



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/110/POI/2020/ *1050*

December 28, 2021

- | | |
|---|--|
| 1. Muhammad Samin Khan
S/o. Qasim Khan,
R/o. House No. B-115, Block-B,
Mohallah Hussain De-Selva Town,
North Nazimabad, 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 | 6. Sajjad A. Bapar
Advocate High Court,
Office 7/1, Arkay Square,
Shahrah-e-Liaqat, New Challi,
Karachi |

Subject: **Appeal Titled K-Electric Vs. Muhammad Samin Khan Against the Decision Dated 31.08.2020 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 30.11.2021, 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.

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



National Electric Power Regulatory Authority

Before Appellate Board

In the matter of

Appeal No.110/POI-2020

K-Electric Limited

.....Appellant

Versus

Muhammad Sameen Khan S/o Qasim Khan, R/o House No.B-115,
Block-B, Mohallah Hussain, De-Selva Town,
North Nazimabad, Karachi

.....Respondent

APPEAL UNDER SECTION 38(3) OF REGULATION OF GENERATION, TRANSMISSION, AND DISTRIBUTION OF ELECTRIC POWER ACT, 1997 AGAINST THE DECISION DATED 31.08.2020 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
Mr. Riaz Kazim Manager

For the Respondent:

Mr. Sajjad Ahmed Baper Advocate

DECISION

1. Brief facts of the case are that the Respondent is a commercial consumer (water pumping station) of the K-Electric bearing Ref No.AP-084866 having a sanctioned load of 15 kW under the A-3G tariff. Reportedly, the billing meter of the Respondent was found defective during the K-Electric checking dated 07.01.2020 and the running load was observed on three phases i.e. Red=86 Amp, Yellow=95 Amp,





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Blue=85 Amp. Resultantly, the K-Electric charged the following assessed bills to the Respondent:

Month	Bill type	Units	Amount (Rs.)	Basis of Recovery
Jan-2020	Assessed	26,879	727,432/-	As per consumption of Dec-2019
Feb-2020	Assessed	26,879	718,746/-	As per consumption of Dec-2019

The defective meter of the Respondent was replaced with a new meter by the K-Electric on 18.02.2020. The Bill of March 2020 was charged for the cost of total 24,822 units to the Respondent by the K-Electric, which contained 18,417 units on the basis of meter reading for twenty-three (23) days and 6,405 units for seven (7) days.

2. Being aggrieved, the Respondent challenged the abovementioned bills before the Provincial Office of Inspection, Karachi Region-II, Karachi (the POI) vide the complaint dated 27.02.2020, which was disposed of by the POI vide the decision dated 31.08.2020, wherein the bills for the period January 2020 to March 2020 were cancelled. As per the POI decision, K-Electric was directed to install the check meter and charge the revised bills for the same period on the basis of consumption of the check meter to be recorded in the next six months.
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 billing meter of the Respondent was found defective during checkings dated 07.01.2020 and 15.02.2020, therefore the bills of January 2020 and February 2020 were charged on the basis of consumption of December 2019. K-Electric further contended that the Respondent only disputed the above bills before the POI, whereas the POI decided the bills for the period





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January 2020 to March 2020, which is gross injustice with the Appellant. As per the K-Electric, the Respondent created hurdles massively against the replacement of the defective meter, therefore, neither the defective meter was replaced timely nor the electricity was disconnected. According to the K-Electric, the Respondent was well aware of the actual consumption of the new meter installed on 18.02.2020 and he paid the bill of March 2020, accordingly. The K-Electric submitted that the prior notice was served to the Respondent and the site inspection was carried in presence of the Respondent but the POI denied the serving of notice to the Respondent. The K-Electric further submitted that the Consumer Service Manual (CSM) empowers the Appellant to charge the detection bill for the period from three (3) to six (6) months but in the instant case, the assessed bills for only two months i.e. January 2020 and February 2020 were charged based on consumption of December 2019. The K-Electric finally prayed that the impugned decision is liable to be set aside.

4. The Respondent was issued notice for filing reply/para-wise comments to the appeal, which were filed on 16.11.2020. In his reply, the Respondent defended the impugned decision on the following grounds; (1) the K-Electric charged the excessive bills for the period February 2020, May 2020 to July 2020, which were challenged by him before the POI; (2) the K-Electric neither installed the check meter as directed by the POI nor issued notice prior filing the instant appeal, as such the impugned decision attained finality and the K-Electric is bound to implement the same; (3) the K-Electric illegally included the arrears of Rs.3,683,279/- of the disputed bills in the bill for October 2020; (4) the K-Electric may be directed to implement the impugned decision and be restrained them from disconnection of the electric supply.





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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 contended that the meter of the Respondent became defective in December 2019, which was replaced with a new meter on 18.02.2020 and the assessed bills for the period January 2020 and February 2020 were charged to the Respondent. The K-Electric argued that the grievance of the Respondent was with the regard to the billing for the period January 2020 and February 2020 before the POI but the impugned decision was given by the POI for the billing of the period January 2020 to March 2020. The K-Electric prayed for revision of the bills on the basis of the average consumption of the last eleven months or consumption of the corresponding month of the previous year, whichever is higher as per the CSM. On the contrary, the Respondent rebutted the stance of the K-Electric for charging the above bills, supported the impugned decision and prayed for upholding the same.
6. Arguments were heard and the record placed before us was perused. Following are our observations:
- i. Following bills were charged by the K-Electric to the Respondent on the plea that the meter of the Respondent became defective in December 2019 and it was replaced on 18.02.2020.

Month	Bill type	Units	Amount (Rs.)	Basis of Recovery
Jan-2020	Assessed	26,879	727,432/-	As per consumption of Dec-2019
Feb-2020	Assessed	26,879	718,746/-	As per consumption of Dec-2019

Further, the Bill of March 2020 was charged for the cost of a total of 24,822 units to the Respondent by the K-Electric, which contained 18,417 units on the



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basis of meter reading for twenty-three (23) days of the new meter and 6,405 units for seven (7) days on the assessed basis.

- ii. K-Electric raised the preliminary objection that the Respondent disputed the bills for the period January 2020 and February 2020 i.e. for two months only before the POI but he cancelled the bills for three (3) months i.e. January 2020 to March 2020, which is beyond the prayers of the Respondent. Examination of contents of the application of the Respondent replicated in the impugned decision reveals that the Respondent was aggrieved with the billing process carried out by the K-Electric for the months i.e. January 2020 and February 2020 and agitated the same before the POI. As such, the POI has decided the fate of the undisputed bill of March 2020 which is incorrect, beyond the prayers of the Respondent, and the impugned decision is liable to be set aside to this extent.
- iii. As far as the fate of billing for the period January 2020 to February 2020 is concerned, it is observed that the bills of the above-said months were charged by the K-Electric to the Respondent on the basis of consumption of December 2019 due to the defective meter, which is not correct being inconsistent with Clause 4.4 of the CSM. Therefore the bills for the months i.e. January 2020 and February 2020 are unjustified and liable to be declared null and void.
- iv. According to Clause 4.4 of the CSM, in the case of a defective meter, the Respondent is liable to be charged the bills for the months i.e. January 2020 and February 2020 on the basis of consumption of the corresponding month of the previous year i.e. January 2019 and February 2019, or average consumption of the last eleven (11) months i.e. February 2019 to December 2019, whichever is higher. The impugned decision is liable to be modified to this extent.





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7. In view of what has been stated above, it is concluded that:

- i. The bills for the period January 2020 to February 2020 charged by the K-Electric are unjustified and should be withdrawn as already held by the POI.
- ii. The Respondent should be charged the bills for the months i.e. January 2020 and February 2020 on the basis of consumption of the corresponding month of the previous year i.e. January 2019 and February 2019, or average consumption of the last eleven (11) months i.e. February 2019 to December 2019, whichever is higher.
- iii. The impugned decision with respect to the bill of March 2020 is incorrect being beyond the prayer of the Respondent and the same is set aside to this extent. The Respondent should pay the bill of March 2020 as charged by the K-Electric.
- iv. The billing account of the Respondent be overhauled after making the adjustment of payments made against the above-disputed bills.

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

Abid Hussain
Member/Advisor (CAD)

Nadir Ali Khoso
Convener/Senior Advisor (CAD)

Dated: 30.11.2021

