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# National Electric Power Regulatory Authority (NEPRA)

## Islamic Republic of Pakistan

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No. NEPRA/AB/Appeal-084/POI-2015/ //3/\_//3/\_

December 03, 2015

- 1. Zamiruddin Through Waqar Ahmed, Quarter No. 7A/1, Area 11-F, Block No. 124, New Karachi, Karachi
- 3. Rafique Ahmed Shaikh, General Manager (Regulations), K-Electric, KE House, 39-B, Sunset Boulevard, DHA-II, Karachi
- The Electric Inspector Karachi Region-II, Block No. 51, Pak Secretariat, Shahra-e-Iraq, Saddar, Karachi.

- The Chief Executive Officer 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 Ltd Vs. Zamiruddin Against the Decision Dated 09.07.2015 of the Electric Inspector/POI to Government of the Sindh Karachi Region-II, Karachi

Please find enclosed herewith the decision of the Appellate Board dated 02.12.2015, regarding the subject matter, for information and necessary action accordingly.

Encl: As Above

(M. Qamar Uz Zaman)

December 03, 2015

No. NEPRA/AB/Appeal-084/POI-2015/ //36 Forwarded for information please.

Member Appellate Board

1.

2.

-D/Ry-I/M/R

CC:

1. Vice Chairman/Member (CA)



#### **Before Appellate Board**

In the matter of

### Appeal No. NEPRA/Appeal-084/POI-2015

K-E	lectric	Ltd
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.....Appellant

#### **Versus**

Zamiruddin through Mr. Waqar Ahmed, Quarter No.7 A/1, Area 11-F, Block No -124, New Karachi, Karachi.

.....Respondent

#### For the appellant:

Mr. Rafique Ahmed Shaikh General Manager

Ms. Tatheera Fatima Deputy General Manager

Mr. Danish Gul Assistant Manager

### For the respondent:

Nemo

#### **DECISION**

- 1. As per facts of the case, the respondent is a commercial consumer of K-Electric (hereinafter referred as KE) under Ref No.AL-285759 with a sanctioned load of 1kW under A2-C tariff.
- 2. The respondent filed an application dated 02.07.2012 before Provincial Office of Inspection (POI) with the contentions that polishing of imitation jewelry was carried out in his house but no electricity was consumed in that process. He averred that his house was visited by KE inspector and the tariff was changed from residential to commercial without issuing any notice Page 1 of 4





or site inspection report. The respondent complained that due to the change of tariff he had to pay huge amount of unnecessary bills in installments. In the end he, inter-alia, prayed that the change of tariff from residential to commercial be cancelled and residential tariff be revised for the billing purpose.

- 3. The stance taken by KE in response to said complaint before POI was that the connection of the respondent was sanctioned as residential under tariff A1 whereas the respondent was using electricity in the shop of jewelry polish which was a case of misuse of tariff and violation of electricity rules as well as Consumer Service Manual (hereinafter referred to as CSM). According to KE the respondent admitted in his complaint regarding commercial use of electricity therefore his tariff was correctly revised from residential to commercial.
- 4. The complaint so filed before POI was decided vide a decision dated 09.07.2015 with the following conclusion:-

"After conducting numbers of hearings, giving fair opportunities to her both the parties, scrutinizing the record, made available with this authority and in the light of the relevant provisions of law/Regulations and above findings, this authority is of the firm view that assessed bills for the period from 2012 to onward, is hereby cancelled and opponents directed to revised the same on actual meter reading basis.

The opponents directed to recover the remaining amount from the complaint in 15 easy installments.

The opponent is also directed to take meter reading on every month as per procedure.

Changing tariff without providing acute proof is urgent and opponents is directed to change the opponents on previous tariff i.e. Residential."

5. Being aggrieved with the POI decision dated 09.07.2015, KE has filed the instant appeal under section 38 (3) of the Regulation of Generation, Transmission and Distribution of Electric Power Act 1997 (hereinafter referred to as "the Act") with the contention that the respondent agitated change of tariff from residential to commercial before POI which was contested by KE but POI passed the final order against KE and cancelled the assessed billing since 2012 till to date and revised the same on the actual recorded reading. KE contended that the reading of the respondent's meter was observed as 9,274 on 26.02.2012 which was found to be the same i.e.

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9,274 as per site inspection report dated 09.07.2012. KE pleaded that although the respondent's supply was disconnected by KE but during the aforementioned site checking, the light load was found being used by the respondent in his premises. According to the same readings of the meter in February 2012 and July 2012 proved that the respondent was involved in dishonest abstraction of electricity. Referring to the monthly consumption statement of the respondent, KE alleged that although officially the electricity connection remained disconnected from January 2013 to June 2015 but electricity was being used illegally in the premises. KE finally prayed as under:-

"The appellant (KE), therefore, humbly prays that the Authority (NEPRA) shall reopen the case and suspend the decision/order dated 09.07.2015 passed by the EIK (not POI) (Respondent No.2) received in this office dated 14.07.2015 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."

- 6. In response to above appeal, the respondent was issued a notice for filing reply/parawise comments which were not submitted.
- 7. After issuing notice to both the parties, the appeal was finally heard in Karachi on 26.10.2015 in which Mr. Rafique Sheikh GM and Ms. Tatheera Fatima DGM appeared for KE the appellant, and no one entered appearance for the respondent. The representatives of KE contended that POI in his findings admitted that the respondent was using his premises for commercial purpose but in spite of that the difference bill for change of tariff from residential to commercial was disallowed by POI which had no justification. Moreover KE pointed out that in the impugned decision, POI did not discuss and considered their arguments and announced the impugned decision which was not speaking one. It was prayed by KE that the matter be sent back to POI for making decision after consideration of all facts of the case.
- 8. Having gone through the record, it is to be observed that the respondent in his application dated 02.07.2012 had complained about the change of tariff from residential to commercial and prayed for restoration of residential tariff. Nowhere in his application any amount of the detection bill was mentioned but the POI in his impugned decision had specified arrear bill

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amounting to Rs.183,065/- which was not the subject matter of the complaint so filed before it. Moreover no proper reasoning has been given by POI in the impugned decision for the determination of the matter. We are convinced that the impugned decision was passed without appreciating the actual controversy and resultantly the same is set aside and the case is remanded back to POI for deciding the complaint afresh after providing opportunity of hearing to both the parties.

Muhammad Qamar-uz-Zaman Member

> Nadir Ali Khoso Convener

Date: 02.12.2015

Muhammad Shafique

Member