



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

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No. NEPRA/Appeal/104/2023/ 401

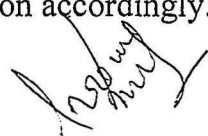
April 23, 2024

- | | |
|--|---|
| 1. M/s. Farzana International,
Through Mst. Farzana Yaqoob,
Wife of Muhammad Yaqoob,
At Niaz Nagar, Kasur | 2. Chief Executive Officer,
LESCO Ltd,
22-A, Queens Road,
Lahore |
| 3. Attiq ur Rehman,
Advocate High Court,
685-D, Gulberg Colony,
Kasur
Cell No. 0300-9431418 | 4. Mian Muhammad Hussain Chotya,
Advocate Supreme Court of Pakistan,
Waleed Law Associates, 87-A,
Ahmad Block, New Garden Town,
Lahore
Cell No. 0300-4009325 |
| 5. Assistant Manager (Operation),
LESCO Ltd,
Niaz Nagar Sub Division,
District Kasur | 6. POI/Electric Inspector
Lahore Region-II, Energy Department,
Govt. of Punjab, Block No. 1,
Irrigation Complex, Canal Bank,
Dharampura, Lahore |

Subject: **Appeal No.104/2023 (LESCO Vs. M/s. Farzana International) Against the Decision Dated 21.08.2023 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 23.04.2024 (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.104/POI-2023

Lahore Electric Supply Company Limited

.....Appellant

Versus

M/s. Farzana International Through

Mrs. Farzana Yaqoob w/o M. Yaqoob at Niaz Nagar Kasur

.....Respondent

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

For the Appellant:

Mr. Attiq-ur-Rehman Advocate

For the Respondent:

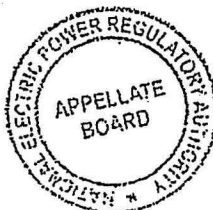
Mr. Muhammad Umair Advocate

DECISION

1. Brief facts of the case are that M/s. Farzana International (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.24-11721-2424010-U having sanctioned load of 320 kW and the applicable tariff category is B-2(b). Metering equipment of the Respondent was initially checked by the M&T team of the Appellant on 22.01.2021 and reportedly, the billing meter was found within specified limits and the backup meter was found 33% slow due to red phase being dead, the CT of the red phase was replaced and the accuracy of both billing and backup meter was found within permissible limits. During subsequent checking dated 22.03.2022 of the Appellant, the impugned billing meter was found 33% slow due to yellow dead phase, whereas the backup meter was found working within BSS limits, hence the onward billing was shifted on the backup meter by the Appellant. Notice dated 28.03.2022 was served to the Respondent regarding above discrepancy and a detection bill of Rs.3,993,086/- for 168,480 units + 600 kW MDI for the period from 22.01.2021 to 04.03.2022 was debited to the Respondent due to the difference of readings between the billing and backup meters and added in March 2022.
2. Being aggrieved with the above-mentioned actions of the Appellant, the Respondent filed a complaint before the Provincial Office of Inspection, Lahore Region-II, Lahore (hereinafter

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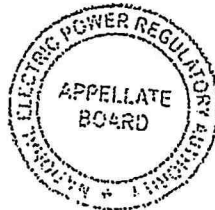
referred to as the "POI") and challenged the above detection bill. During joint checking dated 21.02.2023, discrepancy of 33% slowness in the impugned meter was confirmed due to yellow dead phase, whereas the backup meter was found working within BSS limits, the checking report of POI was signed by both parties without raising any objection. The matter was decided by POI vide decision dated 21.08.2023, wherein the detection bill of Rs.3,993,086/- for 168,480 units + 600 kW MDI for the period from 22.01.2021 to 04.03.2022 was declared null and void and the Appellant was allowed to charge the revise bill for March 2022 against 138,240 units + 651 kW MDI to the Respondent being the difference of the billing and backup meters readings as noted during the joint checking dated 21.02.2023 of POI.

3. Being dissatisfied, the Appellant has filed the instant appeal before NEPRA and assailed the decision dated 21.08.2023 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 33% slowness in the backup meter was observed on 22.01.2021 due to red dead phase, therefore CT of the backup meter was replaced with a new CT; that during subsequent checking dated 04.03.2022, one phase of the billing meter was found dead due to defective CT, whereas the backup meter was found working within BSS limits; that the detection bill of Rs.3,993,086/- for 168,480 units+ 600 kW MDI for the period from 22.01.2021 to 04.03.2022 was debited to the Respondent due to difference of readings between the billing and backup meters; that a settlement was reached between the parties and the Respondent deposited first installment against the impugned detection bill; that the POI misconstrued the real facts of the case and cancelled the above detection bill; and that the impugned decision is liable to be set aside.
4. Notice dated 26.10.2023 of the appeal was issued to the Respondent for filing reply/para-wise comment, which were filed on 15.11.2023. In the reply, the Respondent submitted that the detection bill of Rs.3,993,086/- for 168,480 units+ 600 kW MDI for the period from 22.01.2021 to 04.03.2022 was debited in March 2022. The Respondent further submitted that 33% slowness was confirmed during the POI joint checking dated 21.02.2023, whereas the backup meter was found functioning correctly, therefore the POI after correct perusal of record has cancelled the above detection bill and allowed the Appellant to recover the detection bill being the difference between the readings of the billing and backup meter. As per Respondent, the impugned decision is quite legal, valid, justified and the same is liable to be maintained.

5. Hearing

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5.1 Hearing of the appeal was conducted at NEPRA Regional Office Lahore on 20.01.2024, wherein learned counsels appeared for both the Appellant and the Respondent. Learned counsel for the Appellant contended that the billing meter of the Respondent was found 33% slow due to yellow phase being dead during M&T checking dated 04.03.2022, therefore a detection bill against Rs.3,993,086/- for 168,480 units+ 600 kW MDI for the period from 22.01.2021 to 04.03.2022 was debited to the Respondent in March 2022 due to the difference of the readings between the billing and backup meters. 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 the same is liable to be struck down.

5.2 On the contrary, learned counsel for the Respondent repudiated the version of the Appellant, supported the impugned decision for cancellation of the above-said detection bill and prayed for upholding the same.

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

6.1 As per the record, metering equipment of the Respondent was initially checked by the M&T team of the Appellant on 22.01.2021 and the billing meter was found within specified limits and the backup meter was found 33% slow due to red phase being dead, the CT of the red phase was replaced immediately and both the billing and backup meters were found within permissible limits. During subsequent checking dated 04.03.2022 of the Appellant, the impugned billing meter was found 33% slow due to yellow dead phase, whereas the backup meter was found working within BSS limits. Hence, a detection bill of Rs.3,993,086/- for 168,480 units+ 600 kW MDI for the period from 22.01.2021 to 04.03.2022 was debited to the Respondent due to the difference of readings between the billing and backup meters and added in March 2022, which was challenged before the POI.

6.2 During the joint checking dated 21.02.2023, 33% slowness in the impugned billing meter was confirmed, whereas, the backup meter was found working within BSS limits. In order to reach just conclusion, the fate of the detection bill of Rs.3,993,086/- for 168,480 units + 600 kW MDI for the period from 22.01.2021 to 04.03.2022 charged by the Appellant will be determined in below table:

Units	A	B	C=B-A
Checking	22.01.2021	04.03.2022	difference
Backup meter No.33715	6088	12907	6819
Billing meter No.33714	7977	13772	5795

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MDI	F	G	H=G-F
Checking	22.01.2021	04.03.2022	difference
Backup meter No.33715	30.77	57.6	26.83
Billing meter No.33714	37.81	60.89	23.08

The above table shows that the billing meter recorded less consumption during the period from 22.01.2021 to 04.03.2022 as compared to the backup meter, however, it does not justify the claim of the Appellant with regard to charging of the detection bill of 168,480 units+600 kW MDI to the Respondent. The Appellant even could not give just reasoning for charging such huge consumption to the Respondent. It is further observed that the Appellant took monthly readings of both the billing and backup meters but they did not point out any discrepancy in the metering equipment prior to the checking dated 04.03.2022. Hence the Respondent cannot be held responsible for payment of impugned detection bill due to negligence on the part of the Appellant.

6.3 In view of above, the detection of Rs.3,993,086/- for 168,480 units+ 600 kW MDI for the period from 22.01.2021 to 04.03.2022 debited to the Respondent is unjustified and the same is liable to be cancelled, which is also the determination of the POI.

6.4 Similarly, the determination of the POI for revision of the bill against 138,240 units+651 kW MDI based on the joint checking report dated 21.02.2023 is based on merits. Even otherwise, the Respondent defended the impugned decision and prayed for upholding the same. Under these circumstances, we are inclined to agree with finding of the POI for revision of the bill against 138,240 units+651 kW MDI.

7. Foregoing in view, the appeal is dismissed.

Abid Hussain
Member/Advisor (CAD)

Naveed Illahi Sheikh
Convener/DG (CAD)

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

Dated: 23-04-2024

