

National Electric Power Regulatory Authority

Islamic Republic of Pakistan

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OFFICE OF THE REGISTRAR

No. NEPRA/ADG/TCD-05/3009-11

February 23, 2018

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

Subject: ORDER IN THE MATTER OF REPRESENTATION FILED BY LESCO AGAINST THE FINDINGS OF THE WAFAQI MOHTASIB IN THE MATTER OF AGHA ALI HAIDER VS LESCO REFERRED TO NEPRA BY THE PRESIDENT'S SECRETARIAT

Enclosed find herewith the Order of Member (Consumer Affairs) regarding the subject matter for necessary action and compliance within thirty (30) days, please.

Encl: As above

(**Iftikhar Ali Khan**) Director Registrar Office

Copy to:

- C.E/ Customer Services Director Lahore Electric Supply Company (LESCO), 22-A, Queen's Road, <u>Lahore.</u>
- ii. Agha Ali Haider S/o Agha Ghulam Haider, Chak Haider Abad, P.O. Syed Wala, <u>Nankana Sahib</u>.



BEFORE THE NATIONAL ELECTRIC POWER REGULATORY AUTHORITY (NEPRA)

Complaint No. LESCO-112/07/2017

Agha Ali Haider S/o Agha Ghulam Haid R/o Chak Haider Abad, P.O. Syed Wala, <u>Nankana Sahib</u> .				r	••			Complai	nant
				Versus					
Lahore Electric 22-A, Queen's I		-	ny (LESC)	D)				Respond	ient
Date of Hearin	-	ovember Inuary 09	03, 2017 9, 2018						
Date of Decision	on: Fe	February 22, 2018							
On behalf of:									
Complainant:	1)	Agl	h a Ali Haic	ler					
Respondent:	1) 2) 3) 4)	Mr. Mr.	Muhamm Bashir Ah	ughal (XEN ad Hassan imed (RO N Mahmood	(SDO Jankai	Syedwala na)	а)		
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1. This Order shall dispose of the complaint of Agha Ali Haider (hereinafter referred to as the "**Complainant**") against Lahore Electric Supply Company Limited (hereinafter referred to as the "**Respondent**" or "**LESCO**"), under Section 39 of the Regulation of Generation, Transmission and Distribution of Electric Power Act, 1997 (hereinafter referred to as the "**NEPRA Act**") read with NEPRA (Complaint Handling and Dispute,

Page 1 of 5

Resolution Procedure) Rules, 2015, in pursuance of the order of the President's Secretariat (Public) dated 15th June 2017 in the matter of LESCO vs Agha Ali Haider.

2. Brief facts of the case are that the Complainant filed a complaint against LESCO with the Wafaqi Mohtasib (Ombudsman)'s Secretariat regarding charging of detection bill on his tube-well connection bearing reference No. 36-11617-0039782. The complaint was decided/ disposed of vide findings dated 21st May 2013. Being aggrieved, LESCO filed a review petition, and the Wafaqi Mohtasib accepted the review petition and thereby withdrew its earlier findings vide Revised Findings dated 11th August 2014, whereby the matter was decided in favour of LESCO. Later, after lapse of two (02) years, the Wafaqi Mohtasib reopened the case at its own and conducted *de novo* proceedings, and issued its Closure Findings dated 10th March 2017 in favour of the Complainant. Being aggrieved, LESCO filed a 'representation with the President's Secretariat. The matter was decided by the President's Secretariat vide order dated 15th June 2017 as under:

... the complaint filed before the Wafaqi Mohtasib was not maintainable and by the same token, the impugned findings of the Wafaqi Mohtasib dated 10th March 2017 had been passed without jurisdiction. The Honorable President of Pakistan has been pleased to accept the representation of the Agency (LESCO) and set-aside the impugned findings of the Wafaqi Mohtasib... it would be in the fitness of things to redirect the complaint to NEPRA for consideration/disposal. NEPRA shall decide the matter without being influenced by the any decision passed by the Wafaqi Mohtasib or by this forum. The parties may approach NEPRA for settlement of their dispute.

3. In pursuance of the directions of the President's Secretariat, the matter was taken-up with both the parties, i.e. LESCO and the Complainant, and processed accordingly. Written arguments were submitted by LESCO and the Complainant vide letters dated 11th October 2017 and 16th October 2017 respectively. LESCO is of the view that the tube-well connection of the Complainant was disconnected on 25th October 2010 due to non-payment of arrears amounting to Rs. 82,862/- vide ERO dated 19th September 2007. Subsequent to the disconnection, the site was checked on 29th June 2012 whereby direct supply was found in use and a turbine having capacity of 40-HP

Page 2 of 5

was found running at site. Accordingly, a request for lodging FIR against the Complainant was sent to the concerned police station on 17th July 2012 and a detection bill to the tune of 131400 units for the period from July 2011 to June 2012 was charged against the Complainant.

4. The Complainant denied the allegation leveled by LESCO regarding use of a Turbine having capacity of 40 HP and involvement in theft of electricity. The Complainant further submitted that he possesses two (02) connections for which two (02) transformers are installed i.e. 25 kVA & 50 kVA. The 50 kVA transformer was being jointly shared between the Complainant and his neighbor and on this transformer two (02) tube-wells of 7.5 HP capacity each were being used, whereas LESCO has alleged use of 30 kW load. Further, in order to supplement any water deficiency, there is a dedicated water out let channel (Moga) duly approved by the Irrigation Department due to which there is water availability round the clock. In view thereof there was no need of direct hooking as the water was abundantly available for irrigation purpose.

5. In order to probe further into the matter, hearings were held on 3rd November 2017 and 9th January 2018, wherein representatives of both the parties, i.e. LESCO and the Complainant, participated and advanced their respective arguments. During the hearings, LESCO officials failed to provide relevant record in support of their case/arguments. During the hearing, LESCO representatives informed that the Complainant was being fed through a 50 kVA transformer and the same could not be removed due to resistance while affecting ERO. Subsequently, LESCO was directed to provide some additional information/documents with respect to billing history since January 2007, meter reading record/kalamzo book, rationale of charging the detection bill for 12 months, evidence w.r.t use of 40 HP motor, reason of installing 50 kVA transformer, etc. However, LESCO failed to provide the requisite information completely and took the plea that record of the Sub-Division was burnt on 30th July 2012 by a mob.

6. In order to investigate further into the matter, a joint site inspection was also conducted on 25th January 2018 in the presence of representatives of both the parties i.e. LESCO and the Complainant. During the site inspection, it was revealed that initially, the load on the 50 kVA transformer was mutually shared by the Complainant (Reference)

Page 3 of 5

No. 36-11617-0039782) and another consumer, Mr. Muhammad Younas (Reference No. 45-11617-0427600) having 8 kW sanctioned load each. Further, the 50 kVA transformer was found removed and no water pump or turbine was found installed. Further, the tube-well of the Complainant was found 20 feet deep with delivery pipe of 4 inch. In the vicinity, some other tube-wells were also checked and it was found that 10kVA and 15 kVA transformers were installed on those tube-wells.

7. The case has been examined in light of the record made so available by the parties, arguments advanced during the hearings and applicable law. The following has been concluded:

- As per report of LESCO, the tube-well connection of the Complainant (8 kW sanctioned load) was disconnected on 25th October 2010 due to non-payment of arrears amounting to Rs. 82,862/- vide ERO dated 19th September 2007. However, LESCO removed the electricity meter/cable but the transformer remained installed at site. According to LESCO, the site was checked on 29th June 2012 whereby direct supply was found in use and a turbine having capacity of 40-HP was found running at site. Consequently, LESCO raised a detection bill to the tune of 131400 units on 30 kW load for a period of one year i.e. from July 2011 to June 2012.
- ii. It is worth mentioning that in pursuance of the initial findings of the Wafaqi Mohtasib dated 21st May 2013 the Complainant agreed to pay Rs. 200,000/- on account of detection bill, however LESCO did not accept the decision.
- iii. LESCO was directed to justify charging of detection bill on the basis of 30 kW load, however LESCO failed to provide any documentary evidence i.e. MDI record to establish availability of 30 kW load at site. Moreover, a site inspection was conducted in presence of the parties, whereby other tube-wells in the vicinity were found to be energized from transformers having capacity of 10 kVA and 15 kVA meaning thereby that the turbines installed in the area are of low ratings/capacity (i.e. not 40 HP)



- iv. LESCO is of the view that initially a 10 kVA transformer was installed at site but the Complainant himself extended the load illegally, however no documentary evidence was placed on record for use of extended load illegally.
- v. LESCO was asked to justify charging of detection bill for a period of twelve (12) months, however no documentary evidence, i.e. monthly discrepancy report of the meter reader, was placed on record to establish that the Complainant was actually involved in theft of electricity for such a long period.
- vi. The Consumer Service Manual envisages that in case of direct theft of electricity, the material is required to be removed immediately and lodging of FIR is mandatory. In this case, LESCO neither produced any FIR lodged against the Complainant nor any letter duly received by the concerned police station in connection with the checking dated 29th June 2012 due to which the impugned detection bill was raised against the Complainant. However, later LESCO lodged FIR against the Complainant in May 2016.
- vii. Further, the quantum of units charged by LESCO are on higher side. LESCO has failed to establish connected load of 30 kW at site. As such charging of detection bill on 30 kW load just on the basis of presumption is not justified.

8. Foregoing in view, LESCO is directed to revise the impugned detection bill from twelve (12) months to six (06) months on the basis of the sanctioned load i.e 8 kW and submit compliance report within thirty (30) days.

Islamabad, February 22, 2018

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