

# Before the Appellate Board National Electric Power Regulatory Authority (NEPRA)

Islamic Republic of Pakistan

NEPRA Office, Ata 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/071/POI/2021/ /054

December 28, 2021

- 1. Mst. Nuzhat Parveen W/o. Afzal Majeed, Moosa Colony, Baber Road, Near City College, Karachi
  - House No. A-6/109, Lease No. 497, 1997 1997 1997 39-B, Sunset Boulevard,
- Asif Shajer, Deputy General Manager, K-Electric, KE House, 39-B, Sunset Boulevard, DHA-II, 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

- 2. Chief Executive Officer, K-Electric, KE House, DHA-II, Karachi
  - Ms. Tatheera Fatima, Deputy General Manager, K-Electric, First Floor, Block F, Elander Complex, Elander Road, Karachi

Subject:

Appeal Titled K-Electric Vs. Mst. Nuzhat Parveen Against the Decision Dated 07.04.2021 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 10.12.2021, regarding the subject matter, for information and necessary action accordingly.

**Encl: As Above** 

(Ikram Shakeel) Deputy Director (M&E)/ **Appellate Board** 

Forwarded for information please.

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



#### **Before Appellate Board**

In the matter of

#### Appeal No.071/POI-2021

K-Electric Limited

.....Appellant

Versus

Mst. Nuzhat Parveen w/o Afzal Majeed, House No.A-6/109, Lease No.497, Moosa Colony, Babar Road, Near City College, Karachi

.....Respondent

APPEAL UNDER SECTION 38(3) OF REGULATION OF GENERATION, TRANSMISSION, AND DISTRIBUTION OF ELECTRIC POWER ACT, 1997 AGAINST THE DECISION DATED 07.04.2021 PASSED BY PROVINCIAL OFFICE OF INSPECTION KARACHI REGION-II, KARACHI

For the Appellant:

Mr. Asif Shajer General Manager

Ms. Tatheera Fatima Deputy General Manager

Mr. Najamuddin Sheikh Deputy General Manager

Mr. Masahib Ali Manager

For the Respondent: Ms. Nuzhat Parveen Syed Faisal

#### **DECISION**

1. Brief facts of the case are that the Respondent is a domestic consumer of the K-Electric bearing Ref No. LC-095001 having a sanctioned load of 2 kW under the A-1R tariff. Premises of the Respondent was inspected by the K-Electric on 22.12.2017 and allegedly the Respondent was found stealing electricity through an extra phase and the connected load observed was 12.06 kW, being much higher than the sanctioned load. Resultantly, a detection bill of Rs.145,648/- for 7,254 units for

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the period 20.06.2017 to 19.12.2017 six (6) months was charged by the K-Electric to the Respondent.

- 2. Being aggrieved, the Respondent challenged the above detection bill before the Provincial Office of Inspection, Karachi Region-II, Karachi (the POI). Premises of the Respondent was inspected by the POI on 18.02.2021 in presence of both the parties and the connected load of the Respondent was found as 4.827 kW. The complaint of the Respondent was disposed of by the POI vide decision dated 07.04.2021, wherein the detection bill of Rs.145,648/- for 7,254 units for the period, 20.06.2017 to 19.12.2017, six (6) months was cancelled. As per the POI decision, K-Electric was directed to charge the revised detection bill of 1,410 units for two (2) months on the basis of 20% load factor of the connected load i.e.4.827 kW.
- 3. The appeal in hand has been filed against the above-referred decision by the K-Electric before the NEPRA in which it is contended that the premises of the Respondent was inspected on 22.12.2017 and the Respondent was found consuming electricity through an extra phase and the connected load was observed as 12.06 kW. As per the K-Electric, the detection bill of Rs.145,648/- for 7,254 units for the period 20.06.2017 to 19.12.2017 six (6) months was charged to the Respondent after completing all the coding formalities. K-Electric further contended that the POI curtailed the detection bill for two (2) months, whereas the Consumer Service Manual (CSM) allows the K-Electric to charge the detection bill for six (6) months. As per the K-Electric, the POI joint inspection dated 18.02.2021 was carried out after a lapse of more than three (3) years of the K-Electric inspection dated 22.12.2017, which was strongly opposed

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by them. According to the K-Electric, the FIR was not registered against the Respondent as he accepted theft of electricity and agreed to pay the above detection bill. The K-Electric submitted that the above detection bill charged to the Respondent is justified since the consumption of the premises remained drastically low during the disputed period, which is not consistent with the connected load of 12.06 kW as observed during the checking dated 22.12.2017. The K-Electric pointed out that being a case of theft of electricity through bypassing the meter, the POI was not authorized to decide the instant matter as per verdict of the apex court. The K-Electric finally prayed that the impugned decision is liable to be struck down.

- 4. The Respondent was issued notice for filing reply/para-wise comments to the appeal, which were filed on 02.07.2021. In his reply, the Respondent opposed the charging of the detection bill of Rs.145,648/- for 7,254 units for the period 20.06.2017 to 19.12.2017 six (6) months on the following grounds; (1) the site inspection dated 22.12.2017 was carried in his absence since there is no signature of the Respondent on the site inspection report dated 22.12.2017; (2) the K-Electric could not prove the connected load=12.6 kW which was found as 4.87 kW by the POI; (3) the billing meter was found working within permissible limits; (4) as such the above detection bill charged by the K-Electric is unjustified; and (5) the impugned decision is liable to be maintained.
- 5. After issuing notice, hearing of the appeal was held at the NEPRA Regional Office Karachi on 19.11.2021, wherein both the parties were present. The representative for the K-Electric reiterated the same arguments as contained in memo of the appeal and

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contended that the Respondent was found stealing the electricity through an extra phase during the checking dated 22.12.2017 and the connected load was noticed as 12.06 kW, therefore, a detection bill of Rs.145,648/- for 7,254 units for the period 20.06.2017 to 19.12.2017 six (6) months was charged to the Respondent. According to the K-Electric, the Respondent was involved in the illegal abstraction of electricity since long but the above detection bill was debited for six (6) months only as per the provisions of the CSM. The K-Electric did not agree with the result of the joint inspection of the POI dated 18.02.2021 being carried out at the belated stage and prayed for modification of the impugned decision to the extent of revision of the detection bill for two months on the basis of 12.06 kW as observed on 22.12.2017. On the contrary, the Respondent denied the allegation of theft of electricity levelled by the K-Electric and argued that the K-Electric failed to prove theft and illegal extension of load during the POI joint inspection dated 18.02.2021, therefore there is no justification to charge the above detection bill. The Respondent defended the impugned decision and finally prayed for upholding the same.

- 6. Arguments were heard and the record placed before us was perused. Following are our observations:
  - i. K-Electric raised the preliminary objection for the jurisdiction of the POI being theft of electricity case but failed to follow the procedure as laid down in the CSM and did not take any legal action against the Respondent on account of theft of electricity. Indeed, it is a metering and billing dispute and falls in the jurisdiction of the POI. The objection of the K-Electric in this regard is devoid of force, therefore

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rejected.

ii. Following detection bill was charged by the K-Electric to the Respondent:

#### Table-A

SIR dated	Discrepancies	ancies Bill type Period		iod	Units	Amount (Rs.)
22.12.2017		Detection	20.06.2017	19.12.2017	7,254	145,648/-
	C/L=12.06 Kw			1.1		

Examination of the record shows that the above detection bill was prepared on the basis of the connected load i.e. 12.06 kW allegedly found during the inspection of the premises whereas, the connected load of the Respondent was observed as 4.827 kW during the POI joint checking dated 18.02.2021, which was signed by the K-Electric and the Respondent. Besides, the above detection bill was charged by the K-Electric to the Respondent for a period of six (6) months in violation of the Clause 9.1c(3) of the CSM, which allows the K-Electric to charge the detection bill maximum for three (3) months to the Respondent being a general supply consumer i.e. A-I sans approval of the Chief Executive Officer. Under these circumstances, the detection bill of Rs.145,648/- for 7,254 units for the period 20.06.2017 to 19.12.2017 six (6) months is unjustified and the same is liable to be declared null and void as already held in the impugned decision.

- iii. Similarly, the determination of the POI for revision of the detection bill for two (2) months is inconsistent with Clause 9.1c(3) of the CSM, which is liable to be set aside to this extent.
- iv. It would be judicious to charge the detection bill for three (3) months as per the formula given in Annex-VIII of the CSM, the calculation in this regard is given below:

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Table-B

Bill type	Months		Duration	Units/month to be charged					
Detection	Oct-2017 to	Dec-2017	03	= Sanctioned load (kW) x Load Factor x No. of Hours/month					
				= 4.827	X	0.2	x	730	= 705 units

- 7. From the above, it is concluded that the detection bill of Rs.145,648/- for 7,254 units for the period 20.06.2017 to 19.12.2017 six (6) months is unjustified, hence the same should be cancelled. The Respondent may be charged the detection bill @ 705 units/month for three (3) months i.e. October 2017 to December 2017. The billing account of the Respondent may be overhauled after making the adjustment of payments made, if any, against the above-disputed bill.
- 8. Foregoing in view, the appeal is partially accepted.

Abid Hussain

Member/Advisor (CAD)

Dated: 10.12.2021



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Nadir Ali Khoso

Convener/Senior Advisor (CAD)