

## National Electric Power Regulatory Authority

### Islamic Republic of Pakistan

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# OFFICE OF THE REGISTRAR

No. NEPRA/R/D(CAD)/TCD.05/ 1806 - 10

February 12, 2015

Chief Executive Officer Lahore Electric Supply Company Ltd. 22-A, Queens Road, Lahore

Subject:

DECISION IN PURSUANCE TO ORDERS OF THE HONOURABLE LAHORE HIGH COURT DATED JANUARY 15, 2015 IN THE MATTER OF COMPLIANT FILED BY MR. MUHAMMAD SAFDAR S/O MUHAMMAD ASHRAF UNDER SECTION 39 OF THE REGULATION OF GENERATION, TRANSMISSION AND DISTRIBUTION OF ELECTRIC POWER ACT, 1997 AGAINST LESCO REGARDING EXCESSIVE BILLING (AC # 45 11735 1910400)

Complaint # LESCO-56/2014

In pursuance to the orders of the Honorable Lahore High Court dated January 15, 2015 in Writ Petition No. 847/2015, the subject case has been decided by NEPRA. The decision of NEPRA dated February 11, 2015 is enclosed herewith for necessary action and compliance please. Compliance report be submitted within twenty (20) days of receipt this decision.

#### Encl:/As above

(Itikhar Ali Khan)
Deputy Registrar

#### Copy to:

- 1. Additional Registrar (Judl.), [w.r.t. orders dated 15.01.2015 in WP No. 847/2015] Lahore High Court, Lahore
- 2. C.E./Customer Service Director Lahore Electric Supply Company Ltd. 22-A, Queens Road, Lahore
- 3. Manager (Commercial)
  Lahore Electric Supply Company Ltd.
  22-A, Queens Road, Lahore
- Mr. Muhammad Safdar S/o Muhammad Ashraf C/o Mansha Tailor, Mandi Kangan Pur, Tehsil Chunian, District Kasur



# BEFORE THE NATIONAL ELECTRIC POWER REGULATORY AUTHORITY (NEPRA)

Complaint No: LESCO-56-2014

Mr. Muhammad Safdar S/o Muhammad Ashraf	*************	Complainant
C/o Mansha Tailor, Mandi Kangan Pur		
Tehsil Chunian, District Kasur		
	Versus	

Date of Hearing:

22-A, Queen's Road, Lahore

February 06, 2015

Lahore Electric Supply Company (LESCO),

Date of Decision:

February 11, 2015

On behalf of:

Complainant

Mr. Muhammad Safdar

Respondent:

1) Syed Qurban Ali, Deputy Manager/Executive Engineer, Chunian

Respondent

- 2) Mr. Muhammad Saeed, Revenue Officer, Chunian
- 3) Mr. Muhammad Ahmed, SDO, Kangan Pur

Subject:

DECISION IN PURSUANCE TO ORDERS OF THE HONORABLE LAHORE HIGH COURT DATED JANUARY 15, 2015 IN THE MATTER OF COMPLAINT FILED BY MR. MUHAMMAD SAFDAR S/O MUHAMMAD ASHRAF UNDER SECTION 39 OF THE REGULATION OF GENERATION, TRANSMISSION AND DISTRIBUTION OF ELECTRIC POWER ACT, 1997 AGAINST LESCO REGARDING EXCESSIVE BILLING (AC # 45 11735 1910400)

#### Decision

1. In pursuance to the orders of Honorable Lahore High Court dated January 15, 2015, this decision shall dispose of the complaint dated April 27, 2013 filed by Mr. Muhammad Safdar S/o Muhammad Ashraf (hereinafter referred to as the "Complainant" or "Petitioner") under section 39 of the Regulation of Generation, Transmission and Distribution of Electric Power Act, 1997

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against Lahore Electric Supply Company (hereinafter referred to as the "Respondent" or "LESCO").

- 2. The Complainant in his complaint stated that he has obtained a tube-well connection from LESCO and due to over billing, an amount of Rs. 4,13,086/- was credited in his bill on March 11, 2013. Thereafter, an amount of Rs. 4,06,497/- was again debited in his bill on February 20, 2014. The Complainant further stated that his electricity meter was sent to the Laboratory of Superintending Engineer, LESCO Kasur. As per the report of the laboratory, reading in the meter was less than the reading charged by LESCO. The Complainant prayed that his bills be corrected as per the report of the Laboratory.
- 3. The matter was taken up with LESCO for submission of para-wise comments. In response, LESCO vide letter dated June 09, 2014 reported that the local audit party of LESCO, during the audit of Revenue Office Chunian Division, pointed out that an amount of Rs. 4,07,949/- was irregularly credited to the Complainant's account on February 04, 2013, therefore, the same amount was debited to the Complainant's account through audit note on August 19, 2013. The report of LESCO was sent to the Complainant for information / comments but no rejoinder was received from the Complainant, therefore, further proceedings in the matter were closed by this office.
- 4. Subsequently, the Complainant approached the Honorable Lahore High Court and filed writ petition No. 847/2015. In its petition, the Petitioner, has submitted inter alia that in the month of November 2012, LESCO charged bill for 268909 units against the actual consumption of 46322 units. He approached LESCO for correction of the same and his bill was corrected and an amount of Rs. 4,13,086/- was credited in the month of February 2013. Later in the month of January 2014, an amount of Rs. 4,06,497/- was again debited. The petitioner in its petition has prayed that an amount of Rs. 4,06,499/- be adjusted and the respondents be restrained from disconnection of electricity supply.
- 5. The Honorable Lahore High Court, vide its orders dated January 15, 2015 has directed NEPRA to decide the pending application of the petitioner strictly in accordance with law expeditiously and preferably within a period of two weeks from the date of receipt of certified copy of the order. Till the decision of said application, Respondents are restrained to disconnect electricity connection of the petitioner on the basis of disputed bill.



- 6. Since the issue was of urgent nature, therefore, a hearing in the matter was held on February 6, 2015 at NEPRA Regional Office, Lahore which was attended by both the parties who advanced their arguments based on their earlier versions. During the hearing, the Complainant informed that LESCO has even charged excessive bills to the tune of 43661 units on his new meter. The fact with respect to excessive billing on the new meter was admitted by the representative(s) of LESCO during the hearing and it was informed that the issue is pending with the committee framed by LESCO w.r.t. excessive billing in Kasur circle.
- 7. The case has been examined in detail in light of arguments advanced during the hearing, relevant documentary evidence and applicable law. Following has been observed:
  - i. The Complainant approached LESCO for correction of excessively charged bill. The concerned Sub Divisional Officer, submitted the case on December 12, 2012 to Additional Superintending Engineer, LESCO Division Chunian for approval of 37322 units charged in excess. Accordingly, 37322 units amounting to Rs. 4,07,949/- were adjusted vide adjustment note dated February 04, 2013 and credited to the Complainant.
  - ii. The meter was sent by the concerned SDO to the LESCO Circle Laboratory, Kasur on December 12, 2012 for downloading of data. The report of the laboratory was issued on February 28, 2013. The report is confusing and not clear. From the report it appears that the actual meter reading on the meter was 54726, whereas, the consumer was billed upto 268909 reading/units. In the report, the concerned officials have been advised to charge average bills keeping in view actual consumption/load factor during this period after due verification in order to recover the loss, if required.
  - During the audit of Kanganpur Sub Division LESCO, the local audit party vide its audit note No.89 dated August 19, 2013 pointed out that an amount of Rs.4,07,949/- was credited through CP 52 No.808 dated February 4, 2013 due to wrong reading. At the time of effection of CP 52, credit was given but reading was not amended which is irregular. Further, the meter was replaced in March 2013 with the remarks on MCO that old meter sent to circle laboratory. Further, as per audit note, if removed meter was not OK then refunded wrong reading was unjustified, therefore, irregular credit of Rs.4,07,949/- may be debited after due verification of record.
  - iv. The observations raised by audit party are justified and in accordance with prudent utility practices. If the meter was not OK then why credit was allowed to the Complainant and if



the meter was OK then why it was removed from site and sent to the Laboratory for checking. However, the consumer was again debited an amount of Rs.4,07,949/- in pursuance to the audit note without verification of the record because no documentary evidences have been placed on record by LESCO in this regard.

- v. Upon complaint, the SDO after taking approval from concerned Additional Superintending Engineer, credited an amount of Rs.4,07,949/- for 37322 units. As per our understanding and as per prudent utility practices, the SDO had observed all codal formalities before giving credit to the Complainant. If there was any doubt on accuracy of the metering equipment or involvement of the Complainant in illegal abstraction of electricity, the credit of Rs.4,07,949/- should not have been given to the Complainant till completion of all procedural formalities. Further, laboratory report is also silent with respect to tampering of meter or illegal abstraction of electricity by the Complainant. Allowing credit confirms that the meter was OK. Further, the laboratory report is also in favor of the Complainant.
- vi. If there was any doubt over the accuracy of the meter, it should not have been removed from site and a representative of Electric Inspector should have been involved in the matter. Further, once the meter is removed from site then the consumer cannot be held responsible for any discrepancy in the meter.
- vii. Billing history of the Complainant's account prior to replacement of meter shows that the average consumption of the Complainant is 6300 units/month for the period from January 2010 to December 2012. Whereas, after replacement of meter, the average consumption of the Complainant up to December 2014 is 4586 units/month. As such the consumption of the Complainant has reduced after replacement of meter, which shows that the Complainant was charged excessive bills previously.
- viii. The Complainant has been charged excessive bills to the tune of 43661 units even on the existing meter which supports the version of the Complainant that he was charged excessive bills earlier also.
- ix. The meter of the Complainant was removed from site on December 26, 2012 and sent to Circle Laboratory for testing and another meter was installed at site immediately, however, the MCO was effected on March 6, 2013 vide MCO No. 01/MA after a lapse of about three (3) months which is illegal and unjustified. It is also not clear from record that



the units charged for the months of January 2013 and February 2013 were accounted for or not while feeding MCO on March 03, 2013.

- 8. Foregoing in view, LESCO is hereby directed to:
  - i. Credit an amount of Rs.4,07,949/- in the Complainant's account which was earlier debited to Complainant's account.
  - ii. Excessive units charged on the new meter be also settled after verification of the record/data. If required, representative of Electric Inspector Lahore may be involved in the proceedings.
  - iii. Action be taken against delinquent officials involved in excessive billing under LESCO service rules.
- 9. Compliance report w.r.t. para 8 (i) be submitted within twenty (20) days.

Maj. (R) Haroon Rashid

Member (Consumer Affairs)

Islamabad, February 11, 2015