



Before the Appellate Board
National Electric Power Regulatory Authority
(NEPRA)
Islamic Republic of Pakistan

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No. NEPRA/AB/Appeal-040/POI-2015/ 021-024

July 10, 2015

1. Arbab Ali
R/o House No. 170/2,
Khayaban-e-Shujat,
Phase-VIII, DHA,
Karachi
2. The Chief Executive Officer
K-Electric,
KE House, 39-B,
Sunset Boulevard, DHA-II,
Karachi
3. Rafique Ahmed Shaikh,
General Manager (Regulations),
K-Electric,
KE House, 39-B,
Sunset Boulevard, DHA-II,
Karachi
4. Ms. Tatheera Fatima
Deputy General Manager,
K-Electric,
KE House, 39-B,
Sunset Boulevard, DHA-II,
Karachi

Subject: **Appeal Titled K-Electric Vs. Arbab Ali Against the Decision Dated 07.04.2015 of the Electric Inspector/POI to Government of the Sindh Karachi Region-I, Karachi**

Please find enclosed herewith the decision of the Appellate Board dated 10.07.2015, regarding the subject matter, for information and necessary action accordingly.

Encl: As Above

(M. Qamar Uz Zaman)

No. NEPRA/AB/Appeal-040/POI-2015/ 025

July 10, 2015

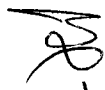
Forwarded for information please.


Member Appellate Board

1. Registrar
2. Director (CAD)
3. Electric Inspector/POI, Karachi Region-I
4. Master File

CC:

1. Chairman
2. Vice Chairman/Member (CA)
3. Member (Tariff)
4. Member (M&E)
5. Member (Licensing)


14/07/15
- Dlg-I
- m/f

Registrar	7606
By No.....
Dated 14-07-15



National Electric Power Regulatory Authority

Before Appellate Board

In the matter of

Appeal No. NEPRA/Appeal-040/POI-2015

K-Electric Limited

.....Appellant

Versus

Mr. Arbab Ali, House No.170/2, Khayaban-e-Shujat, Phase VIII DHA, Karachi

.....Respondent

Date of Hearing:

22/06/2015

For the appellant:

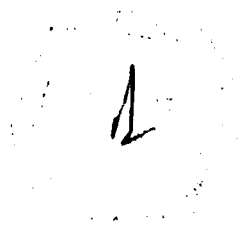
Mr. Rafique Ahmed General Manager
Ms. Tatheera Fatima Deputy General Manager

For the respondent:

Mr. G. Shabir Shaikh-Representative

DECISION

1. As per facts of the case, K-Electric is a licensee of National Electric Power Regulatory Authority (hereinafter referred to as NEPRA) for distribution of electricity in the territory specified as per terms and conditions of the license and the respondent is its domestic consumer bearing Ref No. LB-120571 with the sanctioned load of 14.199 kW under A-1 tariff. This appeal in hand has been filed by K-Electric against the decision dated 07.04.2015 of the





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Provincial Office of Inspection /Electric Inspector Karachi Region-I, Karachi (hereinafter referred to as POI) under Section 38(3) of the Regulation of Generation, Transmission and Distribution of Electric Power Act 1997 (hereinafter referred to as "the Act").

2. A detection bill of Rs.99,114/- for 5,195 units net for the period 27.09.2013 to 27.3.2014 was issued to the respondent against which he filed a complaint in June 2014 before POI and challenged the detection bill. The Complaint was contested by K-Electric on the ground that the detection bill was issued against the dishonest abstraction of electricity under section 26(a) of the Electricity Act 1910 and therefore, the jurisdiction of POI was barred.
3. The matter was decided by POI vide his decision dated 07.04.2015 and the operative portion of the decision is reproduced below:

"After conducting several numbers of hearings, giving fair opportunities to hear both the parties, scrutinizing the record, made available with this authority and in the light of above findings, this authority is of the firm view that Opponents have violated the mandatory requirements of Electricity Act-1910 and guide lines communicated through Consumer Service Manual of NEPRA as pointed out in above findings, hence conclude the matter with following directions to Opponents:-

- a) *To cancel the detection bill of Rs.99,114/= of 5915 units for the period from 27.09.2013 to 27.03.2014, which bearings no justification on technical and legal grounds.*
- b) *To comply with the instructions and procedure, conveyed through Consumer Service Manual issued by NEPRA for compliance by all DISCO's, in letter & spirit and avoid, harassment to consumer by excessive billing.*

The complaint is disposed off in terms of the above, for compliance by the Opponents."

4. Being aggrieved with the above decision dated 07.04.2015 of POI, K-Electric has filed the instant appeal through Ms. Tatheera Fatima Deputy General Manager before NEPRA under section 38 (3) of the Act. In the appeal, the K-Electric prayed as under:



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"The appellant (KE), therefore, humbly prays that the Authority (NEPRA) shall reopen the case and suspend the decision/order dated 07.04.2015 passed by the EIK (not POI) (Respondent No.02) received in this office dated 21.04.2015 and further prays to set aside the said order in its entirety as well as grant relief as may deem just and proper to meet the ends of justice in the circumstances of the case."

5. In response to the instant appeal a notice was issued to the respondent for submission of reply/parawise comments which were received on 12.06.2015. The respondent in his reply/parawise comments raised preliminary objections and vehemently denied the allegations of K-Electric and requested for dismissal of the appeal.
6. The hearing of appeal was fixed on 22.06.2015 in Karachi and due notices were sent to both the parties. Mr. Rafique Ahmed General Manager and Ms. Tatheera Fatima Deputy General Manager appeared for K-Electric and Mr. G. Shabir Shaikh appeared for the respondent. At the outset of the hearing, it was observed that prima facie the appeal seems to be barred by time, therefore, the representative for appellant was required to first justify the question of limitation. Ms. Tatheera Fatima Deputy General Manager, the representative for K-Electric stated that the decision was announced by POI in their absence on 07.04.2015 and copy of the impugned decision dated 07.04.2015 was received by K-Electric on 21.04.2015. According to her, the delay in the receipt of the impugned decision by K-Electric was pointed out to POI vide K-Electric letter dated 24.04.2015. She contented that after receipt of the impugned decision on 21.04.2015 the appeal was filed on 13.05.2015 which was within the time limit as prescribed in the law and delay if any in this regard may be condoned. In view of the explanation given by the representative for K-Electric the delay in submission of the appeal was condoned. As regards the merits of the case, the representative for K-Electric averred that after issuing notice dated 21.04.2014, site of the respondent was inspected by K-Electric on the same day and theft of the electricity was suspected through underground system. Notice regarding the above discrepancy was issued on 21.04.2014 and detection bill of Rs.99,114/- for 5,195 units net for the period 27.09.2013 to 27.03.2014 was issued to the respondent on the connected load basis. She pleaded that the detection bill issued by K-Electric was justified and the respondent was liable to pay the



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same. Representative for K-Electric argued that after detection of theft on 21.04.2014 there was substantial increase in the consumption of the respondent and FIR regarding theft of electricity could not be registered against the respondent due to practical difficulties. However, according to K-Electric, the procedure of clause 9.1(b) of the CSM was followed. Besides this, representative for K-Electric raised preliminary objection regarding the jurisdiction of POI and stated that being a theft case hearing of the complaint was outside the jurisdiction of POI. During the arguments it was contented by K-Electric that after detection of discrepancy on 21.04.2014 there was no increase in the consumption of the respondent in the subsequent months due to the reason that the respondent had shifted his load on the other meter installed in his premises. This argument contradicts the earlier arguments and the stance of K-Electric in the written memo of the appeal wherein, it is stated that the consumption increased after the site inspection on 21.04.2015.

7. Mr. G. Shabir Shaikh appearing for the respondent rebutted the arguments of the representative for K-Electric and contented that the premises of the respondent was vacant and only a security guard was living there. According to him, the consumption was very low due to this reason and therefore, the allegation of theft by K-Electric was baseless and denied accordingly. He submitted that the decision of POI was fair, legal and justified therefore, same shall be upheld.
8. We have heard arguments of both the parties and examined the record placed before us. Following are our observations:
 - i. Site inspection was carried out by K-Electric on 21.04.2014 and site inspection report was also prepared wherein, theft of electricity through underground cable joint was suspected.
 - ii. Notices prior and after site inspection on 21.04.2014 were issued by K-Electric but receipt of the notices by the respondent is not acknowledged.
 - iii. Detection bill of Rs.99,114/- for 5,195 units net for the period 27.09.2013 to 27.3.2014 was issued to the respondent by K-Electric and was challenged before POI by the respondent.



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- iv. No FIR was lodged against the respondent for dishonest abstraction of electricity and no property was seized as a proof for the stealing of electricity.
- v. Comparison of the consumption during the disputed period with the undisputed period of previous year is given below.

Period	Consumption Units	Period	Consumption Units
Oct/2012	160	Oct/2013	478
Nov/2012	143	Nov/2013	375
Dec/2012	139	Dec/2013	338
Jan/2013	275	Jan/2014	316
Feb/2013	287	Feb/2014	296
Mar/2013	356	Mar/2014	331
Total	1360	Total	2134

From the above table it is evident that the consumption during the period of 2013 in which the stealing of the electricity is alleged is higher than the previous year which doesn't support the allegation of K-Electric regarding theft of electricity.

- vi. Consumption data after site inspection report on 21.04.2014 is compared with the corresponding period of the previous year in the following table:

Month	2013 (Units)	2014 (Units)
Apr	462	353
May	597	424
Jun	802	1067
Jul	626	1127
Aug	746	502
Sep	565	442
Oct	478	425
Nov	375	271
Dec	338	229
Total	4989	4840



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From the above table it is emerged that there is no considerable difference between the previous and present consumption which is against the contention of K-Electric that after detection of theft in April 2014 there was significant increase in consumption of the respondent.

9. From the discussion in the foregoing paragraphs, it is concluded that the respondent was not involved in theft of electricity; therefore, the detection bill issued by K-Electric is not justified. We do not find any reason to interfere with the decision of POI and the same is therefore upheld.
10. The appeal is dismissed accordingly.

Muhammad Qamar-uz-Zaman
Member

Nadir Ali Khoso
Convener

Muhammad Shafique
Member

Date: 10.07.2015

