

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

Islamic Republic of Pakistan

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No. NEPRA/AB/Appeal/046/2022/350

September 19, 2023

- 1. Rashid Bhutta, S/o. Ashiq Bhutta, Through Muhammad Asif, S/o. Ashiq Bhutta, R/o. House No. 471/A, Walayatabad Colony No. 2, Multan
- Chief Executive Officer, MEPCO Ltd, MEPCO Complex, Khanewal Road, Multan
- 3. Muhammad Arshad Mughal, Advocate High Court, 06-Justice Tariq Mehmood Block, District Courts, Multan
- Executive Engineer (Operation), MEPCO Ltd, Cantt Division, Multan
- Sub Divisional Officer (Operation), MEPCO Ltd, Industrial Estate Sub Division, Multan
- 6. POI/Electric Inspector,
  Multan Region, Energy Department,
  Govt. of Punjab, 249-G,
  Shah Rukan-e-Alam Colony,
  Phase-II, Multan

Subject:

Appeal Titled MEPCO Vs. Rashid Bhutta Against the Decision Dated 13.10.2021 of the Provincial Office of Inspection to Government of the Punjab Multan Region, Multan

Please find enclosed herewith the decision of the Appellate Board dated 19.09.2023 (08 pages), regarding the subject matter, for information and necessary action accordingly.

Encl: As Above

(Ikram Shakeel) Deputy Director (AB)

Forwarded for information please.

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



#### Before The Appellate Board

In the matter of

#### Appeal No. 046/POI-2022

Multan Electric Power Company Limited	Appellant	
•	Versus	
Rashid Butta S/O Ashiq Bhutta, Through Muhammad Asif		
S/o Ashiq Bhutta, R/o Hiuse No.471/A,		
Walayatabad Colony No.02, Multan	Respondent	

APPEAL UNDER SECTION 38(3) OF REGULATION OF GENERATION, TRANSMISSION, AND DISTRIBUTION OF ELECTRIC POWER ACT, 1997 AGAINST THE DECISION DATED 13.10.2021 PASSED BY THE PROVINCIAL OFFICE OF INSPECTION MULTAN REGION, MULTAN

For the Appellant:

Mr. Muhammad Arshad Mughal Advocate

Hafiz Rizwan SDO

For the Respondent:

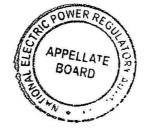
Mr. Muhammad Asif

#### **DECISION**

1. Briefly speaking, Mr. Rashid Bhutta (hereinafter referred to as the "Respondent") is a domestic Respondent of Multan Electric Power Company Limited (hereinafter referred to as 'the Appellant') bearing Ref No.11-15118-0906003 having sanctioned load of 2 kW under the A-1(a) tariff category. Reportedly, the billing meter of the Respondent became defective with washed display in January 2016, hence the bills for the period January 2016 to December 2016 were charged on an estimated basis. The defective meter was replaced with a new meter by the Appellant in December 2016 and sent to the Metering and Testing (M&T) laboratory for checking.

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As per the data retrieval report dated 26.12.2016, 7,876 units were found uncharged being the difference between the final reading of the removed meter and units already charged by the Appellant. Therefore a detection bill amounting to Rs.98,379/- for 7,876 units was debited to the Respondent by the Appellant and added to the bill for December 2016.

- 2. Being aggrieved, the Respondent initially filed a civil suit before the Civil Court Multan and challenged the bill of December 2016 total amounting to Rs.186,876/-, which included the above detection bill. Subsequently, the civil suit of the Respondent was dismissed by the honorable Civil Court due to non-prosecution. Thereafter, the Respondent approached the Provincial Office of Inspection, Multan Region, Multan (hereinafter referred to as the "POI") vide complaint dated 10.12.2020 against the charging of the above detection bill. The POI vide the decision dated 13.10.2021 set aside the detection bill of Rs.98,379/- for 7,876 units along with current bills for the period January 2016 to December 2016 and directed the Appellant to revise the bills @ 235 units per month for the period from January 2016 to December 2016. The Appellant was further directed to adjust the payments made against the detection bill and to restore the electric supply of the Respondent through a healthy meter without charging the Reconnection Order ("RCO") fee etc.
- 3. Being dissatisfied, the Appellant has filed the instant appeal before the NEPRA against the POI decision dated 13.10.2021 (hereinafter referred to as the "impugned decision")

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on the grounds that the complaint filed at the forum of POI is time barred in view of Article 181 of the Limitation Act, 1908. NEPRA Appellate Board vide decision dated 10.10.2022 accepted the appeal on the sole ground of time limitation. The operative part of decision is reproduced hereunder:

"Foregoing in view, it is opined that the complaint filed by the Respondent before the POI is barred by time, therefore, the impugned decision of the POI dated 13.10.2021 is set aside being without the force of law and consequently the appeal is accepted."

4. Being dissatisfied with the NEPRA Appellate Board decision dated 10.10.2022, the Respondent filed an appeal before the NEPRA Appellate Tribunal, which was registered as Appeal No.094/NT/2022. NEPRA Appellate Tribunal vide order dated 18.11.2022 disposed of the above said appeal, the operative portion of which is reproduced below:

"We therefore allow this appeal, set aside the impugned order passed by Respondent No. 06 and the appeal of MEPCO (Respondent No. 01) would be deemed pending before Respondent No. 06 who will decide the same afresh as per the above direction by passing a speaking order, of course after affording right of audience to all the concerned.

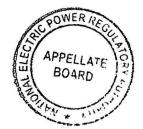
If the appellant (Respondent before Appellate Board) prays for suitable interim relief, (of course which falls within the jurisdiction of the Appellate Board) the said board will consider such prayer, as per law by passing a speaking order after affording the right of audience to all the concerned.

The parties and their learned counsel before this Tribunal will appear before the Registrar NEPRA, Islamabad on 5th December 2022, who will place the file before the Appellate Board for its decision fresh in accordance with law."

5. In compliance with the above-said order of the Appellate Tribunal, an on-line hearing was conducted at NEPRA Head Office Islamabad on 25.05.2023, which was attended by learned counsel for the Appellant and representative of the Respondent, however, it

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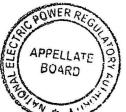
was adjourned due to non-production of power of attorney on behalf of Respondent The Appeal was again taken up at NEPRA Regional Office Multan on 23.06.2023, which was attended by both parties. During the hearing, the representative for the Respondent submitted power of attorney to plead the case on behalf of the Respondent. Learned counsel for the Appellant repeated the same contention as contained in memo of the appeal and averred that the display of the impugned meter became defective, which was replaced with a new meter by the Appellant in December 2016. As per learned counsel for the Appellant, during subsequent checking of the M&T team of the Appellant, 7,876 units were found uncharged due to the difference between the final reading of the removed meter and units already charged, therefore detection bill of Rs.98,379/- for 7,876 units was debited to the Respondent by the Appellant and added to the bill for December 2016. Learned counsel for the Appellant opposed the impugned decision for cancellation of the above detection bill and prayed for setting aside the same. On the other hand, the representative for the Respondent repudiated the contention of the counsel for the Appellant and averred that the Appellant already debited the average bills for the period from January 2016 to December 2016, hence there is no justification to debit the above detection bill, which ultimately tantamounts the double charging of the bills for the same cause of action. He defended the impugned decision and prayed for upholding the same.

- 6. Arguments heard and the record examined. Following are our observations:
- 6.1 Detection bill amounting to Rs.98,379/- for 7,876 units debited to the Respondent

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The record presented before us shows that the impugned meter of the Respondent became defective with washed display in January 2016, hence estimated billing was done by the Appellant. Subsequently, the impugned billing meter was replaced with a new meter by the Appellant in December 2016 and checked in M&T, whereby, 7,876 units were found uncharged. Therefore, a detection bill of Rs.98,379/- for 7,876 units was debited to the Respondent by the Appellant being the difference between the final reading of the removed meter and units already charged till December 2016 and added to the bill for December 2016.

- 6.2 The matter, therefore, needs to be examined in light of the applicable law to decide the fate of the detection bill of the Appellant. The services provided by the DISCOs to their Consumers are administered under the Consumer Service Manual 2010 (the "CSM-2010") approved by the NEPRA.
- 6.3 Facts given as above, the Appellant took readings of the Respondent from the installation of the impugned meter till December 2016 but no discrepancy of washed display of the impugned meter was pointed out by the meter reader of the Appellant before the alleged checking. This shows extreme negligence and carelessness on the part of the concerned officials of the Appellant. The Appellant is required to be vigilant and careful regarding the accuracy of the impugned meter of the Respondent to ensure full recovery against the consumed energy.
- 6.4 Notwithstanding the negligence of its relevant officers and their failure to point out the defectiveness in the impugned meter timely. The Appellant issued a detection bill of

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Rs.98,379/- for 7,876 units to the Respondent. Under the CSM-2010, the Appellant is responsible to take meter readings, following the prescribed manner for different consumer categories, issue the bill prepared in accordance with the applicable tariff, and deliver the same to the Consumer in timely manner. Whereas, the Consumer is responsible to pay the bill within the given time.

- 6.5 On his part, the Respondent kept on fulfilling his responsibility under the contract to pay the bill, issued by the Appellant on monthly basis. As such the Respondent never defaulted to fulfill his duty under the supply contract, therefore, he cannot be made liable to pay the so-called detection bill for recovery of loss, if any, which incurred merely due to negligence of the Appellant and its failure to fulfill its duty under the contract.
- 6.6 To further verify the assertion of the Appellant, consumption of the disputed period from January 2016 to December 2016 be compared with the consumption of the corresponding months of the preceding and succeeding years in the below table:

Period	Normal units/month	Detection units/month
Period before the dispute Jan-2015 to Dece-2015	149	-
Disputed period Jan-2016 to Dec-2016	104	760
Period after dispute Jan-2017 to Dec-2017	114	-

6.7 From the above table, it is revealed that the detection units charged @ 760 units/month

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for the disputed period from January 2016 to December 2016 are much higher than the normal average consumption recorded during the corresponding periods of the preceding and succeeding years.

- 6.8 Thus under these circumstances, we are of the firm view that the detection bill of Rs.98,379/- for the cost of 7,876 units charged by the Appellant to the Respondent is unjustified and the same is declared null and void.
- 6.9 Similarly, the determination of POI for revision of the bills for the disputed period i.e. January 2016 to December 2016 @ 235 units per month on the basis of consumption of corresponding months of the year 2014 is not consistent with Clause 4.4(e) of the CSM-2010 and the same is liable to be withdrawn to this extent. It would be fair and appropriate to charge the revised bills for the period from January 2016 to December 2016 as per consumption of the corresponding month of the previous year or average consumption of the last eleven months, whichever is higher as per Clause 4.4(e) of the CSM-2010.
- 7. Summing up the foregoing discussion, it is held that:
- 7.1 The detection bill of Rs.98,379/- for 7,876 units charged to the Respondent on account of pending units along with LPS is declared illegal, unjustified, and the same is cancelled.
- 7.2 The Respondent may be charged the revised bills for the period from January 2016 to December 2016 as per consumption of corresponding months of the previous year or average consumption of the last eleven months, whichever is higher as per Clause 4.4(e)

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of the CSM-2010.

- 7.3 The billing account of the Respondent may be overhauled after the adjustment of payments made against the above detection bill.
- 8. The impugned decision is modified in the above terms.

Abid Hussain Member

> Naweed Illahi Sheikh Convener

Muhammad Irfan-ul-Haq Member

Dated: 19-09-2023

