



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

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No. NEPRA/AB/Appeal-131/POI-2018/1107-1111

May 16, 2019

1. Bashir Ahmed  
Plot No. D-114/115,  
St-17, KESC Survey No. 772,  
Bhittiaabad, Gulistan-e-Jauhar,  
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 Vs. Bashir Ahmed Against the Decision Dated 17.05.2018 of the Provincial Office of Inspection to Government of the Sindh Karachi Region-II, Karachi

Please find enclosed herewith the decision of the Appellate Board dated 14.05.2019, regarding the subject matter, for information and necessary action accordingly.

**Encl: As Above**

No. NEPRA/AB/Appeal-131/POI-2018/1112

Forwarded for information please.

(Ikram Shaker)

May 16, 2019

Assistant Director  
Appellate Board

✓ 1. Registrar



# National Electric Power Regulatory Authority

## Before Appellate Board

In the matter of

Appeal No.131/2018

K-Electric Limited

.....Appellant

Versus

Bashir Ahmed, Plot No.D-114/115, St-17,

KE Survey No. 772, Bhattiabad, Gulistan-e-Jauhar, Karachi

.....Respondent

**APPEAL UNDER SECTION 38(3) OF REGULATION OF GENERATION,  
TRANSMISSION, AND DISTRIBUTION OF ELECTRIC POWER ACT, 1997  
AGAINST THE DECISION DATED 17.05.2018 PASSED BY PROVINCIAL  
OFFICE OF INSPECTION KARACHI REGION-II, KARACHI**

For the appellant:

Ms. Tatheera Fatima Deputy General Manager (Legal Distribution)

Mr. Imran Hanif Deputy Manager

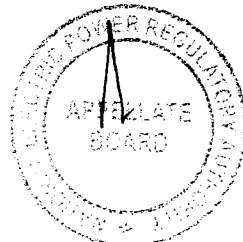
For the respondent:

Mr. Bahsir Ahmed

Mr. Bashir Ahmed Advocate

### DECISION

1. Brief facts of the case are that the respondent is a domestic consumer of K-Electric bearing Ref No. LA-979296 with a sanctioned load of 3 kW under the A1-Rtariff. The premises of the respondent was inspected by K-Electric time and again and allegedly the respondent was found stealing electricity through the hook connection and the connected load was observed much above the sanctioned load. Hence the respondent was charged following detection/assessed bills by K-Electric.

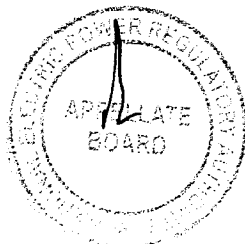




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SIR dated	Type of Bill	Period	Units charged	Amount (Rs.)
17.02.2015	First detection bill	27.08.2014 to 24.02.2015(6 months)	2,826	32,873/-
08.04.2016	Second detection bill	20.09.2015 to 24.03.2016 (6 months)	3,325	52,017/-
08.10.2016	Third detection bill	23.04.2016 to 24.09.2016 (6 months)	6,561	136,020/-
13.06.2017	Fourth detection bill	23.11.2016 to 24.05.2017 (6 months)	4,962	102,565/-
-	Assessed bill	March 2013	300	2,855/-
-	Assessed bill	April 2013	200	1,819/-
-	Assessed bill	May 2013	520	6,320/-
-	Assessed bill	June 2013	250	2,255/-
-	Assessed bill	July 2013	300	2,877/-
-	Assessed bill	September 2013	200	2,321/-
-	Assessed bill	December 2013	330	3,353/-
-	Assessed bill	January 2014	350	3,671/-
-	Assessed bill	February 2014	485	5,903/-
-	Assessed bill	April 2014	350	3,389/-
-	Assessed bill	February 2015	497	5,983/-
-	Assessed bill	May 2015	710	9,484/-
-	Assessed bill	September 2015	71	372/-

2. Being aggrieved with the aforesaid billing, the respondent filed an application before the Provincial Office of Inspection (hereinafter referred to as POI) on 12.01.2018 and challenged the arrears of Rs.354,997/-till November 2017. POI disposed of the matter vide its decision dated 17.05.2018 in which all the above four detection bills were canceled and K-Electric was directed to charge each detection bill for one month only. POI also cancelled the above mentioned assessed bills and ordered K-Electric for

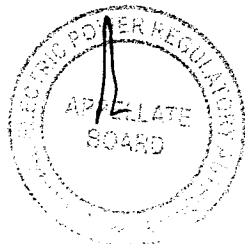




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revision of the same as per actual meter reading.

3. K-Electric has filed the instant appeal against the POI decision dated 17.05.2018 (impugned decision) before NEPRA. In its appeal, K-Electric contended that the premises of the respondent was inspected by K-Electric on 17.02.2015, 08.04.2016, 18.10.2016, 13.06.2017 and on all the occasions, the respondent was found consuming electricity through unfair means and the connected load was noticed much higher than the sanctioned load. As per contention of K-Electric, all the four detection bills i.e. first detection bill of Rs.32,873/-, second detection bill of Rs.52,017/-, third detection bill of Rs.136,020/- and the fourth detection bill of Rs.102,565/- were charged to the respondent in line with procedure laid down in Consumer Service Manual (CSM), whereas POI misinterpreted the provisions of CSM and curtailed the period of detection bills from six months to one month only for each without any cogent reasons. As per K-Electric, FIR could not be lodged against the respondent as he admitted theft of electricity and was ready to pay the aforesaid detection bills. K-Electric opposed the findings of POI and contended that prior notices as required under clause 14.1 of CSM were served to the respondent and the inspections of premises were conducted in the presence of the respondent's family members. K-Electric pointed out that the consumption trend and load in use indicate that theft of electricity was being committed on the premises, therefore 13 assessed bills debited during the period of March 2013 to September 2015 to the respondent are correct and the respondent is liable to pay the same. K-Electric further submitted that it was a case of theft of electricity through

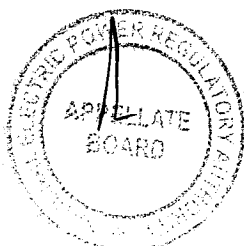




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bypassing the meter, therefore POI was not empowered to decide the instant matter.

4. The respondent was issued the notice for filing reply/para-wise comments to the appeal, which were filed on 22.02.2019. In his reply, the respondent contradicted the stance of K-Electric for charging the detection/assessed bills and contended that K-Electric was imposing irregular bills since long against which he approached K-Electric for rectification of bills as per actual consumption but K-Electric did not redress his grievance. As per respondent, POI has rightly decided the dispute of irregular, illegal billing after verification of record and hearing both the parties. The respondent prayed for dismissal of the appeal being filed by K-Electric with malafide intention.
  
5. After issuing the notice to both the parties, hearing of the appeal was held in Karachi on 29.03.2019 wherein, Ms. Tatheera Fatima Deputy General Manager (Distribution Legal) along with other officials appeared for the appellant K-Electric and the respondent along with his counsel attended the hearing. Learned representative of K-Electric reiterated the same arguments as contained in memo of the appeal and argued that the respondent is habitual in stealing the electricity, hence all the four detection bills i.e. first detection bill of Rs.32,873/-, second detection bill of Rs.52,017/-, third detection bill of Rs.136,020/- and the fourth detection bill of Rs.102,565/- and all assessed bills are justified and the respondent is responsible to pay the same. On the contrary, learned counsel for the respondent repudiated the allegation of theft of electricity leveled by K-Electric and averred that the respondent mostly remained outside the country, hence low consumption





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was recorded by the meter. To support his version learned counsel for the respondent committed for the provision of gas bills of the premises within 7 days to this forum. Learned counsel for the respondent finally supported the impugned decision and prayed for upholding the same.

6. Arguments of both the parties heard and the record placed before us was examined.

Following are our observations:

- i. K-Electric raised the preliminary objection against the jurisdiction of POI being theft of electricity case but failed to follow the procedure of CSM and did not take any legal action against the respondent on account of theft of electricity. Obviously, it is a metering and billing dispute and falls in the jurisdiction of POI. The objection of K-Electric in this regard is devoid of force, therefore rejected.
- ii. The respondent could not supply the copies of gas bills to substantiate his version that the premises remained vacant and no electricity was used like gas. Therefore claim of the respondent in this regard bears no force and dismissed.

iii. Following detections bills were charged to the respondent by K-Electric:

Type of Bill	Period	Duration	Units charged	Amount (Rs.)
First detection bill	27.08.2014 to 24.02.2015	6 months	2,826	32,873/-
Second detection bill	20.09.2015 to 24.03.2016	6 months	3,325	5T2,017/-
Third detection bill	23.04.2016 to 24.09.2016	6 months	6,561	136,020/-
Fourth detection bill	23.11.2016 to 24.05.2017	6 months	4,962	102,565/-

As evident above, the period of each detection bill is six months, which is contrary to the clause 9.1c(3) of the CSM. Said clause of CSM allows DISCOs to charge the



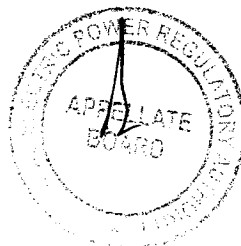


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detection bill to a general supply consumer up-to three months in the absence of approval from CEO K-Electric. In addition, K-Electric did not initiate any legal action against the respondent due to the dishonest abstraction of electricity. Besides, K-Electric even failed to disconnect the electric supply of the respondent despite its allegation that the respondent was busy in consuming electricity through illegal means. Under these circumstances, we are of the view that first detection bill of Rs.32,873/- for 2,826 units for the period 27.08.2014 to 24.02.2015 (6 months), second detection bill of Rs.52,017/- for 3,325 units for the period 20.09.2015 to 24.03.2016 (6 months), third detection bill of Rs.136,020/- for 6,561 units for the period 23.04.2016 to 24.09.2016 (6 months) and fourth detection bill of Rs.102,565/-for 4,962 units for the period 23.11.2016 to 24.05.2017 (6 months) are unjustified and liable to be declared null and void as already determined in the impugned decision. However, the respondent is responsible to pay the above four detection bills for three months each in pursuance of clause 9.1c(3) of CSM. Since the respondent was mostly charged in assessed mode even during the periods before and after the dispute, hence the comparison of consumption is not possible in the instant case. Determination of billing during the detection period is to be done as per formula given in Annex VIII of CSM.

$$\text{Units/month to be charged} = \text{Load} \times \text{Load Factor} \times \text{No. of Hours}$$

K-Electric alleges that the connected load observed during various inspections was





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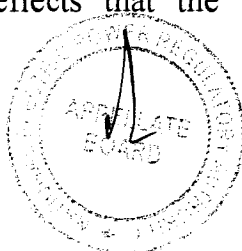
much above the sanctioned load, however, no action was taken by K-Electric for regularization of the connected load. So the determination of billing for four detection periods should be done on the basis of the sanctioned load of 3 kW, computation in this regard is worked out below:

Bill Type	Period	Units/month to be charged as per CSM
First detection bill	December 2014 to February 2015	=Sanctioned load x Load Factor x No. of Hours
Second detection bill	December 2015 to February 2016	= 3 kW x 0.15 x 720
Third detection bill	June 2016 to August 2016	
Fourth detection bill	March 2017 to May 2017	<b>= 324 units/month</b>

iv. Detail of the assessed bills charged by K-Electric to the respondent is tabulated below:

Assessed Bills			Units/month assessed as per CSM
Month	Units	Units/month already charged	
Mar-13	300		
Apr-13	200		
May-13	520		
Jun-13	250		
Jul-13	300		
Sep-13	200		
Dec-13	330		
Jan-14	350		
Feb-14	485	<b>351</b>	<b>324</b>
Apr-14	350		
Feb-15	497		
May-15	710		
Sep-15	71		
<b>Total</b>	<b>4,563</b>		
<b>Months</b>	<b>13</b>		

Above comparison clearly reflects that the assessed units already charged by







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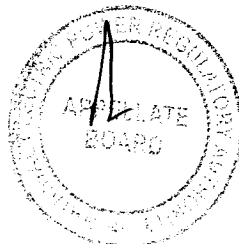
K-Electric during the above months are compatible with the units calculated as per formula prescribed in Annex VIII of CSM. Hence the above-assessed bills charged to the respondent are justified and payable by the respondent. The impugned decision to this extent is liable to be modified.

7. Upshot of the above discussion is that:

- i. The first detection bill of Rs.32,873/- for 2,826 units for the period 27.08.2014 to 24.02.2015, second detection bill of 52,017/- for 3,325 units for the period 20.09.2015 to 24.03.2016, third detection bill of 136,020/- for 6,561 units for the period 23.04.2016 to 24.09.2016 and fourth detection bill of Rs.102,565/- for 4,962 units for the period 23.11.2016 to 24.05.2017 are not justified and declared null and void as already declared by POI.
- ii. The respondent is obligated to pay the bills as detailed below:

Bill Type	Period	Units/month to be charged
First detection bill	December 2014 to February 2015	<b>324</b>
Second detection bill	December 2015 to February 2016	
Third detection bill	June 2016 to August 2016	
Fourth detection bill	March 2017 to May 2017	

- iii. Assessed bills for the months March 2013 to July 2013, September 2013, December 2013, January 2014, February 2014, April 2014, February 2015, May 2015, September 2015 are justified and the respondent is obligated to pay the same.





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iv. Billing account of the respondent should be revised by K-Electric after making an adjustment of units already charged during the above detection periods and payments made (if any) against the above detection bills.

8. The appeal is disposed of in the above terms.

Muhammad Qamar-uz-Zaman  
Member

Muhammad Shafique  
Member

Nadir Ali Khoso  
Convener

Dated: 14.05.2019

