



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 E-mail: office@nepra.org.pk

No. NEPRA/AB/Appeal-115/POI-2015/ 411-415

April 08, 2016

1. Syed Zakir Hussain
S/o Syed Ghaffar Hussain,
Hous No. R-698, Buffer Zone,
Sector-15-A/1, North Karachi
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-II,
Block No. 51, Pak Secretariat,
Shahra-e-Iraq, Saddar,
Karachi.

Registrar
By No. 3672
Dated. 11-04-16

Subject: Appeal Titled K-Electric Ltd Vs. Syed Zakir Hussain Against the Decision Dated 09.09.2015 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 07.04.2016, regarding the subject matter, for information and necessary action accordingly.

Encl: As Above

(Ikram Shakcel)

No. NEPRA/AB/Appeal-115/POI-2015/ 416

Forwarded for information please.

April 08, 2016


Assistant Director
Appellate Board

1. Registrar
2. Director (CAD)

11.04.16

- D/Reg-II/AR/MF

CC:

1. Member (CA)



National Electric Power Regulatory Authority

Before Appellate Board

In the matter of

Appeal No. NEPRA/Appeal-115/POI-2015

K-Electric Ltd

.....:.....Appellant

Versus

Syed Zakir Hussain S/o Syed Ghaffar Hussain, House No. R-698,
Buffer zone, Sector-15-A/1, North Karachi, Karachi,

.....Respondent

For the appellant:

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

For the respondent:

Ms. Asia Ismail Advocate
Syed Zakir Hussain

DECISION

1. Through this decision, an appeal filed by K-Electric against the decision dated 09.09.2015 of Provincial Office of Inspection/Electric Inspector, Karachi Region-II, Karachi (hereinafter referred to as POI) is being disposed of.
2. The respondent is a domestic consumer of K-Electric bearing Ref No. AL-646312 with a sanctioned load of 1 kW under A1-R tariff. As per fact of the case, site of the respondent's connection was inspected by K-Electric on 23.08.2014 and reportedly the connected load was found as 5.755 kW and use of extra phase for dishonest abstraction of electricity was also noticed. After issuing notice to the respondent, first detection bill of Rs. 47,858/- for 3,168 units for the period 13.02.2014 to 11.08.2014 (6 months) was added in the bill for September 2014 on the basis of consumption of connected load. Connection of the



National Electric Power Regulatory Authority

respondent was again inspected by K-Electric on 28.04.2015, which reportedly found the use of an extra phase for direct consumption of electricity with connected load of 12.282 kW. After issuing notice to the respondent, second detection bill of Rs.25,786/- for 1,603 units for the period 12.02.2015 to 11.04.2015 (2 months) was charged in May 2015.

3. Being aggrieved with the aforesaid detection bills, the respondent filed an application dated 30.05.2015 before POI. The respondent challenged the arrears of Rs. 62,843/- included in the bill for May 2015 and contented that these were illegal, unlawful and therefore liable to be cancelled. POI disposed of the matter vide its decision dated 09.09.2015 and concluded as under:

“After conducting several number of hearings, giving fair opportunities to hear both the parties, scrutinizing the record, made available with this authority and in the light of relevant law & Regulations and above findings authority, this authority is of the firm view that detection bills amounting to Rs.47, 856/- of 3,168 units for the period from 13.02.2014 to 11.08.2014, issued by the opponents has no legal and technical grounds hence liable to be cancelled. The 2nd detection bill amounting to Rs.25, 786/- of 1603 units for the period from 12.02.2015 to 11.04.2015 is also has no legal and technical ground and hence liable to be cancelled. The complaint of the complainant is disposed off with above remarks”

4. Being dissatisfied with the POI decision dated 09.09.2015 (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 Act). K-Electric in its appeal contended that site of the respondent was inspected on 23.08.2014 & 28.04.2015 and on both the occasions the respondent was found stealing electricity through the use of an extra phase and also the connected load was found much higher than the sanctioned load. According to K-Electric, first detection bill of Rs. 47,858/- for 3,168 units for the period from 13.02.2014 to 11.08.2014 (6 months) added in the bill for September 2014 and second detection bill of Rs.25,786/- for 1,603 units for the period from 12.02.2015 to 11.04.2015 (2 months) charged in May 2015 were justified and the respondent is liable to pay the same. K-Electric further submitted that POI was not authorized to adjudicate the instant matter as



National Electric Power Regulatory Authority

the respondent was involved in dishonest abstraction of electricity by bypassing the meter and therefore the impugned decision was without jurisdiction, lawful authority and liable to be set aside.

5. In response to the above appeal, the respondent was issued a notice for filing reply/parawise comments, which were filed on 07.12.2015. The respondent in his reply submitted that both the detection bills have no legal and technical grounds and liable to be cancelled. According to the respondent, the impugned decision is based on merits and liable to be maintained. He prayed for dismissal of the appeal.
6. After issuing notice to both the parties, the appeal was heard in Karachi on 15.03.2016 in which Ms. Tatheera Fatima Deputy General Manager (Distribution Legal), Mr. Ayaz Ahmed Manager (CA) and Mr. Imran Hanif Assistant Manager appeared for the appellant K-Electric and Ms. Asia Ismail Advocate appeared along with Syed Zakir Hussain, for the respondent. The representatives of K-Electric repeated the same arguments as earlier given in memo of the appeal and contended that connection of the respondent was inspected twice after issuing notices and both the detection bills charged to the respondent were justified as the respondent was involved in dishonest abstraction of electricity through the use of an extra phase. The learned counsel for the respondent refuted allegations of K-Electric and contended that the respondent was not involved in any theft of the electricity and liable to pay the bill as per actual meter readings. The learned counsel of the respondent prayed for upholding the impugned decision.
7. We have heard arguments of both parties and examined the record placed before us. It has been observed as under:-
 - i. Theft of electricity by the respondent was alleged by K-Electric but no FIR and other proceedings as required under law and CSM were initiated by K-Electric. Objection of K-Electric regarding the lack of jurisdiction of POI being a theft case is not supported by the documents, therefore liable to be dismissed.
 - ii. First detection bill of Rs. 47,858/- for 3,168 units for the period from 13.02.2014 to 11.08.2014 (6 months) was added in the bill for September 2014 and second detection



National Electric Power Regulatory Authority

bill of Rs.25,786/- for 1,603 units for the period from 12.02.2015 to 11.04.2015 (2 months) was charged in May 2015 on the basis of connected load.

- iii. Comparison of the electricity consumption between the disputed and undisputed periods is as under:

Period	Normal Mode Average Units/Month	Detection Mode Average Units/Month
Period before dispute: (12 months) 03/2013 to 02/2014	247 Units	-
First disputed period (06 months) 03/2014 to 08/2014	281 Units	809 Units
Second disputed period: (02 months) 03/2015 to 04/2015	282 Units	801 Units
Period after dispute: (05 months) 05/2015 to 09/2015	601 Units	-

- iv. It is evident from the above table that the detection bills charged during the disputed periods are higher as compared to the consumption recorded in the undisputed periods. However the consumption of electricity i.e. 281 units/ month during the first disputed period and consumption of electricity i.e. 282 units/month during the second disputed period are lower than the consumption of electricity i.e. @ 601 units/month during the period after the dispute i.e. May 2015 to September 2015, which indicates that the meter was not recording the actual consumption during the disputed periods.
- v. Since the period before the disputed period has also been suspected by K-Electric, it would be appropriate to charge the respondent @ 601 units /month (as recorded during the period after dispute i.e. May 2015 to September 2015) for the disputed periods. According to clause 9.1 c (3) of Consumer Service Manual (CSM), the maximum period for charging in such cases shall be restricted to three billing cycles for general supply consumers i.e. A-I & A-II and for period beyond three billing cycles up-to a maximum of six months is subject to the approval of the Chief Executive of the K-Electric and initiation of action against the officer in charge for not being vigilant enough. These provisions of CSM were not followed by K-Electric in the instant case. The respondent is liable to be charged the detection bills



National Electric Power Regulatory Authority

@ 601 units /month for the period i.e. 12.05.2014 to 11.08 2014 (3 months) and 12.02.2015 to 11.04.2015 (2 months).

vi. First detection bill of Rs. 47,858/- for 3,168 units for the period from 13.02.2014 to 11.08.2014 (6 months) added in the bill for September 2014 and second detection bill of Rs.25,786/- for 1,603 units for the period from 12.02.2015 to 11.04.2015 (2 months) charged in May 2015 were not justified and liable to be cancelled as already determined in the impugned decision. Impugned decision to this extent is liable to be maintained.


8. In view of foregoing discussion, we have reached to the conclusion is as under:

- i. First detection bill of Rs. 47,858/- for 3,168 units for the period from 13.02.2014 to 11.08.2014 (6 months) added in the bill for September 2014 and second detection bill of Rs.25, 786/- for 1,603 units for the period from 12.02.2015 to 11.04.2015 (2 months) charged in May 2015 are not justified and liable to be cancelled and the respondent is not liable to pay the same. The impugned decision to this extent is maintained.
- ii. The respondent is liable to pay the detection bills @ 601 units /month for the period i.e. i.e. 12.05.2014 to 11.08 2014 (3 months) and 12.02.2015 to 11.04.2015 (2 months). However the units already charged during these disputed periods are to be adjusted in the revised bill. The impugned decision to this extent is modified.

9. The appeal is disposed of in above terms.



Muhammad Qamar-uz-Zaman
Member



Nadir Ali Khoso
Convener



Muhammad Shafique
Member

Date: 07.04.2016