

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

## Islamic Republic of Pakistan

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No. NEPRA/AB/Appeal-001/POI-2016/ 707-7//

May 27, 2016

- 1. Mst. Khalida Parveen R/o Huse No. 7/6, "B" Area, Liaquat Abad, Near Govt. Grammar School, Karachi
- Rafique Ahmed Shaikh, General Manager (Regulations), K-Electric, KE House, 39-B, Sunset Boulevard, DHA-II, Karachi
- Electric Inspector, Karachi Region-II,
   Block No. 51, Pak Secretariat,
   Shahra-e-Iraq, Saddar,
   Karachi

- 2. The Chief Executive Officer, K-Electric, KE House, 39-B, Sunset Boulevard, DHA-II, Karachi
- 4. Ms. Tatheera Fatima,
  Deputy General Manager,
  K-Electric Ltd,
  3<sup>rd</sup> floor, KE Block,
  Civic Centre, Gulshan-e-Iqbal,
  Karachi

Subject:

Appeal Titled Mst. Khalid Parveen Vs. K-Electric Ltd Against the Decision Dated 12.11.2015 of the Electric Inspector/POI to Government of the Sindh Karachi Region-II, Karachi

Please find enclosed herewith the decision of the Appellate Board dated 27.05.2016, regarding the subject matter, for information and necessary action accordingly.

Encl: As Above

(Ikram Shakeel)

No. NEPRA/AB/Appeal-001/POI-2016/ 7/2

Forwarded for information please.

May 27, 2016

Assistant Director
Appellate Board

- 1. Registrar
- 2. Director (CAD)

CC:

1. Member (CA)





#### **Before Appellate Board**

In the matter of

#### Appeal No. NEPRA/Appeal-001/POI-2016

Mst. Khalida Perveen House: 7/6, B Area Liaqatabad Near Government Grammar School, Karachi	Appellant
Versus	
'K-Electric Ltd	Respondent
For the appellant:	
Mr. Habib Akhter	

#### For the respondent:

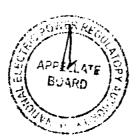
Ms. Tatheera Fatima Deputy General Manager (Legal Distribution)

Mr. Nazim Khan Manager

Mr. Masahib Ali Deputy Manager Mr. Imran Hanif Assistant Manager

#### **DECISION**

- 1. Through this decision, an appeal filed by K-Electric against the decision dated 12.11.2015 of Provincial Office of Inspection/Electric Inspector, Karachi Region-II, Karachi (hereinafter referred to as POI) is being disposed of.
- 2. Brief facts of the case are that the appellant is a domestic consumer of K-Electric bearing Ref No. LB-165288 with a sanctioned load of 1kW under A1-R tariff. Premises of the appellant was inspected by K-Electric on 01.09.2014 and allegedly the appellant was found involved in dishonest abstraction of electricity through use of an extra phase. After issuing notice to the appellant, the detection bill of Rs. 10,378/- for 1,105 units for the period 16.02.2014 to 15.08.2014 (6 months) was added in the bill for September 2014 on the basis of connected load.





- 3. Being aggrieved, the appellant challenged the aforesaid detection bill before POI vide application dated 10.11.2014 and POI disposed of the matter vide its decision dated 12.11.2015 with the following conclusion:
  - "After conducting several number of hearings, giving fair opportunities to hear both the parties, scrutinizing the record, made available with this authority and in the light of relevant law & Regulations and above findings authority, this authority is of the firm view that detection bill amounting to Rs 10,378/= of 1105 units for the period from 16.02.2014 to 15.08.2014 be cancelled and revise the same for two months. The opponents are directed to act in above instructions, accordingly. The complaint of the applicant is disposed off with above remarks."
- 4. Being dissatisfied with the POI decision dated 12.11.2015 (hereinafter referred to as the impugned decision), the appellant has filed the instant appeal under section 38 (3) of the Regulation of Generation, Transmission and Distribution of Electric Power Act 1997 (hereinafter referred to as the Act). The appellant refuted allegation of stealing electricity through unfair means and contended that the detection bill of Rs. 10,378/- for 1,105 units for the period from 16.02.2014 to 15.08.2014 (6 months) added in the bill for September 2014 on the basis of connected load was illegal and unjustified. The appellant further submitted that the impugned decision to revise the bill for two months was not based on merit. The appellant prayed for cancellation of impugned detection bill, assessed bills and TV fee included in the electricity bills.
- 5. In response to the above appeal, the respondent was issued a notice for filing reply/parawise comments, which however were not submitted.
- 6. After issuing notice to both the parties, the appeal was heard in Karachi on 09.05.2016 in which Mr. Habib Akhter appeared as representative of the appellant and Ms. Tatheera Fatima Deputy General Manager (Distribution Legal), Mr. Nazim Khan Manager, Mr. Masahib Ali Deputy Manager and Mr. Imran Hanif Assistant Manager appeared for the respondent K-Electric. Representative of the appellant repeated the same arguments as earlier given in memo of the appeal and contended that neither any notice was served to the appellant nor any inspection was carried out in the presence of the appellant, therefore the detection bill of Rs. 10,378/- for 1,105 units for the period from 16.02.2014 to 15.08.2014 (6 months) charged to the appellant in September 2014 was illegal and unjustified and fiable to be cancelled. The representative for Page 2 of 5

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the appellant submitted that the assessed bills for the period from October 2014 to August 2015 were also not valid and the appellant was not liable to pay the same. As per the representative for the appellant, the disputed electricity meter is being used only for the purpose of water lifting motor and charging of TV fee was not justified. The representative of the appellant pleaded for cancellation of the detection bill, assessed bills and TV fee charges. The learned representative for K-Electric contended that the appellant was consuming electricity illegally through use of an extra phase and its connected load was higher than the sanctioned load. K-Electric averred that the detection bill amounting to R. 10,378/- was issued to the appellant to recover the revenue loss sustained by K-Electric due to dishonest abstraction of electricity. The representatives of K-Electric submitted that besides above detection bill, assessed bills were also charged to the appellant for the period from October 2014 to August 2015 as the actual energy was not being recorded by the electricity meter during the aforesaid period, which however were not challenged by the appellant before POI and therefore could not be raised at this stage. According to K-Electric, consumption of the appellant during disputed period was low, which established that the appellant was using unfair means for abstraction of electricity. Regarding charging of TV fee in the bill representative of K-Electric averred that no request as per prescribed procedure was made by the appellant for deletion of TV fee. K-Electric pleaded that the impugned decision was justified and shall be upheld.

- 7. We have heard arguments of both the parties and examined the record placed before us. It has been observed as under:-
- The detection bill of Rs. 10,378/- for 1,105 units for the period from 16.02.2014 to 15.08.2014 (6 months) added in the bill for September 2014 was challenged by the appellant vide the application dated 10.11.2014 before POI.

Charging of the detection bill for 6 months is not supported by the clause 9.1c (3) of Consumer Service Manual (CSM), where charging of the detection bill is restricted to three months for general supply consumers i.e. A-I & A-II and for extending the period up-to six months, approval of the Chief Executive of the K-Electric and fixing of the responsibility upon K-Electric official is mandatory but the prescribed procedure was not followed by K-Electric in the instant case.





No detection proforma has been provided by K-Electric for justification of the detection bill of Rs. 10,378/- for 1,105 units for the period from 16.02.2014 to 15.08.2014 (6 months) added in September 2014. Moreover the procedure as laid down in the clause 9.1(a) of CSM for dishonest abstraction of the electricity by registered consumer was not implemented therefore under these circumstances, the detection bill of Rs. 10,378/- for 1,105 units for the period from 16.02.2014 to 15.08.2014 (6 months) added in September 2014 finds no justification and liable to be withdrawn. The impugned decision up-to this extent is liable to be maintained.

ii. The comparison of the electricity consumption between the disputed and undisputed periods as per consumption data provided by K-Electric is as under:

Period	Normal Mode Average Units/Month	Detection Mode Average Units/Month
Period before dispute: 09/2013 to 02/2014 (06 months)	46	-
Disputed period: 16.02.2014 to 15.08.2014 (06 months)	52	184
Period after dispute: 09/2014 to 08/2015 (12 months)	183	-

From the above data it is revealed that detection bill charged @ 184 units/ month to the appellant for the disputed period 16.02.2014 to 15.08.2014 is higher than the consumption recorded i.e. 46 units/month during the period before dispute and equivalent to the consumption of 183 units/month during the period after dispute. The period before dispute is also disputed by K-Etectric, therefore it would be appropriate to charge the appellant for two months only as determined in the impugned decision. The impugned decision to this extent is liable to be maintained.

- iii. We are in agreement with the contention of K-Electric that as the assessed bills charged to the appellant for the period i.e. October 2014 to August 2015 were not challenged by the appellant before POI, therefore cancellation of the unchallenged assessed bills is beyond the prayer of the appellant and liable to be declared as null and void.
- iv. Plea of the appellant for the deletion of TV fee charges is not sustainable as the appellant





did not follow the prescribed procedure for deletion of the TV fee charges from electricity bills therefore the claim of the appellant is not valid and liable to be dismissed.

- 8. In view of foregoing discussion, we have reached to the conclusion that:
- i. Detection bill of Rs.10,378/- for 1,105 units for the period from 16.02.2014 to 15.08.2014 (6 months) added in the bill for September 2014 is declared as null and void and the appellant is not liable to pay the same. The impugned decision to this extent is upheld.
- ii. We are not convinced with contention of the appellant regarding cancellation of the impugned decision, as POI has rightly determined in the impugned decision that the appellant was liable to be charged the detection bill for two month only, which is justified and liable to be maintained. Impugned decision to this extent is therefore maintained.
- iii. Claim of the appellant for deletion of TV fee charges is not valid and therefore rejected.

  Impugned decision to this extent is amended.

9. The impugned decision is modified to above extent.

Muhammad Qamar-uz-Zaman Member

Date: 27.05.2016

Nadir Ali Khoso Convener