



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

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No. NEPRA/AB/Appeal-042/POI-2016/ 1227-1231

September 22, 2016

1. Syed Muhammad Tahir,
Flat No. a-8,
Jason Gulshan Gala,
FL-34, Block-11,
Gulshan-e-Iqbal, Karachi
2. The Chief Executive Officer,
K-Electric,
KE House, 39-B,
Sunset Boulevard, DHA-II,
Karachi
3. Asif Shajer,
Deputy General Manager,
K-Electric, KE House, 39-B,
Sunset Boulevard, DHA-II,
Karachi
4. Ms. Tatheera Fatima,
Deputy General Manager,
K-Electric Ltd,
3rd floor, KE Block,
Civic Centre, Gulshan-e-Iqbal,
Karachi
5. The Electric Inspector,
Karachi Region-I,
Block No. 51, Pak Secretariat,
Shahra-e-Iraq, Saddar,
Karachi

Subject: Appeal Titled K-Electric Ltd Vs. Syed Muhammad Tahir Against the Decision Dated 29.01.2016 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 20.09.2016, regarding the subject matter, for information and necessary action accordingly.

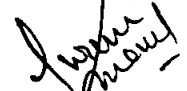
Encl: As Above

(Ikram Shakeel)

No. NEPRA/AB/Appeal-042/POI-2016/ 1232

September 22, 2016

Forwarded for information please.


Assistant Director
Appellate Board

1. Registrar
2. Director (CAD)

CC:

1. Member (CA)



National Electric Power Regulatory Authority

Before Appellate Board

In the matter of

Appeal No. NEPRA/Appeal-042/POI-2016

K-Electric Ltd

.....Appellant

Versus

Syed Muhammad Tahir, (Syed Muhammad Noman),
Flat No. A-8, Plot No. FL-34, Jason Builder, Gulshan Gala,
Block-II, Gulshan-e-Iqbal, Karachi

.....Respondent

For the appellant:

Ms. Tatheera Fatima Deputy General Manager (Legal Distribution)
Mr. Rizwan Deputy General Manager
Mr. Masahib Ali Deputy Manager
Mr. Imran Hanif Assistant Manager

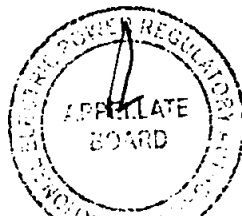
For the respondent:

Syed Muhammad Tahir

DECISION

1. This decision shall dispose of the appeal filed by K-Electric against the decision dated 29.01.2016 of Provincial Office of Inspection/Electric Inspector, Karachi Region-I, Karachi (hereinafter referred to as POI).
2. Brief facts of the case are that the respondent is a domestic consumer of K-Electric bearing Ref No. LA-820313 with a sanctioned load of 5 kW under A-1 R tariff. Premises of the respondent was inspected by K-Electric on 03.07.2014 and reportedly the respondent was found involved in dishonest abstraction of electricity through use of an extra phase and connected load was noticed as 7.6 kW, which is higher than the sanctioned load. After

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issuing notice to the respondent, a detection bill of Rs. 40,611/- for 2,750 units for the period 07.12.2013 to 06.06.2014 (January 2014 to June 2014) was charged to the respondent on the basis of connected load. Subsequently, an assessed bill of Rs. 14,366/- for 963 units for July 2014 was also charged to the respondent on the basis of connected load.

3. Being aggrieved with the aforesaid detection/assessed bills, the respondent filed an application before POI on 23.09.2014, which was disposed of by POI vide its decision dated 06.10.2015 with the following conclusion:

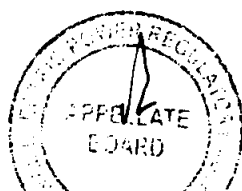
"After conducting several numbers of hearings and finally on 22.12.2015, giving fair opportunities to hear both the parties, scrutinizing the record, made available with this authority and in the light of above findings, this authority is of the firm view that Opponents have violated the mandatory requirements of Electricity Act-1910 and guidelines communicated through Consumer Service Manual of NEPRA as pointed out in above findings.

The authority therefore, direct the Opponents to cancel the detection bill amounting to Rs. 40,611/- of 2750 units for the period from 07.12.2013 to 06.06.2014 as it has no justification on technical and legal grounds . The assessed bills for the month of July 2014 of 963 units per month amounting to Rs. 14,366/-(gross) should be cancelled and revise the same on actual consumption recorded by the energy meter.

It is further directed the Opponents to adjust the already paid amount by the complainant and to waive all late payment surcharges after issuance of the impugned assessed & detection bills and afterwards, as complainant was not found at fault.

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

4. Being dissatisfied with the POI decision dated 29.01.2016 (hereinafter referred to as the impugned decision), K-Electric 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 NEPRA Act 1997). In its appeal, K-Electric inter alia, contended that POI was not empowered to adjudicate the instant matter being a case of theft

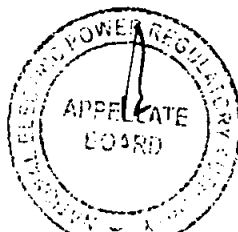




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of electricity and beyond his jurisdiction.

5. Notice was issued to the respondent for filing reply/parawise comments, which were filed on 06.04.2016. In his reply/parawise comments the respondent inter alia, denied allegation of theft of electricity and contended that excessive units were charged to the respondent without any justification. According to the respondent the relief was granted by POI in accordance with the law and therefore the impugned decision be maintained.
6. Notice was issued to both the parties and the hearing was held in Karachi on 27.07.2016 in which Ms. Tatheera Fatima Deputy General Manager (Distribution Legal) along with the team appeared for the appellant K-Electric and Syed Muhammad Tahir the respondent appeared in person. Learned representative of K-Electric repeated the same arguments as earlier given in memo of the appeal and contended that the detection bill amounting to Rs. 40,611/- for 2,750 units for the period 07.12.2013 to 06.06.2014 and assessed bill of Rs. 14,366/- of 963 units for July 2014 were charged to the respondent in order to recover the revenue loss sustained by K-Electric due to theft of electricity committed by the respondent. The representative of K-Electric averred that there was considerable increase in the consumption of electricity by the respondent after detection of theft by K-Electric. The representative of K-Electric further pleaded that the impugned decision was rendered without considering facts and law and therefore liable to be set aside. The respondent in his rebuttal argued that the site inspection if any was carried out in his absence and no notice whatsoever in this regard was served on him. He denied the allegation of theft of electricity and contended that the electricity meter was recording consumption correctly and as such the bills issued as per meter reading were justified and paid accordingly. He requested for cancellation of disputed electricity bills and the late payment surcharges (LPS) debited to him. He defended the impugned decision and prayed for its upholding.
7. Arguments and record perused.
 - i. Theft of electricity by the respondent was alleged by K-Electric but no FIR and other proceedings as required under law and Consumer Service Manual were initiated by





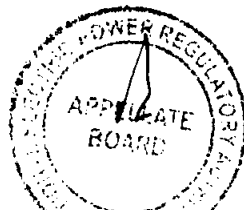
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K-Electric and moreover as observed by POI, no concrete proof was provided by K-Electric against the respondent regarding the commission of theft of electricity. Therefore objection of K-Electric regarding jurisdiction of POI being a theft case is not valid and liable to be dismissed as already determined in the impugned decision.

- ii. Detection bill amounting to Rs. 40,611/- for 2,750 units for the period 07.12.2013 to 06.06.2014 and the assessed bill for Rs. 14,366/- of 963 units for July 2014 charged to the respondent were challenged by the respondent vide the application dated 23.09.2014.
- iii. In order to assess the consumption recorded during the disputed period, the consumption data provided by K-Electric is tabulated below:

Period	Normal Mode Average Units/Month	Detection/Assessed Mode Average Units/Month
Period before first dispute February 2013 to December 2013 (11 months)	304	-
Same months of previous year of first dispute January 2013 to June 2013 (6 months)	213	-
First disputed period January 2014 to June 2014 (6 months)	319	767
Same months of succeeding year of first dispute January 2015 to June 2015 (6 months)	183	-
Second disputed period July 2014 (1 month)	-	963
Period after second dispute August 2015 to June 2016 (11 months)	245	-

From the above analysis, it is evident that the detection bill charged @ 767 units/month is much higher than the consumption of 213 units/month and 183 units/month during the corresponding undisputed periods before and after the dispute respectively. Moreover the normal mode consumption of 319 units/month in the disputed period is even higher than the consumption of 304 units/month and 245 units/months for the periods before and after dispute respectively and as such K-Electric has no justification to charge detection bill





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during that period. Therefore it is rightly determined by POI in the impugned decision that the detection bill of Rs. 40,611/- for 2,750 units for the period 07.12.2013 to 06.06.2014 (January 2014 to June 2014) charged to the respondent was not justified and liable to be withdrawn. Impugned decision to this extent is liable to be maintained.

- iv. We are not convinced with the contention of K-Electric to charge the assessed bill of Rs. 14,366/- for 963 units charged in July 2014 to the respondent, as such high consumption of electricity was never recorded even in undisputed periods (prior/after). Therefore the assessed bill of Rs. 14,366/- for 963 units charged in July 2014 to the respondent is liable to be declared as null and void and to be revised on the basis of actual consumption recorded in July 2014 as determined in the impugned decision.
 - v. The respondent is not liable to pay LPS charges levied against the respondent due to non-payment of the disputed bills. The impugned decision to this extent is correct and liable to be maintained.
8. In view of what has been stated above, we do not find any reason to interfere with the impugned decision, which is in accordance with facts and law and therefore upheld. Resultantly the appeal is dismissed.

Muhammad Qamar-uz-Zaman
Member

Muhammad Shafique
Member

Nadir Ali Khoso
Convener

Date: 20.09.2016

