

National Electric Power Regulatory Authority

ISLAMIC REPUBLIC OF PAKISTAN

NEPRA Office Building, Attaturk Avenue (East) Sector G-5/1, Islamabad. Ph: 051-9206500, Fax: 051-9210215

REGISTRAR

No. NEPRA/CAD/TCD-05/2015/ $\sqrt{393-98}$

October 22, 2015

Chief Executive Officer Lahore Electric Supply Company (LESCO) 22-A, Queen's Road, Lahore.

Subject:

DECISION IN PURSUANCE TO THE ORDERS OF HONORABLE LAHORE HIGH COURT, LAHORE DATED SEPTEMBER 08, 2015 IN WRIT PETITION NO. 26321/2015: MUHAMMAD SHAHZAD ETC VS NEPRALESCO-13/2015, LESCO-14/2015 & LESCO-69/2015

In pursuance to the orders of the Honorable Lahore High Court dated September 08, 2015 in Writ Petition No. 26321/2015, the subject case has been decided by NEPRA. The decision of NEPRA dated October 21 2015 is enclosed herewith for necessary action and compliance please. Compliance report be submitted within thirty (30) days of receipt of this decision.

Encl As above

(Iftikhar Ali Khan)

Copy to:

i. Additional Registrar (Judicial), Lahore High Court, <u>Lahore</u>. for information w.r.t. orders dated 08.09,2015 in W.P. No. 26321/2015

- C.E./Customer Service Director
 Lahore Electric Supply Company (LESCO), 22-A, Queens Road, <u>Lahore</u>.
- iii. Manager (Commercial)
 Lahore Electric Supply Company (LESCO), 22-A, Queens Road, <u>Lahore</u>.
- iv. Hafiz Khalid Mehmood S/o Abdul Sattar
 C/o Rana Muhammad Ali, President,
 All Pakistan Berozgar Party, Mandi Kanganpur,
 Tehsil Chunian, <u>District Kasur</u>.
- v. Mr. Muhammad Shahzad S/o Muhammad Ashiq C/o Rana Muhammad Ali, President, All Pakistan Berozgar Party, Mandi Kanganpur, Tehsil Chunian, <u>District Kasur</u>.



BEFORE THE NATIONAL ELECTRIC POWER REGULATORY AUTHORITY (NEPRA)

Complaint No: LESCO-13/2015 Complaint No: LESCO-14/2015 Complaint No: LESCO-69/2015

Hafiz Khalid Mehmood S/o Abdul Sattar

Mr. Muhammad Shahzad S/o Muhammad Ashiq

Petitioner No.1 Petitioner No.2

C/O Rana Muhammad Ali S/o Rana Muhammad Hanif

President, All Pakistan Berozgar Party,

Mandi Kangan Pur, Tehsil Chunian, District Kasur.

Versus

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Lahore Electric Supply Company (LESCO)

Respondent

22-A, Queen's Road, Lahore.

Date of Hearing:

October 12, 2015

Date of Decision:

October 21, 2015

On behalf of:

Petitioners:

Rana Muhammad Ali S/o Rana Muhammad Hanif

Respondent:

- 1) Mr. Muhammad Muzammal, Executive Engineer LESCO
- 2) Mr. Muhammad Ahmed, SDO LESCO
- Mr. Muhammad Saeed, R.O. LESCO

Subject: DECISION IN PURSUANCE TO THE ORDERS OF HONORABLE LAHORE HIGH COURT DATED SEPTEMBER 08, 2015 IN WRIT PETITION NO.26321/2015: MUHAMMAD SHAHZAD ETC. VS NEPRA

DECISION

- 1. In pursuance to the Orders of Honorable Lahore High Court dated September 08, 2015 in Writ Petition No.26321/2015, this decision shall dispose of the complaints filed by Hafiz Khalid Mehmood (hereinafter referred to as the "Petitioner No.1") and Rana Muhammad Ali on behalf of Mr. Muhammad Shahzad (hereinafter referred to as the "Petitioner No.2) under section 39 of the Regulation of Generation, Transmission and Distribution of Electric Power Act, 1997 against Lahore Electric Supply Company (hereinafter referred to as the "Respondent" or "LESCO").
- 2. Brief facts of the cases are as under:
 - Complaint No. LESCO-13/2015(Reference No. 10-11735-0950300) I).
 - i NEPRA received a complaint dated January 05, 2015 from Hafiz Khalid Mehmood (Petitioner No 1) wherein it was stated that Respondent has imposed a detection bill

amounting to Rs. 19,046/- upon him without any justification. The meter has not been shown defective but detection bill has been charged on the allegations of scratches on the meter. The Petitioner No.1 added that neither the meter was checked by the Electric Inspector nor a check meter was installed. The Petitioner No.1 prayed that the detection bill be waived off and the meter be replaced without charging any cost from him.

ii. The matter was taken up with the Respondent vide letter dated January 23, 2015 for filing of para wise comments. In response, the Respondent vide its letter dated February 16, 2015 reported that the said connection was checked by the sub divisional staff along with Metering and Testing staff on April 02, 2014 and scratches were found on figures of the meter. In order to recover the loss, a detection bill of 918 units for the period from January, 2014 to March, 2014 was charged. The report of Respondent was sent to Petitioner No.1 vide letter dated February 20, 2015 for information and comments however, no comments were received in this regard.

II). Complaint No. LESCO-14/2015 (Reference No. 09-11735-0841900).

- i. NEPRA received a complaint dated January 05, 2015 from Hafiz Khalid Mehmood (Petitioner No.1) wherein it was stated that Respondent has imposed three detection bills amounting to Rs 8,476/- Rs. 16,735/- and Rs. 13,066/- on account of meter display wash out. The Petitioner No.1 added that the meter could have been checked in the laboratory but the same was not done by the Respondent. He further stated the Respondent has also charged average bills in addition to the detection bills. The Petitioner No.1 prayed that the detection bills and average bills be withdrawn and the meter be checked in the laboratory and bills be charged accordingly. The Petitioner No.1 further prayed that the meter be replaced without charging cost of meter from him
- ii. The matter was taken up with the Respondent vide letter dated January 23, 2015 for filing of para wise comments. In response thereto, the Respondent vide its letter dated February 16, 2015 reported that the said connection was checked by the sub divisional staff on April 10, 2014 and found meter data wash. In order to recover the loss, a detection bill of 722 units for the period from February 2014 to April 2014 on the basis of connected load of 2.3 kW was charged. The report of Respondent was sent to the Petitioner No.1 vide letter dated February 20, 2015 for information and comments however, no comments were received from the Petitioner No.1 in this regard.

III). Complaint No. LESCO-69/2015 (Reference No. 36-11733-0924846)

- i. NEPRA received a complaint dated June 26, 2015 from Rana Muhammad Ali on behalf of Mr. Muhammad Shahzad (the Petitioner No.2) wherein it was stated that in the month of June 2011, the Respondent imposed an unjustified detection bill amounting to Rs. 7,21,180/- upon him. He approached the Respondent in this regard whereby he was informed that due to damage/breaking of meter body, a detection bill has been charged for the period from March, 2011 to May, 2011. The Petitioner No.2 added that the meter could have been checked by the Respondent through the Electric Inspector or a check meter could have been installed as required under the law, however, the same was not done by the Respondent. The Petitioner No.2 prayed that his bill be corrected and the detection bill be waived off.
- The Petitioner No.2 was informed vide letter dated July 02, 2015 that his issue pertains to the year 2011 therefore, NEPRA cannot intervene in the matter at this belated stage. Thereafter, no response/ correspondence was received from the Petitioner No.2 in this regard.



- 3. Later on, the Petitioners approached the Honourable Lahore High Court through a single petition dated July 15, 2015 and prayed that NEPRA be directed to redress the grievances of the Petitioners regarding exaggerated amount of Rs. 7,21,180/- and decide the pending complaints bearing No. LESCO- 13 & 14/2015 in the interest of justice. Accordingly, the Honourable Lahore High Court vide its Order dated September 08, 2015 (the Order) directed NEPRA to decide the complaints as well as pending application of the Petitioners, if pending, strictly in accordance with law, expeditiously, preferably within 30 days of receipt of certified copy the Order. The copy of the said Orders was received in NEPRA on September 22, 2015.
- 4. In pursuance to the Order of the Honorable Lahore High Court dated September 08, 2015, a hearing in the matter was held on October 12, 2015 at NEPRA Regional Office, Lahore. The hearing was attended by representatives of both the parties. During the hearing, the parties advanced arguments on the basis of their earlier versions.
- 5. The cases have been analysed in detail keeping in view the documents made available by both the parties, arguments advanced during the hearing and applicable law. Following has been observed:

i. Complaint No. LESCO-13/2015 (Reference No. 10-11735-0950300)

- a) As per report of the Respondent, the Metering and Testing Department checked the premises on April 02, 2014 and found scratches on the figures of the meter. To recover the loss, the Respondent assessed the consumption of the premises as 1533 units for the period from January 2014 to March 2014 and after deducting already charged 615 units during aforesaid period, the Respondent raised a detection bill of 918 units amounting to Rs. 19,047/- against the Petitioner No.1.
- b). The impugned meter was not replaced by the Respondent as required by the law. As per report of the Respondent, the meter was again checked on November 17, 2014 and same discrepancy, i.e. scratches on the figures of the meter were found. In order to recover the loss, the Respondent assessed the consumption of the premises as 2628 units for the period from August, 2014 to October, 2014 and after deducting already charged 2002 units during the aforesaid period, the Respondent raised a detection bill of 626 units amounting to Rs. 16,949/- against the Petitioner No.1.
- c). After the first inspection, the Respondent should have replaced the impugned meter as per provisions of Consumer Service Manual (CSM) but the same was not done by the Respondent Therefore, charging of second detection bill against the said meter on the same allegations i.e. scratches on the figures of the meter is not justified.

ii. Complaint No. LESCO-14/2015 (Reference No. 09-11735-0841900)

- a) As per report of the Respondent, the team checked the premises on February 18, 2014 and found meter display wash error. In order to recover the loss, the Respondent assessed the consumption of the premises as 876 units for the period from November, 2013 to January, 2014 and after deducting already charged 194 units during this period, the Respondent raised detection bill of 682 units amounting to Rs. 8,476/-.
- b). The meter was not replaced as required by the law. LESCO officials again checked the premises on April 10, 2014 and found the same discrepancy i.e. meter data wash. In order to recover the loss, the Respondent assessed the consumption of the premises as 1007 units for the period from February 2014 to April 2014 and after deducting 285

- units already charged during this period, the Respondent raised detection bill of 722 units amounting to Rs. 13,066/-. Again, the impugned meter was not replaced by the Respondent and the same discrepancy was still there i.e. meter data wash.
- c). The impugned meter was again checked on July 15, 2014 by the Respondent and the same discrepancy was reported i.e. meter data wash. In order to recover the loss, the Respondent worked out consumption of the premises as 1314 units for the period from April, 2014 to June, 2014 and after deducting already charged 515 units during the said period, the Respondent raised detection bill of 799 units amounting to Rs. 16,736/- against the Petitioner No.1.
- d). The defective meter should have been replaced by LESCO as per provisions of CSM and data of the meter should have been downloaded for carrying out correct billing and charging actual bill to the Petitioner No.1 but the Respondent failed to do so. As such, charging of detection bill thrice on the same impugned meter and on similar grounds is not justified.

iii. Complaint No. LESCO-69/2015 (Reference No. 36-11733-0924846)

- a). As per report of the Respondent, the industrial connection of the Petitioner No.2 having sanctioned load of 18 kW was checked on June 11, 2011 and the meter body was found tampered and also relay system was found. In order to recover the loss, the Respondent worked out consumption of the premises as 61320 units for the period from March, 2011 to May, 2011 and after deducting already charged 3964 units during aforesaid period, the Respondent raised detection bill of 57356 units amounting to Rs. 6,75,039/- against the Petitioner No.2 and not Rs. 72,1180/- as claimed in the petition
- b). The billing history of the Petitioner No.2 provided by the Respondent is as under:

Months	Units Consumed			
	2008	2009	2010	2011
January	252	-	-	-
February	361	-	-	-
March	611	-	-	-
April	3103	1001	1102	-
May	5891	5070	5033	3964
June	5086	4921	4117	2071
July	2198	4502	2841	-
August	-	4023	2002	-
September	1471	802	730	-
October	200	-	-	-
November	-	-	-	-
December	+	-	-	-

The meter of the Petitioner No.2 was replaced in May, 2011. The connection was checked in June 2011. The billing record shows that prior to inspection, consumption of the premises was on lower side as compared with the consumption recorded in the corresponding months of previous year. This



shows that the allegations of the Respondent against the Petitioner No.2 appear correct i.e. meter body tampered, however the Respondent has not followed the procedure laid down in CSM prior to imposition of detection bill.

- c). The quantum of units raised in the detection bill by the Respondent is on higher side keeping in view the previous consumption pattern of the Petitioner No.2, the Respondent has worked out detection bill on the basis of 35 kW load by charging 80 % load factor whereas the sanctioned load of the Petitioner No.2 is 18 kW and a 25 kVA transformer is installed at the premises which could cater to maximum of 20 to 25 kW load. The Respondent has failed to provide any documentary evidence with respect to connected load of 35 kW; as such, charging of detection bill on 35 kW load is not justified. Further, charging of detection bill on 80 % load factor is on a higher side keeping in view the extensive load shedding during the year 2011. Further, there is no basis for charging 80 % load factor by the Respondent and no such documentary evidence has been made available by the Respondent which could allow it to charge 80% load factor to an industrial connection.
- 6. In view of forgoing, the Respondent is hereby directed to proceed as under and submit compliance report within 30 (thirty) days:

i. Complaint No. LESCO-13/2015 (Reference No. 10-11735-0950300)

Second detection bill was charged on account of same allegations under which the first detection bill was charged i.e. scratches on the figures of the meter, the Respondent should have replaced the impugned meter soon after charging of first detection bill, however, the same was not done, therefore, charging of second detection bill amounting to Rs. 16,949/- on account of same allegations is unjustified, and is directed to be withdrawn.

ii. Complaint No. LESCO-14/2015 (Reference No. 09-11735-0841900)

The Petitioner No.1 was charged three detection bills on account of same allegations i.e meter data wash, the Respondent should have replaced the meter soon after issuance of first detection bill, however, the same was not done by the Respondent. Therefore, all the three detection bills be withdrawn and the impugned meter be sent to the laboratory for data retrieval and after receipt of data retrieval report, the Petitioner No.1 be charged accordingly. In case the data retrieval is not possible due to any reason whatsoever, the billing of the Petitioner No.1 be revised for the disputed period on the basis of consumption recorded in past as per provisions of CSM.

iii. Complaint No. LESCO-69/2015 (Reference No. 36-11733-0924846)

The Petitioner No 2 has been charged detection bill amounting to Rs. 6,75,039/- for the period from March, 2011 to May, 2011 on account of meter dead stop and relay system in the meter. The Respondent has charged detection bill by taking load of the Petitioner No 2 as 35 kW on 80% load factor. The transformer installed at the premises is of 25 kVA capacity which could cater to maximum of 20 to 25 kW load. Further due to severe load shedding during the year 2011, charging of detection bill on 80% load is unjustified, therefore, detection bill be revised keeping in view the actual figures.

(Maj. (R) Haroon Rashid) Member (Consumer Affairs)

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