

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

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No. NEPRA/AB/Appeal-037/POI-2017/ 1006-1010

July 11, 2017

- Aman Akhtar Siddiqui, S/o Akhtar Hussain Siddiqui, House No. IA-18/02, Nazimabad, Karachi
- Asif Shajer, Deputy General Manager, K-Electric, KE House, 39-B, Sunset Boulevard, DHA-II, Karachi

- 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
- Electric Inspector, Karachi Region-II, Block No. 51, Pak Secretariat, Shahra-e-Iraq, Saddar, Karachi

Subject: <u>Appeal Titled K-Electric Ltd Vs. Aman Akhtar Siddiqui Against the Decision</u> <u>Dated 12.01.2017 of the Electric Inspector/POI to Government of the Sindh</u> <u>Karachi Region-II, Karachi</u>

Please find enclosed herewith the decision of the Appellate Board dated 11.07.2017, regarding the subject matter, for information and necessary action accordingly.

Encl: <u>As Above</u>

No. NEPRA/AB/Appeal-037/POI-2017/ /)// Forwarded for information please.

(Ikram Shakeel) July 11

Assistant Director Appellate Board

X. Registrar

CC:

1. Member (CA)



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National Electric Power Regulatory Authority

Before Appellate Board

In the matter of

Appeal No. NEPRA/Appeal-037/POI-2017

K-Electric Limited

.....Appellant

Versus

Aman Akhtar Siddiqui S/o Akhtar Hussain Sidiqui, House No.IA-18/02, Nazimabad, Karachi

.....Respondent

For the appellant

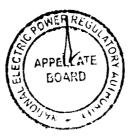
Ms. Tatheera Fatima Deputy General Manager (Legal Distribution) Mr. Obaid H Qureshi Manager Mr. Imran Hanif Deputy Manager Mr. Taimoor Solangi Deputy Manager

For the respondent:

Mr. Aman Akhtar

DECISION

- Through this decision, an appeal filed by K-Electric against the decision dated 12.01.2017 of Provincial Office of Inspection/Electric Inspector, Karachi Region-I, Karachi (hereinafter referred to as POI) is being disposed of.
- Brief facts of the case are that the respondent is a commercial consumer of K-Electric bearing Ref No.AL-563465 having a sanctioned load of 2 kW under A-2C tariff. Premises of the respondent was inspected by K-Electric on 12.03.2016 and reportedly electricity meter of the respondent was found



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defective with display washed out. As per K-Electric, a notice dated 12.03.2016 was issued to the respondent regarding above discrepancy and the defective meter of the respondent was replaced by K-Electric by a new meter vide meter change order (MCO) dated 16.03.2016. Later on a detection bill amounting to Rs.68,999/- for 2,847 units for the period 05.09.2015 to 05.04.2016 (6 months) was charged to the respondent by K-Electric in June 2016 on the basis of consumption of new meter.

3. Being aggrieved, the respondent filed an application before POI on 25.10.2016 and challenged the detection bill of Rs.68,999/- for 2,847 units for the period 05.09.2015 to 05.04.2016 charged by K-Electric in June 2016. The matter was disposed of by POI vide its decision dated 12.01.2017 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 office and in the light of relevant law & Regulations and above findings, this authority is of the firm view that irregular bills amounting to Rs.68,999/- of the month of June 2016 issued by the opponents has no justification on technical and legal grounds, therefore direct the opponents to cancel the said bill. The opponents are directed to act in terms of above instructions accordingly. The complaint of the complainant is disposed off with above remarks."

4. K-Electric was not satisfied with the POI decision dated 12.01.2017 (hereinafter

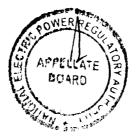


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referred to as the impugned decision) and has filed the instant appeal under Section 38 (3) of the Regulation of Generation, Transmission and Distribution of Electric Power Act 1997 (hereinafter referred to as the NEPRA Act1997). In its appeal, K-Electric contended that electricity meter of the respondent was found defective with display washed out during K-Electric checking dated 12.03.2016, therefore the detection bill amounting toRs.68,999/- for 2,847 units for the period 05.09.2015 to 05.04.2016 (6 months) was charged to the respondent by K-Electric in June 2016 on the basis of consumption of new meter. K-Electric pointed out that POI is not empowered to adjudicate upon the case of accumulated units billed on the basis of actual meter consumption.

5. A notice for filing reply/parawise comments to the above appeal was issued to the respondent, which were filed on 21.04.2017. The respondent in his reply contended that the insertion of arrears of Rs.68,999/- by K-Electric is not in line with clause 4.4 (e) of Consumer Service Manual (CSM). The respondent submitted that if a fault occurred in the LCD display of the meter, then it was the prime responsibility of K-Electric to change the defective meter within two billing cycles and the respondent could not be held responsible for any discrepancy observed in the meter. The respondent alleged that neither prior notice was served upon him before issuing the illegal, exaggerated bill of Rs.68,999/- nor the respondent was afforded opportunity of hearing. The respondent stated that the impugned decision rendered by POI is in accordance with ground realities and provisions of CSM. The respondent finally pleaded for dismissal of the appeal.



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- 6. After issuing notice to both the parties, hearing of the appeal was held in Karachi on 13.06.2017 in which Ms. Tatheera Fatima Deputy General Manager (Distribution Legal) along with other officials represented the appellant K-Electric and Mr. Aman Akhtar the respondent appeared in person. Learned representative of K-Electric repeated the same arguments as contained in memo of the appeal and contended that display of the meter was found washed out during K-Electric checking dated 12.03.2016, hence the defective meter was replaced vide MCO dated 16.03.2016. As per learned representative for K-Electric, the detection bill of Rs.68,999/- for 2.847 units for the period 05.09.2015 to 05.04.2016 was charged to the respondent in June 2016 on the basis of consumption of the new meter, which is justified. On the other hand, the respondent repudiated stance of K-Electric and defended the impugned decision and prayed for its maintainability.
- 7. We have heard arguments of both the parties and it has been observed as under:
 - i. Display error of the meter was observed by K-Electric on 12.03.2016, therefore the defective meter of the respondent was replaced by K-Electric with a new meter on 16.03.2016. Subsequently a detection bill of Rs.68,999/- for 2,847 units for the period 05.09.2015 to 05.04.2016 was charged to the respondent in June 2016 on the basis of consumption of the new meter, which was agitated by the respondent vide the application before POI on 25.10.2016.
 - ii. Charging the aforesaid detection bill for six months by K-Electric to the respondent due to a defective meter is violative of the clause 4.4(e) of CSM.



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We are inclined to agree with the determination of POI that the detection bill of Rs.68,999/- for 2,847 units for the period 05.09.2015 to 05.04.2016 (6 months) charged to the respondent in June 2016 is not justified.

iii. Pursuant to clause 4.4(e) of CSM, the respondent is liable to be charged maximum for two billing cycles i.e. February 2016 & March 2016, if the defectiveness of meter is established. In this regard consumption data as provided by K-Electric is tabulated below:

Months	Assessed units charged in corresponding undisputed months	Months	Units charged in disputed months
February 2015	600	February 2016	316 (Normal)
March 2015	600	March 2016	50 (Assessed)

From the above table, it emerges that the respondent was already charged in normal mode by K-Electric in February 2016, meaning thereby the display was visible as such the detection bill for February 2016 cannot be charged. As regards the bill of March 2016, it is evident that the respondent was charged in assessed mode which indicates that meter became defective. From the above table it is observed that the respondent was charged 600 units in March 2015, whereas in the existing detection bill, 602 units have been charged showing negligible difference. Therefore it would be fair and appropriate to charge the detection bill of 600 units for March 2016 as the respondent has already been charged in assessed mode therefore net units to be charged are (600 units-50 units=) 550 units.



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- 8. In view of foregoing consideration, it is concluded as under:
 - Detection bill of Rs.68,999/- for 2,847 units for the period 05.09.2015 to 05.04.2016 charged by K-Electric to the respondent in June 2016 is null and void as already determined in the impugned decision.
 - ii. The respondent should be charged the 550 net units for March 2016.
 Consumer's account of the respondent should be overhauled after making adjustment of payment (if any) already made by the respondent against the aforesaid detection bill.
- 9. The impugned decision is modified in above terms.

Muhammad Qamar-uz-Zaman Member

Nadir Ali Khoso Convener

Muhammad Shafique

Member

Dated: <u>11.07.2017</u>



