



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

NEPRA Office, Atta Turk Avenue (East), G5/1, Islamabad  
Tel. No. +92 051 2013200 Fax No. +92 051 2600028  
Website: [www.nepra.org.pk](http://www.nepra.org.pk) E-mail: [office@nepra.org.pk](mailto:office@nepra.org.pk)

No. NEPRA/AB/Appeal-092/POI-2015/111 - 121

January 06, 2016

1. Muhammad Ali Memon,  
Deputy Director,  
HR Department,  
SBOP, 1.1, Chandrigar Road,  
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 Ltd,  
3<sup>rd</sup> 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. Muhammad Ali Memon-I Against the Decision Dated 25.06.2015 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 05.01.2016, regarding the subject matter, for information and necessary action accordingly.

Encl: As Above

(M. Qamar Uz Zaman)

No. NEPRA/AB/Appeal-088/POI-2015/121

January 06, 2016

Forwarded for information please.

Member Appellate Board

1. Registrar
2. Director (CAD)

CC:

1. Vice Chairman/Member (CA)

Registrar
By No. 305
Dated 11/01/16

D/Reg-I/MF 11/01/16



# National Electric Power Regulatory Authority

## Before Appellate Board

In the matter of

Appeal No. NEPRA/Appeal-092/POI-2015

K-Electric Limited

.....Appellant

Versus

Muhammad Ali Memon,  
House No.MC-557, Green Town, Karachi

.....Respondent

### For the Appellant:

Mr. Rafique Ahmed Sheikh General Manager  
Ms. Tatheera Fatima Deputy General Manager (Distribution Legal)  
Mr. Imran Hanif Assistant Manager

### For the Respondent:

Muhammad Ali Memon

## DECISION

1. Through this decision, an appeal filed by K-Electric Limited (hereinafter referred to as KE) against the decision dated 25.06.2015 of the Provincial Office of Inspection/Electric Inspector Karachi Region-I (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") is being disposed of.
2. Brief facts giving rise to the instant appeal are that KE 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 distribution license and the respondent is

1



## National Electric Power Regulatory Authority

its domestic consumer bearing Ref No.LB-139077 with a sanctioned load of 6 kW under tariff A1-R.

3. The site inspection of the respondent's connection was carried out by the inspection team of KE on 17.09.2014. As per site inspection report dated 17.09.2014 an extra phase was found at site and the connected load observed at the premises was 5.549 kW. After issuing notice dated 17.09.2014, the detection bill of Rs.56,615/- for 3,771 units for the period 13.03.2014 to 09.09.2014 was charged to the respondent in the bill for October 2014. The detection bill was worked out on the basis of connected load of 5.549 kW and assuming the load factor of 0.22.
4. The respondent being aggrieved with the aforementioned detection bill filed an application in October 2014 before POI and stated that KE charged him inflated bill amounting to Rs.56,627/- which was incorrect, illegal and without any justification and therefore, was liable to be cancelled.
5. The complaint was decided by the POI on 25.06.2015 (hereinafter referred to as impugned decision) and operative portion of the same 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 line communicated through Consumer Service Manual (CSM) of NEPRA as pointed out in above findings, hence direct the licensee to cancel the detection bill amounting to Rs.56,619/= of 3771 units for the period from 13.03.2014 to 09.09.2014, as it has no justification on technical and legal grounds. It is further directed the Opponents to waive all late payment surcharges after issuance of the impugned detection bill and afterwards, as complainant was not found at fault."*

6. Being aggrieved with the impugned decision, KE has filed the instant appeal under section 38 (3) of the Act. KE in its appeal, inter-alia, contended that detection bill was charged to the respondent for direct use of electricity through extra phase by bypassing the metering equipment. According to KE the matter did not fall in the jurisdiction of POI and therefore



## National Electric Power Regulatory Authority

determination given was without lawful authority.

7. Notice of the appeal was served upon the respondent for filing reply/parawise comments which were not filed.
8. After issuing notices to both the parties the hearing of the appeal was conducted in the NEPRA regional office Karachi on 07.12.2015 in which both the parties participated. Ms. Tatheera Fatima Deputy General Manager (Distribution Legal) and Mr. Rafique Ahmed Sheikh General Manager appeared for the appellant KE and Mr. Muhammad Ali Memon the respondent, appeared in person. Representatives of KE repeated the same arguments which have been given in memo of the appeal. They stated that during site inspection dated 17.09.2014, the respondent was caught stealing electricity through an extra phase, therefore detection bill, calculated on the basis of connected load and amounting to Rs.56,615/- for 3,771 units for the period 13.03.2014 to 09.09.2014, was charged to the respondent to recover the revenue loss sustained by KE. According to KE being a theft case, the matter was beyond the jurisdiction of POI and the impugned decision rendered by POI is therefore liable to be set aside being void and without lawful authority. Mr. Rafique Ahmed Sheikh, the representative of KE, provided calculation of detection bill and consumption table for the years 2013, 2014 and 2015 and averred that there was increase in the consumption after removal of extra phase by KE. According to KE the provisions of chapter 9.1 of Consumer Service Manual (hereinafter referred to as CSM) could not be followed due to practical difficulties. KE informed that as per policy FIR is registered against consumer involved in the theft of electricity for an amount exceeding Rs.300,000/- and that's why no FIR was lodged in the instant case. Ms. Tatheera Fatima the legal counsel for KE, objected that according to impugned decision all late payment surcharges were waived whereas there are late payment surcharges which were levied against the respondent as he defaulted in making payments of current bills. Mr. Muhammad Ali Memon the respondent denied allegations of the representatives of KE and stated that he was not involved in the theft of electricity and such allegation was baseless and not proved by KE before POI. He defended the decision of POI and prayed that the same should be upheld and the appeal be dismissed accordingly.



## National Electric Power Regulatory Authority

9. We have heard arguments of both the parties and examined the record placed before us. It has been observed that:
- No report was made to police or FIR was registered by KE against the respondent for alleged theft of electricity through an extra phase as required under CSM and applicable law. We are inclined to agree with the argument of the respondent that the allegation of theft could not be proved by KE against him. POI has rightly given the findings that procedure as envisaged in chapter 9 of CSM was not followed by POI for establishing dishonest abstraction of electricity by the respondent and the POI had the jurisdiction to adjudicate the instant matter.
  - As KE did not follow the procedure for establishing allegation of theft of electricity as laid down in the CSM and law, the matter is within the jurisdiction of POI and it has been rightly exercised by him. Objection of KE in this regard carries no weight and is dismissed.
  - The consumption data of the respondent is given below:-

Period	Units	Disputed Period	Units	Period	Units
Oct-2013	350	Apr-2014	181	Oct-2014	287
Nov-2013	226	May-2014	211	Nov-2014	340
Dec-2013	139	Jun-2014	290	Dec-2014	321
Jan-2014	118	Jul-2014	233	Jan-2015	184
Feb-2014	144	Aug-2014	284	Feb-2015	152
Mar-2014	145	Sep-2014	231	Mar-2015	167
<b>Average Consumption per month</b>	<b>187</b>	<b>Average Consumption per month</b>	<b>238</b>	<b>Average Consumption per month</b>	<b>241</b>

From the above table it may be observed that the consumption per month in the disputed period from April 2014 to September 2014 is higher than the preceding undisputed period October 2013 to March 2014 and equivalent to the succeeding undisputed period October 2014 to March 2015. Version of KE that after removal of the extra phase there was increase

1



## National Electric Power Regulatory Authority

in consumption is not substantiated by the consumption record of the respondent. The determination of POI that there was no significant variance in the consumption trend prior and after the disputed period is correct and therefore agreed.

iv. The determination of POI that the detection bill amounting to Rs.56,619/= of 3,771 units for the period from 13.03.2014 to 09.09.2014 has no justification is correct and liable to be maintained. Moreover, the respondent is not liable to pay the late payment surcharges levied due to issuance of the detection bill as decided by POI.

10. In view of the above discussion it is concluded that the impugned decision of POI is based on facts and law and therefore the same is upheld. Resultantly the appeal of KE is dismissed.

Muhammad Qamar-uz-Zaman  
Member

Nadir Ali Khoso  
Convener

Muhammad Sháfique  
Member

Date: 05.01.2016