



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

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No. NEPRA/AB/Appeal-094/POI-2016/ 1501-1505 November 25, 2016

1. Noor Muhammad Noor,
House No. LS-18, Block 19,
Al-Noor Society, 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. Electric Inspector,
Karachi Region-II,
Block No. 51, Pak Secretariat,
Shahra-e-Iraq, Saddar,
Karachi

Subject: **Appeal Titled K-Electric Ltd Vs. Noor Muhammad Noor Against the Decision Dated 11.04.2016 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 24.11.2016, regarding the subject matter, for information and necessary action accordingly.

Encl: **As Above**

(Ikram Shakeel)

No. NEPRA/AB/Appeal-094/POI-2016/ 1506
Forwarded for information please.

November 25, 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-094/2016

K-Electric Ltd

.....Appellant

Versus

Noor Muhammad Noor, House No.LS-18-19,
Al Noor Society, Federal B Area, Karachi

.....Respondent

For the appellant:

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

For the respondent:

Mr. Noor Muhammad Noor
Mr. Khawaja Ghaffar

DECISION

1. This decision shall dispose of the appeal filed by K-Electric against the decision dated 11.04.2016 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-749389 with a sanctioned load of 10kW under A1-R tariff. Premises of the respondent was inspected by K-Electric on 21.10.2014 and it is alleged that the respondent was dishonestly abstracting electricity through use of an extra phase and the connected load was observed as 10.511 kW, which is much higher than the sanctioned load. After issuing notice dated 21.10.2014 to the respondent regarding above discrepancy, a detection bill amounting to





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Rs. 82,036/- for 4,803 units for the period 23.03.2014 to 20.09.2014 was charged to the respondent in October 2014 on the basis of connected load.

3. Being aggrieved, the respondent filed an application before POI on 05.11.2014 and assailed the detection bill of Rs. 82,036/- for 4,803 units for the period 23.03.2014 to 20.09.2014 charged in October 2014. POI disposed of the matter vide its decision dated 11.04.2016, the operative portion of which is reproduced below:

"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.82,037/- for 4,803 units for the period from 23.03.2014 to 20.09.2014 issued by the opponents has no justification on legal and technical grounds, therefore direct the Opponents to cancel the said bill. The Opponents are directed to act in terms of above instructions, accordingly. The complaint is disposed off with above remarks."

4. Being dissatisfied with the POI decision dated 11.04.2016 (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). K-Electric inter alia, contended that the premises of the respondent was inspected by K-Electric on 21.10.2014 and he was found involved in illegal abstraction of electricity through an extra phase and the connected load noticed as 10.511 kW was considerably higher than the sanctioned load. According to K-Electric, the detection bill amounting to Rs. 82,036/- for 4,803 units for the period 23.03.2014 to 20.09.2014 charged in October 2014 was legal, justified and the respondent is liable to pay the same. K-Electric pleaded that being a case of theft of electricity, it was beyond the jurisdiction of POI.
5. Notice was issued to the respondent for filing reply/parawise comments, which were filed on 11.08.2016. In his reply, the respondent refuted the allegation of theft of electricity levelled by K-Electric and averred that neither any notice was served by K-Electric nor was any inspection of the premises carried out in his presence. The respondent pointed out that the charging of detection bill @1362 units/months on the basis of 24 hours in a day is not justified as the scheduled load shedding of 8 -10 hours and variation in consumption due to seasonal changes were not taken into consideration. The respondent defended the impugned decision and prayed for initiation of





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appropriate action against K-Electric for charging the baseless detection bill.

6. After issuing notice to both the parties, hearing of the appeal was conducted in Karachi on 31.10.2016 in which Ms. Tatheera Fatima Deputy General Manager (Distribution Legal) along with her team represented the appellant K-Electric and Mr. Noor Muhammad Noor the respondent appeared in person. Learned representative of K-Electric repeated the same arguments as earlier narrated in memo of the appeal and contended that site of the respondent was checked by K-Electric on 21.10.2014 and the respondent was found consuming electricity illegally through use of an extra phase and the load connected was much above the sanctioned load. According to K-Electric, the detection bill amounting to Rs. 82,036/- for 4,803 units for the period 23.03.2014 to 20.09.2014 was charged in October 2014 on the basis of connected load 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 charged to the respondent is legal, valid and justified and payable by the respondent. On the other hand, the respondent refuted the allegation of theft leveled by K-Electric and contended that neither any notice was served to him by K-Electric nor he was associated during inspection of the premises. According to the respondent, the detection bill amounting to Rs. 82,036/- for 4,803 units for the period 23.03.2014 to 20.09.2014 charged in October 2014 is not justified and he is not liable to pay the same. The respondent defended the impugned decision and pleaded for cancellation of the aforesaid detection bill.
7. We have heard arguments of both the parties and examined the record placed before us. Following are our observations:
 - i. K-Electric has raised objection regarding the jurisdiction of POI being a theft case in its appeal but this point was not raised by K-Electric during hearing. Moreover no concrete evidence was provided to establish theft and procedure as laid down in chapter 9 of Consumer Service Manual (CSM) was not complied, therefore the objection of K-Electric in this regard is not valid and liable to be over ruled.
 - ii. Detection bill amounting to Rs. 82,036/- for 4,803 units for the period 23.03.2014 to 20.09.2014 charged in October 2014 on the basis of connected load has been challenged by the respondent before POI vide the application dated 05.11.2014.

Charging of the detection bill for 6 months is not supported by the clause 9.1c (3) of



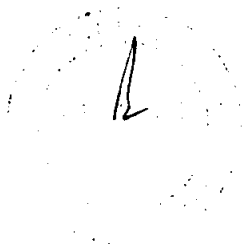
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Consumer Service Manual (CSM), where charging of the detection bill is restricted to three months for general supply consumers i.e. A-I & A-II and for extending the period up-to six months, approval of the Chief Executive of the K-Electric and fixing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

No document i.e. site inspection report and detection proforma has been provided by K-Electric for justification of the detection bill of Rs.82,036/- for 4,803 units for the period 23.03.2014 to 20.09.2014 added in October 2014. Moreover the procedure as provided in the chapter 9 of CSM for dishonest abstraction of the electricity was not followed. Comparison of the consumption recorded between the disputed and undisputed periods as per data provided by K-Electric is tabulated below:

Period	Normal Mode Average Units/Month	Detection Mode Average Units/Month
Period before dispute May 2013 to March 2014 (11months)	590	-
Disputed period April 2014 to September 2014 (6 months)	500	1,362
Period after dispute October 2014 to August 2015 (11 months)	504	-

It is evident from the above table that the detection bill charged @ 1,362 units/month during the disputed period i.e. April 2014 to September 2014 is much higher than the consumption recorded @590units/month and 504 units/month in normal mode in the periods before and after the dispute respectively. Moreover it has been observed that there is no considerable difference in the consumption recorded in the disputed and undisputed periods (prior/after). Under these circumstances, the detection bill of Rs. 82,036/- for 4,803 units for the period 23.03.2014 to 20.09.2014 charged in October 2014 finds no justification and therefore liable to be cancelled as determined in the impugned decision.





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8. In view of foregoing discussion, it is concluded that:

- i. Objection of K-Electric regarding jurisdiction of POI has no force and therefore over ruled.
- ii. Irregular bill of Rs. 82,036/- for 4,803 units for the period 23.03.2014 to 20.09.2014 is not justified and should be cancelled as determined in the impugned decision.

9. There is no reason to intervene in the impugned decision which is upheld and consequently the appeal is dismissed.

Muhammad Qamar-uz-Zaman
Member

Muhammad Shafique
Member

Nadir Ali Khoso
Convener

Date: 24.11.2016

