



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 2600030  
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-023/POI-2016/1086-1089

August 29, 2016

1. Mst. Nayab Jehan,  
House No. R-131,  
Sector 15-A/4, Buffer Zone,  
North Karachi, Karachi
2. The Chief Executive Officer,  
K-Electric,  
KE House, 39-B,  
Sunset Boulevard, DHA-II,  
Karachi
3. Ms. Tatheera Fatima,  
Deputy General Manager,  
K-Electric Ltd,  
3<sup>rd</sup> floor, KE Block,  
Civic Centre, Gulshan-e-Iqbal,  
Karachi
4. The Electric Inspector,  
Karachi Region-II,  
Block No. 51, Pak Secretariat,  
Shahra-e-Iraq, Saddar,  
Karachi

Subject: Appeal Titled K-Electric Ltd Vs. Mst. Nayab Jehan Against the Decision Dated 28.12.2015 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 25.08.2016, regarding the subject matter, for information and necessary action accordingly.

Encl: As Above

No. NEPRA/AB/Appeal-023/POI-2016/1090  
Forwarded for information please.

(Ikram Shakeel)

August 29, 2016

  
Assistant Director  
Appellate Board

REGISTERED
By No. 8651
Dated 31-08-16

1. Registrar
2. Director (CAD)

For my A.  
— DD (IT)

Cy to:

31.08.16

CC:

1. Member (CA)

— SA (CAD)

— DRO/DRG-I/MF



# National Electric Power Regulatory Authority

## Before Appellate Board

In the matter of

Appeal No. NEPRA/Appeal-023/POI-2016

K-Electric Ltd

.....Appellant

Versus

Mst. Nayab Jehan House No.R-131, Sector 15-A/4,  
Buffer Zone, North Karachi, Karachi

.....Respondent

### For the appellant:

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

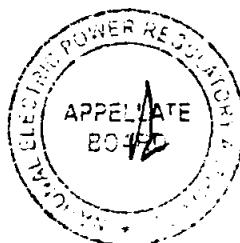
### For the respondent:

Mr. Afaq Yousuf Advocate  
Mr. Noman Haider

## DECISION

1. This decision shall dispose of the appeal filed by K-Electric against the decision dated 28.12.2015 of Provincial Office of Inspection/Electric Inspector, Karachi Region-II, 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-086018 with a sanctioned load of 4kW under AI-Rtariff. Premises of the respondent was inspected by K-Electric on 15.12.2012 and allegedly the respondent was dishonestly abstracting electricity through a hook connection and the connected load was noticed as 6.74 kW. After issuing notice dated 15.12.2012 to the respondent, first detection bill of Rs. 64,647/- for 4,229 units for the period 15.06.2012 to 13.12.2012 (July 2012 to December 2012) was charged by K-Electric to the respondent on the basis of connected load. Premises of the respondent was again checked by K-Electric on 27.04.2013 and allegedly the

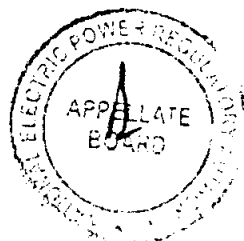
Page 1 of 7



respondent was found stealing electricity through use of an extra phase/hook and connected load was verified as 6.74 kW. A notice was issued to the respondent on 27.04.2013 and a second detection bill amounting to Rs. 9,378/- for 610 units for the period 13.01.2013 to 15.04.2013 (February 2013 to April 2013) was debited to the respondent on the basis of connected load. K-Electric again inspected the premises of the respondent on 01.08.2013 and it is alleged that the electricity meter was dead stop and the respondent was consuming electricity by using an extra phase/hook. Connected load was observed as 7.75 kW. A notice dated 01.08.2013 was issued and third detection bill of Rs. 57,379/- for 3,468 units for the period 16.04.2013 to 15.08.2013 (May 2013 to August 2013) was debited to the respondent on the basis of connected load.

3. Being aggrieved with the aforesaid detection bills, the respondent filed an application before POI on 06.11.2013 and challenged the bill amounting to Rs. 161,010/- including arrears charged by K-Electric in September 2013. The respondent submitted that besides above detection bills, assessed bills were also charged by K-Electric in the months of January 2013, April 2013, May 2013 and August 2013. POI disposed of the matter vide its decision dated 28.12.2015 with the following conclusion:

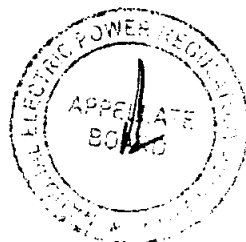
*"After conducting several number of hearings, giving fair opportunities to hear both the parties, scrutinizing the record, made available with this authority and in the light of relevant law and Regulations and above findings, this authority is of the firm view that irregular bill amounting to Rs.64,647/- for 4,229 units for the period 15.06.2012 to 13.12.2012, 2<sup>nd</sup> detection bill amounting to Rs.9,378/- of 610 units for the period from 14.12.2012 to 15.04.2013, 3<sup>rd</sup> detection bill amounting to Rs.57,379/- of 3,468 units for the period from 16.04.2013 to 15.08.2013 issued by the opponents is at higher side and revised up-to 03 months instead of 13 months as per procedure of Consumer Service Manual CSM. The opponent is also directed to cancel the arrears bill amounting to Rs.45,574/- for the month of July-2015, because the bill is unjustified has no legal and technical grounds hence liable to be cancelled. The opponents is also directed to cancel all the assessed billing and issued the same on actual meter reading. The opponent is directed to act in terms of above instructions, accordingly. The complaint is disposed off with above remarks."*





## National Electric Power Regulatory Authority

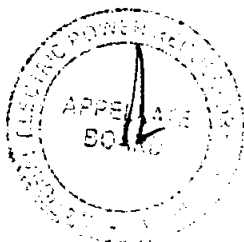
4. Being dissatisfied with the POI decision dated 28.12.2015 (hereinafter referred to as the impugned decision), K-Electric has filed the instant appeal under section 38 (3) of the Regulation of Generation, Transmission and Distribution of Electric Power Act 1997 (hereinafter referred to as the NEPRA Act 1997). In its appeal, K-Electric contended that the premises of the respondent was inspected by K-Electric on 15.12.2012, 27.04.2013 and 01.08.2013 and on all occasions, the respondent was found consuming electricity directly through extra phase/hook and the connected load was also much higher than the sanctioned load. As per contention of K-Electric, first detection bill of Rs. 64,647/- for 4,229 units for the period 15.06.2012 to 13.12.2012 , second detection bill of Rs. 9,378/- for 13.01.2013 to 15.04.2013 and third detection bill of Rs. 57,379/- for 3468 units for the period 16.04.2013 to 15.08.2013 charged to the respondent were legal, justified and the respondent is liable to pay the same. K-Electric further submitted that it was a case of theft of electricity, therefore POI was not empowered to decide the instant matter. K-Electric further pointed that POI was not competent to decide the unchallenged fourth detection bill of Rs.45,565/- for 2,821 units charged to the respondent as the same was not disputed by the respondent before POI.
5. In response to the above appeal, the respondent was issued a notice for filing reply/parawise comments, which were filed on 29.03.2016. In his reply, the respondent denied the allegations of K-Electric and contended that he was not involved in dishonest abstraction of electricity. The respondent averred that neither any notice was served to him nor any inspection was carried out by K-Electric in his presence. The respondent submitted that the impugned decision is in accordance with law and therefore liable to be maintained.
6. After issuing notice to both the parties, hearing of the appeal was held in Karachi on 27.07.2016 in which Ms. Tatheera Fatima Deputy General Manager (Distribution Legal), Mr. Masahib Ali Deputy Manager and Mr. Imran Hanif Assistant Manager appeared for the appellant K-Electric and Mr. Afaq Yousuf Advocate along with Mr. Noman Haider appeared for the respondent. Learned representative of K-Electric repeated the same arguments as earlier narrated in memo of the appeal and contended that premises of the respondent was inspected by K-Electric on 15.12.2012, 27.04.2013 and 01.08.2013 and on all occasions, the respondents was found consuming electricity illegally through an extra phase/hook. According to



K-Electric, all the detection bills were charged to the respondent in order to recover the revenue loss sustained by K-Electric due to dishonest abstraction of electricity by the respondent. Representatives of K-Electric averred that in addition to above detection bills, assessed bills were also charged to the respondent as the actual energy was not being recorded by the electricity meter during the aforesaid period. As per K-Electric, fourth detection bill of Rs. 4,428/- for 468 units was not challenged by the respondent before POI, therefore there was no justification for POI to make determination in respect of the same. K-Electric pleaded that the impugned decision was unjustified and therefore liable to be set aside. Mr. Afaq Yusuf Advocate the learned counsel for the respondent in his rebuttal contended that neither any notice was served to the respondent nor any inspection was carried out in their presence, therefore the detection bills charged to the respondent were neither justified nor payable. The learned counsel for the respondent defended the impugned decision and prayed for upholding the same.

7. We have heard arguments of K-Electric and examined the record placed before us. Following is observed:
- 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 K-Electric and moreover as observed by POI, no concrete proof was provided by K-Electric regarding theft of electricity. Therefore objection of K-Electric regarding jurisdiction of POI being a theft case is not valid and therefore dismissed as already determined in the impugned decision.
  - ii. Detail of the detection bills charged to the respondent as retrieved from the data provided by K-Electric is tabulated as under:

Type of Bill	Period	Units Charged	Amount (Rs.)
First Detection Bill	July 2012 to December 2012	4,229	64,647/-
Second Detection Bill	February 2013 to April 2013	610	9,378/-
Third Detection bill	May 2013 to August 2013	3468	57,379/-
Fourth Detection Bill	Not specified	468	4,428/-





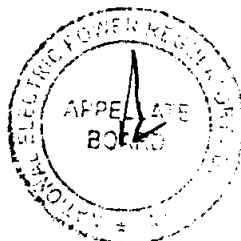
## National Electric Power Regulatory Authority

- iii. First detection bill amounting to Rs. 64,647/- for 4,229 units for the period July 2012 to December 2012 was charged to the respondent. Comparison of the consumption between the disputed and undisputed periods is given below:

Period	Normal Mode Average Units/Month	Detection Mode Average Units/Month
Period before dispute January 2012 to June 2012	207	-
First Disputed period July 2012 to December 2012	264	969
Period after dispute September 2013 to February 2014	261	-

It is evident from the above table that the detection bill charged @ 969 units/month during the first disputed period is much higher than the consumption recorded @207 units/month and @ 261 units/month in normal mode in the period before and after the dispute respectively. Therefore the detection bill amounting to Rs. 64,647/- for 4,229 units for the period July 2012 to December 2012 has no justification and the respondent is not liable to pay the same as determined in the impugned decision. The impugned decision to this extent is liable to be maintained.

- iv. Second detection bill of Rs. 9,378/- for 610 units was charged for the period February 2013 to April 2013 and third detection bill of Rs. 57,379/- for 3,468 units was charged for the period May 2013 to August 2013. K-Electric charged the detection bills consecutively for seven months i.e. from February 2013 to August 2013 to the respondent, which is not consistent with the provisions of Consumer Service Manual (CSM). According to clause 9.1 c (3) of CSM, the respondent is liable to be billed maximum for three billing cycles being a domestic consumer as nothing has been placed on record by K-Electric showing that approval for charging the detection bill for six months was obtained from Chief Executive (or any officer authorized in this behalf) of the K-Electric and action was also initiated against the officer in charge for not being vigilant enough. Therefore second detection bill of Rs. 9,378/- for 610 units charged for the period February 2013 to April



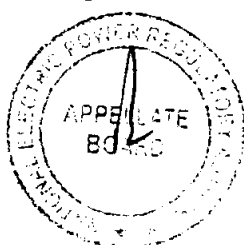
2013 and third detection bill of Rs. 57,379/- for 3,468 units for the period May 2013 to August 2013 charged to the respondent are not justified and the respondent is not liable to pay the same. Impugned decision to this extent is liable to be maintained.

- v. As per CSM, the respondent is liable to be charged the detection bill for the period June 2013 to August 2013 (three months). Since the consumption data prior to February 2013 was also disputed by K-Electric therefore same months of succeeding years have been chosen for comparison of the consumption between the disputed and undisputed periods tabulated as under:

Period	Normal Mode Average Units/Month	Detection/Assessed Mode Average Units/Month
<b>Disputed period</b> June 2013 to August 2013	422	1396
<b>First undisputed period</b> June 2014 to August 2014	-	770
<b>Second undisputed period</b> June 2015 to August 2015	575	-

It would be appropriate to charge the detection bill @ 575 units /month for the disputed period June 2013 to August 2013 as recorded in the second undisputed period i.e. June 2015 to August 2015 and the respondent is liable to pay the same. The impugned decision is liable to be modified to this extent.

- vi. We are convinced with the contention of K-Electric that fourth detection bill amounting to Rs. 45,565/- for 2,821 units charged to the respondent in July 2015 was not challenged before POI and the impugned decision regarding the fourth detection bill is not valid. Therefore impugned decision to this extent is liable to be withdrawn.
- vii. The respondent agitated the assessed bills charged by K-Electric up-to September 2013 before POI vide his application dated 06.11.2013. Pursuant to the record, it has been observed that the assessed bills were also charged besides the above detection bills by K-Electric during the disputed period. We are inclined to agree with the determination of POI that the assessed bills charged to the respondent are not justified and liable to be cancelled and to be revised as per actual consumption recorded as determined in the





## National Electric Power Regulatory Authority

impugned decision.

8. In view of foregoing discussion, we have reached to the conclusion that:
- i. First detection bill amounting to Rs. 64,647/- for 4,229 units charged for the period July 2012 to December 2012, second detection bill of Rs. 9,378/- for 610 units charged for the period February 2013 to April 2013 and third detection bill of Rs. 57,379/- for 3,468 units charged for the period May 2013 to August 2013 are null, void and the respondent is not liable to pay the same. The impugned decision to this extent is maintained.
  - ii. The respondent is liable to be charged the detection bill @ 575 units/month for three months only i.e. June 2013 to August 2013. The impugned decision is modified to this extent.
  - iii. Impugned decision regarding cancellation of fourth detection bill amounting to Rs. 45,565/- for 2,821 units charged to the respondent in July 2015 is without lawful authority and declared null and void.
  - iv. Impugned decision regarding cancellation of assessed bills disputed by the respondent up-to September 2013 is correct and therefore maintained to this extent.
9. The appeal is disposed of in above terms.

Muhammad Qamar-uz-Zaman  
Member

Muhammad Shafique  
Member

Nadir Ali Khoso  
Convener

Date: 25.08.2016

