



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

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No. NEPRA/Appeal/006/2024/ 525

June 06, 2024

1. Amjad Ali Sheikh,
Consultant (Utility Compliance),
CMPAK Limited (Zong),
Situating at 113/15, Quaid-e-Azam Industrial Estate,
Kot Lakhpat, Lahore
Cell No. 0312-8237237
2. Chief Executive Officer,
LESCO Ltd,
22-A, Queens Road,
Lahore
3. Ch. Fiaz Ahmad Sanghairah,
Advocate Supreme Court,
Anab Centre, 2nd Floor,
1-Mozang Road, Lahore
Cell No. 0300-4346032
4. Assistant Manager,
LESCO Ltd,
Canal Road Sub Division,
Lahore
5. POI/Electric Inspector
Lahore Region-II, Energy Department,
Govt. of Punjab, Block No. 1,
Irrigation Complex, Canal Bank,
Dharampura, Lahore

Subject: **Appeal No.006/2024 (LESCO Vs. Amjad Ali Sheikh) Against the Decision Dated 13.11.2023 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 06.06.2024 (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.006/POI-2024

Lahore Electric Supply Company Limited

.....Appellant

Versus

Amjad Ali Sheikh, Consultant (Utility Compliance),
CMPAK Limited (Zong), Situated at 113/15,
Quaid-e-Azam Industrial Estate, Kot Lakhpat, Lahore

.....Respondent

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

For the Appellant:

Ch. Fiaz Ahmed Sanghairah Advocate

For the Respondent:

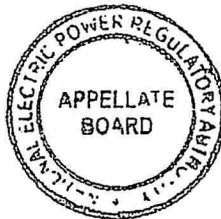
Mr. Amjad Ali Sheikh

DECISION

1. Brief facts leading to the filing of instant appeal are that M/s. CMPAK (hereinafter referred to as the "Respondent") is a commercial consumer of Lahore Electric Supply Company Limited (hereinafter referred to as the "Appellant") bearing Ref No.44-11233-0723303-U with a sanctioned load of 18 kW and the applicable tariff category is A-2C. Connection of the Respondent was installed by the Appellant on 12.12.2019. The billing meter of the impugned meter was checked by the Metering and Testing (M&T) team of the Appellant on 30.01.2020 and reportedly, it was found tampered for committing theft of electricity. Thereafter, the first bill against 4,216 units was charged to the Respondent in February 2020. Subsequently, a detection bill amounting to Rs.773,357/- for 23,652 units for seven (7) months for the period from July 2019 to January 2020 was charged to the Respondent on the basis of 30% load factor of the connected load i.e.18 kW and added to the bill for May 2020.
2. Being aggrieved, the Respondent filed a complaint before the NEPRA against the above detection bill from where it was referred to the Provincial Office of Inspection, Lahore Region,

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Lahore (hereinafter referred to as the "POI") on 10.03.2022. Subsequently, the Respondent challenged the above detection bill before the POI on 15.08.2022. The matter was disposed of by the POI vide the decision dated 13.11.2023, wherein the detection bill of Rs.773,357/- for 23,652 units for seven (7) months for the period from July 2019 to January 2020 was cancelled and the Appellant was directed to overhaul the billing account of the Respondent and any excess amount recovered be adjusted in the future bills.

3. Subject appeal has been filed against the afore-referred decision dated 13.11.2023 of the POI (hereinafter referred to as the "impugned decision") by the Appellant before the NEPRA, wherein it is contended that the impugned decision is illegal, unlawful and against the facts of the case as the POI has not checked the authority of the representative for the Respondent; that the POI has illegally relied upon Chapter 9 of the CSM-2021; that the learned forum is bound to thrash out the facts of the case but no efforts were made by the POI; that the impugned decision is not speaking, hence the same is liable to be set aside.

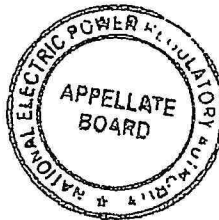
4. Proceedings by the Appellate Board

Upon filing of the instant appeal, a Notice dated 30.01.2024 was sent to the Respondent for filing reply/para-wise comments to the appeal within ten (10) days, which were filed on 14.02.2024. In the reply, the Respondent rebutted the version of the Appellant and stated that the connection under dispute was sanctioned on 12.12.2019 and the first bill was issued by the Appellant in February 2020. The Respondent submitted that the impugned meter was replaced in February 2020, thereafter the bills for the period from March 2020 to July 2020 were charged as per the consumption of new meter. The Respondent further submitted that the impugned detection bill was charged against 23,652 units from July 2019 to January 2020, whereas the connection was installed in December 2019. Hence there is no justification to include the months from July 2019 till 12.12.2019 in the impugned detection bill. The Respondent prayed that the impugned bill be declared as unjustified and same is liable to be withdrawn.

5. Hearing

- 5.1 Hearing was fixed for 01.03.2024 at NEPRA Regional Office Lahore, wherein learned counsel for the Appellant tendered appearance and a representative was present for the Respondent. Learned counsel for the Appellant reiterated the same version as contained in memo of the appeal

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and argued that the impugned detection bill of Rs.773,357/- for 23,652 units for seven (7) months was charged on account of theft of electricity committed by the Respondent through the tampered meter. Learned counsel for the Appellant termed the above detection bill as justified and payable by the Respondent. Learned counsel for the Appellant objected to the maintainability of the impugned decision with the plea that the POI neither checked the impugned meter nor perused the consumption data and hastily rendered the impugned decision. He prayed for setting aside the impugned decision.

5.2 Conversely, the representative for the Respondent repudiated the stance of the Appellant and argued that the connection was installed in December 2019 whereas the impugned detection bill was charged from July 2019 and onwards. The representative for the Respondent supported the impugned decision and prayed for upholding the same.

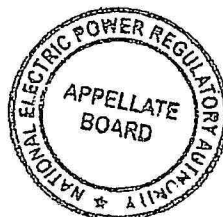
6. Arguments heard and the record perused. Following are our observations:

6.1 While addressing the preliminary objection of the Appellant regarding *locus standi*, it is observed that Mr. Amjad Ali Sheikh is representing the Respondent as Chief Consultant (Utility Compliance) and has the authorization to plead the instant case before this forum. The objection of the Appellant is devoid of force and the same is rejected.

6.2 The Appellant raised another objection regarding the jurisdiction of POI in the instant case. In this regard, it is clarified that the POI is a competent forum to adjudicate the instant billing dispute under Section 38 of the NEPRA Act. Even otherwise, the POI is empowered to entertain that dispute of billing where theft of electricity was committed through tapering with the meter, reliance in this regard is placed on the judgment of the honorable Supreme Court of Pakistan reported in *PLD 2012 SC 371*. Therefore, the objection of the Appellant in this regard is overruled.

6.3 It is observed that the Appellant debited the impugned detection bill for July 2019 to January 2020 to the Respondent on account of the theft of electricity committed through the tampered meter, whereas the bill of July 2020 indicates that the connection was installed on 12.12.2019, hence the inclusion of the period from July 2019 to 11.12.2019 in the impugned detection bill is contrary to the facts of the case. The Appellant debited the impugned detection bill on account of theft of electricity through tampered meter but the Appellant neither followed the procedure as laid down in Chapter 9 of CSM 2010 nor could produce the impugned meter before POI for verification of the alleged tampering. Even otherwise, the Appellant may charge the detection bill maximum for three billing cycles in the absence of approval of CEO, pursuant to Clause 9.1c(3) of the

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CSM-2010, which however was not adhered by the Appellant while charging the impugned detection bill.

6.4 To further ascertain the justification of the impugned detection bill, consumption data is analyzed in the table below:

Period: 12.12.2019 to Feb-2020	Units assessed as per CSM-2010
$= \frac{\text{Accumulated units}}{\text{No. of Month}} = \frac{4216}{2.5}$ $= 1,686 \text{ units/month}$	$= \text{SL (kW)} \times \text{L.F} \times \text{No. of Hrs.}$ $= 18 \times 0.25 \times 730$ $= 3,285 \text{ units}$
Detection units = $\frac{\text{Total units}}{\text{No. of Month}} = \frac{23,652}{07}$	3,379 units/month

As evident from the above table normal units already charged for the period from 12.12.2019 to February 2020 are much less than the detection units charged @ 3,379 units/month as well as the units assessed @ 3,285 units/month as per Annex VIII of the CSM-2010. But this does not warrant the Appellant to debit the detection bill for the period in which the connection does not exist.

In view of the above discussion, the detection bill of Rs.773,357/- for 23,652 units for seven (7) months for the period from July 2019 to January 2020 charged to the Respondent is unjustified and the same is cancelled, which is also the determination of the POI.

6.5 The Respondent may be charged the revised bill @ 3,282 units/month for the period from 12.12.2019 to February 2020 according to Clause 9.1c(3) of the CSM-2010, calculation in this regard is done below:

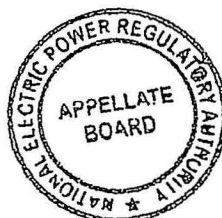
Period: 12.12.2019 to February 2020

- A. Total units to be charged = detection units/month x No. of months
= 3,282 x 2.5 = 8,212 units
- B. Total units already charged = 4,216 units
- C. Net chargeable units = A-B = 3,996 units

The Respondent is liable to be charged the revised detection bill for net 3,996 units for the period from 12.12.2019 to February 2020. The impugned decision is liable to be modified to this extent.

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

7.1 The detection bill of Rs.773,357/- for 23,652 units for seven (7) months for the period from July

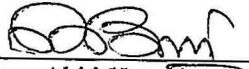



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- 2019 to January 2020 charged to the Respondent is unjustified and the same is cancelled.
- 7.2 The Respondent may be charged net 3,996 units as a detection bill for the period from 12.12.2019 to February 2020 as calculated in the above table:
- 7.3 The billing account of the Respondent may be overhauled, accordingly.
8. Impugned decision is modified in the above terms.


Abid Hussain
Member/Advisor (CAD)


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


Naweed Illahi Sheikh
Convener/DG (CAD)

Dated: 06-06-2024

