

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

# Islamic Republic of Pakistan

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# No. NEPRA/Appeal/056/2023/ 606

July 24, 2024

- Shahid Mehmood,
   S/o. Mirza Mehmood Ul Hassan,
   R/o. Property No. S-54 Road,
   19-Ratan Chand Road, Hanan Plaza,
   Gowalmandi, Lahore
   0321-4846878
- Chief Executive Officer, LESCO Ltd,
   22-A, Queens Road, Lahore
- Saeed Ahmed Bhatti,
   Advocate High Court,
   66-Khyber Block, Allama Iqbal Town,
   Lahore
   Cell No. 0300-4350899
- Sub Divisional Officer (Operation), LESCO Ltd, Gowalmandi Sub Division, Lahore
- 5. POI/Electric Inspector,
  Lahore Region, Energy Department,
  Govt. of Punjab, Block No. 1,
  Irrigation Complex, Canal Bank,
  Dharampura, Lahore
  Phone No. 042-99250191

Subject:

Appeal No.056/2023 (LESCO Vs. Shahid Mehmood) Against the Decision Dated 21.02.2023 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 24.07.2024 (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



#### Before The Appellate Board

In the matter of

#### Appeal No.056/POI-2023

Lahore Electric Supply Company Limited	Appellant
Versus	
Shahid Mehmood S/o. Mirza Mehmood ul Hassan,	
R/o. Property No.S-54, Road, 19-Ratan Chand Road,	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: Nemo

#### **DECISION**

- 1. Brief facts of the case are that Shahid Mehmood (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.27-11332-0149509-U having sanctioned load of 5 kW and the applicable tariff category is A-2. The display of the billing meter of the Respondent became vanished/terminal block burnt in September 2019, which was replaced with a new meter by the Appellant in January 2020. The removed meter was checked in the M&T laboratory on 24.03.2020, wherein data could not be downloaded. Therefore, a detection bill of Rs.197,091/- against 28,908 units for six (06) months i.e. July 2019 to December 2019 was debited to the Respondent on the basis of 30% load factor of the connected load i.e.14.12 kW. The Respondent initially approached the Appellant against the above detection bill, in response, the Appellant withdrew 10,347 units in May 2020.
- 2. Being aggrieved, the Respondent filed a complaint before the Provincial Office of Inspection, Lahore Region, Lahore (hereinafter referred to as the "POI") on 25.02.2022 and

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challenged the above detection bill. The complaint of the Respondent was disposed of by the POI vide decision dated 21.02.2023, wherein, the detection bill of Rs.197,091/- against 28,908 units for six (06) months i.e. July 2019 to December 2019 was cancelled and the Appellant is allowed to charge revised bills w.e.f November 2019 and onwards till the replacement of the impugned meter as per consumption of corresponding month of the previous year or average consumption of last eleven months, whichever is higher.

- 3. Being dissatisfied, the Appellant has filed the instant appeal before NEPRA and assailed the decision dated 21.02.2023 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 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 impugned detection bill as null and void; that Clause 4.3.3c(ii) of the CSM-2021 could not be made applicable in the instant case; that the POI miserably failed to analyze the consumption data in true perspective; that the complaint could not be entertained as no notice as requited u/s 26(6) of Electricity Act 1910 was ever served upon the Appellants before filing the same and that the impugned decision is liable to be set aside.
- 4. Notice dated 23.05.2023 of the appeal was issued to the Respondent for filing reply/para-wise comment, which however were not filed.

#### 5. Hearing

Hearing of the appeal was conducted at NEPRA Regional Office Lahore on 01.03.2024, wherein learned counsel appeared for the Appellant and the Respondent did not tender appearance. Learned counsel for the Appellant contended that the display of the billing meter of the Respondent became defective, therefore a detection bill of Rs.197,091/- for six months was debited to the Respondent on the basis of the connected load. 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 and revised the bills w.e.f November 2019 and onwards on DEF-EST code. Learned counsel for the Appellant prayed that the impugned decision is unjustified and liable to be struck down.

- 6. Having heard the arguments and record perused. Following are our observations:
- 6.1 <u>Preliminary objection regarding prior notice before filing the complaint before the POI</u>:

  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

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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.

# 6.2 <u>Detection bill of Rs.197,091/- against 28,908 units for six (06) months i.e. July 2019 to December 2019</u>:

As per the available record, the display of the billing meter of the Respondent became vanished in September 2019, which was replaced with a new meter by the Appellant in January 2020. The removed meter was subsequently checked in the M&T laboratory on 24.03.2020, wherein data could not be downloaded, therefore a detection bill of Rs.197,091/against 28,908 units for six (06) months i.e. July 2019 to December 2019 was debited to the Respondent, which was assailed by him before the POI.

- 6.3 It is further observed that the display of the impugned meter was found washed out in September 2019 as to why the Appellant did not adhere to the procedure as laid down in Chapter 4 of the CSM-2010 and waited for five months to replace the impugned meter. The Appellant even failed to produce the impugned meter before the POI for checking. According to Clause 4.4(e) of the CSM-2010, the Appellant may charge the detection bill maximum for two months in case of a defective meter, however in the instant case, the impugned detection bill was charged for six months to the Respondent in violation of foregoing clause of the CSM-2010.
- 6.4 To further verify the contention of the Appellant, consumption data is analyzed in the below table:

period before dispute		disputed period		period after dispute		Last eleven months	
Month	Units	Month	Units	Month	Units	Aug-18	2997
Jul-18	3237	Jul-19	1300	Jul-20	1334	Sep-18	2997
Aug-18	2997	Aug-19	2031	Aug-20	1623	Oct-18	2172
Sep-18	2997	Sep-19	2997	Sep-20	1983	Nov-18	1291
Oct-18	2172	Oct-19	2253	Oct-20	2345	Dec-18	943
Nov-18	1291	Nov-19	1853	Nov-20	1095	Jan-19	1039
Dec-18	943	Dec-19	1943	Dec-20	821	Feb-19	989
						Mar-19	0
						Apr-19	2646
						May-19	1128
						Jun-19	3200
Average	2273	Average	2063	Average	1533	Average	1640

The above consumption data shows that the average consumption already charged during the

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disputed period is much higher than the normal average consumption of corresponding months of the succeeding year as well as the average consumption of the last eleven months. Even otherwise the average consumption already charged during the disputed period is compatible with the normal average consumption of corresponding months of the preceding year. Hence we are of the considered view that the detection bill of Rs.197,091/- against 28,908 units for six (06) months i.e. July 2019 to December 2019 charged by the Appellant to the Respondent and credit of 10,347 units afforded in May 2020 are unjustified and the same are cancelled.

- 6.5 Similarly, the determination of the POI for revision of the bills w.e.f November 2019 and onwards on DEF-EST code is correct being in line with clause 4.4(e) of the CSM-2010, and the same is maintained to this extent.
- 7. Foregoing in view, the appeal is dismissed.

Abid Hussain
Member/Advisor (CAD)

Dated: 24-07-2024

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

Naweed Illahi Sheikh Convener/DG (CAD)

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