

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

### Islamic Republic of Pakistan

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## No. NEPRA/Appeal/111/2022/323

March 12, 2024

- 1. Liaqat Ali Shah,
  S/o. Mian Shah Muhammad Shah,
  Prop: M/s. Hashmi Ice Factory,
  Basti Bangla Hashmi Ice Factory,
  Basti Bangla Mor, Bahawalpur Road,
  Multan
- Chief Executive Officer, MEPCO Ltd, MEPCO Complex, Khanewal Road, Multan
- Sardar Mazhar Abbas Mahar, Advocate High Court, 45-Zakiriya Block, District Courts, Multan Cell No 0301-7447043
- Executive Engineer (Operation), MEPCO Ltd, Mumtazabad Division, Multan
- 5. Sub Divisional Officer (Operation), MEPCÖ Ltd,
  Qasba Marral Sub Division,
  Multan
- POI/Electric Inspector, Multan Region, Energy Department, Govt. of Punjab, 249-G, Shah Rukan-e-Alam Colony, Phase-II, Multan

Subject:

Appeal No.111/2022 (MEPCO Vs. Liagat Ali Shah) Against the Decision Dated 08.06.2022 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 12.03.2024 (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.111/POI-2022

Multan Electric Power Company Limited	Appellant
Versus	
Liaqat Ali Shah S/o. Mian Shah Muhammad Shah,	
Prop: M/s. Hashmi Ice Factory, Basti Bangla Mor,	
Bhawalpur Road, Multan	Respondent

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

For the Appellant: Sardar Mazhar Abbas Advocate Engr. Muhammad Bilal SDO

For the Respondent: Nemo

#### DECISION

- 1. Through this decision, the appeal filed by Multan Electric Power Company Limited (hereinafter referred to as the "Appellant") against the decision dated 08.06.2022 of the Provincial Office of Inspection, Multan Region, Multan (hereinafter referred to as the "POI") is being disposed of.
- 2. Briefly speaking, Mr. Liaqat Ali Shah (hereinafter referred to as the "Respondent") is an industrial consumer of the Appellant bearing Ref No.27-15128-0814305 with sanctioned load of 76kW and the applicable Tariff category is B-2(b). The Appellant has claimed that two phases of the billing meter of the Respondent were found dead stop during the M&T team checking dated 07.09.2018, therefore multiplication factor (the "MF") was raised from 40 to 117.65 w.e.f September 2018 and onwards. Moreover, a detection bill amounting to Rs.1,727,941/- against 88,458 units was debited to the Respondent. Later, a check meter was installed in series with the impugned billing meter of the Respondent by the Appellant on 23.10.2018. During subsequent checking dated 12.09.2019 of the M&T team of the Appellant, the impugned billing and backup meters were found dead stop, therefore the

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billing of the Respondent was shifted to the check meter vide MCO dated 12.09.2019.

- 3. Being aggrieved, the Respondent filed a complaint before the POI and challenged the bills for the period from April 2019 to September 2019 debited with enhanced MF=117.65 by the Appellant due to 66% slowness of the meter. The complaint of the Respondent was disposed of by the POI vide the decision dated 08.06.2022, wherein the bills for the period from April 2019 to September 2019 were revised as per consumption of the period from April 2017 to September 2017.
- 4. Through the instant appeal, the afore-referred decision dated 08.06.2022 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 in September 2018, therefore a detection bill of Rs.1,727,941/- against 88,458 units was debited to the Respondent and the MF was raised from 40 to 117.65 w.e.f September 2018 and onwards till the replacement of the impugned meter in September 2019; (2) the POI failed to observe the case in letter and spirit and the policy formulated in CSM and passed the impugned decision on surmises and conjectures; (3) the matter exclusively falls within the domain of Civil Court and the POI has no lawful jurisdiction and the impugned decision will be termed as void; (3) the POI has not applied his judicial mind while deciding the case; and; (4) and 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 18.10.2022 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

Hearing was initially conducted at NEPRA Regional Office Multan on 23.06.2023 wherein the Appellant tendered appearance but the Respondent failed to appear. In order to provide an opportunity for hearing to the Respondent, the case was adjourned till the next date. Finally, the hearing was held on 10.01.2024, wherein a counsel along with an official appeared for the Appellant, and again no one appeared for the Respondent. Counsel for the Appellant contended that two phases of the billing meter of the Respondent were found dead in September 2018, as such the detection bill of Rs.1,727,941/- against 88,458 units was

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debited to the Respondent and MF was raised from 40 to 117.65 w.e.f September 2018 and onwards. As per learned counsel for the Appellant, the impugned decision for revisions of the bills for the period from April 2019 to September 2019 as per consumption of April 2017 to September 2017 is illegal and unjustified and the impugned decision is liable to be struck down.

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

#### 7.1 Jurisdiction of the POI u/s 38 of the NEPRA Act:

While addressing the preliminary objection of the Appellant regarding the jurisdiction of the POI, it is observed that the billing meter of the Respondent was found 66% slow during checking dated 07.09.2018 of the Appellant and the detection bill of Rs.1,727,941/- against 88,458 units was debited to the Respondent and MF was raised from 40 to 117.65 w.e.f September 2018 and onwards. The entire facts of the case manifest that the case pertains to the billing due to a slow meter and the POI has been empowered to adjudicate such matters under Section 38 of the NEPRA Act. In this context, the honorable Supreme Court of Pakistan in the case reported as *PLD 2012 SC 371* held that the POI has exclusive jurisdiction to entertain the complaints of billing, where, the metering equipment is involved and the Civil Court has the jurisdiction in case of bypassing the meter. Thus the objection of the Appellant has no force and the same is rejected.

# 7.2 <u>Bills charged with enhanced MF=117.65 for the period from April 2019 to September 2019 due to 66% slowness of the meter</u>

The billing meter of the Respondent was found 66% slow due to two phases being dead in September 2018, therefore a detection bill of Rs.1,727,941/- against 88,458 units was debited to the Respondent and the MF was raised from 40 to 117.65 w.e.f September 2018 and onwards. Subsequently, the impugned meter was replaced with a new meter by the Appellant on 12.09.2019. Later on, the Respondent assailed the bills for the period from April 2019 to September 2019 before the POI, which were revised based on consumption of the period from April 2017 to September 2017. The Appellant has filed this appeal defending the above bills charged to the Respondent and prayed for setting aside the impugned decision.

7.3 Two phases of the billing meter of the Respondent were allegedly discovered as dead stop by the Appellant in September 2018, which was replaced with a new meter in September 2019 after one year. The Appellant debited the bills with enhanced MF=117.65 w.e.f September 2018 and onwards till MCO dated 12.09.2019 due to 66% slowness of the meter. The Respondent only assailed the bills for the period from April 2019 to September 2019 before

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the POI, which need to be analyzed in the below table by comparing the units recorded by the check meter during the period from installation dated 23.10.2018 to MCO dated 12.09.2019 as compared to the consumption recorded by the impugned billing meter;

A	В	C	D=C-B	Е	F=DXE
Check Meter	Installation dated	MCO dated	Difference	MF	Units recorded
Reading	23.10.2018	12.09.2019			
OP	0.51	5064.46	5063.95	40	202558
P	0	983.93	983.93	40	39357.2
Total	0.51	6048.39	6047.88	40	241915.2

A	В	C	D=C-B	E	F=DXE
Billing Meter	checking dated	MCO dated	Difference	MF	Units recorded
Reading	23.10.2018	12.09.2019			
OP	14562.25	16157.12	1594.87	117.65	187636.5
P	2670.16	2981.04	310.88	117.65	36575.03
Total	17232.41	19138.16	1905.75	117.65	224211.5

As evident from the above, the check meter recorded higher consumption during the period from its installation dated 23.10.2018 to MCO dated 12.09.2019 as compared to the impugned billing meter. Hence, the plea of the Respondent regarding excessive billing during the period from April 2019 to September 2019 as well the impugned decision for revision of the same as per consumption of corresponding months of the year 2017 are illegal and the same are declared null and void.

- 7.4 The bills for the period from April 2019 to September 2019 already charged with enhanced MF=117.65 by the Appellant to the Respondent due to 66% slowness of the impugned billing meter are justified and payable by him.
- 8. Foregoing in view, the appeal is accepted and the impugned decision is set aside.

Abid Hussain (CAD)

Naweed Ilahi Sheikh Convener/DG (CAD)

Dated: 12-03-2024

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