



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

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No. NEPRA/AB/Appeal-020/POI-2017/1000-1004

July 11, 2017

1. Khurram Jawaid,  
Flat No. 25, Plot No. FL-123,  
Block-02, Gulshan-e-Iqbal,  
Karachi
2. 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,  
3<sup>rd</sup> floor, KE Block,  
Civic Centre, Gulshan-e-Iqbal,  
Karachi
5. Electric Inspector,  
Karachi Region-I,  
Block No. 51, Pak Secretariat,  
Shahra-e-Iraq, Saddar,  
Karachi

Subject: Appeal Titled K-Electric Ltd Vs. Khurram Jawaid Against the Decision Dated 29.12.2016 of the Electric Inspector/POI to Government of the Sindh Karachi Region-I, Karachi

Please find enclosed herewith the decision of the Appellate Board dated 11.07.2017, regarding the subject matter, for information and necessary action accordingly.

Encl: As Above

No. NEPRA/AB/Appeal-020/POI-2017/1005

Forwarded for information please.

(Ikram Shakeel)

July 11, 2017

Assistant Director  
Appellate Board

✓ 1. Registrar

CC:

1. Member (CA)



# National Electric Power Regulatory Authority

## Before Appellate Board

In the matter of

Appeal No. NEPRA/Appeal-020/POI-2017

K-Electric Limited

.....Appellant

Versus

Khurram Jawaid, Flat No.25, Plot No. FL-123,  
Block-02, Gulshan-e-Iqbal, Karachi

.....Respondent

### For the appellant:

Ms. Tatheera Fatima Deputy General Manager (Distribution-Legal)  
Mr. Imran Hanif Deputy Manager

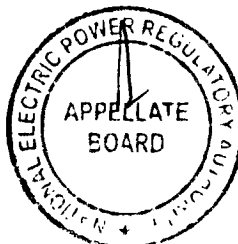
### For the respondent:

Mr. Khuram Javaid  
Mr. Abubakar Usman

## DECISION

1. This decision shall dispose of an appeal filed by K-Electric against the decision dated 29.12.2016 of Provincial Office of Inspection/Electric Inspector, Karachi Region-I, Karachi (hereinafter referred to as POI).
2. Brief facts of the case are that the respondent is a residential consumer of K-Electric bearing Ref No. AL-783105 with a sanctioned load of 2 kW under A-1R tariff. Premises of the respondent was inspected by K-Electric on 01.06.2016 and allegedly the respondent was dishonestly abstracting the electricity by means of a hook connection and his connected load was noticed as 8.583 kW (including 2 ACs), being quite higher than the sanctioned load. As

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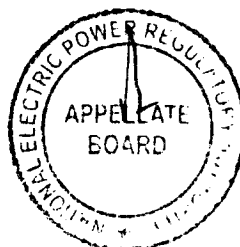


## National Electric Power Regulatory Authority

stated by K-Electric, after issuing notice dated 01.06.2016, a bill amounting to Rs.96,663/- was charged to the respondent in June 2016, which included a detection bill of Rs.88,124/- for 3,900 units for the period 13.11.2015 to 13.05.2016 (6 months) calculated on the basis of connected load and the security deposit of Rs.8,540/- on account of extended load.

3. Being aggrieved with the aforesaid irregular bill, the respondent filed a complaint before POI on 30.06.2016 and challenged the bill of Rs.96,663/- for June 2016. The matter was disposed of by POI vide its decision dated 29.12.2016, the operative portion of which is reproduced below:

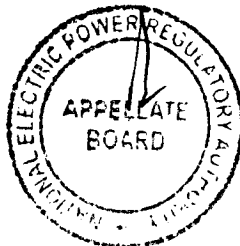
*“After conducting several number of hearings, giving fair opportunities to hear both the parties, scrutinizing the record, made available with this authority and in the light of above findings, this office is of the view that Opponents have violated the mandatory requirements of Electricity Act-1910 and guide lines communicated through Consumer Service Manual (CSM) of NEPRA as pointed out in above findings. The Provincial Office of Inspection therefore, direct the Opponents to cancel the detection bill amounting to Rs.88,124/- of 3900units for the period 13.11.2015 to 13.05.2016 along with silently added Security Deposit of Rs.8,500/- as the same have no justification on technical and legal grounds. It is further directed the Opponents to waive all late payment surcharges and disconnection/reconnection charges which are outcome of the impugned detection bill and afterwards as the complainant was not found at fault. The complaint is disposed off in terms of above for compliance by the opponents.”*





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4. Instant appeal has been filed by K-Electric against the POI decision dated 29.12.2016 (hereinafter referred to as the impugned decision) under Section 38 (3) of the Regulation of Generation, Transmission and Distribution of Electric Power Act 1997 (NEPRA Act 1997). In its appeal, K-Electric contended that the respondent was stealing electricity through use of a hook and the connected load found was much above the sanctioned load, hence the detection bill of Rs.88,124/- for 3,900 units for the period 13.11.2015 to 13.05.2016 and the security deposit of Rs.8,540/- due to illegal enhancement in the connected load were charged to the respondent. K-Electric averred that as notice under section 20 of the Electricity Act 1910 was issued, that fulfills requirement of notice under clause 14.1 of the Consumer Service Manual (CSM). Regarding FIR, K-Electric explained that as the respondent agreed for payment of the aforesaid detection bill, therefore FIR was not registered against him. K-Electric pleaded that the prescribed procedure of CSM could not be implemented due to the ground difficulties. K-Electric maintained that being a case of theft of electricity, POI is not empowered to adjudicate the complaint of the respondent.
5. A notice of the above appeal was issued to the respondent for filing reply/parawise comments, which were filed on 13.06.2017. The respondent in his reply rebutted the stance of K-Electric and contended that neither prior notice under clause 14.1 of CSM was served upon him before the alleged checking nor he was involved in theft of electricity, hence the irregular bill of Rs.96,663/- added in June 2016 is void ab-initio and not payable by him. As per

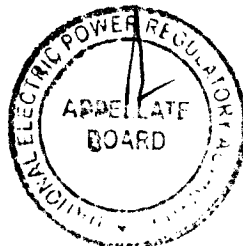




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respondent, K-Electric failed to comply the provisions of chapter 9 of CSM regarding illegal abstraction of electricity. The respondent averred that the consumption during the disputed period 13.11.2015 to 13.05.2016 remained low as compared to the consumption of undisputed period May 2015 to October 2015 due to weather variation and could not be made basis for charging the aforesaid irregular bill. The respondent defended the impugned decision and prayed for upholding the same.

6. Notice issued and hearing of the appeal was conducted in Karachi on 29.12.2016 in which Ms. Tatheera Fatima Deputy General Manager (Distribution- Legal) along with other officials represented the appellant K-Electric and Mr. Khurram Javaid the respondent appeared in person. K-Electric reiterated the same arguments as contained in memo of the appeal and contended that the respondent was dishonestly abstracting the electricity and his load beyond the sanctioned load, therefore the detection bill of Rs.88,124/- for 3,900 units for the period 13.11.2015 to 13.05.2016 (6 months) and the Security Deposit of Rs.8,540/- charged in June 2016 were justified. Conversely, the respondent denied the allegation of theft of electricity and stated that the aforesaid irregular bills were unjustified and he is not liable to pay the same.
7. We have heard arguments of both the parties and examined the record placed before us. It is observed as under:
  - i. K-Electric failed to register FIR and take other actions as prescribed in





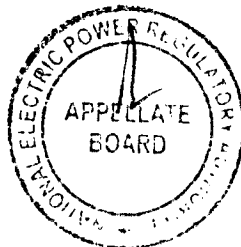
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CSM, its plea for failure to lodge FIR and follow CSM procedure is not acceptable. Since theft was not established, POI had the jurisdiction to adjudicate the instant matter and the objection of K-Electric in this regard is dismissed.

- ii. Bill of Rs.96,663/- was charged by K-Electric to the respondent in June 2016, containing the detection bill of Rs.88,124/- for 3,900 units for the period 13.11.2015 to 13.05.2016 (December 2015 to May 2016) and the Security Deposit of Rs.8,540/-. The aforesaid bill was agitated by the respondent before POI vide application dated 30.06.2016.
- iii. As regards the detection bill of Rs.88,124/- for 3,900 units for the period December 2015 to May 2016, comparison of the consumption data between the disputed and corresponding undisputed periods as provided by K-Electric is given below:

Period	Normal Mode Average Units/Month	Detection Mode Average Units/Month
<b>Corresponding period before dispute</b> December 2014 to May 2015 (6 months)	328	-
<b>Disputed period</b> December 2015 to May 2016 (6 months)	221	871
<b>Corresponding period after dispute</b> December 2016 to May 2017 (6 months)	305	-

From the above table, it emerges that 871 units/month charged in the detection mode during the disputed period i.e. December 2015 to May 2016 are much higher than the normal average consumption of 328 units/month and 305 units/month recorded during the corresponding undisputed periods





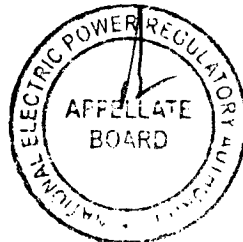
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before and after dispute respectively. We are inclined to agree with the impugned decision that the detection bill of Rs.88,124/- for 3,900 units for the period December 2015 to May 2016 (6 months) charged to the respondent has no justification and liable to be cancelled. It would be fair and appropriate to charge the bill @ 328 units/month during the disputed period as recorded during the corresponding undisputed period before dispute. The respondent is liable to be charged the detection bill @ 328 units/month for three months only i.e. March 2016 to May 2016 pursuant to clause 9.1 c(3) of CSM.

- iv. The charges through the electricity bill may be recovered as approved by NEPRA, however charging of Security Deposit through electricity bill is not permissible. Therefore the amount of Rs.8,540/- added as Security Deposit in the bill for June 2016 has no justification and liable to be cancelled as already determined in the impugned decision. K-Electric may recover the Security Deposit of Rs.8,540/- due to enhancement of load as per procedure prescribed in DISCO's Commercial Procedure and CSM.

8. In view of above, it is concluded that:

- i. Detection bill of Rs.88,124/- for 3,900 units for the period 13.11.2015 to 13.05.2016 (December 2015 to May 2016) and Security Deposit of Rs.8,540/- charged by K-Electric to the respondent in June 2016 are null and void as already determined in the impugned decision.





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- ii. The respondent should be charged the detection bill @ 328 units/month for three months only i.e. March 2016 to May 2016. Consumer's account of the respondent should be overhauled after making adjustment of units already charged in normal mode during the same period.
- iii. Security Deposit of Rs.8,540/- due to enhancement of load may be recovered from the respondent as per procedure prescribed in Chapter 5 of CSM.
9. The impugned decision is modified in above terms.

Muhammad Qamar-uz-Zaman  
Member

Muhammad Shafique  
Member

Nadir Ali Khoso  
Convener

Dated: 11.07.2017

