



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

NEPRA Office , Ata Turk Avenue (East), G5/1, Islamabad
Tel. No. +92 051 2013200 Fax No. +92 051 2600030
Website: www.nepra.org.pk E-mail: office@nepra.org.pk

No. NEPRA/Appeal/025/POI/2020/ 4/16


April 18, 2022

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| 1. Abdul Rasheed Ateeq,
S/o. Haji Taga Khan,
House No. 189, Housing Colony,
New College Road, Taunsa Sharif | 2. Chief Executive Officer,
MEPCO Ltd,
MEPCO Complex, Khanewal Road,
Multan |
| 3. Aamir Aziz Qazi,
Advocate High Court,
130-Old Block, District Courts,
Multan | 4. Sub Divisional Officer (Op),
MEPCO Ltd,
Vehova Sub Division,
Vehova |
| 5. POI/Electric Inspector,
Multan Region,
249-G, Shah Ruken-e-Alam Colony,
Phase II, Multan | |

Subject: **Appeal Titled MEPCO Vs. Abdul Rashid Atiq Against the Decision Dated 08.10.2019 Provincial Office of Inspection to Government of the Punjab Multan Region, Multan**

Please find enclosed herewith the decision of the Appellate Board dated 12.04.2022, regarding the subject matter, for information and necessary action accordingly.

Encl: As Above


(Ikram Shakeel)
Deputy Director (M&E)/
Appellate Board

Forwarded for information please.

1. Additional Director (IT) –for uploading the decision on NEPRA website



National Electric Power Regulatory Authority

Before The Appellate Board

In the matter of

Appeal No.025/POI-2020

Multan Electric Power Company Limited

.....Appellant

Versus

Abdul Rasheed Atiq S/o. Haji Taga Khan, House No.189,
Housing Colony, New College Road, Taunsa Sharif

.....Respondent

**APPEAL UNDER SECTION 38(3) OF REGULATION OF GENERATION,
TRANSMISSION, AND DISTRIBUTION OF ELECTRIC POWER ACT, 1997
AGAINST THE DECISION DATED 08.10.2019 PASSED BY THE PROVINCIAL
OFFICE OF INSPECTION MULTAN REGION, MULTAN**

For the Appellant:

Mr. Amir Aziz Qazi Advocate

For the Respondent:

Mr. Munawar Rasheed

DECISION

1. Briefly speaking, the Respondent is an agricultural consumer of the Multan Electric Power Company Limited (the MEPCO) having Ref No. 29-15263-0572606-R with sanctioned load of 31 kW under the tariff category D-1b. The automatic Meter Reading (AMR) meter was installed initially in series with the Time of Use (TOU) billing meter of the Respondent by the MEPCO on 13.03.2015. Later on, the billing of the Respondent was shifted on the AMR meter with readings (OP=17,761+P=3,460=TL=21,221) by the MEPCO vide Meter Change Order dated 31.10.2015. Thereafter a detection bill (hereinafter referred to as 'the first detection bill') of 5,208 units for the period March 2015 to October 2015 i.e. eight (8) months was charged by the MEPCO to the



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Respondent being the difference between the AMR and TOU meters readings. Subsequently, the Audit department vide Audit Note No.210 dated 09.07.2018 recommended to charge 3,974 units to the Respondent being less charged during the period July 2015 to November 2015. Resultantly, another detection bill (hereinafter referred to as 'the second detection bill) of Rs.37,753/- for 3,974 units was charged by the MEPCO to the Respondent on the observation of the Audit department. AMR meter of the Respondent became defective due to vanished display in the month of May 2018 and it was replaced with a new billing meter by the MEPCO vide MCO dated 30.07.2018. Since nil consumption was charged in May 2018, the Respondent was billed a detection bill (hereinafter referred to as 'the third detection bill) for 7,150 units for the said month by the MEPCO on the basis of consumption of May 2017.

2. Being aggrieved, the Respondent filed a complaint dated 28.02.2019 before the Provincial Office of Inspection, Multan Region, Multan (the POI) and assailed the accumulated arrears of Rs.178,950/-, which included the above three detection bills. The complaint of the Respondent was disposed of by the POI vide decision dated 08.10.2019, wherein three detection bills i.e. the first detection bill of 5,208 units for the period March 2015 to October 2015 charged due to the difference between the AMR and TOU meters readings, the second detection bill of Rs.37,753/- for 3,974 units charged on the observation of the Audit department, and the third detection bill for the cost of 7,150 units charged for May 2018 were cancelled and the MEPCO was directed to charge the revised detection bill of 7,150 units for May 2018 as per the applicable tariff rates for the said month.



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3. Being dissatisfied with the decision dated 08.10.2019 of the POI (hereinafter referred to as 'the impugned decision'), the MEPCO has filed instant appeal before the NEPRA. In its appeal, the MEPCO explained that the billing of the Respondent was shifted on the AMR meter with readings ($OP=17,761 + P=3,460 = TL=21,221$) by the MEPCO w.e.f October 2015 and onwards, thereafter, the first detection bill of 5,208 units for the period March 2015 to October 2015 i.e. eight (8) months was debited to the Respondent being the difference between the AMR and TOU meters readings. MEPCO further elaborated that the Audit department pointed out less charging of 3,974 units to the Respondent during the period July 2015 to November 2015, therefore the second detection bill of Rs.37,753/- for 3,974 units was charged to the Respondent. MEPCO contended that the AMR meter of the Respondent became defective due to vanished display in May 2018, which was replaced with a new meter vide MCO dated 30.07.2018. MEPCO further contended that nil consumption was charged in the regular bill for May 2018, therefore third detection bill for 7,150 units for May 2018 was charged to the Respondent on the basis of consumption of May 2017. As per MEPCO, the above-said detection bills were correctly charged after the completion of departmental formalities, and the whole amount of the bills was paid by the Respondent. According to the MEPCO, the POI failed to see the case in true perspective which resulted in miscarriage of justice rendering the impugned decision as void, ab-initio, and of no legal consequence. MEPCO finally prayed for setting aside the impugned decision.
4. Notice of the appeal was sent to the Respondent for filing reply/para-wise comments, which were filed on 03.03.2020. In his reply, the Respondent rebutted the version of MEPCO for installation of the AMR meter in July 2015 and stated that the AMR meter



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was installed on 13.03.2015, hence the actual billing period for the determination of the detection bill is March 2015 to October 2015. The Respondent opposed the charging of three detection bills i.e. the first detection bill of 5,208 units for the period March 2015 to October 2015 charged due to the difference between the AMR and TOU meters readings, the second detection bill of Rs.37,753/- for 3,974 units charged on the observation of Audit department, the third detection bill for the cost of 7,150 units charged for May 2018 on the plea that same were charged by the MEPCO with malafide intention to increase their revenue. As per Respondent, the above-disputed detection bills are baseless, against the law, facts, and were paid under duress due to the threat of disconnection of electric supply of the premises by the MEPCO. The Respondent defended the impugned decision and prayed for the dismissal of the appeal.

5. Hearing of the appeal was held at the NEPRA Regional Office Multan on 21.03.2022 in which both parties were in attendance. Learned counsel for MEPCO reiterated the same arguments as given in memo of the appeal and averred that the billing of the Respondent was shifted on the AMR meter with readings (OP=17,761+P=3,460 =TL=21,221) by the MEPCO w.e.f 31.10.2015 and onwards, thereafter, the first detection bill of 5,208 units for the period March 2015 to October 2015 i.e. eight (8) months was debited to the Respondent being the difference between the AMR and TOU meters readings. Learned counsel for the MEPCO asserted that the Audit department pointed out less charging of 3,974 units to the Respondent, therefore the second detection bill of Rs.37,753/- for 3,974 units was charged to the Respondent. Learned counsel for the MEPCO submitted that the third detection bill for 7,150 units for May 2018 was charged to the Respondent on the basis of consumption of May 2017 as nil consumption charged during the said month due



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to vanished display of the AMR meter. As per MEPCO, the above-said detection bills are justified and the Respondent is responsible for payment of the same. On the contrary, the representative for the Respondent repudiated the contentions of MEPCO regarding the above detection bills and submitted that the POI rightly cancelled the above detection bills. The Respondent supported the impugned decision for revision of the third detection bill as per the applicable tariff rate for that month. The Respondent prayed that the impugned decision be maintained.

6. Arguments were heard and the record was perused, it is observed as under:

- i. The Respondent disputed before the POI three detection bills i.e. the first detection bill of 5,208 units for the period March 2015 to October 2015 charged due to the difference between the AMR and TOU meters readings, the second detection bill of Rs.37,753/- for 3,974 units charged on the observation of Audit department, the third detection bill for the cost of 7,150 units charged for May 2018. The above said detection bills will be analyzed separately for the sake of convenience:
- ii. The first detection bill of 5,208 units for the period March 2015 to October 2015 was charged due to the difference between the AMR and TOU meters readings:

It is observed that the AMR meter was installed in series with the TOU meter of the Respondent in the month of March 2015. Subsequently, the billing of the Respondent was shifted by the MEPCO on the AMR meter w.e.f 31.10.2015 and onwards with readings noted as $OP=17,761 + P=3,460 = TL=21,221$ as per MCO dated 31.10.2015. To verify the contention of MEPCO regarding less charging of units during the above said period, the analysis is done below:



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Period: March 2015 to October 2015

- A. Total units recorded by the AMR meter = **21,221 units**
- B. Total units already = $3001+1770+1693+502+512+7423+2065+2039 = 19,005$ units
already charged
as per TOU meter
- C. Net chargeable units = $A-B = 21,221 - 19,005 = 2,216$ units

In view of the above, the Respondent is liable to be charged the detection bill for net 2,216 units for the period March 2015 to October 2015. Hence the first detection bill of 5,208 units for the period March 2015 to October 2015 charged by the MEPCO due to the difference between the AMR and TOU meters readings is unjustified and the same is liable to be withdrawn as decided by the POI.

iii. Second detection bill of Rs.37,753/- for 3,974 units charged on the observation of the Audit department

Perusal of Audit Note No.210 dated 09.07.2018 shows that the billing for the period July 2015 to November 2015 was revised on the basis of the reading of the AMR meter, which is contrary to the fact as the billing was shifted by the MEPCO on the AMR meter vide MCO dated 31.10.2015. It is noted that the installation date of the AMR meter was mentioned in the Audit Note as 29.06.2015, however, no document to this effect was produced by the MEPCO before us. It is further noted that the billing for the disputed period from July 2015 to October 2015 has already been addressed in the determination of the first detection bill, hence the Respondent cannot be charged twice for the same cause of action. Even otherwise, the Audit observation is an internal matter between the MEPCO and Audit Department and the Respondent cannot be held



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responsible for the payment of any detection bill based on the Audit Para. Reliance in this regard is placed on the cases reported in 2014 MLD 1253 titled M/s. Mehmood Textile Mills v/s MEPCO and 2008 YLR 308 titled WAPDA v/s Fazal Karim. For the foregoing reasons, we are inclined to agree with the determination of the POI regarding the cancellation of the second detection bill of Rs.37,753/- for 3,974 units charged by the MEPCO on the recommendation of the Audit department, and the same is maintained to this extent.

iv. Third detection bill for the cost of 7,150 units charged for May 2018:

The display of the AMR meter became defective in May 2018, hence nil consumption was charged by MEPCO in the said month. Subsequently, the third detection bill for the cost of 7,150 units was charged by the MEPCO for May 2018 on the basis of consumption of May 2017. Though MEPCO provided detection proforma of said bill, wherein calculation of the third detection bill on the basis of applicable tariff is not given by MEPCO. Under these circumstances, we hold that the 7,150 detection units recovered for the bill of May 2018 are justified, however, MEPCO should ensure the correct application of the tariff rates for the said months as approved by the Government of Pakistan. The impugned decision is liable to be maintained to this extent.

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

- i. The impugned decision for cancellation of three detection bills i.e. the first detection bill of 5,208 units for the period March 2015 to October 2015 charged due to the difference between the AMR and TOU meters readings, the second detection bill of



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Rs.37,753/- for 3,974 units charged on the observation of Audit department, the third detection bill for 7,150 units charged for May 2018 is correct and the same should be maintained to this extent.

ii. The Respondent should be charged the following bills:

- The detection bill for net 2,216 units for the period March 2015 to October 2015.
- The revised bill of 7,150 units for May 2018 be calculated as per the applicable tariff rates approved by the Government of Pakistan for the said month.

iii. The billing account of the Respondent may be overhauled after making adjustments of payments made against the abovementioned detection bills.

8. The appeal is disposed of in the above terms.

A handwritten signature in black ink, appearing to read 'Abid Hussain', is positioned above the name.

Abid Hussain
Member/Advisor (CAD)

A handwritten signature in black ink, appearing to read 'Nadir Ali Khoso', is positioned above the name.

Nadir Ali Khoso
Convener/Senior Advisor (CAD)

Dated: 12.04.2022