



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

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No. NEPRA/AB/Appeal/001/POI/2020/1027-1031

October 28, 2020

1. Mrs. Parveen Rizvi (Widow)
W/o. Syed Ali Ahmed (Late),
R/o. House No. 532, Block-08,
Federal B. Area, 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/POI
Karachi Region-II, Government of Sindh,
Plot No. ST-2, Block-N, North Nazimabad,
Near Sarina Mobile Market,
Main Sakhi Hasan Chowrangi, Karachi

Subject: **Appeal Titled K-Electric Vs. Mrs. Parveen Rizvi Against the Decision Dated 18.11.2019 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 28.10.2020, regarding the subject matter, for information and necessary action accordingly.

Encl: **As Above**

(Ikram Shakeel)
Assistant Director
Appellate Board

Forwarded for information please.

1. Director (IT) –for uploading the decision on NEPRA website



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Before Appellate Board National Electric Power Regulatory Authority, Islamabad

In the matter of

Appeal No. 001/ 2020

K-Electric Limited

.....Appellant

Versus

Mrs. Parveen Rizvi (window) w/o Syed Ali Ahmed (Late),

R/o House No.532, Block-08, Federal B. Area, Karachi

.....Respondent

APPEAL UNDER SECTION 38(3) OF REGULATION OF GENERATION, TRANSMISSION AND DISTRIBUTION OF ELECTRIC POWER ACT, 1997 AGAINST THE DECISION DATED 18.11.2019 PASSED BY PROVINCIAL OFFICE OF INSPECTION KARACHI REGION-II, KARACHI

For the appellant:

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

Mr. Imran Hanif Manager

Mr. Kashif Kamran Deputy Manager

For the respondent:

Ms. Parveen Rizvi

DECISION

1. As per facts of the case, the respondent is a domestic consumer of K-Electric bearing Ref No. AL-127916 with a sanctioned load of 1 kW under the A-1R tariff. As per site inspection report (SIR) dated 06.10.2017 of K-Electric, the respondent was using an extra phase for theft of electricity and the connected load was observed as 13 kW which is much higher than the sanctioned load. After issuing notice dated 06.10.2017 to the respondent, a detection bill of Rs.201,194/- for 9,050 units for the period 26.03.2017 to 23.09.2017 (6 months) was charged to the respondent on the basis of the connected load.
2. Being dissatisfied, the respondent filed a complaint before the Provincial Office of Inspection (POI) on 23.10.2017 against the above detection bill. Complaint of the respondent was disposed of by POI vide decision dated 18.11.2019 wherein the



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detection bill of Rs.201,194/- for 9050 units for the period 26.03.2017 to 23.09.2017 was cancelled.

3. K-Electric has filed the instant appeal against the afore-referred decision of POI (hereinafter referred to as the impugned decision) before NEPRA in which it is contended that the premises of the respondent was inspected on 06.10.2017 and the respondent was found stealing electricity through an extra phase and the connected load was found higher than the sanctioned load, therefore the detection bill of Rs.201,194/- for 9,050 units for the period 26.03.2017 to 23.09.2017 was charged to the respondent. As per K-Electric, the respondent admitted theft of electricity and agreed for payment of the aforesaid detection bill, therefore FIR was not registered against him. According to K-Electric, the aforesaid detection bill was charged in accordance with chapter 9 of the Consumer Service Manual (CSM). K-Electric submitted that the consumption of the respondent increased to the tune of 2,029 units per month after the replacement of the meter, which establishes that the actual consumption was not recorded by the meter due to the use of unfair means by the respondent. K-Electric raised the objection regarding the jurisdiction of POI to adjudicate the case of theft of electricity by bypassing the meter and pleaded for setting aside the impugned decision.
4. Notice of the appeal was issued to the respondent for filing reply/para-wise comments, which were filed on 02.03.2020. In the reply, the respondent denied the allegation of theft of electricity levelled by K-Electric and contended that the site inspection was carried out without her representation. The respondent rebutted the stance of K-Electric regarding illegal extension of load and further submitted that the consumption during the disputed period is higher as compared to the consumption of corresponding months of the previous year, hence the detection bill of Rs.201,194/-

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for 9,050 units for the period 26.03.2017 to 23.09.2017 is unjustified and liable to be cancelled.

5. Notice was issued and hearing of the appeal was conducted in NEPRA Regional Office Karachi on 13.10.2020, which was attended by both the parties. Representatives for K-Electric repeated the same arguments as contained in memo of the appeal and contended that the increase in future consumption proves that the respondent was stealing electricity through unfair means, hence the detection bill of Rs.201,194/- for 9,050 units for the period 26.03.2017 to 23.09.2017 is justified and payable by the respondent. On the contrary, the respondent appearing in person refuted the allegation of theft of electricity and argued that the above detection bill is unjustified and she cannot pay any money against the said detection bill. The respondent claims to be very poor and prayed for a refund of the excessive amount recovered by K-Electric. The respondent finally prayed for upholding the impugned decision and declaring the above detection bill as unjustified.
6. Arguments heard and the record placed before us was examined. It is observed as under:
 - i. K-Electric raised the objection on the jurisdiction of POI, it is observed that theft of electricity was alleged by K-Electric but neither the legal proceedings were initiated against the respondent nor the provisions of CSM were followed. Hence objection of K-Electric in this regard is devoid of force and rejected.
 - ii. The respondent disputed the detection bill of Rs.201,194/- for 9,050 units for the period 26.03.2017 to 23.09.2017 before POI.
 - iii. Charging the detection bill for six months i.e. 26.03.2017 to 23.09.2017 is violative of clause 9.1c (3) of CSM, which allows K-Electric to charge the detection bill to a general supply consumer i.e. A-I maximum for three billing cycles in the absence



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of approval of the Chief Executive Officer. Besides the above detection bill was charged on the basis of connected load i.e. 13 kW but neither it was regularized nor verified by POI. Hence we are of the view that the detection bill of Rs.201,194/- for 9,050 units for the period 26.03.2017 to 23.09.2017 charged by K-Electric is unjustified and liable to be declared null and void.

- iv. The respondent is liable to be charged the detection bill maximum for three months i.e. July 2017 to September 2017 in pursuance of clause 9.1c (3) of CSM. However, the consumption of these disputed months need to be compared with the consumption of the years 2018 and 2019 as tabulated below:

Period	Average units per month
Dispute period July 2017 to August 2017	310
Undisputed period for the year 2018 July 2018 to December 2018	185
Undisputed period for the year 2019 July 2019 to December 2019	1000

The above table indicates that the average consumption of the respondent during the disputed months is higher than the undisputed average consumption of the year 2018 but much lesser than the undisputed average consumption of the year 2019. Such a huge increase in consumption of the year 2019 supports the version of K-Electric that the actual consumption was not recorded by the meter during the disputed period July 2017 to August 2017. Hence it would be judicious to charge detection units to the respondent for three disputed months as per average consumption recorded in the year 2019. Calculation in this regard is done below:

Period: July 2017 to August 2017

Total units to be charged = units x No. of months = 1,000 x 3 = 3,000 units
Total units already charged = (-) 931 units
Net units chargeable = 2,069 units



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The respondent is liable to be charged net **2,069 units** as a detection bill as per above calculation. The impugned decision is liable to be modified to this extent.

7. Upshot of the above discussion is that the impugned decision to the extent of cancellation of detection bill of Rs.201,194/- for 9,050 units for the period 26.03.2017 to 23.09.2017 is correct and maintained to this extent. The respondent should be charged net **2,069 units** for the disputed months i.e. July 2017 to September 2017. The billing account of the respondent may be revised after making adjustments of payments made (if any) against the above detection bill. Arrears may be charged in 12 equal installments along with current bill.
8. Foregoing in view, the impugned decision is modified.

Muhammad Qamar-uz-Zaman
Member

Muhammad Shafique
Member

Nadir Ali Khoso
Convener

Dated: 28.10.2020