National Electric Power Regulatory Authority
Islamic Republic of Pakistan

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Registrar

No. NEPRA/TRF-206/KW&SB/5471-5473
June 6, 2013

Subject: **Decision of the Authority in the matter of Motion for Leave for Review filed by Karachi Water & Sewerage Board (KW&SB)**

Dear Sir,

Enclosed please find herewith the Decision of the Authority (02 pages) in the matter of Motion for Leave for Review filed by Karachi Water & Sewerage Board, for information.

Encl: As above

(Syed Safeer Hussain)

Secretary
Ministry of Water & Power
'A' Block, Pak Secretariat
Islamabad

CC:
1. Secretary, Cabinet Division, Cabinet Secretariat, Islamabad.
2. Secretary, Ministry of Finance, 'Q' Block, Pak Secretariat, Islamabad.

Decision of the Authority in the matter of Motion for Leave for Review filed by Karachi Water & Sewerage Board (KW&SB)

Karachi Water and Sewerage Board (hereinafter referred to as "KW&SB") filed Motion for Leave for Review (hereinafter referred to "Review Petition") on January 01, 2013 before the National Electric Power regulatory Authority (hereinafter referred to as "the Authority") under Rule 16(6) of the NEPRA Tariff (Standards and Procedure) Rules 1998 (herein after referred to as "Tariff Rules") against Determination of the Authority (hereinafter referred to as "Determination") dated December 19, 2012.

2. The brief facts of the case are that KW&SB filed tariff petition for reduction in the tariff charged by KESCL and for prescribing a separate tariff category for KW&SB stating inter alia; KW&SB is a public civic agency and responsible for providing water and sewerage services to the citizens of Karachi. It purchases electricity from Karachi Electric Supply Company Ltd (hereinafter referred to as "KESC") for operation of its water and sewerage pumps for which it is being charged tariff by KESC under residential, commercial, industrial and bulk supply category of consumers.

3. The Authority after due diligence and proceedings of the petition under the Tariff Rules and after considering the comments of the commentators in the hearing as well as facts of the case, issued its Determination, thereby declining petitioner's request on the basis of following grounds.

- The Authority can not shift burden of reduced rates for KW&SB to other category of consumers of KESCL in order to ensure revenue requirement of KESCL.
- KW&SB should arrange funds from Provincial Government to meet gap between its costs and revenue.
- KW&SB should reduce its operational cost and gap between bills collection and bills served to the consumers.

4. In respect of the second issue for a separate tariff category for civic agencies, the Authority held that it shall initiate the consultation process with all distribution companies and if desired a separate category of tariff for civic agencies all across the country may be prescribed by the Authority.

5. KW&SB in its Review Petition has reiterated its earlier stance and requested the Authority to review its decision in respect of reduction in electricity rates (tariff) on account of its inability to pay the same as proposed by it earlier in the original petition and also sought definite time frame for initiating the consultation with other Discos for prescribing a separate tariff category for civic agencies while referring to para 15.7 of the Authority's determination.

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6. To consider contentions of the Petitioner and to provide it an opportunity to explain its point of view, pre-admission hearing in the matter was held on April 09, 2013 at Karachi which was attended by representatives of the Petitioner. During hearing, the Petitioner reiterated its written submissions and requested to review the Determination.

7. Arguments heard. Record perused.

8. The Regulation 3(2) of the NEPRA (Review Procedure) Regulations 2009 ("Review Regulations) provides that any party aggrieved from any order of the Authority and who, from the discovery of new and important matter of evidence or on account of some mistake or error apparent on the face of record or from any other sufficient reasons, may file a motion seeking review of such order. Further Regulation 3(7) of the Review Regulations read with Rule 16(9) of the Tariff Rules provides that the motion for leave for review may be refused by the Authority if it considers that the review would not result in the withdrawal or modification of the order. The Petitioner has failed to bring any new and important matter of evidence which was not considered by the Authority at the time of passing of the Determination and also failed to point any mistake or error apparent on the fact of the record. The fact of the matter which is also evident from the perusal of the Determination is that all material facts and documents were in the knowledge of the Authority and the record clearly shows that the Authority issued the Determination while considering all relevant and material facts and circumstances of the case. Therefore, the Authority is of view that the Review is not maintainable in terms of Regulation 3(2) of the Review Regulations read with Rule 16(9) of the Tariff Rules and the same is hereby dismissed.

Authority

5/6/2013

Habibullah Khilji
Member

4/3/13

Major (Retd) Haroon Rashid
Member

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Khawaja Muhammad Naeem
Vice Chairman

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