



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

NEPRA Office , Atta Turk Avenue (East), G5/1, Islamabad
Tel. No.+92 051 2013200 Fax No. +92 051 2600030
Website: www.nepra.org.pk E-mail: office@nepra.org.pk

No. NEPRA/AB/Appeal/016/POI/2020/1043-1047

October 28, 2020

1. Chan Muhammad
House No. 1017-B,
PIB 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/POI
Karachi Region-I,
Adjacent to City School, PAF Chapter,
Baloch Colony, Shaheed-e-Millat Road,
Karachi

Subject: **Appeal Titled K-Electric Vs. Chand Muhammad Against the Decision Dated 22.10.2019 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



National Electric Power Regulatory Authority

**Before Appellate Board, National Electric Power Regulatory Authority,
Islamabad**

In the matter of

Appeal No.016/2020

K-Electric Limited

.....Appellant

Versus

Chand Muhammad House No.1017-B, PIB Colony, Karachi

.....Respondent

**APPEAL UNDER SECTION 38(3) OF REGULATION OF GENERATION,
TRANSMISSION, AND DISTRIBUTION OF ELECTRIC POWER ACT, 1997
AGAINST THE DECISION DATED 22.10.2019 PASSED BY PROVINCIAL
OFFICE OF INSPECTION KARACHI REGION-I, KARACHI**

For the appellant:

Ms. Tatheera Fatima Deputy General Manager

Mr. Asif Shajer Deputy General Manager

For the respondent:

Mr. Chand Muhammad

Syed Aamir Alam

DECISION

1. Brief facts of the case are that the respondent is a domestic consumer of K-Electric bearing Ref No.LA-947823 having a sanctioned load of 4 kW under the A-1R tariff. Premises of the respondent was inspected by K-Electric time and again and allegedly the respondent was found stealing electricity through hook connection and the connected load was observed much higher than the sanctioned load. Resultantly, K-Electric charged the following detection bills to the respondent:

Table-A

SIR dated	Discrepancies	Detection bill	Period		Units	Amount (Rs.)
06.01.2017	Theft of electricity C/L= 4.882 kW	First	20.05.2016	21.12.2016	3,269	64,439/-
20.07.2017	Theft of electricity C/L= 4.962 kW	Second	22.12.2016	20.06.2017	2,950	50,802/-



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2. Being aggrieved, the respondent approached the Provincial Office of Inspection (POI) in December 2017 and challenged the arrears of Rs.122,555/- added till August 2017, which included the above two detection bills. The complaint of the respondent was disposed of by POI vide its decision dated 22.10.2019, wherein the above two detection bills along with late payment surcharges (LPS) were cancelled and K-Electric was also directed to waive off the reconnection/disconnection charges.

3. The appeal in hand has been filed against the above-referred decision by K-Electric in which it is contended that the premises of the respondent was inspected twice and on each occasions, the respondent was found consuming electricity through the use of hook connection and the connected load was found higher than the sanctioned load. As per contention of K-Electric, the first detection bill of Rs.64,439/- for 3,629 units, for the period 20.05.2016 to 21.12.2016 (6 months) and the second detection bill of Rs.50,862/- for 2,950 units for the period 22.12.2016 to 20.06.2017 (6 months) were rightly issued to the respondent and are payable by him. As per K-Electric, the respondent accepted the theft of electricity and was ready to pay the detection bills, hence FIR was not registered against the respondent. According to K-Electric, the site inspection was carried out in presence of the respondent and he submitted an undertaking for the payment of the above detection bills. K-Electric further submitted that the respondent is a chronic defaulter of monthly bills, hence LPS is being charged as per clause (6.2) of NEPRA Consumer Service Manual (CSM). K-Electric pointed out that it was a case of theft of electricity through bypassing the meter, therefore POI was not empowered to decide the instant matter.



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4. The respondent was issued the notice for filing reply/para-wise comments to the appeal, which were filed on 25.02.2020. In his reply, the respondent rebutted the version of K-Electric regarding charging the first and second detection bills amounting to Rs.64,439/- and Rs.50,862/- respectively and contended that all the pictorial evidence attached with this appeal are fake as he is not residing in the premises shown in the pictures. The respondent refuted the allegation of theft of electricity leveled by K-Electric and submitted that neither any notice was served to him nor the connected load of Split AC and Water pump given in site inspection reports is correct as these appliances have never been installed in the premises. As per respondent, the consumption trend remained almost the same during the years 2016 to 2020 before and after the charging of the above detection bills, which negates the stance of K-Electric. The respondent prayed for the maintainability of the impugned decision and dismissal of the appeal.
5. After issuing notice to both the parties, hearing of the appeal was held in Karachi on 13.10.2020 wherein Ms. Tatheera Fatima Deputy General Manager (Distribution Legal) along with other officials appeared for K-Electric and the respondent appeared in person. The representative for K-Electric contended that the first detection bill of Rs.64,439/- for 3,629 units, for the period 20.05.2016 to 21.12.2016 and the second detection bill of Rs.50,862/- for 2,950 units for the period 22.12.2016 to 20.06.2017 were charged to the respondent on account of theft of electricity through the hook connection. The representatives for K-Electric informed that the respondent submitted an undertaking for payment of the above detection bills, therefore FIR was not lodged



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against him. According to the representatives for K-Electric, the consumption of the respondent remained very low during the disputed period despite the installation of split AC as evident from the bill of 35 units for September 2017. As per representatives for K-Electric, both the above detection bills are justified and payable by the respondent. On the contrary, the respondent repeated the same arguments as given in his reply/para-wise comments to the appeal and submitted that no split AC was installed in the premises and K-Electric has illegally charged both the first detection bill of Rs.64,439/- and second detection bill of Rs.50,862/-. The respondent prayed for the upholding impugned decision.

6. Arguments heard and the record perused. 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. K-Electric could not substantiated its claim regarding non registration of FIR as the respondent agreed to make payment of detection bills. 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 challenged the following detection bills before POI in December 2017:

Table-B

Bill type	Period		Units	Amount (Rs.)
First detection bill	20.05.2016	21.12.2016	3,269	64,439/-
Second detection bill	22.12.2016	20.06.2017	2,950	50,802/-



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It is observed that K-Electric has debited the above detection bills beyond three billing cycles to the respondent, who is general supply consumer A-I but did not provide any document, which shows that the approval in this regard was solicited from CEO K-Electric. Moreover, the above detection bills were charged on the basis of connected load higher than the sanctioned load, however, it was not regularized by K-Electric to date. Hence POI has rightly cancelled the first detection bill of Rs.64,439/- for 3,629 units for the period 20.05.2016 to 21.12.2016 (June 2016 to November 2016) and the second detection bill of Rs.50,862/- for 2,950 units for the period 22.12.2016 to 20.06.2017 (February 2017 to July 2017) along with LPS. Pursuant to clause 9.1c(3) of CSM, the respondent may be charged the first detection bill for three months i.e. September 2016 to November 2016 and the second detection bill for three months i.e. May 2017 to July 2017 and the basis of charging these detection bills be made as per formula given in annex-VIII of CSM. Calculation in this regard is done in **Table-C** below:

Detection bill	Period	Units/month to be charged
First	Sep-2016 to Nov-2016	= Sanctioned load (kW) x No. of Hours x Load factor
Second	May-2017 to Jul-2017	= 4 x 730 . x 0.15 = 438

7. The upshot of the above discussion is that:

- i. The impugned decision for cancellation of the first detection bill of Rs.64,439/- for 3,629 units for the period 20.05.2016 to 21.12.2016 (June 2016 to November 2016) and second detection bill of Rs.50,862/- for 2,950 units for the period 22.12.2016 to 20.06.2017 (February 2017 to July 2017) along with LPS is correct and maintained to this extent.



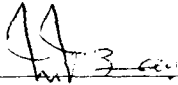
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- ii. K-Electric is directed to charge the first and second detection bills as per the detail given below:


Detection bill	Period	Units/month to be charged
First	Sep-2016 to Nov-2016	438 units/month
Second	May-2017 to Jul-2017	

- iii. The billing account of the respondent should be revised by K-Electric after adjusting units already charged/payments made (if any) during the disputed periods.

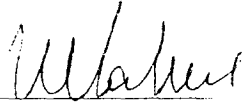
8. The appeal is disposed of in above terms.



Muhammad Qamar-uz-Zaman
Member



Muhammad Shafique
Member



Nadir Ali Khoso
Convener

Dated: 28.10.2020

