



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

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No. NEPRA/Appeal/067/2023/4/5

April 30, 2024

1. M/s. N.F.C Employees Co-operative Housing Society Ltd,
Through its Secretary,
Mr. Mumtaz Hussain Baloch,
Lahore
2. Chief Executive Officer,
LESCO Ltd,
22-A, Queens Road,
Lahore
3. Nauman Rathore,
Advocate High Court,
41/B3, Johar Town, Lahore
Cell No. 0321-6049577
4. A. D. Bhatti,
Advocate High Court,
Office No. 4, First Floor,
Rehmat Tower, 13-Fane Road,
Lahore
Cell No. 0300-9431653
5. Assistant Manager (Operation),
LESCO Ltd,
Engineering Town Sub Division,
Lahore
6. POI/Electric Inspector
Lahore Region-II, Energy Department,
Govt. of Punjab, Block No. 1,
Irrigation Complex, Canal Bank,
Dharampura, Lahore

Subject: Appeal No.067/2023 (LESCO Vs. M/s. N.F.C Employees Co-operative Housing Society Ltd.) Against the Decision Dated 02.05.2023 of the Provincial Office of Inspection to Government of the Punjab Lahore Region-II, Lahore

Please find enclosed herewith the decision of the Appellate Board dated 30.04.2024 (05 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.067/POI-2023

Lahore Electric Supply Company Limited

.....Appellant

Versus

M/s. NFC Employees Cooperative Housing Society,
Through its Secretary Mumtaz Hussain Baloch, Lahore

.....Respondent

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

For the Appellant:

Mr. Nauman Rathore Advocate

Mr. Muhammad Saleem

For the Respondent:

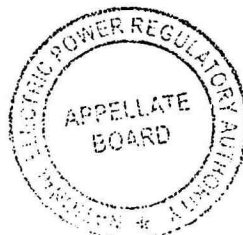
Mr. A.D Bhatti Advocate

DECISION

1. Brief facts leading to the filing of instant appeal are that M/s. NFC Employees Cooperative Housing Society (hereinafter referred to as the "Respondent") is a street light consumer of Lahore Electric Supply Company Limited (hereinafter referred to as the "Appellant") bearing Ref. No.44-11218-2399206-U with sanctioned load of 06 kW and the applicable Tariff category is G-2. The Respondent approached the Provincial Office of Inspection, Lahore Region, Lahore (hereinafter referred to as the "POI") and challenged the excessive bills for the periods from July 2021 to February 2022 and May 2022 with the plea that excessive readings were charged by the Appellant.
2. During the joint checking dated 09.03.2023 of the POI, the billing meter No.464021 of the Respondent was found defective with a vanished display, the joint checking report of the POI was signed by both parties without raising any objection. The matter was disposed of by the POI vide the decision dated 02.05.2023, wherein the bills for the period (i) July 2021, (ii) from December 2021 to February 2022, (iii) May 2022 were cancelled. As per the POI decision, the Appellant was directed to afford credit/adjustment of units on

Appeal No.067/POI-2023

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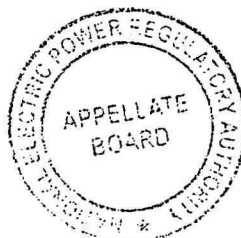
National Electric Power Regulatory Authority

account of overbilling, and any excess amount recovered be adjusted in future bills. The Appellant was further directed to replace the impugned meter to avoid any dispute in the future.

3. Subject appeal has been filed against the afore-referred decision dated 02.05.2023 of the POI (hereinafter referred to as the "impugned decision") by the Appellant before NEPRA. The Appellant opposed the impugned decision *inter alia*, on the following grounds that the impugned decision is against the law and facts of the case; that the bill was charged to the Respondent according to the actual consumption, usage, meter reading and there is no irregularity on the part of the Appellant; that the Respondent has no *locus standi* to file the complaint before the POI; that the matter between the parties can only be decided by adducing the evidence and the only forum for adducing evidence is Civil Court; that if the appeal is not accepted, the Appellant shall be bound to suffer irreparable loss and injury; that the Respondent is a habitual offender and that the impugned decision may be set aside in the interest of justice, equity, and fair play.

4. Proceedings by the Appellate Board

Upon filing of the instant appeal, a Notice dated 20.07.2023 was sent to the Respondent for filing reply/para-wise comments to the appeal within ten (10) days, which were filed on 01.09.2023. In the reply, the Respondent prayed for dismissal of the appeal on the following grounds that the POI has carefully and properly adjudged the question of law and facts involved in the case and the Appellant has no reason to agitate the matter through the instant appeal which deserves rejection; that the Appellant failed to pinpoint any material illegality or jurisdictional defect, infirmity or perversity in the impugned decision; that the Appellant debited excessive bills, which are not in line with the snapshot of the meter reading; that the POI during joint checking dated 09.03.2023 observed that the display of the impugned meter was defective, therefore the Appellant has no right to challenge the impugned decision, which is completely in accordance with law, whereby the Appellants were directed to afford credit of units until already charged units; that the POI is the competent forum to adjudicate the instant matter pertains to the billing, metering and collection of tariff under Section 38 of the NEPRA Act; that the Appellant failed to fulfil the requirements as laid down in Chapter 6 of the CSM and committed serious illegalities while debiting the impugned bills.





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5. Hearing

5.1 Hearing was fixed for 19.01.2024 at NEPRA Regional Office Lahore, wherein learned counsels appeared for both the Appellant and the Respondent. During the hearing, learned counsel for the Appellant reiterated the same version as contained in memo of the appeal and contended that the impugned bills from July 2021 to May 2022 were debited to the Respondent as per the actual meter reading, which were paid by the Respondent without raising any objection, hence the Respondent has no *locus standi* to agitate the paid bills before the POI. As per learned counsel for the Appellant, the POI decided the fate of bills beyond the prayers of the Respondent, hence the impugned decision is liable to be struck down.

5.2 On the contrary, the learned counsel for the Respondent rebutted the version of the learned counsel for the Appellant and contended that the Appellant debited excessive billing, which is evident from the snapshot depicted in the bills. As per learned counsel for the Respondent the POI after correct perusal of the record and the witnessing of the meter readings decided the matter in accordance with facts and law. Learned counsel for the Respondent finally prayed for dismissal of the appeal being devoid of merits.

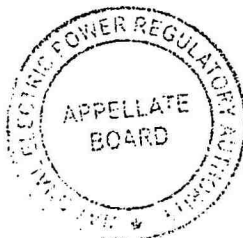
6. Arguments heard and the record perused. Following are our observations:

6.1 Preliminary objection of the Appellant regarding jurisdiction of the POI:

At first, the preliminary objection of the Appellant regarding the jurisdiction of the POI needs to be addressed. It is observed that the Respondent disputed the matter of irregular bill before the POI, who has exclusive jurisdiction to adjudicate the disputes of metering, billing, and collection of tariff under Section 38 of the NEPRA Act. In view of the foregoing, the objection of the Appellant is dismissed.

6.2 Bills from July 2021 to February 2022 and May 2022:

The Respondent filed various complaints before POI and challenged the bills from July 2021 to February 2022 and May 2022 with the plea that the Appellant debited the aforesaid bills with fictitious readings. POI during joint checking dated 09.03.2023 of the metering equipment of the Respondent observed that the display of the impugned meter was vanished, the joint checking report of POI was signed by both parties without raising any objection. POI vide impugned decision declared the bills for July 2021 to February 2022, and May 2022 as null and void, and the Appellant was directed to adjust credit of



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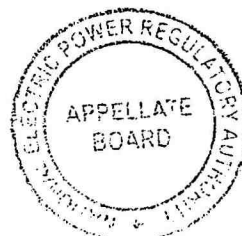
units to the Respondent in future bills against which the Appellant filed the instant appeal before NEPRA.

- 6.3 To reach just conclusion, the consumption data of the Respondent as provided by the Appellant is tabulated below:

Period before dispute		Disputed period			Last eleven months	
Month	Units	Month	Units	Status	Month	Units
Jul-20	2038	Jul-21	2038	Defective	Aug-20	1000
Aug-20	1000	Aug-21	5000	Active	Sep-20	1276
Sep-20	1276	Sep-21	2267	Defective	Oct-20	1000
Oct-20	1000	Oct-21	2382	Defective	Nov-20	872
Nov-20	872	Nov-21	2519	Defective	Dec-20	1652
Dec-20	1652	Dec-21	3001	Replaced	Jan-21	2584
Jan-21	2584	Jan-22	2636	Defective	Feb-21	2075
Feb-21	2075	Feb-22	4001	Replaced	Mar-21	1984
					Apr-21	2000
					May-21	3000
					Jun-21	2730
Average	1562	Average	2980		Average	1834

As evident from the above table, it is observed that meter No.102985 (first meter) became defective in July 2021 and it was replaced with a new meter No.463714 (second meter) in December 2021. In January 2022, the second meter became defective and it was replaced with meter No.192225 (the third meter) in February 2022. Perusal of consumption data reveals that the Appellant debited excessive bills from July 2021 to February 2022 as compared to the consumption of corresponding months of the previous year as well as the average consumption of the last eleven months, which violates Clause 4.3.1(b) of the CSM-2021.

- 6.4 The Appellant was required to feed the DEF-EST code to the billing account of the Respondent and download the data of the removed meter within three months in case of vanished display as per provisions of the CSM-2021, which in the instant case was not done by them. Under these circumstances, we are of the considered view that the bills from July 2021 to February 2022 charged to the Respondent are unjustified, illegal, excessive and the same are liable to be cancelled.
- 6.5 The Respondent is liable to be charged the revised bills from July 2021 to February 2022 as per 100% consumption of the corresponding month of the previous year or average




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- consumption of the last eleven months, whichever is higher as per Clause 4.3.1(b) of the CSM-2021. The impugned decision is liable to be modified to this extent.
- 6.6 As regards the bill for May 2022, it is observed that nil consumption was charged by the Appellant to the Respondent along with detection bill of 9,831 units. The Appellant however did not provide any detail i.e. checking report, or detection proforma to substantiate their stance with regard to the charging of the impugned detection bill of 9,831 units. hence, the same is liable to be withdrawn.
- 6.7 Since nil consumption was charged by the Appellant to the Respondent in May 2022, it would be appropriate to revise the bill for May 2022 as per 100% consumption of the corresponding month of previous year or the average consumption of the last eleven months, whichever is higher as per Clause 4.3.1(b) of the CSM-2021. 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 bills for the period from July 2021 to February 2022 and the detection bill of May 2022 against 9,831 units charged to the Respondent are unjustified and the same are cancelled. The Respondent may be charged the revised bills from July 2021 to February 2022 and May 2022 as per consumption of the corresponding month of previous year or average consumption of the last eleven months, whichever is higher as per Clause 4.3.1(b) of the CSM-2021. The billing account of the Respondent may be overhauled, accordingly.
8. The appeal is disposed of in the above terms.


Abid Hussain
Member/Advisor (CAD)

Dated: 30-04-2024


Naweed Illahi Sheikh
Convener/DG (CAD)


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

