



National Electric Power Regulatory Authority

ISLAMIC REPUBLIC OF PAKISTAN

NEPRA Head Office Ataturk Avenue (East),

Sector G-5/1, Islamabad.

Ph:051-2013200, Fax: 051-2600021

**Consumer Affairs
Department**

TCD 05/ 3217 -2023
August 4, 2023

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

Subject: **DECISION IN THE MATTER OF COMPLAINT FILED BY MR. MUHAMMAD AMIN RAZA, UNDER SECTION 39 OF THE REGULATION OF GENERATION, TRANSMISSION AND DISTRIBUTION OF ELECTRIC POWER ACT, 1997 AGAINST LESCO REGARDING EXCESSIVE BILLING (A/C# 24 11351 2153503)**
LESCO-NHQ-21348-04-23

Please find enclosed herewith the decision of the NEPRA Consumer Complaints Tribunal dated August 03, 2023 regarding the subject matter for necessary action and compliance within fifteen (15) days, positively.

Encl: As above

Copy to:

1. Chief Engineer/Customer Services Director,
LESCO, 22-A, Queen's Road, Lahore.
2. Manager (Commercial),
LESCO, 22-A, Queen's Road, Lahore.
3. Mr. Tahir Mehmood Nadeem,
Manager/ Incharge Complaint Cell, (Focal Person, NEPRA)
LESCO, 22-A, Queens Road, Lahore.
4. Mr. Muhammad Amin Raza,
Postal Address:
92-Amir Road, Shad Bagh, Lahore.
0321-7984636

Muhammad Abid 24/8/23
(Muhammad Abid)
Assistant Director (CAD)
NEPRA
Islamabad
(CAD)



BEFORE THE
NATIONAL ELECTRIC POWER REGULATORY AUTHORITY
(NEPRA)

Complaint No. LESCO-NHQ-21348-04-23

Mr. Muhammad Amin Raza,
92-Amir Road, Shad Bagh, Lahore.
Contact: 0321-7984636.

..... **Complainant**

Versus

Lahore Electric Supply Company (LESCO)
22-A, Queens Road, Lahore.

..... **Respondent**

Date of Hearing: June 19, 2023

On behalf of:

Complainant:

Mr. Muhammad Amin Raza
Mr. Muhammad Mahmood
Mr. Khalid Javed

Respondent:

Mr. Tanveer Ahmed Khan, SDO LESCO
Mr. Ishtiaq Ahmad, R.O LESCO

Subject: DECISION IN THE MATTER OF COMPLAINT FILED BY MR. MUHAMMAD AMIN RAZA, UNDER SECTION 39 OF THE REGULATION OF GENERATION, TRANSMISSION AND DISTRIBUTION OF ELECTRIC POWER ACT, 1997 AGAINST LESCO REGARDING EXCESSIVE BILLING (A/C# 24 11351 2153503)

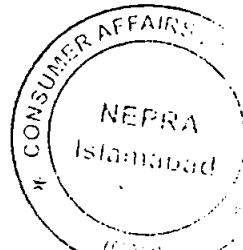
DECISION

This decision shall dispose of the complaint filed by Mr. Muhammad Amin Raza (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").

2. NEPRA received a complaint wherein the Complainant submitted that LESCO installed an industrial connection at the premises alongwith transformer in the year 2006 and subsequently he rented out the premises. The meter of the Complainant was disconnected during the month of March, 2018, however, the same was reconnected in the month of June, 2018. Subsequently, during the month of August, 2022 LESCO team visited the premises and informed that the Complainant's tariff is incorrect and charged a bill of Rs. 2,387,432/-. The Complainant did not pay the bill, therefore, LESCO disconnected the electricity supply. It has been observed that during reconnection of meter in the month of June, 2018 LESCO fed wrong multiplying factor (MF) i.e. MF-1 instead of MF-20. The Complainant further submitted that from the past three years the premises is vacant which can be verified from low consumption and requested for restoration of electricity supply alongwith withdrawal of bill amounting to Rs. 2,387,432/-

3. The matter was taken up with LESCO for submission of parawise comments/report. In response, LESCO reported that the meter of the Complainant was replaced with

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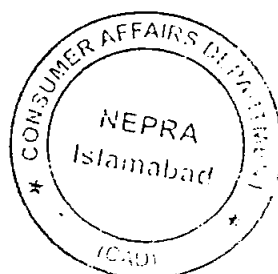


GSM/GPRS meter by LESCO staff on September 19, 2017 after necessary checking by M&T Department and MCO was affected w.e.f. December, 2017 with MF-20. Later on during the month of March, 2018 the impugned meter was disconnected, however, the same was reconnected in the month of June, 2018. During reconnection of meter, MF-1 was erroneously applied instead of MF-20. In order to recover the loss of energy due to application of wrong multiplying factor (MF), LESCO charged 78911 units (64605.4 off-peak & 14305.2 peak) for the period from June, 2018 to July, 2022 during the month of August, 2022.


4. In order to probe further into the matter, a hearing was held at NEPRA Head Office, Islamabad which was attended by both the parties (LESCO officials & the Complainant) who advanced their arguments.

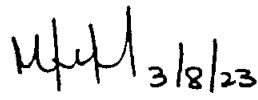
5. The case has been examined in detail in the light of the written/verbal arguments of both the parties and applicable law. The following has been concluded:


- (i) The Complainant is an industrial consumer of LESCO and connection is installed under reference No. 24113512153503U. LESCO checked the premises on August 30, 2022 and charged detection bill amounting to Rs. 2,387,432/- for 78911 units (64605.4 off-peak & 14305.2 peak) on the basis that the Complainant was charged wrong multiplying factor (MF) i.e. MF-1 instead of MF-20 for the period from June, 2018 to July, 2022. The Complainant did not pay the bill and LESCO disconnected the supply of the Complainant.
- (ii) The Complainant rented out the premises to different people since the installation of connection. It is responsibility of owner to get cleared all dues himself or through his tenant and all bills till July, 2022 are cleared. However, after issuance of detection bill amounting to Rs. 2,387,432/- the Complainant did not pay the bill and on non-payment LESCO disconnected the electricity supply. Moreover, the Complainant could not provide sufficient evidence that the premises was vacant during the disputed period.
- (iii) NEPRA has issued clarifications vide letter dated March 26, 2023 regarding Consumer Service Manual (CSM)-2021 for recovery of fixed/MDI charges which is reproduced as under:
*"12) **FIXED / MDI CHARGES.** If due to any reason the charges i.e. MDI, fixed charges, multiplying factor, power factor penalty, tariff category etc, have been skipped by DISCO due to any reason; the difference of these charges can be raised within one year for maximum period of six months, retrospectively".*
- (iv) Moreover, Clause-6.1 of Consumer Service Manual (CSM) provides mechanism of meter reading and Clause-6.2 envisages the procedure of percentage checking to ensure accuracy of meter reading. Therefore, recording of correct meter reading is the responsibility of LESCO. Furthermore, according to Clause-6.1.4 of Consumer Service Manual (CSM), meter readers are responsible to check irregularities/ discrepancies in the metering system at the time of reading meters and report the same in the reading book/ discrepancy book or through any other appropriate method as per the practice. The concerned officer/official failed to point out at any stage about discrepancy. The Consumers have legitimate expectancy that what is being billed is actual cost of electricity and it is correct. In view of above, penalizing the Complainant on part of incompetency of LESCO officials is not justified.
- (v) In view of the said, charging of multiplying factor for more than four years is violation of relevant provisions of Consumer Service Manual (CSM), therefore, LESCO should charge multiplying factor only for maximum period of six months retrospectively from the date of charging.



6. Foregoing in view, LESCO is directed to:
- (i) Revise the detection bill issued to the Complainant for 78911 units (64605.4 off-peak & 14305.2 peak) charged by enhancing multiplying factor against reference No. 24 11351 2153503 for a maximum period of six months retrospectively to date of checking of meter.
 - (ii) Action be taken against the staff who are responsible for loss to the department by not enhancing the multiplying factor.
 - (iii) After payment of revised detection bill and other outstanding amount (if any), electricity supply be restored immediately.
7. Compliance report be submitted within fifteen (15) days.


(Lashkar Khan Qambrani)
Member, Consumer Complaints Tribunal/
Director (CAD)


(Moqeem-ul-Hassan)
Member, Consumer Complaints Tribunal/
Assistant Legal Advisor (CAD)


(Naweed Haid Shaikh)
Convener, Consumer Complaints Tribunal/
Director General (CAD)

Islamabad, August 03, 2023.

