



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

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No. NEPRA/AB/Appeal-108/POI-2015/ 228-232 February 24, 2016

1. Saleem Ahmed Khan
S/o Chota Khan,
House No. 4/318,
P-92, Liaquatabad,
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.

Subject: Appeal Titled K-Electric Ltd Vs. Saleem Ahmed Khan Against the Decision Dated 26.08.2015 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 23.02.2016, regarding the subject matter, for information and necessary action accordingly.

Encl: As Above


(Ikram Shakeel)

No. NEPRA/AB/Appeal-108/POI-2015/ 233

February 24, 2016

Forwarded for information please.

Assistant Director
Appellate Board

1. Registrar
2. Director (CAD)

CC:

1. Vice Chairman/Member (CA)



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National Electric Power Regulatory Authority

Before Appellate Board

In the matter of

Appeal No. NEPRA/Appeal-108/POI-2015

K-Electric Limited

.....Appellant

Versus

Saleem Ahmed Khan S/o Chota Khan,
House No. 4/3 18, P-92, Liaquatabad, Karachi

.....Respondent

For the appellant:

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

For the respondent:

Mr. Saleem Ahmed Khan

DECISION

1. This decision shall dispose of an appeal filed by K-Electric Limited against the decision dated 26.08.2015 of the Provincial Office of Inspection /Electric Inspector, Government of Sindh, Karachi Region-II (hereinafter referred to as POI) under Section 38(3) of the Regulation of Generation, Transmission and Distribution of Electric Power Act 1997 (hereinafter referred to as the Act).
2. The respondent is a residential consumer of K-Electric bearing Ref. No.1702005490047 with a sanctioned load of 4 kW and governed under tariff A-1R. As per facts of the case, the respondent received a bill of Rs. 281,700/- in October 2013 which in the opinion of the respondent was not justified.





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3. Being aggrieved with the aforementioned bill of Rs. 281,700/-, the respondent filed an application before POI on 25.10.2013. The respondent stated that K-Electric was sending assessed bills without recording the meter readings which were challenged before K-Electric but to no avail. In response to the above application, K-Electric contended that billing was done on average basis as the consumption of the respondent could not be recorded. According to K-Electric, against 118 electricity bills issued during the period January 2005 to November 2014 the respondent paid a total sum of Rs. 55,858/- against the total billed amount of Rs. 455,481/-. K-Electric averred that due to non payment of electricity bills, the dues accumulated to tune of Rs. 411,273/- were payable by the respondent.
4. POI disposed of the matter vide its decision dated 26.08.2015 with the following conclusion.
- i. *“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 Opponents failed to abide the mandatory requirements of Electricity Act 1910 and guide lines communicated through Consumer Service Manual of NEPRA, as pointed out in above findings, hence conclude the matter with directions to Opponents to cancel the assessed/X-code bills issued from since long to onwards on residential basis, having no justification on technical and legal grounds and revise the same on actual consumption basis.*
 - ii. *The opponents is directed if the impugned meter is faulty the same be change at once and the basis of new healthy energy meter 03 months consumption all the X-code/assessed bills revised.*
 - iii. *The opponent is also directed to take meter reading on every month as per procedure.*
 - iv. *The opponent is also directed to recover the accumulated dues from the complainant on easy installments.*
 - v. *The complaint is disposed off in terms of above for compliance by the Opponents as well to complainant.”*
5. Being aggrieved with the decision dated 26.08.2015 of POI (hereinafter referred to as the impugned decision), K-Electric has filed the instant appeal under section 38 (3) of the Act. In its





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Regulation of Generation, Transmission and Distribution of Electricity Power Act 1997 (hereinafter referred as "the Act"). In its appeal K-Electric submitted that the respondent failed to make payments of electricity bills issued during the period of January 2005 to November 2014 and as such the arrears have accumulated to the tune of Rs. 427,456/-. K-Electric informed that due to default of payment, the electric supply of the respondent was disconnected many times but it was restored illegally and due to this reason assessed bills were charged to the respondent. K-Electric contended that the assessed units were not more than the consumption of the past months and therefore the assessed bills were correct and liable to be paid by the respondent. K-Electric finally submitted that the impugned decision did not contain any reasoning on the basis of which relief was granted to the respondent. According to K-Electric the impugned decision was contrary to the law and liable to be set aside.

6. Notice was issued to the respondent for filing reply/parawise comments which were filed on 12.11.2015. The respondent in the reply contended that the impugned decision was rendered by POI after hearing and providing fair opportunities to both the parties. As per respondent, the impugned decision was legal and in line with the Consumer Service Manual. The respondent prayed to uphold the impugned decision and dismiss the appeal.
7. Hearing of the appeal was held in Karachi at 08.02.2016 in which both the parties participated. Ms. Tatheera Fatima Deputy General Manager (Distribution Legal), Mr. Masahab Ali Deputy Manager and Mr. Imran Hanif Assistant Manager appeared for the appellant K-Electric and Mr. Saleem Ahmed Khan the respondent, appeared in person. The representatives of K-Electric reiterated the same arguments as contained in memo of the appeal and contended that from January 2005 to November 2014 the respondent cleared only five bills amounting to Rs. 55,858/- against total electricity bills of 118 months amounting to Rs. 455,481/-. According to K-Electric, the accumulated arrears of Rs. 411,273/- pertaining to the period January 2005 to November 2014 were pending against the respondent and were liable to be paid. K-Electric averred that connection of the respondent was disconnected several times but he illegally reconnected it and consumed electricity illegally. Representatives of K-Electric informed that the respondent was charged in normal mode billing till December 2009 and later on was charged in the assessed mode due to defective meter. According to K-Electric the site





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inspection reports could not be made available as those were damaged due to fire incident at IBC Liaqatabad. The representative of K-Electric pleaded that the impugned decision was not the speaking one as POI failed to make conclusion and suggested billing on the basis of future consumption which was unfair and unjustified.

8. We have heard the arguments of K-Electric and examined the record placed before us. Following are our observations:

- i. A bill of Rs. 281,700/- was issued to the respondent in October 2013 which was challenged before POI on 25.10.2013. The amount accumulated to Rs. 411,273/- till November 2014 and according to K-Electric pertains to the period January 2005 to November 2014. However K-Electric failed to submit the breakup of arrears for normal and assessed bills. Respondent has made payment of Rs. 55,858/- during the period January 2005 to November 2014.
- ii. As admitted by K-Electric, the respondent was charged electricity bills correctly till November 2009 and later on the respondent was charged in the assessed mode as the meter became defective. Evidently the respondent is liable to be charged as per actual meter reading till November 2009 and the extra units charged by K-Electric till November 2009 are not justified and the billing for such extra units is liable to be withdrawn.
- iii. Therefore the period for disputed billing remains as December 2009 to November 2014 the billing of which is analyzed as under:
 - a) Average consumption per month for undisputed period, January 2007 to December 2007 = $(6388/12) = 532$ units/month (consumption data for the years 2008 and 2009 was not made available and therefore the year 2007 was considered).
 - b) Average consumption per month for the period, January 2009 to November 2009 = $(4444/11) = 404$ units/month.
 - c) Average units charged per month during the disputed period, December 2009 to November 2014 = $(259871/60) = 433$ units/month.

From the above data it is revealed that average 433 units per month charged to the respondent for the billing period December 2009 to November 2014 are lesser than the average 532 units per month charged during the year 2007 and slightly higher than the





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average 404 units per month charged during January 2009 to November 2009. Obviously 433 units per month billed/charged on average per month to the respondent for the period December 2009 to November 2014 are reasonable, justified and the respondent is liable to pay the same.

9. From the discussion in foregoing paragraphs it is concluded that:
- i. The respondent is liable to be billed as per actual meter reading for the period January 2005 to November 2009. Any extra units charged to the respondent other than the actual consumption recorded by the meter are to be withdrawn from the bills. The bills during this period are to be revised accordingly.
 - ii. The bills charged by K-Electric for the period December 2009 to November 2014 are justified and respondent is liable to pay the same.
 - iii. Billing account of the respondent is to be over hauled and revised as per 9(i) & (ii) above. However arrears be recovered from the respondent in easy monthly installments as determined by POI in the impugned decision.
10. The impugned decision of POI is modified to the above extent.

Muhammad Qamar-uz-Zaman
Member

Nadir Ali Khoso
Convener

Date: 23.02.2016

