



National Electric Power Regulatory Authority

ISLAMIC REPUBLIC OF PAKISTAN

NEPRA Head Office Attaturk Avenue (East),
Sector G-5/1, Islamabad.

Ph:051-2013200, Fax: 051-2600021

**Consumer Affairs
Department**

TCD.05/ 465 -2024
January 26, 2024

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

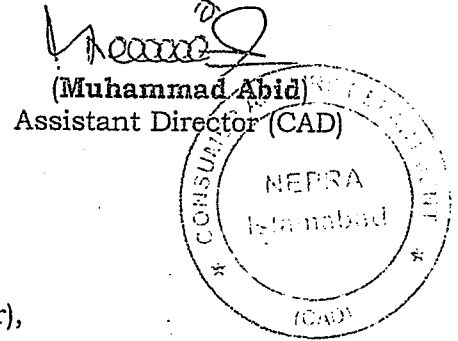
Subject: **DECISION IN THE MATTER OF COMPLAINT FILED BY MCB BANK THROUGH
RAO HUSSAIN UNDER SECTION 39 OF THE REGULATION OF GENERATION,
TRANSMISSION AND DISTRIBUTION OF ELECTRIC POWER ACT, 1997
AGAINST LESCO REGARDING EXCESSIVE BILLING (REF# 24 11331 2401601
U, 24 11331 2409403 U & 24 11331 2402001 U).**
Case No. LESCO-LHR-25634-06-23

Please find enclosed herewith the decision of the NEPRA Consumer Complaints Tribunal dated January 26, 2024 alongwith "**Special Note for CEO LESCO**" regarding the subject matter for necessary action and compliance within twenty (20) days, positively.

Encl: As above

Copy to:

1. C.E/Customer Services Director
LESCO, 22-A, Queens Road, Lahore.
2. Engr. Dr. Bilal Masood, (Incharge/Additional Director),
NEPRA Provincial Office, 1st Floor, Link Arcade,
54B, GECH Society, Phase 3, Link Road, Model Town,
Lahore.
3. Ms. Masooma Adil, Manager,
Incharge Central Complaint Cell LESCO,
(Focal Person, NEPRA), LESCO, 22-A,
Queens Road, Lahore.
4. XEN Mcleod Road, Division, LESCO
Near Imperial Cinema Mcleod Road, Lahore.
5. Mr. Rao Hussain,
R/O 6th Floor, MCB 15-Main, Gulberg,
Lahore.
Cell# 0323-4002020





BEFORE THE
NATIONAL ELECTRIC POWER REGULATORY AUTHORITY
(NEPRA)

Complaint No. LESCO-LHR-25634-06-23

Rao Hussain,
R/O 6th Floor, MCB 15-Main, Gulberg, Lahore.
Cell# 0323-4002020

.....Complainant

Versus

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

..... Respondent

Date of Hearing: July 07, 2023
September 13, 2023
October 05, 2023
November 08, 2023
January 15, 2024

On behalf of:
Complainant: Rao Hussain
Mr. Aamir Shahbaz
Mr. Qasim Ijaz

Respondent: Engr. Amjad Nagra, XEN, Mcload Road Div, LESCO
Mr. Waqar Ahmad, Assistant Manager, LESCO
Mr. Waleed Iqbal, Assistant Manager, LESCO
Mr. Umair Zaheer, Assistant Manager, LESCO

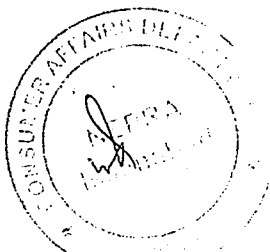
Subject: **DECISION IN THE MATTER OF COMPLAINT FILED BY MCB BANK THROUGH RAO HUSSAIN, UNDER SECTION 39 OF THE REGULATION OF GENERATION, TRANSMISSION AND DISTRIBUTION OF ELECTRIC POWER ACT, 1997 AGAINST LESCO REGARDING EXCESSIVE BILLING (REF# 24 11331 2401601 U, 24 11331 2409403 U & 24 11331 2402001 U).**

DECISION

This decision shall dispose of the complaint filed by MCB Bank through Rao Hussain (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 compliant wherein the Complainant submitted that LESCO has charged excessive bills in contradiction to actual meter reading at site against reference Nos. 24113312401601, 24113312409403 and 24113312402001. The Complainant approached LESCO office, however, grievances of the Complainant remained unresolved. Subsequently, the Complainant approached NEPRA for correction of bills and redressal of his grievances.

3. The matter was taken up with LESCO for submission of reports, however, LESCO submitted unsatisfactory report. In order to probe further into the matter, hearings were held at NEPRA Provincial Office, Lahore as well as at NEPRA Head Office, Islamabad which were attended by both the parties wherein they advanced their respective arguments.



4. During a hearing held on October 05, 2023 at NEPRA Head Office, Islamabad; the case was discussed in detail. After detailed discussion LESCO officials were directed to get M&T report and data downloading/retrieval for two reference Nos. 24113312401601 and 24113312409403 in presence of NEPRA official and the Complainant. However, observations of the Complainant against reference No. 24113312402001 were discussed in depth. During the hearing, it was observed that M&T Department vide test report dated June 27, 2023 reported that meter number against reference number 24113312402001 is mismatched, however, accuracy of the meter was found within permissible limits. Meter bearing number 660 make PEL was existing at site but meter number printed on bill was 3171. Moreover, LESCO had charged reading on the bill for the month of June, 2023 upto the index of 21452 off-peak & 1391 peak units whereas as per M&T report; meter reading was upto the index of 17118 off-peak & 2352 peak units on June 27, 2023. Therefore, LESCO was required to adjust the excessive billing and to correct the meter number in record, however, during the process of correction of meter number on bill, LESCO also reduced the meter reading in bill/record issued for the month of July, 2023 upto the index of 17449 units (off-peak) whereas bill was required to be revised as per actual consumption and refund was required to be granted for excessively charged bill which had already been paid by the Complainant. Detail of excessive billing observed in this activity is as under:

Reading charged in bill for June, 23		M&T report reading dated June 27, 2023		Difference of readings		MF	Excess units		Total Excess units (Net)
Off-Peak	Peak	Off-Peak	Peak	Off-Peak	Peak		Off-Peak	Peak	
21,452	1,391	17,118	2,352	4,334	(1,590)	160	693,440	(153,760)	539,680

5. In this way, LESCO charged 539,680 units (net) in excess in bill upto the month of June, 2023 against reference No. 24113312402001 and instead of providing relief for excessively charged units in off-peak and charging of less units in peak segment in next billing month i.e. July, 2023; LESCO officials deliberately reduced the reading in accordance with M&T report on bill to hide excessive billing. Load of the Complainant is 430 KW, therefore, SDO/AM(O) is responsible for meter reading of the said connection in accordance with Clause- 6.1.2 of Consumer Service Manual (CSM) which provides that meter reading for load above 40 kW to less than 500 kW is required to be taken by SDO/AM(O). Hence, LESCO vide this tribunal order dated November 01, 2023 was directed to refund the excessively charged units to the Complainant in next billing cycle and Considering above negligence on part of concerned SDO/AM(O), disciplinary action was suggested against responsible officer(s) under LESCO's service rules/SOP. A report in this regard was required to be submitted by LESCO within fifteen (15) days which is still awaited. Moreover, it was decided that complaint of the Complainant with respect to other two reference Nos. i.e. 24113312401601 and 24113312409403 will be decided after analysis of M&T report and conducting another hearing.

6. In order to proceed further a site inspection was carried out by NEPRA officials on October 06, 2023 in presence of LESCO officials as well as the Complainant for data downloading/retrieval of reference Nos. i.e. 24113312401601 and 24113312409403. Subsequently, in the light of data downloading a hearing was held on November 08, 2023 at NEPRA Head Office, Islamabad wherein both the parties (LESCO and the Complainant) participated and case was discussed in detail in the light of M&T reports dated October 06, 2023. A final hearing in the matter was held on January 15, 2024 which was attended by the Complainant only.

7. Following has been concluded in the light of submission of the parties, documents placed on record, site inspection and applicable law:

- (i) **Reference No. 24113312401601 (Load-90KW).** M&T checking was conducted on June 27, 2023. The energy meter bearing No. 2329 (PEL) is installed outside the premises. During the checking malfunctioning was found in kWh and kVARh readings of the billing ToU meter and also the date and time of the meter was found disturbed. The M&T Department suggested



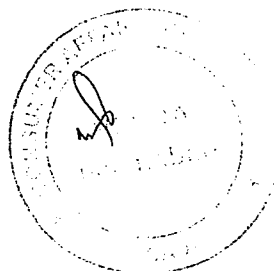
for shifting of billing on the backup meter and replacement of the billing ToU meter which was not done by LESCO. Another checking was carried out by LESCO on October 06, 2023 for data downloading in presence of NEPRA officials and the Complainant whereby again malfunctioning in kWh and kVARh readings of billing ToU meter alongwith date & time was found disturbed. Moreover, number of reset stuck on 97 and date stuck on January 12, 2011. Analysis of data downloading report revealed that kWh Peak, Off-Peak and total units are exactly matched in Data (REG-9) which pertains to the month of February, 2023 (Peak-2883.82+ Off Peak-16287.03= 19170.85 Total kWh), therefore, there is no malfunctioning till February, 2023. There is no impact of status of reset number on the consumption of electricity. Billing history revealed that upto the month of February, 2023; LESCO has charged Off-Peak & Peak readings upto the index of 33150 & 2877 respectively which shows that LESCO has charged Off-Peak reading upto the index of 16863 in excess and Peak reading upto the index of 7 in deficient and after applying multiplying factor i.e. 40 total excessive units charged to the Complainant upto the month of February, 2023 are as under:

- **Off-Peak.** $33150 - 16287 = 16863 \times 40 \text{ (M.F.)} = 674520 \text{ (Excess)}$
- **Peak.** $2877 - 2884 = (7) \times 40 \text{ (M.F.)} = (280) \text{ (Deficient)}$

The billing was subsequently shifted on the backup meter w.e.f. August, 2023.

- (ii) **Reference No. 24113312409403 (Load-34KW).** The M&T Department carried out checking on February 22, 2023. The meter No. 2913 (PEL) was found installed outside the premises. The M&T Department found malfunctioning of kWh and kVARh readings (mismatched with total). The M&T Department suggested for replacement of the ToU billing meter and installation of check meter, however, the same was not done by LESCO. Another checking was carried out by LESCO on October 06, 2023 for data downloading in presence of NEPRA officials and the Complainant, whereby M&T Department vide report dated October 06, 2023 again found malfunctioning in kWh & kVARh readings. The display of one phase of LT TOU meter was found dead. Moreover, meter was downloaded at site and found number of rest stuck on 97. In the data downloading report malfunctioning has been observed from October-2022 to October, 2023. The downloaded data before October, 2022 is not available, due to which it is not possible to detect from which month the malfunctioning started. Billing history of last four years is as under:

Description	2020	2021	2022	2023
January	1560	1140	1980	5700
February	1060	1060	740	7440
March	980	1600	1240	7440
April	1380	2340	2020	7160
May	2060	3500	3820	7440
June	2580	4060	7440	7440
July	3400	4100	4940	7440
August	3820	3600	12540	12540
September	3760	5540	12540	12540
October	2700	160	7440	7440
November	1340	480	7440	7440
December	980	1080	7160	7440

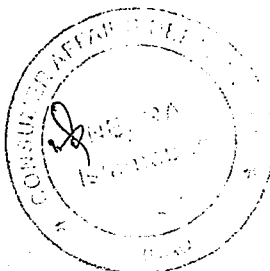


Clause-6.1.1 of Consumers Service Manual (CSM) provides that meter reading of all the consumers is carried out on a routine basis each month to record the consumption of energy consumed by each consumer during a given period (billing cycle/billing month). It is evident from billing history that LESCO charged normal consumption till July, 2022. The above data shows that meter of the Complainant become defective w.e.f. August, 2022. LESCO charged random consumption w.e.f. August, 2022 without following the procedure laid down in Clause-4.3.1(b) of Consumer Service Manual (CSM) for charging of average consumption in case of defective meter. Moreover, defective meters are required to be replaced immediately, however, in case of non-availability DISCO may take two months to replace the same. In the instant case neither meter was replaced nor average bills were charged and LESCO charged higher units in violation of relevant provisions of CSM.

- (iii) According to Clause-6.1.3 of Consumer Service Manual (CSM) taking snapshots of meter readings of all consumer categories is mandatory, however, no proper snapshots are printed on electricity bills. Moreover, meter readers are responsible to point out if any irregularity or discrepancy is found. A mechanism of percentage checking is also given in Clause-6.2 of Consumer Service Manual (CSM) to ensure accuracy of meter reading. These provision of CSM have been violated by LESCO.

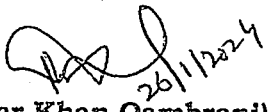
8. Foregoing in view LESCO is directed for the following:

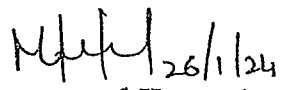
- a. **Reference No. 24113312401601 (Load-90KW)**. Defective meter be replaced immediately and excessively charged units to the tune of 674240 units upto the month of February, 2023 be refunded and uncharged 280 units be recovered for peak hours in accordance with the data downloading report dated October 06, 2023, wherein kWh Peak & Off-Peak readings are matched in Data (REG-9) in the month of February, 2023 (Peak-2883.82+ Off Peak-16287.03=19170.86 Total kWh). With effect from March, 2023 to July, 2023; average consumption be charged in accordance with provisions of Consumer Service Manual (CSM).
- b. **Reference No. 24113312409403 (Load-34KW)**. During M&T checking dated October 06, 2023; malfunctioning was found in kWh & kWARh readings alongwith one phase dead, however, billing history revealed that LESCO charged random consumption w.e.f. August, 2022 which is much higher as compared to the average as well as actual consumption of corresponding months of previous year. Therefore, LESCO is directed to charged average consumption from the August, 2022 to August, 2023 (till the backup meter was declared billing meter) and already charged units be adjusted accordingly. The defective meter be replaced immediately
- c. **Disciplinary Action**. According to Clause-6.1.2 of Consumer Service Manual (CSM), SDO/AM(O) is responsible for meter reading above 40 KW to 500 KW, therefore, disciplinary action be initiated against concerned SDO/AM(O) under LESCO's service rules/SOP considering the negligence for charging excessive billing against reference No. 24113312401601 (90-KW) whereas Meter Reading Section Supervisor/LS is responsible for meter reading above 20 kW to 40 kW, hence, necessary disciplinary action be taken against them accordingly for charging excessive billing against reference 24113312409403.




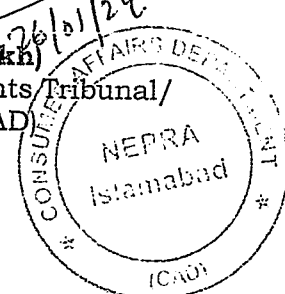
- d. **Special Note for CEO LESCO.** As already observed by this tribunal vide interim order dated November 01, 2023 that excessive billing is being charged by LESCO against corporate entities/mobile companies/banks which is of serious concern and LESCO should avoid such practice. CEO LESCO is directed to personally look into the matter.

9. LESCO is further directed to submit compliance report within twenty (20) days.


(Lashkar Khan Qambrani)
Member Consumer Complaints Tribunal
Director Consumer Affairs


(Moqees-ul-Hassan)
Member Consumer Complaints Tribunal
Assistant Legal Advisor (CAD)


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



Islamabad, January 26 , 2024