



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.06/1593 -2024
April 2, 2024

Chief Executive Officer,
Multan Electric Power Company (MEPCO),
MEPCO Complex, WAPDA Colony,
Khanewal Road, Multan.

Subject: DECISION IN THE MATTER OF WRIT PETITION NO. 1999/2024: MR. FAROOQ AHMED CHIEF EXECUTIVE OFFICER SHOAIB PAPER MILLS VS. MEPCO ETC REFERRED BY THE LAHORE HIGH COURT, MULTAN BENCH UNDER SECTION 39 OF THE REGULATION OF GENERATION, TRANSMISSION AND DISTRIBUTION OF ELECTRIC POWER ACT, 1997 AGAINST MEPCO REGARDING AUDIT PARA. MEPCO-NHQ-35196-03-24.

Please find enclosed herewith the decision of the NEPRA Complaints Resolution Committee (CRC) dated April 02, 2024, regarding the subject matter for necessary action and compliance within twenty (20) days, positively.

Encl: As above


(Muhammad Abid)
Assistant Director (CAD)

Copy: -

1. C.E/ Customer Services Director,
Multan Electric Power Company (MEPCO),
MEPCO Complex, WAPDA Colony,
Khanewal Road, Multan.
2. Executive Engineer, Cantt. Division,
Multan Electric Power Company (MEPCO),
Near M.P. Check Post, Sher Shah Road,
Multan Cantt.
3. Malik Muhammad Ali,
Advocate Supreme Court, District Courts,
Multan.
4. Mr. Farooq Ahmed S/o Nemat Ali,
Chief Executive, M/s Shoaib Paper Mills,
43-B/1, Phase-I, Industrial Estate, Multan.
061-6536856



**BEFORE THE
NATIONAL ELECTRIC POWER REGULATORY AUTHORITY
(NEPRA)**

Complaint No. MEPCO-NHQ-35196-03-24

Mr. Farooq Ahmed
Chief Executive Officer
Shoaib Paper Mills Private Limited
43/B-1, Phase-1, Industrial Estate, Multan.

..... **Complainant**

VERSUS

Multan Electric Power Company (MEPCO)
MEPCO Complex, WAPDA Colony,
Khanewal Road, Multan.

.....**Respondent**

Date of Hearing: March 12, 2024

**On behalf of
Complainant:** 1) Mr. Aurangzaib

Respondent: 1) Mr. Akram Javed, sssss XEN (Operations), MEPCO

Subject: DECISION IN THE MATTER OF WRIT PETITION NO. 1999/2024: MR. FAROOQ AHMED CHIEF EXECUTIVE OFFICER SHOAIB PAPER MILLS VS. MEPCO ETC REFERRED BY THE LAHORE HIGH COURT, MULTAN BENCH UNDER SECTION 39 OF THE REGULATION OF GENERATION, TRANSMISSION AND DISTRIBUTION OF ELECTRIC POWER ACT, 1997 AGAINST MEPCO REGARDING AUDIT PARA

DECISION

This decision shall dispose of the complaint filed by Mr. Farooq Ahmed, Chief Executive Officer, Shoaib Paper Mills in pursuant to the orders of Honorable Lahore High Court, Multan Bench in Writ Petition No. 1999/2024 whereby the Honorable Court referred the case / matter to NEPRA for decision.

2. Brief facts of the case are that Mr. Farooq Ahmed Chief Executive Officer, Shoaib Paper Mills (the "Petitioner" or "Industry" or "Complainant") filed the Petition before the Lahore High Court, Multan Bench wherein it was inter alia submitted that MEPCO has charged excessive bill in the form of adjustment amounting to Rs. 1,173,089/- during January, 2024 despite the fact that no outstanding dues had previously been claimed by MEPCO. The petitioner contested the same and premised his arguments on the financial clearance letter duly issued by MEPCO to the Petitioner while assuming re-occupancy of the premises. The Petitioner also underscored a decision of NEPRA in the matter of fixed charges levied upon the premises despite being temporary disconnected & of which subsequent compliance in the favor of Petitioner was solicited.

3. The Honorable Lahore High Court, Multan Bench vide order dated February 20, 2024 disposed of the petition. The operative part of the decision is as under:

"2. In view of the above, respondent No.7/Director (Consumer Affairs), NEPRA, Islamabad shall decide the afore-referred application either himself or through some authorized officer, on its own merits in accordance with law, after affording an opportunity of hearing to the petitioner and the others concerned expeditiously, preferably within a period of 30-days from the date of receipt of certified copy of this order and till then coercive measures shall not be adopted against the petitioner."

4. In order to comply with the directions of the Lahore High Court, Multan Bench, a hearing was held on March 12, 2024 at NEPRA Head office, Islamabad. The hearing was attended by both parties wherein the matter was discussed in detail. During the hearing, MEPCO official apprised that the Complainant was charged a detection bill of 119703 units based on the basis of data retrieval report during May, 2022 of which the corresponding Fuel Price Adjustment (FPA) was later debited to the Complainant during January, 2024. During the hearing, the parties confirmed that the earlier decision of NEPRA Consumer Complaints Tribunal in complaint No. MEPCO-NHQ-29430-10-23 dated January 04, 2024 has been implemented.

5. The case has been examined in detail in light of the record made so available by parties, arguments advanced during the hearing and applicable law. Following has been observed:

- i. The Complainant's industrial premises having electricity connection installed against reference number (27-15118-0004800) located at the Industrial Estate, Multan was charged a bill adjustment amounting to Rs. 1,173,089/- during the month of January, 2024 based on an audit para entailing uncharged FPA levied in connection with a corresponding detection bill raised during May, 2022.
- ii. Perusal of the documentary evidence revealed that the Complainant was charged detection bill of 119703 units during May, 2022 on the basis of meter data downloading. The said detection bill was paid by the consumer.
- iii. Scrutiny of the Complainant's billing history revealed that the corresponding FPA of units detected during May, 2022 by MEPCO remained unaccounted for the considerable time period and later debited in the Complainant's account during January, 2024 vide the audit para pointed out by local audit party of MEPCO during July, 2022. However, the record further reflects that the Complainant approached MEPCO for issuance of clearance certificate. Accordingly the concerned Revenue Officer vide letter dated May 25, 2023 issued clearance certificate that no arrears are outstanding against the connection. This essentially relieved the Complainant of financial implications while assuming re-occupancy of the premises from the leaving tenant.
- iv. According to Clause 7.5.3 of CSM, 2021 (to be read with successive amendments) if due to any reason the charges i.e. multiplying factor, tariff differential, power factor penalty, application of correct tariff category etc., have been skipped by DISCO; the difference of these charges can be raised within one year for maximum period of 06 months, retrospectively. The bill so issued shall be called supplementary bill and shall contain all details i.e. reason, amount, period of charging, taxes etc. However, the same has not been followed by MEPCO in the instant matter whereby the FPA amount charged to the Complainant during January, 2024 derived from the detection bill raised during May, 2022 i.e. after the lapse of (19) months is an express violation of CSM and is not warranted to be paid by the Complainant.



- v. The Audit party pointed out the unrecovered amount in time; however MEPCO failed to recover the same timely. MEPCO is not lawfully justified to recover its losses from the consumers which have been incurred due to their own inaction, mismanagement and incompetency. The Consumers have legitimate expectation that what is being billed to them is actual cost of electricity; therefore charging of bills after a lapse of 19 months is not justified.

6. Foregoing in view, MEPCO failed to raise the claim pointed out by audit in time. Further, no dues certificate was issued to the Complainant on his request on May 25, 2023, therefore, MEPCO is directed to withdraw the adjustment bill amounting to Rs. 1,173,089/- charged to the Complainant during January, 2024 being in contravention of the relevant provisions of Consumer Service Manual (CSM). Compliance report be submitted within twenty (20) days, positively.

6۔ مندرجہ بالا حقائق کے پیش نظر، آڈٹ کے دوران نشان دہی کیے گئے واجبات کو میپکو بروقت شکایت کنندہ سے وصول کرنے میں ناکام رہا۔ مزید یہ کہ، شکایت کنندہ کی درخواست پر میپکو نے 25 مئی 2023 کو شکایت کنندہ کے خلاف کوئی واجبات نہ ہونے کا سرٹیفکیٹ بھی جاری کیا، اس لیے میپکو کو ہدایت کی جاتی ہے کہ وہ جنوری 2024 کے دوران شکایت کنندہ کو جاری کیا گیا / -1,173,089 روپے کا ایڈجسٹمنٹ بل واپس لے، کیونکہ یہ کنزیومر سروس مینیسول کی متعلقہ شقوں کی صریح خلاف ورزی ہے۔ تعمیل کی رپورٹ بیس (20) دن کے اندر پیش کی جائے۔

(Lashkar Khan Qambrani)

Member, Complaints Resolution Committee/
Director (CAD)

(Moqem ul Hassan)

Member, Complaints Resolution Committee/
Assistant Legal Advisor (CAD)

(Naweed Ishaq Shaikh)

Convener, Complaints Resolution Committee/
Director General (CAD)

Islamabad, April 02, 2024