



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 E-mail: office@nepra.org.pk

No. NEPRA/AB/Appeal-044/POI-2016/1148-1153

September 02, 2016

1. Mr. Irfan,
(Yousaf A. Rehman),
C-96/6, Federal B. Area,
Karachi
2. The Chief Executive Officer,
K-Electric,
KE House, 39-B,
Sunset Boulevard, DHA-II,
Karachi
3. Asif Shajer,
Deputy General Manager,
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. Syed Jamil Jafri,
Office at House No. 791,
Block-I, Near Comprehensive School,
Azizabad, F.B. Area, Karachi
6. The Electric Inspector,
Karachi Region-II,
Block No. 51, Pak Secretariat,
Shahra-e-Iraq, Saddar,
Karachi

Subject: Appeal Titled K-Electric Ltd Vs. Mr. Irfan Against the Decision Dated 27.01.2016 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 31.08.2016, regarding the subject matter, for information and necessary action accordingly.

Encl: As Above

(Ikram Shakeel)

No. NEPRA/AB/Appeal-044/POI-2016/ 1154
Forwarded for information please.

September 02, 2016


Assistant Director
Appellate Board

1. Registrar
2. Director (CAD)

CC:

1. Member (CA)



National Electric Power Regulatory Authority

Before Appellate Board

In the matter of

Appeal No. NEPRA/Appeal-044/2016

K-Electric Ltd

.....Appellant

Versus

Mr. Irfan (Yousuf A. Rehman), C-96/6, Federal B. Area, Karachi

.....Respondent

For the appellant:

Ms. Tatheera Fatima Deputy General Manager (Legal Distribution)

Mr. Masahib Manager

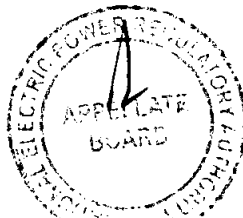
Mr. Imran Hanif Assistant Manager

For the respondent:

Mr. Irfan

DECISION

1. This decision shall dispose of the appeal filed by K-Electric against the decision dated 27.01.2016 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.AL-163816 with a sanctioned load of 2 kW under A1-R tariff. Premises of the respondent was inspected by K-Electric on 16.08.2014 and allegedly the respondent was found involved in dishonest abstraction of electricity through use of an extra phase and the connected load was also noticed as 12.16 kW. After issuing notice dated 16.08.2014 to the respondent, a detection bill of Rs. 145,189/- for 8,780 units for the period 15.02.2014 to 13.08.2014 (March 2014 to August 2014) was charged to the respondent in September 2014 on the basis of connected load. Besides above detection bill, an assessed bill of 1,398 units



was also debited to the respondent in September 2014.

3. Being aggrieved with the aforesaid bills, the respondent filed an application dated 29.09.2014 before POI and challenged the arrears/assessed bill amounting to Rs. 166,359/- charged by K-Electric in September 2014. The respondent prayed that the aforesaid arrears/assessed bill was unjustified, unlawful and was not liable to be paid. POI disposed of the matter vide its decision dated 27.01.2016 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 & Regulations and above findings, this authority is of the firm view that irregular bills, amounting to Rs.145,189/- of 8,780 units for the period 15.02.2014 to 13.08.2014 issued by the opponents has no justification on legal and technical grounds, therefore direct the opponents to cancel the said bill. The opponent is also directed to cancel the assessed bill for the month of September 2014 and the same be issued on actual meter reading. The complaint of the complainant is disposed off with above remarks."

4. Being dissatisfied with the POI decision dated 27.01.2016 (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 it was a case of theft of electricity, as such POI was not empowered to decide the instant matter. As per K-Electric, the detection bill of Rs. 145,189/- for 8,780 units for the period 15.02.2014 to 13.08.2014 charged to the respondent in September 2014 due to illegal abstraction of electricity was legal, justified and the respondent is liable to pay the same. K-Electric further submitted that during inspection of the premises on 16.08.2014, the connected load was found much higher than the sanctioned load and actual consumption of the energy was not recorded due to illegal means used by the respondent. K-Electric pleaded that the assessed bill for 1,398 units charged in September 2014 on the basis of connected load is also payable by the respondent.
5. In response to the above appeal, the respondent was issued a notice for filing reply/parawise comments, which were filed on 27.04.2016. In his reply, the respondent inter alia, contended





National Electric Power Regulatory Authority

that K-Electric failed to file the appeal within stipulated time period against the impugned decision before NEPRA, hence the instant appeal is liable to be dismissed being time barred. The respondent prayed for dismissal of the appeal.

6. After issuing notice to both the parties, hearing of the appeal was held in Karachi on 19.08.2016 in which Ms. Tatheera Fatima Deputy General Manager (Distribution Legal), Mr. Masahib Ali Manager and Mr. Imran Hanif Assistant Manager appeared for the appellant K-Electric and Mr. Irfan represented 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 16.08.2014 and the respondent was found consuming electricity illegally through an extra phase and the connected load was also much higher than the sanctioned load. According to K-Electric, the detection bill of Rs. 145,189/- for 8,780 units for the period 15.02.2014 to 13.08.2014 was charged to the respondent in September 2014 in order to recover the revenue loss sustained by K-Electric due to dishonest abstraction of electricity by the respondent. K-Electric pleaded that the detection bill of Rs. 145,189/- for 8,780 units for the period 15.02.2014 to 13.08.2014 (March 2014 to August 2014) charged to the respondent in September 2014 and the assessed bill of 1,398 units for September 2014 charged to the respondent are justified and payable by the respondent. Mr. Irfan representative for the respondent refuted the allegation of theft of electricity leveled against the respondent by K-Electric and averred that the consumption of electricity remained same even after the inspection carried out by K-Electric, therefore there is no justification for charging the detection bill of Rs. 145,189/- and the assessed bill for 1,398 units in September 2014. Representative for the respondent defended the impugned decision and prayed for upholding the same. However the representative of the respondent did not press his written objection regarding limitation.
7. We have heard arguments of both the parties and examined the record placed before us. It is observed as under:
 - i. Theft of electricity by the respondent was alleged by K-Electric but no criminal proceedings by lodging FIR were initiated by K-Electric and moreover the provisions of Consumer Service Manual (CSM) in this regard were not followed. POI has rightly



determined that theft was not proved against the respondent. We agree with the conclusion of POI as per impugned decision that POI had the jurisdiction to adjudicate the application of the respondent and the objection of K-Electric in this regard is dismissed.

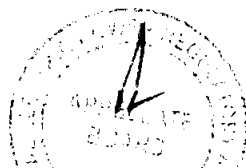
- ii. Detection bill of Rs. 145,189/- for 8,780 units for the period 15.02.2014 to 13.08.2014 (March 2014 to August 2014) charged to the respondent in September 2014 was challenged by the respondent vide the application dated 29.09.2014 before POI.

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

Period	Normal Mode Average Units/Month	Detection Mode Average Units/Month
Corresponding period before dispute March 2013 to August 2013	184	-
Disputed period March 2014 to August 2014	216	1680
Corresponding Period After dispute March 2015 to August 2015	437	-

It is evident from the above table that the detection bill charged @ 1,680 units/month during the disputed period is excessively higher than the consumption of 184 units/month and 437 units/month in normal mode in the corresponding periods before and after dispute respectively. Therefore the detection bill of Rs. 145,189/- for 8,780 units for the period 15.02.2014 to 13.08.2014 (March 2014 to August 2014) charged to the respondent in September 2014 is not justified 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.

- iii. it would be fair and appropriate to charge the detection bill @ 437 units /month for the disputed period March 2014 to August 2014 as recorded during the corresponding period after dispute i.e. March 2015 to August 2015. Pursuant 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 before us by K-Electric showing that approval for





National Electric Power Regulatory Authority

charging the detection bill for six months was obtained from Chief Executive (or any officer authorized in this behalf) of K-Electric and any action was initiated against the officer in charge for not being vigilant enough. Therefore the respondent is liable to be charged the detection bill @ 437 units/month for the period i.e. June 2014 to August 2014 (3 months). The impugned decision is liable to be modified to this extent.

iv. There is no force in the contention of K-Electric for charging the assessed bill of 1,398 units for September 2014 on the basis of connected load and the impugned decision regarding the cancellation of aforesaid assessed bill is justified and liable to be maintained.

8. In view of foregoing discussion, we have reached to the conclusion that:

i. Detection bill of Rs. 145,189/- for 8,780 units for the period 15.02.2014 to 13.08.2014 (March 2014 to August 2014) charged to the respondent in September 2014 is null, void and the respondent is not liable to pay the same. Assessed bill of 1,398 units charged to the respondent in September 2014 is not justified and to be revised on the basis of actual consumption. The impugned decision to this extent is upheld.

ii. The respondent is liable to be charged the detection bill @ 437 units/month for the period June 2014 to August 2014. The impugned decision stands modified 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: 31.08.2016

