



National Electric Power Regulatory Authority
(NEPRA)

Islamic Republic of Pakistan

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No. NEPRA/AB/Appeal-133/POI-2015/ 817-822

June 15, 2016

1. Aqeel Ahmed,
S/o Gulzar Ahmed Shamsi,
Plot No. SD-18, Block-B,
North Nazimabad, Karachi
2. The Chief Executive Officer,
K-Electric,
KE House, 39-B,
Sunset Boulevard, DHA-II,
Karachi
3. Syed Mudasser Hussain Zaidi,
Advocate,
Mudasser Law Associates,
105-A, First Floor, Light House Centre,
M.A. Jinnah Road, Karachi
4. Rafique Ahmed Shaikh,
General Manager (Regulations),
K-Electric, KE House, 39-B,
Sunset Boulevard, DHA-II,
Karachi
5. Ms. Tatheera Fatima,
Deputy General Manager,
K-Electric Ltd,
3rd floor, KE Block,
Civic Centre, Gulshan-e-Iqbal,
Karachi
6. The Electric Inspector,
Karachi Region-II,
Block No. 51, Pak Secretariat,
Shahra-e-Iraq, Saddar,
Karachi

By No. 6361
Dated 17-06-16

Subject: Appeal Titled K-Electric Ltd Vs. Aqeel Ahmed Against the Decision Dated 05.11.2015 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 15.06.2016, regarding the subject matter, for information and necessary action accordingly.

Encl: As Above

(Ikram Shakeel)

No. NEPRA/AB/Appeal-133/POI-2015/ 823

June 15, 2016

Forwarded for information please.

Assistant Director
Appellate Board

1. Registrar
2. Director (CAD)

17/06/16

CC:

— DD(-II)

1. Member (CA)

— m/f



National Electric Power Regulatory Authority

Before Appellate Board

In the matter of

Appeal No. NEPRA/Appeal-133/POI-2015

K-Electric Ltd

.....Appellant

Versus

Aqeel Ahmed S/o Gulzar Ahmed Shamsi,
Plot No. SD-18, Block-B, North Nazimabad, Karachi

.....Respondent

For the appellant:

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

For the respondent:

Syed Salim Mudasser Hassan Zaidi

DECISION

1. Through this decision, an appeal filed by K-Electric against the decision dated 05.11.2015 of Provincial Office of Inspection/Electric Inspector, Karachi Region-II, Karachi (hereinafter referred to as POI) is being disposed of.
2. As per facts, the respondent is a commercial consumer of K-Electric bearing Ref No. LA-887602 with a sanctioned load of 5 kW under A2-C tariff. Premises of the respondent was inspected by K-Electric on 06.04.2015 and allegedly the meter was found tampered, reading stopped and an extra phase being utilized for dishonest abstraction of electricity. Besides the connected load was found to be as 15.149 kW. After issuing notice dated 06.04.2015 to the respondent, a bill of Rs. 239,922/- including detection bill of Rs.215,427/- for 8,821 units for the period 04.10.2014 to 04.04.2015 (6 months), was charged to the respondent in April 2015.
3. Being aggrieved with the aforesaid bill, the respondent filed an application before POI in June 2015. POI disposed of the matter vide its decision dated 05.11.2015 and the operative portion of the same is reproduced below:





National Electric Power Regulatory Authority

"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 above findings, this authority is of the firm view that irregular bills, amounting to Rs.215,427/- of 8,821 units for the period from 04.10.2014 to 04.05.2015, no legal and technical grounds and liable to be cancelled. The Opponent is also directed to cancel the assessed bill for the month of June 2015, and the same be issued on actual meter reading. The opponent is directed to act in terms of above instructions, accordingly. The complaint is disposed off with above remarks."

4. Being dissatisfied with the decision dated 16.09.2015 of POI (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 Electricity Power Act 1997 (hereinafter referred as "the Act"). According to K-Electric, being a theft case of electricity POI was not empowered to decide the instant matter and the impugned decision is illegal, void, without jurisdiction and liable to be set aside. K-Electric prayed that the detection bill amounting to Rs.215,427/- for 8,821 units charged to the respondent for the period 04.10.2014 to 04.04.2015 (6 months) in April 2015 due to illegal abstraction of electricity was legal, justified and the respondent is liable to pay the same.
5. Notice was issued to the respondent for filing reply/parawise comments, which were filed on 26.04.2016. The respondent in the reply defended the impugned decision and submitted that the detection bill amounting to Rs. 215,427/- for 8,821 units for the period 04.10.2014 to 04.04.2015 (6 months), added in the bill of April 2015 was illegal, unjustified and liable to be cancelled.
6. Hearing of the appeal was held in Karachi at 06.06.2016, which was attended by both the parties. Ms. Tatheera Fatima Deputy General Manager (Distribution Legal), Mr. Faisal Shafat Manager, Mr. Masahib Ali Deputy Manager and Mr. Imran Hanif Assistant Manager appeared for the appellant K-Electric and contended that site of the respondent was checked on 06.04.2015 and the respondent was found involved in direct use of electricity, the meter was found dead stop and tampered. According to K-Electric, after issuing notice dated 06.04.2015, detection bill amounting to Rs.215,427/- for 8,821 units for the period 04.10.2014 to 04.04.2015 (6 months) was added in the bill for April 2015 in order to recover the revenue loss sustained by K-Electric. As per K-Electric, the detection bill charged to the respondent was justified, legal and the respondent is liable to pay the same. K-Electric prayed for cancellation of the impugned decision. Syed Mudasser Hussain Zaidi appearing as representative for the



National Electric Power Regulatory Authority

respondent argued that neither any notice was served nor any inspection was carried out in the presence of the respondent and charging of detection bill of Rs. 215,427/- for 8,821 units for the period 04.10.2014 to 04.04.2015 (6 months) in April 2015 has no legal and technical justification and therefore liable to be cancelled. The representative of the respondent defended the impugned decision, which in his opinion was comprehensive and justified and liable to be maintained.

7. We have heard arguments of both the 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 actions as required under law and CSM were initiated by K-Electric against the respondent. Objection of K-Electric regarding the lack of jurisdiction of POI, being a theft case, is not supported by the documents and therefore liable to be dismissed.
- ii. The detection bill of Rs. 215,427/- for 8,821 units for the period 04.10.2014 to 04.04.2015 (6 months) added in the bill of April 2015 was challenged by the appellant vide the application dated June 2015 before POI.

Charging of the detection bill for 6 months is not supported by the clause 9.1c (3) of Consumer Service Manual (CSM), where charging of the detection bill is restricted to three months for general supply consumers i.e. A-I & A-II and for extending the period up to six months, approval of the Chief Executive of the K-Electric and fixing of the responsibility upon K-Electric officials is mandatory but the prescribed procedure was not followed by K-Electric in the instant case.

Comparison of the electricity consumption between the disputed and undisputed periods as per consumption data provided by K-Electric is as under:


Period	Normal Mode Average Units/Month	Detection Mode Average Units/Month
Period before dispute: 12/2013 to 10/2014 (11 months)	452	-
Disputed period: 04.10.2014 to 04.04.2015 (06 months)	350	1820
Period after dispute: 07/2015 to 11/2015 (05 months)	667	-




National Electric Power Regulatory Authority

It is evident from the above table that the detection bill charged @ 1820 units/month during the disputed period is higher as compared to the consumption recorded in the undisputed periods (prior/after). Therefore the detection bill of Rs. 215,427/- for 8,821 units for the period 04.10.2014 to 04.04.2015 (6 months) added in the bill for April 2015 is not justified and liable to be cancelled as determined in the impugned decision. Therefore the impugned decision is liable to be maintained to this extent.


- iii. The consumption of electricity i.e. 350 units/ month during the disputed period is lower than the consumption of electricity recorded during the undisputed periods(prior/after), which indicates that the meter was not recording actual consumption during the disputed period. Since the period before dispute is also disputed by K-Electric, it would be appropriate to charge the detection bill @ 667 units/month (as recorded in the period after dispute) to the respondent for 3 months only i.e.04.01.2015 to 04.04.2015 as envisaged in the CSM.
8. In view of foregoing discussion, we have reached to the following conclusion:
- i. Detection bill of Rs. 215,427/- for 8,821 units for the period 04.10.2014 to 04.04.2015 (6 months) added in the bill of respondent for April 2015 is not justified and liable to be cancelled. The impugned decision to this extent is maintained.
 - ii. The respondent is liable to be charged the detection bills @ 667 units/month for the period i.e. 04.01.2015 to 04.04.2015 (3 months) and the units already charged during the same period should 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: 15.06.2016

