

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

NEPRA Office, Atta 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

May 27, 2016

No. NEPRA/AB/Appeal-003/POI-2016/ 7/9-723

- 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

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

Subject: <u>Appeal Titled Mst. Khalid Parveen Vs. K-Electric Ltd Against the Decision</u> <u>Dated 17.11.2015 of the Electric Inspector/POI to Government of the Sindh</u> 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)

May 27, 2016

Assistant Director Appellate Board

- No. NEPRA/AB/Appeal-003/POI-2016/ 729 Forwarded for information please.
- 1. Registrar
- 2. Director (CAD)

CC:

1. Member (CA)



Before Appellate Board

In the matter of

Appeal No. NEPRA/Appeal-003/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. Imran Hanif Assistant Manager

DECISION

- Through this decision, an appeal filed by K-Electric against the decision dated 17.11.2015 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-165290 with a sanctioned load of 1 kW under A1-R tariff. Site of the appellant was inspected by K-Electric on 04.09.2014 and reportedly the appellant was found involved in dishonest abstraction of electricity through use of an extra phase and connected load was also noticed as 1.903 kW. After issuing notice to the appellant, detection bill of Rs. 11,477/- for 1,389 units for the period from 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 with the aforesaid detection bill, the appellant filed an application dated



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10.11.2014 before POI, which was disposed of by POI vide its decision dated 17.11.2015 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 11,477/= of 1389 units for the period from 16.02.2014 to 15.08.2014 be concelled and revise the same for two months. The opponents are directed to act in above instructions, accardingly. The complaint of the applicant is disposed off with above remarks."

- 4. Being dissatisfied with the POI decision dated 17.11.2015 (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 submitted that K-Electric charged the unjustified detection bill of Rs.11,477/- for 1,389 units for the period from 16.02.2014 to 15.08.2014 (6 months) in the bill for September 2014 on the basis of connected load. The appellant pleaded for cancellation of the aforesaid detection bill, and acceptance of the appeal.
- 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 both the parties participated. Mr. Habib Akhter appearing as 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 her presence therefore the allegation of theft of electricity leveled by K-Electric against the appellant was baseless and malafide. The representative of the appellant further submitted that premises of the appellant remained vacant for a long time, therefore the detection bill of Rs. 11,477/- for 1,389 units for the period from 16.02.2014 to 15.08.2014 (6 months) charged in September 2014 was illegal and unjustified. The representative for the appellant pleaded for cancellation of the detection bill and requested for revision of the same as per actual meter reading recorded during the disputed period i.e. 16.02.2014 to 15.08.2014. Ms. Tatheera Fatima Deputy General Manager (Legal Distribution) the learned representative for K-Electric contended that the appellant was consuming electricity illegally through use of an extra phase, therefore the Page 2 of 4



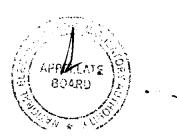


detection bill of Rs. 11,477/- for 1,389 units was charged to the appellant during the disputed period to recover the revenue loss sustained by K-Electric. K-Electric contended that the impugned decision was justified and shall be upheld.

- 8. We have heard arguments of both the parties and examined the record placed before us. It has been observed as under:-
 - Detection bill of Rs.11,477/- for 1,389 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 its application dated 10.11.2014 before POI.
 - 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: 9/2013 to 02/2014 (06 months) | 206 | - |
| Disputed period: 16.02.2014 to 15.08.2014 (06 months) | 05 | 231 |
| Period after dispute: 09/2014 to 08/2015 (12 months) | 111 | - |

- It is evident from the above table that the detection bill charged to the appellant during the disputed period is higher as compared to the consumption recorded in the undisputed periods (prior/after). Therefore the detection bill of Rs.11,477/- for 1,389 units for the period from 16.02.2014 to 15.08.2014 (6 months) added in the bill for September 2014 charged to the appellant has no justification and therefore the appellant is not liable to pay the same. The impugned decision to this extent is liable to be maintained.
- The consumption of electricity i.e. 05 units/ month during the disputed period is very low as compared to the consumption of electricity i.e. 206 units per month and i.e. 111 units per month during the period before and after dispute respectively. It would be appropriate to charge the detection bill @ 206 units per month for the disputed period as recorded during the period before dispute i.e. September 2013 to February 2014. According to clause 9.1 c (3) of



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Consumer Service Manual (CSM), maximum period for charging in such cases shall be restricted to three billing cycles for general supply consumers i.e. A-I &A-II and for period beyond three billing cycles up-to a maximum of six months is subject to the approval of the Chief Executive of the K-Electric and moreover action is to be initiated against the officer in charge for not being vigilant enough. Obviously, these provisions of CSM were not followed by K-Electric in the instant case. The period for charging the detection bill as per impugned decision is 2 months, which was not challenged by K-Electric, therefore the appellant is liable to be charged the detection bill @ 206 units /month for two billing cycles only i.e.16.06.2014 to 15.08.2014. The impugned decision is liable to be modified to this extent.

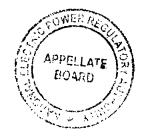
- 9. In view of foregoing discussion, we have reached to the conclusion that:
 - The detection bill of Rs.11477/- for 1389 units for the period from 16.02.2014 to 15.08.2014
 (6 months) charged to the appellant added in September 2014 is declared as null and void and the appellant is not liable to pay the same. The impugned decision to this extent is maintained.
 - The appellant is liable to be charged the detection bill @ 206 units/month for the period from 16.06.2014 to 15.08.2014 (2 months). The impugned decision to this extent is modified.
- 10. The appeal is disposed of in above terms.

Muhammad Qamar-uz-Zaman Member

Date: 27.05.2016

Istul

Nadir Ali Khoso Convener



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