



National Electric Power Regulatory Authority
(NEPRA)
Islamic Republic of Pakistan

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No. NEPRA/AB/Appeal-077/POI-2017/1734+738

November 29, 2017

1. Muhammad Zaman Akram,
S/o Muhammad Akram,
Plot No. 1-H, 1/16,
Nazimabad, 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-II,
Block No. 51, Pak Secretariat,
Shahra-e-Iraq, Saddar,
Karachi

Subject: Appeal Titled K-Electric Ltd Vs. Zaman Akram Against the Decision Dated 13.04.2017 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 24.11.2017, regarding the subject matter, for information and necessary action accordingly.

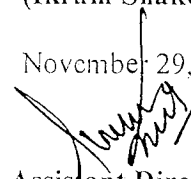
Encl: As Above

No. NEPRA/AB/Appeal-077/POI-2017/1739

Forwarded for information please.

(Ikram Shakeel)

November 29, 2017


Assistant Director
Appellate Board

1. Registrar

— DD (IT)

CC:

Copy to:

1. Member (CA)

— Dir (CAD)

— DRs/OJ-II/MF

20.12.17



Before Appellate Board

In the matter of

Appeal No. NEPRA/Appeal-077/POI-2017

K-Electric Limited

.....Appellant

Versus

Muhammad Zaman Akram S/o Muhammad Akram,
Plot No.1-H, 1/16, Nazimabad, Karachi

.....Respondent

For the appellant

Ms. Tatheera Fatima Deputy General Manager (Legal Distribution)

Mr. Masahib Ali Manager

Mr. Imran Hanif Deputy Manager

Mr. Shamim Akhtar Assistant Manager

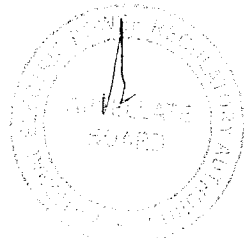
For the respondent:

Mr. Muhammad Zaman Akram

DECISION

1. Brief facts give rising to the instant appeal are that the respondent is a domestic consumer of K-Electric bearing Ref No. AL-036995 with a sanctioned load of 1 kW and the applicable tariff is A1-R. Premises of the respondent was inspected by K-Electric on 08.08.2016 and 09.11.2016 and on both the occasions, allegedly the respondent was dishonestly abstracting electricity through an extra phase and the connected loads were noticed as 7.879 kW & 7.76 kW respectively, being much higher than the sanctioned load. After issuing notice, the respondent was charged two detection bills by K-Electric as pet table given below:

Bill	Period	Units	Amount (Rs.)
First detection	20.01.2016 to 20.07.2016	4,203	93,043/-

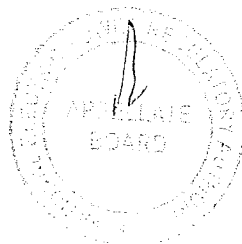




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Second detection	21.07.2016 to 21.10.2016	2,384	52,401/-
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2. The respondent was aggrieved with the irregular billing, therefore challenged the aforesaid both the detection bills before the Provincial Office of Inspection, Karachi Region-II, Karachi (hereinafter referred to as POI) on 04.01.2017. The matter was decided by POI vide its decision dated 13.04.2017 and it was concluded that the first detection bill amounting to Rs.93,043/- for 4,203 units for the period from 20.01.2016 to 20.07.2016 and second detection bill amounting to Rs.52,401/- for 2,384 units for the period from 21.07.2016 to 21.10.2016 are cancelled and be revised up-to two billing cycles.
3. Being dissatisfied with the POI decision dated 13.04.2017 (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 raised the preliminary objection on the jurisdiction of POI and contended that POI was not authorized to decide the instant complaint pertaining to the theft of electricity through bypassing the meter. K-Electric further contended that the premises of the respondent was inspected by K-Electric twice and on both the occasions, the respondent was found dishonestly abstracting the electricity through an extra phase and the connected load was also much higher than the sanctioned load. As per K-Electric, first detection bill amounting to Rs.93,043/- for 4,203 units for the period from 20.01.2016 to 20.07.2016 (6 months) and second detection bill amounting to Rs.52,401/- for 2,384 units for the period 21.07.2016 to 21.10.2016 (3 months) charged to the respondent are justified, the



respondent should pay the same and the impugned decision for the cancellation of the aforesaid both detection bills and revision of the same only for two billing cycles is not correct, therefore liable to be set aside. K-Electric submitted that FIR was not lodged against the respondent as he agreed for the payment of the aforesaid detection bills. K-Electric further explained that the presence of POI during inspection of a domestic connection is not mandatory.

4. In response to the above appeal, the respondent was issued a notice for filing reply/para-wise comments, which were filed on 16.08.2017. In his reply, the respondent rebutted the version of K-Electric regarding the jurisdiction of POI and contended that POI is empowered to entertain the instant case being a billing dispute that neither any prior notice was served nor he was associated during both the alleged inspections that there is no significant variation in the consumption during both the undisputed periods (prior/after) in comparison with the consumption of disputed period that both the first detection bill amounting to Rs.93,043/- for 4,203 units for the period from 20.01.2016 to 20.07.2016 and the second detection bill amounting to Rs.52,401/- for 2,384 units for the period 21.07.2016 to 21.10.2016 are unjustified that he is not responsible for payment of the same.
5. Hearing of the appeal was conducted in NEPRA regional office, Karachi on 16.10.2017 in which both the parties were present. Ms. Tathcra Fatima Deputy General Manager (Distribution Legal), learned representative of K-Electric repeated the same arguments as earlier contained in the memo of the appeal and pleaded for setting aside the





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impugned decision being contrary to the facts and law. Conversely, Mr. Muhammad Zaman Akram the respondent reiterated the same arguments as earlier given in his reply/para-wise comments to the appeal and prayed for upholding the impugned decision.

6. We have heard arguments of both the parties and examined the record placed before us.

Following is observed:

- 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 Consumer Service Manual (CSM) were not followed. The objection of K-Electric in this regard is devoid of force, therefore dismissed.
- ii. It is observed that the two detection bills were charged consequently for the period 20.01.2016 to 21.10.2016 (nine months) to the respondent by K-Electric, which are contrary to the provisions of CSM. According 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 on record by K-Electric showing that approval for charging the detection bills beyond three billing cycles was obtained from the Chief Executive (or any officer authorized in this behalf) of the K-Electric and any action was initiated against the officer in charge for not being vigilant enough. Under these circumstances, we are of the view that the first detection bill amounting to Rs.93,043/- for 4,203 units for the period 20.01.2016 to 20.07.2016 (6 months) and the second detection bill of Rs.52,401/- for 2,384 units for the period 21.07.2016 to 21.10.2016 (3 months) charged to the respondent by



K-Electric are unjustified, therefore both the aforesaid detection bills are liable to be cancelled as already determined in the impugned decision.

iii. Pursuant to clause 9.1c(3), the respondent is liable to be charged the detection bill for three billing cycles i.e. August 2016 to October 2016, if low consumption is established during these months. Perusal of the billing statement has emerged that the normal average consumption recorded during the disputed period i.e. August 2016 to October 2016 is much lesser than the normal average consumption of corresponding undisputed period of the preceding year i.e. August 2015 to October 2015, which establishes that the actual consumption was not recorded during the disputed period. Therefore it would be fair and appropriate to charge only the second detection bill amounting to Rs.52,401/- for 2,384 units for the period 21.07.2016 to 21.10.2016 (3 months) to the respondent. Impugned decision to the extent of charging the detection bill for two billing cycles is unjustified, therefore liable to be withdraw.

7. In view of what has been stated above, it is concluded that:

- i. the first detection bill amounting to Rs.93,043/- for 4,203 units for the period 20.01.2016 to 20.07.2016 (6 months) is not payable by the respondent, hence should be withdrawn.
- ii. the second detection bill amounting to Rs.52,401/- for 2,384 units for the period 21.07.2016 to 21.10.2016 (3 months) charged to the respondent is justified and the respondent should pay the same.





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- iii. Billing account of the respondent should be overhauled after making the adjustment of normal units charged during the said period and the payment made (if any) during the said period.
8. The impugned decision is modified in above terms.

Muhammad Qamar-uz-Zaman
Member

Muhammad Shafique
Member

Nadir Ali Khoso
Convener

Dated: 24.11.2017

