



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

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No. NEPRA/AB/Appeal/255/POI/2019/1012 - 0/10/16


October 28, 2020

1. Khasta Rehman
House No. 751, Block-09,
A-222, Pehalwan Goth,
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/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. Khasta Rehman Against the Decision Dated 06.08.2019 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 27.10.2020, 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. 255/2019

K-Electric Limited

.....Appellant

Versus

Khasta Rehman, House No.751, Block No.09, A-222,
Pehlwan Goth, 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 06.08.2019 PASSED BY PROVINCIAL OFFICE OF INSPECTION KARACHI REGION-II, KARACHI

For the appellant

Ms. Tatheera Fatima Deputy General Manager (Legal Distribution)

Mr. Asif Shajer Deputy General Manager

Mr. Najam Din Deputy General Manager

Mr. Asif Khan Manager

Mr. Asif Ahmed Khan Deputy Manager

For the respondent:

Mr. Khaista Rehman

DECISION

1. Brief facts of the case are that the respondent is a domestic consumer of K-Electric bearing Ref No. LA-029664 having a sanctioned load of 1 kW under the A-1R tariff. As per K-Electric, the electromechanical meter (old meter) was installed on the



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premises of the respondent by K-Electric in December 2015 and total 2,311 units were billed to the respondent during the period December 2015 to September 2018. Subsequently, the old meter was replaced with a digital meter (new meter) on 24.09.2018 and the reading on the old meter was noted as 13,926 by K-Electric. Resultantly, a difference bill of Rs.240,438/- for 11,615 units pertaining to the period December 2015 to September 2018 (34 months) was debited to the respondent by K-Electric in November 2018 on account of less charged units, the detail of consumption is given below:

Period: December 2015 to September 2018 (34 months)

Net chargeable units= Final reading retrieved – Units already charged

$$= \quad 13,926 \quad - \quad 2,311 \quad = \mathbf{11,615 \text{ units}}$$

2. Being aggrieved, the respondent filed a complaint before POI and challenged the arrears of Rs.250,302/- accumulated till November 2018, which included the difference bill of Rs.240,438/-. POI decided the matter vide its decision dated 06.08.2019 and concluded as under:

"After conducting several number of hearings, giving fair opportunities to hear both the parties, scrutinizing the record, made available with this office and in the light of relevant law & Regulations and above findings, this authority is of the firm view that the opponents are directed to cancel the bill amounting to Rs.250,302/- for the month of November 2018, as the meter was removed at the normal reading 2,311 units at recorded reading. The opponent is also directed to adjust the excessive amount which was paid by the complainant in this regard. The opponents are directed to adjust the excessive amount which was paid by the complainant in



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this regard. The opponents are directed to act in terms of above instructions, accordingly. The complaint of the applicant is disposed of with the above remarks."

3. K-Electric was not satisfied with the POI decision dated 06.08.2019 (hereinafter referred to as the impugned decision), hence filed the instant appeal before NEPRA. In its appeal, K-Electric contended that the old meter was replaced with the new meter on 24.09.2018 and the final reading of the old meter was observed as 13,926 whereas the respondent had been charged up-to-the reading of 2,311, hence the difference bill of Rs.240,438/- for 11,615 units was debited to the respondent for recovery of balance units. As per K-Electric, the old meter of the respondent was installed on the pole along with other meters due to which actual meter reading was not obtained, hence the slab benefit of 12 months had been given to the respondent. According to K-Electric, average consumption was charged @ 68 units/month during the disputed period December 2015 to September 2018 to the respondent but the average consumption after the replacement of the old meter has been recorded @ 270 units/month, which justifies the charging of above difference bill due to uncharged units. K-Electric prayed for setting aside the impugned decision.
4. Notice for filing reply/para-wise comments to the above appeal was issued to the respondent, which were not filed.
5. After issuing notice to both the parties, hearing of the appeal was held in NEPRA Regional Office Karachi on 28.09.2020 in which Ms. Tatheera Fatima Deputy General Manager (Distribution Legal) along with other officials represented the appellant K-



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Electric and Mr. Khaista Zaman the respondent appeared in person. Learned representative of K-Electric repeated the same arguments as contained in memo of the appeal and contended that the actual consumption of the respondent's old meter could not be noted due to its installation on pole and only 2,311 units were charged during the period December 2015 to September 2018 to the respondent. As per K-Electric, a difference bill of Rs.240,438/- for 11,615 units for the period December 2015 to September 2018 (34 months) charged to the respondent was based on actual meter reading and payable by the respondent. Conversely, the respondent supported the impugned decision and prayed for upholding the same.

6. We have heard arguments of both the parties, it has been observed as under:
 - i. Admittedly K-Electric charged the average bills for the period December 2015 to September 2018 and later on raised a difference bill of Rs.240,438/- for 11,615 units for the period December 2015 to September 2018 as per reading of the old meter, which was agitated by the respondent before POI.
 - ii. Obviously, the billing process by K-Electric in violation of the Consumer Service Manual, which binds K-Electric to take the monthly reading and charge the respondent accordingly. The reason for charging the average bills by K-Electric due to the installation of old meter on the pole is not correct, therefore declined. As a matter of fact, the concerned staff is liable to face disciplinary action due to their failure in observing monthly readings and for issuing the bills accordingly.
 - iii. As per K-Electric the bills for the period December 2015 to September 2018 (34



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months) are recoverable @ **410 units/month** [13,926 units ÷ 34 months] on the basis of final reading of the old meter whereas the normal average consumption recorded by the new meter @ **270 units/month** [2,700 units ÷ 10 months] during the period after the dispute i.e. October 2018 to July 2019, which does not support the claim of K-Electric. It is further observed that neither the old meter was produced nor was the meter laboratory report submitted before POI for verification of the final reading i.e. 13,926. In consideration of the above, we are of the view that the difference bill of Rs.240,438/- for 11,615 units for the period December 2015 to September 2018 (34 months) charged on the basis of the final reading of the old meter is unjustified and liable to be cancelled.

- iv. It would be fair and appropriate that the billing of the respondent may be revised @ 270 units/month for the period December 2015 to September 2018 (34 months) as recorded during the period after the dispute i.e. October 2018 to July 2019. However, the normal units already charged during the said period may be adjusted accordingly. The impugned decision is liable to be modified to this extent.

7. Forgoing in preceding paragraphs, it is concluded that:

- i. The difference bill of Rs.240,438/- for 11,615 units for the period December 2015 to September 2018 is declared null and void.
- ii. The respondent should be charged the bills @ 270 units/month for the period December 2015 to September 2018 (34 months) by K-Electric and the bills be calculated as per applicable tariff in the relevant period.
- iii. Consumer's account of the respondent may be overhauled after the adjustment of



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units already charged/payments made (if any) during the disputed period.

iv. The arrears may be recovered in thirty-four equal installments along with the current monthly bill.

8. The impugned decision is modified in the above terms.

Muhammad Qamar-uz-Zaman
Member

Muhammad Shafique
Member

Nadir Ali Khoso
Convener

Dated: 27.10.2020