



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

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No. NEPRA/AB/Appeal-133/POI-2018/ 1113-1117

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-133/POI-2018/ 1118

Forwarded for information please.

(Ikram Shakeel)

May 16, 2019

Assistant Director  
Appellate Board

✓ 1. Registrar



# National Electric Power Regulatory Authority

## Before Appellate Board

In the matter of

### Appeal No. 133/2018

K-Electric Limited

.....Appellant

Versus

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

KE Survey No. 772, Bhittabad, 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

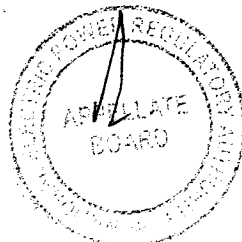
For the respondent:

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-979297 with a sanctioned load of 3 kW under the A1-R tariff. The premises of the respondent was inspected by K-Electric time and again and allegedly the respondent was found stealing electricity directly and the connected load was observed much higher than the sanctioned load. Hence detection/assessed bills were charged by K-Electric to the respondent as per detail given below:

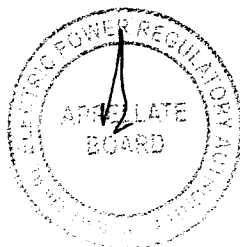




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SIR dated	Type of Bill	Period	Units charged	Amount (Rs.)
17.02.2015	First detection bill	27.08.2014 to 24.02.2015(6 months)	2,049	21,135/-
08.04.2016	Second detection bill	30.09.2015 to 24.03.2016 (6 months)	1,086	20,350/-
21.12.2016	Third detection bill	24.06.2016 to 24.12.2016 (6 months)	4,273	78,125/-
0.04.2017	Fourth detection bill	25.01.2017 to 24.04.2017 (3 months)	3,310	65,717/-
-	Assessed bill	April 2013	150	3,201/-
-	Assessed bill	May 2013	520	10,514/-
-	Assessed bill	June 2013	200	4,478/-
-	Assessed bill	July 2013	0	153/-
-	Assessed bill	September 2013	172	2,639/-
-	Assessed bill	December 2013	330	3,318/-
-	Assessed bill	January 2014	350	3,636/-
-	Assessed bill	February 2014	485	5,866/-
-	Assessed bill	April 2014	350	3,636/-
-	Assessed bill	May 2015	513	6,424/-
-	Assessed bill	August 2015	161	1,391/-
-	Assessed bill	September 2015	90	548/-
-	Assessed bill	May 2016	802	16,546/-
-	Assessed bill	June 2016	802	16,729/-

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.236,870/- reflected in the bill for November 2017. POI disposed of the matter vide its decision dated 17.05.2018 in which all the above four detection bills were cancelled and K-Electric was directed to charge each detection bill

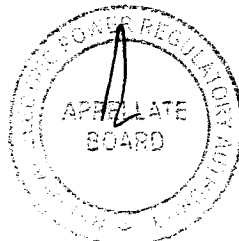




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for one month only. POI also canceled the assessed bills and ordered K-Electric for revision of the same as per actual meter reading.

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, 21.12.2016 and in the year 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.21,135/-, second detection bill of Rs.20,350/-, third detection bill of Rs.78,125/-and the fourth detection bill of Rs.65,717/-were charged to the respondent in line with the procedure as laid down in the 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 indicated that theft of electricity was being committed on the premises, therefore 14 assessed bills debited during the period of April 2013 to June 2016 to the respondent are correct and the respondent is liable to pay the same.

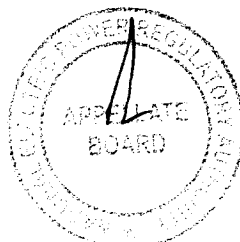




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K-Electric further submitted that it was a case of theft of electricity through bypassing the meter, therefore POI was not empowered to decide the instant matter.

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 billing after verification of record and hearing both the parties. 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 the first detection bill of Rs.21,135/-, second detection bill of Rs.20,350/-, third detection bill of Rs.78,125/- and the fourth detection bill of Rs.65,717/- and all the 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 informed that the respondent mostly remains outside the country, hence low consumption was recorded by the meter. To support his version learned counsel for the respondent committed for the provision of gas bills





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within 7 days to this forum. Learned counsel for the respondent finally supported the impugned decision and prayed for upholding the same.

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

Following are our observations:

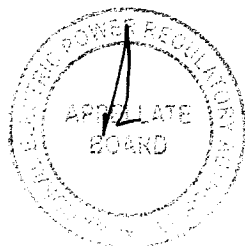
i. K-Electric raised the preliminary objection against the jurisdiction of POI being theft of electricity case but failed to follow the procedure of CSM and did not take any legal action against the respondent on account of theft of electricity. Obviously, it is a metering and billing dispute and falls 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	2,049	21,135/-
Second detection bill	30.09.2015 to 24.03.2016	6 months	1,086	20,350/-
Third detection bill	24.06.2016 to 24.12.2016	6 months	4,273	78,125/-
Fourth detection bill	25.01.2017 to 24.04.2017	3 months	3,310	65,717/-

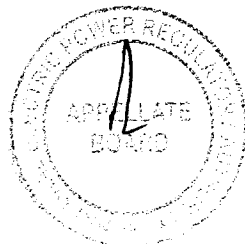
From the above, it is revealed that the period of above (first, second, third) detection





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bills is six months, which is contrary to the clause 9.1c(3) of the CSM. Said clause allows DISCOs to charge the 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. K-Electric alleged that the connected load observed during various inspections was much above the sanctioned load, however, no action was taken by K-Electric for regularization of the connected load. Under these circumstances, we are of the view that first detection bill of Rs.21,135/- for 2,049 units for the period 27.08.2014 to 24.02.2015 (6 months), second detection bill of Rs,20,350/- for 1,086 units for the period 30.09.2015 to 24.03.2016 (6 months), third detection bill of Rs.78,125/- for 4,273 units for the period 24.06.2016 to 24.12.2016 (6 months) and fourth detection bill of Rs.65,717/- for 3,310 units for the period 25.01.2017 to 24.04.2017 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 (first, second, third) detection bills for three months for each in pursuance of clause 9.1c(3) of CSM. Period of the fourth detection bill is in line with the provisions of CSM and need to be maintained. Since the respondent was mostly charged in assessed/detection mode even during the periods before and after the dispute, hence the comparison of consumption is not possible in the instant case.





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Determination of billing during the detection period is to be done on the basis of the sanctioned load as per formula given in Annex VIII of CSM.

Bill Type	Period	Units/month to be charged as per CSM
First detection bill	November 2014 to January 2015	$= \text{Sanctioned load} \times \text{Load Factor} \times \text{No. of Hours}$ $= 3 \text{ kW} \times 0.15 \times 720$ $= \mathbf{324 \text{ units/month}}$
Second detection bill	December 2015 to February 2016	
Third detection bill	September 2016 to November 2016	
Fourth detection bill	February 2017 to April 2017	

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	
April 2013	150	<b>352</b>	<b>324</b>
May 2013	520		
June 2013	200		
July 2013	0		
September 2013	172		
December 2013	330		
January 2014	350		
February 2014	485		
April 2014	350		
May 2015	513		
August 2015	161		
September 2015	90		
May 2016	802		
June 2016	802		
<b>Total</b>	<b>4,925</b>		
<b>Months</b>	<b>14</b>		

Above comparison clearly reflects that the assessed units already charged by K-Electric during the above months are compatible with the units calculated as per formula given in Annex VIII of CSM. Hence the above-assessed bills charged to the







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respondent are justified and the respondent is liable to pay the same. The impugned decision to this extent is liable to be modified.

6. The upshot of the above discussion is that:

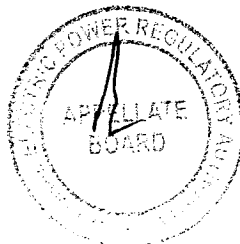
i. first detection bill of Rs.21,135/- for 2,049 units for the period 27.08.2014 to 24.02.2015, second detection bill of Rs.20,350/- for 1,086 units for the period 30.09.2015 to 24.03.2016, third detection bill of Rs.78,125/- for 4,273 units for the period 24.06.2016 to 24.12.2016 and fourth detection bill of Rs.65,717/- for 3,310 units for the period 25.01.2017 to 24.04.2017 are unjustified and declared null and void.

ii. The respondent is responsible to pay the detection bills as detailed below:

Bill Type	Period	Units/month to be charged
First detection bill	November 2014 to January 2015	<b>324</b>
Second detection bill	December 2015 to February 2016	
Third detection bill	September 2016 to November 2016	
Fourth detection bill	February 2017 to April 2017	

iii. Assessed bills for April 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.

iv. Billing account of the respondent should be revised by K-Electric after making an adjustment of units already charged/payments made during the above detection periods.





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7. 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

