

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

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No. NEPRA/Appeal/076/2023/ /84

- Jamil Ahmad, S/o. Mian Nazir Ahmad, R/o. 159/9, Mohallah Block-G, Model Town, Lahore
- Rao Riaz Ahmad, Advocate High Court, Office No. 16, 3<sup>rd</sup> Floor, Nizami Plaza, 13-Fane Road, Lahore Cell No. 0300-4990042
- Assistant Manager, LESCO Ltd, Begum Kot Sub Division, Lahore

February 25, 2025

- Chief Executive Officer, LESCO Ltd,
  22-A, Queens Road, Lahore
- Muhammad Shafiq Babar, Advocate High Court, Basement Room No. 3, Usama Chamber, 6-Fane Road, Lahore Cell No. 0300-4361248
- POI/Electric Inspector Lahore Region-I, Energy Department, Govt. of Punjab, Block No. 1, Irrigation Complex, Canal Bank, Dharampura, Lahore

### Subject: <u>Appeal No.076/2023 (LESCO Vs. Jamil Ahmed) Against the Decision Dated</u> 23.05.2023 of the Provincial Office of Inspection to Government of the Punjab Lahore Region-I, Lahore

Please find enclosed herewith the decision of the Appellate Board dated 25.02.2025 (04 pages), regarding the subject matter, for information and necessary action, accordingly.

## Encl: <u>As Above</u>

(Ikram Shakeel) Deputy Director Appellate Board

Forwarded for information please.

1. Director (IT) -for uploading the decision of the Appellate Board on the NEPRA website



## **National Electric Power Regulatory Authority**

### Before The Appellate Board

In the matter of

#### Appeal Nos.076/POI-2023

Lahore Electric Supply Company Limited

.....Appellant

Versus

Jamil Ahmed S/o. Mian Nazir Ahmed, R/o. 159/9, Mohallah Block G, Model Town, Lahore

.....Respondent

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

For the Appellant: Rao Riaz Ahmed Advocate Ch. M. Ehsanullah Farooqi SDO

For the Respondent: Ch. M. Shafiq Babar Advocate

#### **DECISION**

- Through this decision, the appeal filed by the Lahore Electric Supply Company Limited (hereinafter referred to as the "Appellant") against the decision dated 23.05.2023 of the Provincial Office of Inspection, Lahore Region-I, Lahore (hereinafter referred to as the "POI") is being disposed of.
- 2. Brief facts of the case are that Jamil Ahmed (hereinafter referred to as the "Respondent") is an industrial consumer of the Appellant bearing Ref No.24-11135-2403060-U with a sanctioned load of 90 kW and the applicable Tariff category is B-2(b). The metering equipment of the Respondent was initially checked by the M&T team of the Appellant on 22.05.2017 and reportedly, yellow phase of the billing meter was found dead stop, whereas the backup meter was found ok. During another checking dated 19.04.2018 of the Appellant, the yellow phase of the billing meter was found defective, whereas the backup meter was found within permissible limits. The impugned meter of the Respondent was

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replaced with a new meter by the Appellant on 19.04.2018. Thereafter, a detection bill of Rs.1,903,024/- against 97,640 units for the period from March 2014 to April 2018 was debited to the Respondent due to the difference in readings between the billing and backup meters and added to the bill for May 2018.

- 3. Being aggrieved, the Respondent initially challenged the impugned detection bill before the Civil Court on 30.07.2018. Subsequently, the Respondent filed a complaint before the POI on 14.10.2022 and challenged the arrears of Rs.1,761,721/- pertaining to the above detection bill. The complaint of the Respondent was disposed of by the POI vide the exparte decision dated 23.05.2023, wherein the arrears of Rs.1,761,721/- accumulated till August 2022 were cancelled.
- 4. Subject appeal was filed by the Appellant before the NEPRA against the above-referred decision of the POI. In its appeals, the Appellant objected to the maintainability of the impugned decision, *inter alia*, on the main grounds that the detection bill of 97,640 units for the period from March 2014 to April 2018 was debited to the Respondent due to the difference in readings between the backup and billing meters as observed on 19.04.2018; that the impugned decision is against the law and facts of the case; that the impugned detection bill was declared as justified by the honorable Civil Court; that instead of making payment, the Respondent challenged the impugned detection bill before the POI; that the billing history and consumption of the Respondent justify the charging of impugned detection bill; that it is settled principle of law that the law favor adjudication on merits and sheer technicalities should be avoided; that the POI misconstrued the real facts of the case and erred in declaring the detection bill as null and void; and that the impugned decision is liable to be set aside.

## 5. Proceedings by the Appellate Board

Upon the filing of the instant appeal, a notice dated 25.09.2023 was sent to the Respondent for filing reply/para-wise comments to the appeal within ten (10) days, which were not filed.

#### 6. Hearing

6.1 A hearing was conducted at NEPRA Regional Office Lahore on 01.11.2024, which was attended by both parties. Learned counsel for the Appellant contended that the billing meter was found 33% slow as compared to the backup meter during the checkings dated 22.05.2017 and 19.04.2018 of the Appellant, as such the detection bill of 97,640 units for

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the period from March 2014 to April 2018 debited to the Respondent to recover the revenue loss sustained by the Appellant. As per learned counsel for the Appellant, the above detection bill was cancelled by the POI without perusing the documentary evidence. Learned counsel for the Appellant finally prayed that the impugned decision is liable to be set aside.

- 6.2 On the contrary, the representative for the Respondent repudiated the version of the Appellant and argued that the entire proceedings including checking were carried out by the Appellant unilaterally and the detection bill against 97,640 units for the period from March 2014 to April 2018 was debited to the Respondent without any justification. Learned counsel for the Respondent further contended, if presumed that the impugned billing meter had not recorded actual consumption as to why the Appellant failed to replace the same within two billing cycles as per provisions of the CSM-2010. Learned counsel for the Respondent finally that the appeal is liable to be dismissed with cost.
- 7. Arguments were heard and the record was perused. Following are our observations:
- 7.1 The metering equipment of the Respondent was checked by the Appellant on 19.04.2018 and reportedly, 97,640 units were found uncharged due to the difference between the backup and billing meters. Thereafter, a detection bill of Rs.1,903,024/- against 97,640 units for the period from March 2014 to April 2018 was debited to the Respondent due to the difference in readings between the billing and the backup meter, which was initially challenged before the Civil Court. Subsequently, the Respondent assailed the arrears of Rs.1,761,721/pertaining to the impugned detection bill before the POI on 14.10.2022. The POI vide exparte decision cancelled the above arrears against which the Appellant filed subject appeal before the NEPRA.
- 7.2 According to Clause 6.1(b) read with 6.1(d) of the CSM-2010, the meter reading above 20 kW load is recorded by the senior officer of the distribution companies, and the said officers will check the irregularities/discrepancies in the metering system and report the same discrepancy. In the instant case, the connection under dispute is sanctioned for 90 kW load and the meter reading is being taken by the senior officer of the Appellant but the Appellant did not point out any irregularity in the billing as well as the discrepancy in the metering equipment of the Respondent during the monthly readings except the unilateral checking dated 19.04.2018. The Appellant claims that the impugned billing meter has been running slow since March 2014, but they failed to substantiate their contention before us

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through concrete evidence. If presumed the impugned meter was running 33% slow as observed during the first checking dated 22.05.2017 of the Appellant as to why the Appellant did not replace the same within two billing cycles, pursuant to Clause 4.4(e) of the CSM-2010. The Appellant debited the impugned detection bill for forty-eight months, which is contrary to the provisions of the CSM-2010.

- 7.3 Under these circumstances, we are of the considered view that the impugned detection bill of 97,640 units for the period from March 2014 to April 2018 debited to the Respondent is unwarranted, inconsistent with the provision of the CSM-2010, and the same is declared null and void as already determined by the POI.
- 7.4 The impugned meter was found running 33%slow due to the yellow phase being dead on 19.04.2018 and the same was replaced by the Appellant on the same date, therefore the Respondent is liable to be charged the detection bill maximum for two billing cycles before checking dated 19.04.2018, according to 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, it is concluded that;
- 8.1 The detection bill of 97,640 units for the period from March 2014 to April 2018 is unjustified and the same is cancelled.
- 8.2 The Respondent may be charged the revised detection bill for two billing cycles before checking dated 19.04.2018 @ 33% slowness of meter under Clause 4.4(e) of the CSM-2010 and the bills by raising MF w.e.f checking dated 19.04.2018 and onwards till replacement of meter as per Clause 4.4(c) of the CSM-2010.
- 8.3 The billing account of the Respondent may be overhauled after adjusting payments made against the impugned detection bill.
- 9. The impugned decision is modified in the above terms.

<u>On leave</u> Abid Hussain Member/Advisor (CAD)

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

Naweed Illahi Sheikh Convener/DG (CAD)



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Dated: 25-02-2025