



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

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No. NEPRA/AB/Appeal-062/POI-2017/ 1508—1512

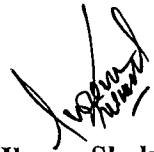
October 09, 2017

1. Mr. Shahid,
(Muhammad Younus),
S. No. E-04, H. No. 25,
Sector-9, Cattle Colony,
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, First Floor,
Block F, Elander Complex,
Elander Road, Karachi
5. Electric Inspector,
Karachi Region-I,
Block No. 51, Pak Secretariat,
Shahra-e-Iraq, Saddar,
Karachi

Subject: Appeal Titled K-Electric Ltd Vs. Mr. Shahid Against the Decision Dated 16.03.2017 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 09.10.2017, regarding the subject matter, for information and necessary action accordingly.

Encl: As Above


(Ikram Shakeel)

No. NEPRA/AB/Appeal-062/POI-2017/ 1513

October 09, 2017

Forwarded for information please.

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-062/2017

K-Electric Ltd

.....Appellant

Versus

Shahid, (Muhammad Younus), S. No. E-04, H.No.25,
Sector-9, Cattle Colony, Karachi

.....Respondent

For the appellant:

Ms. Tatheera Fatima Deputy General Manager (Legal Distribution)

Mr. Masahib Ali Manager

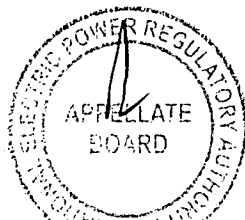
Mr. Imran Hanif Deputy Manager

For the respondent:

Nemo

DECISION

1. This decision shall dispose of the appeal filed by K-Electric against the decision dated 16.03.2017 of Provincial Office of Inspection, Karachi Region-I, Karachi (hereinafter referred to as POI).
2. Brief facts of the case are that the respondent is a commercial consumer of K-Electric bearing Ref No.LA-980334 having a sanctioned load of 10kW and the applicable tariff is A-2c. K-Electric inspected the premises of the respondent on 13.01.2014, allegedly the electricity was being consumed directly and the connected load was observed as 32.35 kW, being much higher than the sanctioned load. After issuing notice dated 13.01.2014 to the respondent, a detection bill amounting to





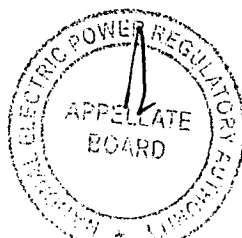
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Rs.549,082/- for 24,150 units for the period 10.07.2013 to 09.01.2014 (July 2013 to December 2013) was charged to the respondent on 08.02.2014 on the basis of the connected load.

3. Being aggrieved, the respondent filed an application before POI on 28.03.2014 and challenged the above detection bill and the assessed bills charged during the period June 2012 to April 2014. The respondent inter alia, averred that the electric supply was disconnected by K-Electric and it was not restored even after payment of Rs.90,000/- made by him to K-Electric on 11.02.2014. POI disposed of the matter vide its decision dated 16.03.2017 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 above findings, this office concluded the matter with the following directions to Opponents: a) To cancel the detection bill amounting to Rs.549,082/- for 24150 units for the period from 10.07.2013 to 09.01.2014 as the same has no technical and legal grounds. b) To cancel the assessed bills issued during the period from June 2012 to April 2014 and revise the same on actual metered consumption recorded by the energy meter installed. c) To adjust already paid amount by the complainant and waive the Reconnection charges and late payment surcharges levied after initiating the impugned billing, as complainant has already suffered a lot with mental and financial torture, caused by Opponents. d) To take necessary steps in the light of above findings and issue directions to its lower formation for strict compliance of the mandatory instructions, conveyed through the Consumer Service Manual, issued by NEPRA. The complaint is disposed off in terms of above, for compliance by the Opponents.”

4. Above referred decision (hereinafter referred to as the impugned decision) has been assailed by K-Electric before NEPRA through the instant appeal under Section 38 (3)

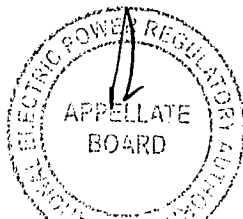




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the NEPRA Act, 1997. In its appeal, K-Electric raised the preliminary objection regarding the jurisdiction of POI and contended that POI was not authorized to adjudicate upon the matter being a theft case. On merits, K-Electric contended that the respondent was stealing the electricity by bypassing the meter and the connected load was also noticed much above the sanctioned load, therefore the detection bill of Rs.549,082/- for 24,150 units for the period July 2013 to December 2013 was charged to the respondent after completion of codal formalities of CSM. As per K-Electric, the aforesaid detection bill is legal, valid, justified and the respondent agreed to make the payment. As regards the assessed billing, K-Electric informed that the respondent was consistently abstracting the electricity illegally which was noticed by K-Electric official(s) during the monthly reading, therefore the bills in assessed mode were charged to recover the revenue loss sustained by K-Electric due to the theft of electricity. Notice was issued to submit the reply/parawise comments to the appeal but the respondent failed to do so.

5. After issuing notice to both the parties, hearing of the appeal was held in Karachi on 22.09.2017 in which Ms. Tatheera Fatima Deputy General Manager (Distribution Legal) along with other K-Electric officials appeared for the appellant K-Electric but no one appeared for the respondent. Learned representative of K-Electric repeated the same arguments as earlier narrated in memo of the appeal and pleaded for setting aside the impugned decision.
6. Arguments heard and the record examined. It is observed as under:
 - i. Theft of electricity by the respondent is alleged by K-Electric but no criminal proceedings by lodging FIR were initiated by K-Electric, moreover provisions of CSM were not followed. The objection of K-Electric regarding jurisdiction of POI is devoid of force, therefore dismissed.



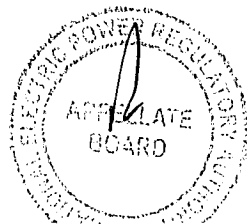


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- ii. As regards merits of the case, the respondent challenged the detection bill of Rs.549,082/- for 24,150 units for the period July 2013 to December 2013 and the assessed bills for the period June 2012 to April 2014 before POI on 28.03.2014.
- iii. Consumption data of the respondent as provided by K-Electric is given below:

Month	Units charged in Assessed Mode	Units charged in normal mode	Meter reading advanced
Jul-12	700	-	0
Aug-12	700	-	200
Sep-12	700	-	277
Oct-12	700	-	393
Nov-12	700	-	278
Dec-12	700	-	231
Jan-13	700	-	109
Feb-13	700	-	275
Mar-13	700	-	0
Apr-13	700	-	0
May-13	700	-	0
Jun-13	700	-	0
Jul-13	-	1296	161 (meter Replaced)
Aug-13	-	188	188
Sep-13	-	37	37
Oct-13	-	0	0
Nov-13	500	-	0
Dec-13	500	-	0
Jan-14	300	-	0
Feb-14	250	-	0
Mar-14	250	-	0
Apr-14	250	-	0
Average units charged in assessed mode	580 units/month		

Above table reveals that the actual consumption was not recorded by the meter





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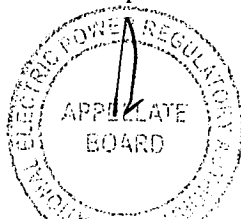
during the disputed period i.e. July 2012 to April 2014 and the respondent was mostly charged in assessed mode by K-Electric during the same period, hence same could not be relied for determination.

- iv. In order to ascertain the justification of the detection bill, comparison between the normal average consumption of the disputed period and corresponding normal average consumptions of the year 2015 and 2016 is made below:

Period	Normal Mode Average Units/Month	Detection Mode Average Units/Month
Disputed period July 2013 to December 2013	507	4,025
Corresponding period after dispute July 2015 to December 2015	303	-
Corresponding period after dispute July 2016 to December 2016	453	-

It is evident from the above table that the detection bill charged @ 4,025 units/month during the disputed period is much higher than the normal average consumptions recorded during the corresponding undisputed period of the year 2015 and 2016. Moreover even the normal average consumption recorded @ 507 units/month during the disputed period is even higher than the normal average consumption of corresponding consumption of the years 2015 and 2016. Therefore the detection bill amounting to Rs.549,082/- for 24,150 units for the period July 2013 to December 2013 was not justified and the respondent should not pay the same. Impugned decision is upheld to this extent.

- v. There is no force in the contention of K-Electric regarding the assessed billing, if it is presumed that the respondent was dishonestly abstracting electricity during the period July 2012 to April 2014 as to why K-Electric failed to initiate legal proceeding against the respondent as per CSM and criminal law. Therefore the





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assessed bills charged @ 580 units/month during the disputed period July 2012 to April 2014 are not justified and liable to be cancelled. The respondent is liable to be charged the assessed bills @ 303 units/month as recorded during the corresponding undisputed period of the year 2015. Impugned decision is liable to be modified to this extent.

7. In view of foregoing discussion, we have reached to the conclusion that:
 - i. Detection bill amounting to Rs.549,082/- for 24,150 units for the period July 2013 to December 2013 and the assessed bills charged during the period June 2012 to April 2014 are unjustified, therefore cancelled as already determined in the impugned decision.
 - ii. The respondent is responsible for payment of the revised bills @ 303units/month instead of assessed billing during the disputed period July 2012 to April 2014.
8. The impugned decision is modified in above terms.

Muhammad Qamar-uz-Zaman
Member

Muhammad Shafique
Member

Nadir Ali Khoso
Convener

Dated: 09.10.2017

