



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

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No. NEPRA/AB/Appeal-093/POI-2015/ 022 - 026

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,
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. 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-093/POI-2015/027

January 06, 2016

Forwarded for information please.

Member Appellate Board

1. Registrar
2. Director (CAD)

CC:

1. Vice Chairman/Member (CA)

Registrar	304
By No.	
Dated	11/01/16



National Electric Power Regulatory Authority

Before Appellate Board

In the matter of

Appeal No. NEPRA/Appeal-093/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:

Mr. Muhammad Ali Memon

DECISION

1. Through this decision, an appeal filed by K-Electric Limited (hereinafter referred to as KE) filed 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 its domestic consumer bearing Ref No. LB-139078 with a sanctioned load of 5 kW under

12



National Electric Power Regulatory Authority

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 reportedly an extra phase at site was found 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 the POI with the contentions 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 aforementioned 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

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	360	Apr-2014	334	Oct-2014	578
Nov-2013	438	May-2014	396	Nov-2014	324
Dec-2013	227	Jun-2014	963	Dec-2014	199
Jan-2014	183	Jul-2014	595	Jan-2015	172
Feb-2014	205	Aug-2014	728	Feb-2015	160
Mar-2014	258	Sep-2014	384	Mar-2015	216
Average Consumption per month	279	Average Consumption per month	567	Average Consumption per month	275

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

1




National Electric Power Regulatory Authority


increase in consumption is not supported 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



Muhammad Shafique
Member



Nadir Ali Khoso
Convener

Date: 05.01.2016