

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

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No. NEPRA/Appeal/127/2021/ /27

- Muhammad Tariq, S/o. Muhammad Sadiq, R/o. Khasra No. 5116/1383, Mouza Chandrai Road, Chungi Amer Siddhu, Lahore
- Saeed Ahmed Bhatti, Advocate High Court, 66-Khyber Block, Allama Iqbal Town, Lahore
- POI/Electric Inspector Lahore Region, Energy Department, Govt. of Punjab, Block No. 1, Irrigation Complex, Canal Bank, Dharampura, Lahore

- January 12, 2024
- Chief Executive Officer, LESCO Ltd,
   22-A, Queens Road, Lahore
- Assistant Manager (Operation), LESCO Ltd, Hamza Town Sub Division, Lahore

Subject: <u>Appeal No.127/2021 (LESCO Vs. Muhammad Tariq) Against the Decision</u> <u>Dated 07.10.2020 of the Provincial Office of Inspection to Government of</u> <u>the Punjab Lahore Region, Lahore</u>

Please find enclosed herewith the decision of the Appellate Board dated 12.01.2024 (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.127/POI-2021

Lahore Electric Supply Company Limited

.....Appellant

Versus

Muhammad Tariq S/o. Muhammad Sadiq, R/o. Khasra No.5116/1383, Mouza Chandrai Road, Chungi Amer Sindhu, Lahore

.....Respondent

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

For the Appellant: Mr. Saeed Ahmed Bhatti Advocate

For the Respondent: Nemo

#### DECISION

- Through this decision, the appeal filed by the Lahore Electric Supply Company Limited (hereinafter referred to as the "Appellant") against the decision dated 07.12.2020 of the Provincial Office of Inspection, Lahore Region, Lahore (hereinafter referred to as the "POI") is being disposed of.
- 2. Briefly speaking, Mr. Muhammad Tariq (hereinafter referred to as the "Respondent") is an industrial consumer of the Appellant bearing Ref No.46-11531-9995018 with sanctioned load of 08kW and the applicable Tariff category is B-1(b). The Appellant has claimed that two phases of the billing meter of the Respondent were found dead stop during the Metering & Testing ("M&T") team checking dated 11.09.2019. Therefore, the multiplication factor (the "MF") of the Respondent was raised by the Appellant w.e.f September 2019 and onwards to account for 66% slowness of the impugned meter. Subsequently, a detection bill amounting to Rs.123,529/- against 6,206 units for nine months for the period from December 2018 to August 2019 was debited to the Respondent @ 66% slowness of the meter and added to the bill for October 2019.

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- 3. Being aggrieved, the Respondent assailed the above detection bill before the POI on 11.02.2020. The complaint of the Respondent was disposed of by the POI vide the decision dated 07.12.2020, wherein the detection bill of Rs.123,529/- against net 6,206 units for nine months for the period from December 2018 to August 2019 was cancelled. As per the POI decision, recovery of bills with enhanced MF due to 66% slowness of the meter w.e.f September 2019 and onwards by the Appellant is justified and payable by the Respondent.
- 4. Through the instant appeal, the afore-referred decision dated 07.12.2020 of the POI has been impugned by the Appellant before the NEPRA. In its appeal, the Appellant objected to the maintainability of the impugned decision, *inter alia*, on the main grounds, (1) two phases of the billing meter of the Respondent were found defective on 11.09.2019, therefore a detection bill of Rs.123,529/- against 6,206 units for nine months for the period from December 2018 to August 2019 was debited to the Respondent in October 2019; (2) the POI failed to analyze consumption data in true perspective and erred in holding that the detection bill of Rs.123,529/- against 6,206 units for the period from December 2018 to August 2019 as null and void; (3) the impugned decision was rendered by the POI after the expiry of the statutory period of ninety (90) days, hence it is ex-facie, corum non-judice, void, ab-initio without lawful authority and jurisdiction; (4) the Respondent did not serve notice prior filing complaint to the POI as required under Section 26(6) of the Electricity Act, 1910. The Appellant finally prayed that the impugned decision is liable to be set aside.

### 5. Proceedings by the Appellate Board

5.1 Upon filing of the instant appeal, a notice dated 29.11.2021 was sent to the Respondent for filing reply/para-wise comments to the appeal within ten (10) days. The Respondent however did not submit the reply to the Appeal.

### 6. Hearing

- 6.1 Hearing was initially conducted at NEPRA Regional Office Lahore on 08.09.2023 wherein a counsel appeared for the Appellant and no one represented the Respondent. In order to provide an opportunity for hearing to the Respondent, the case was adjourned till the next date.
- 6.2 Finally, the hearing was held on 15.12.2023, wherein a counsel appeared for the Appellant, and again no one appeared for the Respondent. Counsel for the Appellant reiterated the same version as contained in the memo of the appeal and contended that two phases of the billing meter of the Respondent were found dead stop on 11.09.2019, as such the detection bill of

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Rs.123,529/- against 6,206 units for nine months for the period from December 2018 to August 2019 was debited to the Respondent. As per learned counsel for the Appellant, the impugned decision for cancellation of the above detection bill is unjustified and the same is liable to be struck down.

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

### 7.1 Objection regarding the time limit for POI

As per the record, the Respondent filed his complaint before the POI on 11.02.2020 under Section 38 of the NEPRA Act. POI pronounced its decision on 17.12.2020 after a lapse of 90 days from the date 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, 1910. Reliance in this regard is placed on the judgments of the honorable Lahore High Court Lahore reported in *PLJ 2017 Lahore 627* and *PLJ 2017 Lahore 309*. Keeping in view the overriding effect of the NEPRA Act being later in time, and the above-referred decisions of the honorable High Court, hence the objection of the Appellant is dismissed.

## 7.2 Objection regarding prior notice before approaching 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.

## 7.3 Detection bill of Rs.123,529/- against 6,206 units for nine months for the period from December 2018 to August 2019

The Appellant claimed to have found the billing meter of the Respondent defective due to two phases being dead stop during checking dated 11.09.2019, therefore a detection bill of Rs.123,529/- against 6,206 units for nine months for the period from December 2018 to August 2019 was issued to the Respondent, which was assailed by him before the POI. The Appellant has filed this appeal defending the above detection bill charged to the Respondent and prayed for setting aside the impugned decision.

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- 7.4 Two phases of the billing meter of the Respondent were allegedly discovered as dead stop by the Appellant on 11.09.2019, hence the Appellant is liable to debit the detection bill maximum for two billing cycles in case of a slow meter as per Clause 4.4(e) of the CSM-210. However, in the instant case, the Appellant debited the detection bill for nine months, which is inconsistent with the foregoing clause of the CSM-2010. Hence, we are inclined to agree with the determination of POI for cancellation of the detection bill of Rs.123,529/- against 6,206 units for nine months for the period from December 2018 to August 2019 and the same is liable to be maintained to this extent.
- 7.5 Since 66% slowness in the impugned meter was observed on 11.09.2019, the Respondent is liable to be charged the detection bill for two billing cycles prior to checking dated 11.09.2019
  @ 66% slowness of the meter as per Clause 4.4(e) of the CSM-2010. The impugned decision is liable to be modified to this extent.
- 8. Summing up the foregoing discussion, we conclude that:
- 8.1 The detection bill of Rs.123,529/- against 6,206 units for nine months for the period from December 2018 to August 2019 charged to the Respondent due to 66% slowness of the meter is declared null and void.
- 8.2 The Respondent may be charged the revised detection bill for two billing cycles prior checking dated 11.09.2019 @ 66% slowness of the meter as per Clause 4.4(e) of the CSM-2010.
- 8.3 The bills already charged with enhanced MF w.e.f September 2019 and onwards till the replacement of the 66% slow meter are justified being consistent with Clause 4.4(c) of the CSM-2010 and payable by the Respondent.
- 8.4 The billing account of the Respondent may be overhauled after adjustment of the payments made against the above detection bill.
- 9. Impugned decision is modified in the above terms.

On leave Abid Hussain Member Naweed Illahi Sheikh Convener Dated: 12-01-2024 OWER R APPELLATE BO4.RD Appeal No.127/POI-2021

Matter

Muhammad Irfan-ul-Haq Member

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