia*, on the following grounds that the appeal is based on the misconception of law and is the result of mere surmises and conjectures; that the POI decided the fate of disputed bills based on average consumption of the year 2018; that the impugned meter was defective since July 2019 and the Appellant charged the excessive bills without reading from July 2019 to June 2020; that the impugned decision was rendered after correct perusal of record and providing an opportunity of hearing to both parties and that the appeal is liable to be dismissed with costs in the interest of justice.

#### 4. Hearing

- 4.1. Hearing of the subject appeal was held at NEPRA Regional Office Lahore on 15.12.2023 in which both parties were in attendance. Learned counsel for the Appellant contended that the defective meter of the Respondent was replaced with a new meter in February 2019 and thereafter the bills were debited as per actual consumption and the Respondent made payment accordingly without raising any dispute; that the impugned decision for revision of the bills for the period July 2019 to July 2020 @ 2,056 units/month is not based on merits. He prayed that the impugned decision be set aside and the bills for the period from July 2019
  - July 2020 be declared as justified and payable by the Respondent.
- 4.2. The Respondent rebutted the version of the counsel for the Appellant and stated that the impugned meter became defective for which the Appellant was approached time and again

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vide applications dated 07.12.2018, 02.01.2019, 08.10.2019, 21.01.2020 but the impugned meter was not replaced timely and excessive billing was carried out by the Appellant based on fictitious readings. The representative for the Respondent supported the impugned decision and prayed that the appeal be dismissed being devoid of merits.

5. Arguments were heard and the record placed before us was examined. Following are our findings:

#### 5.1 Objection regarding the time limit for POI to decide the complaint

As per the record, the Respondent filed his complaint before the POI on 26.08.2020 under Section 38 of the NEPRA Act. POI pronounced its decision on 17.03.2021 i.e. after 203 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.

#### 5.2 Objection regarding prior notice before filing the complaint before the POI:

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.

#### 5.3 Disputed bills for the period July 2019 to July 2020 charged by the Appellant

As per the record presented before us, the Respondent filed a complaint before the POI on 26.08.2020 and disputed the bills for the period from July 2019 to June 2020. The POI vide impugned decision revised the bills for the aforesaid period @ 2,056 units/month based on the average consumption of the year 2018, against which the Appellant filed the instant appeal before the NEPRA.

5.4 It is an admitted fact that the impugned billing of the Respondent became defective in July 2019, hence only the allegation with regard for the excessive billing raised by the Respondent

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needs to be verified through examination of the consumption data in the below table:

Undisputed		Disputed	
Month	Units	Month	Units
Jul-18	2597	Jul-19	5130
Aug-18	2417	Aug-19	5422
Sep-18	2125	Sep-19	4910
Oct-18	2399	Oct-19	2554
Nov-18	2408	Nov-19	3398
Dec-18	3312	Dec-19	5092
Jan-19	3813	Jan-20	4957
Feb-19	3429	Feb-20	4028
Mar-19	1824	Mar-20	4073
Apr-19	2091	Apr-20	2922
May-19	3219	May-20	4977
Jun-19	3608	Jun-20	8099
Average	2770	Average	4630

The billing statement shows that the Respondent was billed on much higher side during the disputed period i.e. July 2019 to June 2020 as compared to the average consumption of the corresponding undisputed months of the preceding year. Thus we are convinced with the plea of the Respondent that the Appellant charged excessive bills during the disputed period from July 2019 to June 2020, which are liable to be declared null and void. The impugned decision is liable to be maintained to this extent.

- 5.5 As the impugned meter remained defective during the months i.e.July 2019 to June 2020, hence the bills for the said months are liable to be revised @ 2,770 units/month as recorded during the corresponding undisputed period of the preceding year. The impugned decision to this extent is liable to be modified to this extent.
- 6. Summing up the foregoing discussion, it is concluded as under:
- 6.1 The bills for the periods i.e. from July 2019 to June 2020 debited by the Appellant to the Respondent are justified and payable by the Respondent.
- 6.2 The Respondent may be charged the revised bills for the period from July 2019 to June 2020 @ 2,770 units/month as recorded during the corresponding undisputed period of the

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preceding year.

- 6.3 The billing account of the Respondent may be overhauled after making adjustments to payments made against the disputed bills.
- 7. The impugned decision is modified in the above terms.

On leave
Abid Hussain
Member/Advisor (CAD)

Member/Advisor (CAD)

W.

Naweed Illahi Sheikh Convener/DG (CAD) Muhammad Irfan-ul-Haq Member/ALA (Lic.)

Dated: 14-03-2024

