



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

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No. NEPRA/AB/Appeal-082/POI-2017/ 1810-1814

November 30, 2017

1. Muhammad Ishaq Ali,
S/o Muhammad,
Plot No. 1-D/3, 18/1,
Sector No. 168-G, North Karachi,
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,
Karachi Region-II,
Block No. 51, Pak Secretariat,
Shahra-e-Iraq, Saddar,
Karachi

Subject: Appeal Titled K-Electric Ltd Vs. Ishaq Ali Against the Decision Dated 10.02.2017 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 29.11.2017, regarding the subject matter, for information and necessary action accordingly.

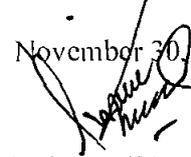
Encl: As Above

No. NEPRA/AB/Appeal-082/POI-2017/ 1815

Forwarded for information please.

(Ikram Shakeel)

November 30, 2017


Assistant Director
Appellate Board

✓ 1. Registrar

CC:

1. Member (CA)



National Electric Power Regulatory Authority

Before Appellate Board

In the matter of

Appeal No. NEPRA/Appeal-082//POI-2017

K-Electric Limited

.....Appellant

Versus

Muhammad Ishaq Ali S/o Muhammad, Plot No.1-D/3-18/1,
Sector No.168-G, North Karachi, Karachi

.....Respondent

For the appellant:

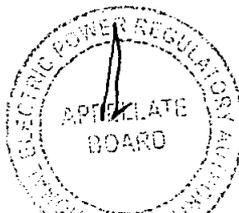
Ms. Tatheera Fatima Deputy General Manager (Distribution-I.egal)
Mr.Asif Shajar Deputy General Manager
Mr. Masahib Ali Manager
Mr. Abdul Ghani Manager
Mr. Ali Nisar Ahmed Assistant Manager

For the respondent:

Nemo

DECISION

1. As per facts of the case, the respondent is an industrial consumer of K-Electric bearing Ref No.AP-063163 with a sanctioned load of 40kW and the applicable tariff is B-2b. Meter of the respondent was initially checked by K-Electric on 29.11.2016 and reportedly its two phases were burnt and the connected load observed was 64.105 kW, being much higher than the sanctioned load. As per K-Electric, the disputed meter of the respondent was again checked by metering testing van (MTV) K-Electric on





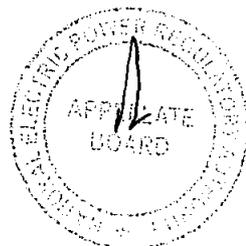
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03.12.2016, wherein the meter was declared 66.66% slow due to two phase being dead. Therefore a detection bill amounting to Rs.1,173,222/- for 81,402 units for the period 06.08.2016 to 04.11.2016 (3 months) was charged to the respondent @ 66% slowness of the meter. Electricity bills for December 2016 and January 2017 were charged by K-Electric in the assessed mode. The defective meter of the respondent was replaced with the new meter by K-Electric on 18.01.2017.

2. Being aggrieved, the respondent filed an application before POI on 18.01.2017 and challenged the irregular bill amounting to Rs.1,385,122/- charged by K-Electric in January 2017. The matter was decided by POI vide its decision dated 10.02.2017 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 authority and in the light of relevant law and Regulations and above findings, this authority is of the view that Irregular bill amounting to Rs.1,173,222/- for the period from 06.08.2016 to 04.11.2016 is unjustified, without legal and technical grounds, hence liable to be cancelled and revised up to one month instead of three months. The opponents are to act in terms of above instructions, accordingly. The complaint of the complainant is disposed off with above remarks”

3. K-Electric being dissatisfied with the POI decision dated 10.02.2017 (hereinafter referred to as the impugned decision), 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 Act 1997). In its appeal, K-Electric raised

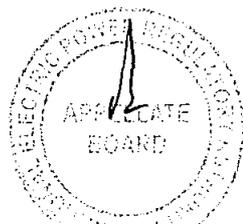




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the preliminary objection regarding jurisdiction of POI on the plea that being a case of theft of electricity, it does not fall in the jurisdiction of POI. K-Electric contended that meter of the respondent was checked on 29.11.2016 and 03.12.2016 and on both the occasions, the meter was found 66.66 % slow due to two burnt phases. According to K-Electric, the respondent was issued notice regarding the above discrepancy and a detection bill amounting to Rs.1,173,222/- for 81,402 units for the period 06.08.2016 to 04.11.2016 (3 months) was charged to the respondent @ 66.66% slowness. K-Electric pleaded that the aforesaid detection bill is valid, justified and the respondent is liable to pay the same. K-Electric pointed out that the actual consumption was not recorded due to the burnt meter since long but POI relied the impugned decision on the basis of variation in MDI, which is incorrect. On the point of limitation, K-Electric explained that the copy of the impugned decision was delivered by the respondent on 24.04.2017 and the appeal against the same was filed before NEPRA on 18.05.2017 within time.

4. Notice of the above appeal was issued to the respondent for filing reply/parawise comments, which however were not filed.
5. After issuing notice to both the parties, hearing of the appeal was conducted in NEPRA office Karachi on 20.11.2017 in which Ms. Tatheera Fatima Deputy General Manager (Distribution Legal) along with other officials represented the appellant K-Electric but no one entered appearance for the respondent. Representatives of K-Electric reiterated the same arguments as earlier given in memo of the appeal and contended that the

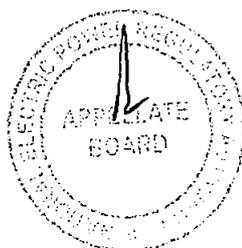




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premises of the respondent was inspected by K-Electric twice and on both the occasions, meter of the respondent was found 66.66% slow, therefore the detection bill of Rs.1,173,222/- for 81,402 units for the period 06.08.2016 to 04.11.2016 charged to the respondent @ 66.66% slowness is justified and should be paid by the respondent.

6. Arguments heard and the record perused. Following are our observations:
- i. The instant case pertains to the defectiveness/slowness of the meter and the POI is empowered to adjudicate the metering/billing dispute under Section 38 of NEPRA Act, 1997. Therefore the objection of K-Electric regarding jurisdiction of POI is not sustainable and dismissed.
 - ii. Copy of the impugned decision dated 10.02.2017 was received by K-Electric on 24.04.2017 and the appeal filed before NEPRA on 18.05.2017 is within the time limit under Section 38(3) of NEPRA Act, 1997.
 - iii. The detection bill of Rs.1,173,222/- for 81,402 units for the period 06.08.2016 to 04.11.2016 (3 months) was charged to the respondent on account of 66.66% slowness and the electricity bills for December 2016 and January 2017 were charged to the respondent by K-Electric in assessed mode. The respondent filed an application before POI on 18.01.2017 and disputed the arrears of Rs.1,385,122/- accumulated till January 2017.
 - iv. 66.66% slowness of the meter was noticed by K-Electric on 29.11.2016 and 03.12.2016 but K-Electric neither installed the check meter to ascertain the





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accuracy of the disputed meter nor raised the multiplication factor for the onward billing till the replacement of the defective meter. Furthermore the detection bill amounting to Rs.1,173,222/- for 81,402 units was charged @ 66.66% slowness of the meter for the period 06.08.2016 to 04.11.2016 (3 months) is inconsistent with the provisions of Consumer Service Manual (CSM), therefore declared null and void as already determined in the impugned decision.

- v. According to clause 4.4 (e) of CSM, in case of defective/slow meter, the detection bill may be charged up-to two billing cycles only. As 66.66% slowness of the meter was initially observed by K-Electric in November 2016, therefore it would be judicious to charge the detection bill for two months i.e. October 2016 and November 2016 @ 66.66% slowness of the meter.
 - vi. The electricity bills for the period December 2016 and January 2017 charged by K-Electric in assessed mode are violative of CSM, therefore liable to be cancelled. The respondent is liable to be charged the electricity bills for the period December 2016 and January 2017 @ 66.66% slowness of the meter
7. In view of foregoing consideration, It is concluded that:
- i. Detection bill of Rs.1,173,222/- for 81,402 units for the period 06.08.2016 to 04.11.2016 (3 months) charged by K-Electric to the respondent @ 66.66% slowness and the assessed bills for December 2016 and January 2017 are unjustified, therefore cancelled.





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ii. The respondent should be charged the electricity bills for the period October 2016 to January 2017 by K-Electric @ 66.66% slowness of the meter.

8. The impugned decision is modified in above terms.

Muhammad Qamar-uz-Zaman
Member

Muhammad Shafique
Member

Nadir Ali Khoso
Convener

Dated: 29.11.2017

