

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

#### Islamic Republic of Pakistan

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No. NEPRA/ΛΒ/Appeal-174/POI-2016/852 -856

June 01, 2017

- Noor Uddin, S/o Ahmed, House No. k-365, Noor Muhammad Village, Old Golimar, Manghopir Road, Karachi
- 3. Asif Shajer,
  Deputy General Manager,
  K-Electric, KE House, 39-B,
  Sunset Boulevard, DHA-II,
  Karachi
- Sunset Boulevard, DHA-II, Karachi

- 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

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

Subject:

Appeal Titled K-Electric Ltd Vs. Noor Uddin Against the Decision Dated 26.05.2016 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 31.05.2017, regarding the subject matter, for information and necessary action accordingly.

Encl: As Above

No. NEPRA/AB/Appeal-174/POI-2016/ 857

Forwarded for information please.

(Ikram Shakeel)

June 01,/2017

Assistant Director Appellate Board

1. Registrar

CC:

1. Member (CA)



#### **Before Appellate Board**

#### In the matter of

#### Appeal No. NEPRA/Appeal-174/POI-2016

Appellant
Respondent

#### For the appellant:

Ms. Tatheera Fatima Deputy General Manager (Distribution-Legal)

Mr. Masahib Ali Manager

Mr. Imran Hanif Assistant Deputy Manager

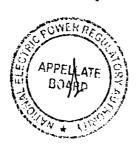
Mr. Ali Nisar Assistant Manager

#### For the respondent:

Nemo

#### **DECISION**

- This decision shall dispose of the appeal filed by K-Electric against the decision dated 26.05.2016 of Provincial Office of Inspection/Electric Inspector, Karachi Region-II, Karachi (hereinafter referred to as POI).
- 2. Brief facts of the case are that the respondent is owner of hydrant and a registered consumer of K-Electric bearing Ref No. AP-069940 with a sanctioned load of 35kW under B-1 tariff. Premises of the respondent was inspected by K-Electric on





24.05.2003 and allegedly meter of the respondent was found tampered (terminal block short) for the commencement of theft of electricity and the connected load was noticed as 26.2 kW. Disputed meter of the respondent was replaced by K-Electric on 28.05.2003. As per K-Electric, after issuing notice dated 28.06.2003 to the respondent, a detection bill amounting to Rs.45,525/- for 5,333 units for the period December 2002 to May 2003 (6 months) was charged to the respondent on 14.10.2003 on the basis of consumption recorded by new meter i.e. 2,316 units per month.

3. Being aggrieved, the respondent filed an application before POI on 02.12.2003 and challenged the arrears of Rs.144,500/- including the current bill of Rs. 80,475/- for the month of October 2003. The same matter was also agitated by the respondent before the Sindh High Court, Karachi vide CP No. D-1517/2003, which was referred by the honorable High Court to POI vide its order dated 19.12.2003 for further adjudication. POI vide its decision dated 26.05.2016 disposed of the matter 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 firm view that the detection bill amounting to Rs.45,522/- of 5,333 units for the period December 2002 to May 2003 is hereby cancelled and revised up-to 3 months instead of 6 months. The Opponents is directed to cancel the bill for the month of September-2003 and October-2003 amounting to Rs.144,500/- which are having no technical and legal grounds are liable to be cancelled as billing months up-to month

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of August 2003 are at normal mode without any arrears amounts outstanding. If the applicant made an excessive payment in this regard it should be adjusted in future billing. The complaint of the complainant is disposed off with above remarks."

- 4. K-Electric was dissatisfied with the POI decision dated 26.05.2016 (hereinafter referred to as the impugned decision) and has filed the appeal along with an application for condonation of delay under section 38 (3) of the Regulation of Generation, Transmission and Distribution of Electric Power Act 1997. In its appeal, K-Electric contended that the impugned decision is not based on merits, therefore POI was approached for correction of the impugned decision vide letters dated 09.06.2016, 30.06.2016, 15.07.2016 08.08.2016 and 18.08.2016 but the grievance was not redressed. On merits, K-Electric contended that premises of the respondent was inspected on 24.05.2003 and the respondent was found involved in theft of electricity through the tampered meter, therefore a detection bill amounting to Rs.45,522/- for 5,333 units for the period December 2002 to May 2003 (6 months) was charged to the respondent in October 2014. K-Electric averred that the electricity bills for the months of September 2003 and October 2003 were charged on the basis of actual consumption but those were also cancelled by POI. K-Electric pleaded that the aforesaid detection and normal bills were valid, justified and the respondent is liable to pay the same. In its appeal, K-Electric raised the preliminary objection regarding jurisdiction of POI being a theft case.
- 5. A notice of the above appeal was issued to the respondent for filing reply/parawise comments, which were filed on 01.02.2017. In his reply/parawise comments, the

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respondent raised the preliminary objection regarding limitation and contended that the appeal filed before NEPRA is barred by time. The respondent rebutted the grounds taken by K-Electric in the application for condonation of delay and averred that neither serious efforts were made to get the true copy of the impugned decision nor the appellant appeared before POI for redressal of its grievance, therefore the appeal filed after prescribed time limit is liable to be dismissed. On merits, the respondent also refuted the allegation of theft of electricity leveled by K-Electric and pleaded for upholding the impugned decision.

- 6. Notice was issued and hearing of the appeal was conducted in NERPA Provincial Office Karachi on 15.05.2017 in which Ms. Tatheera Fatima Deputy General Manager (Distribution Legal) along with other officials represented the appellant K-Electric and no one entered appearance for the respondent. Representatives of K-Electric reiterated the same arguments as earlier narrated in memo of the appeal and prayed for setting aside the impugned decision.
- 7. Arguments of K-Electric heard, the record perused, following are our observations:
  - i. Theft of electricity by the respondent is alleged by K-Electric but no FIR or other proceedings as required under law and Consumer Service Manual (CSM) were initiated by K-Electric, moreover theft of electricity was also not established. The objection of K-Electric regarding jurisdiction of POI is not valid, therefore rejected.
  - ii. As regards the preliminary objection raised by the respondent regarding limitation,

APPEL ATE ONE



it is observed that the impugned decision dated 26.05.2016 was obtained by K-Electric on 03.06.2016. Being dissatisfied, K-Electric initially approached POI for correction of the impugned decision vide letters dated 09.06.2016, 30.06.2016, 15.07.2016, 08.08.2016 and 18.08.2016 but the grievances of K-Electric were not remedied by POI. Subsequently K-Electric filed an appeal against the impugned decision before NEPRA on 15.09.2016 as envisaged under Section 38 (3) of NEPRA Act 1997 along with an application for condonation of the delay. In its support K-Electric provided the copies of letters addressed to POI for the correction of impugned decision regarding the delay in filing the appeal. We are convinced with the grounds of K-Electric for condonation of delay and the application of K-Electric in this regard is accepted.

- iii. K-Electric has charged the detection bill amounting to Rs.45,522/- for 5,333 units for the period December 2002 to May 2003 to the respondent on the plea that the respondent was involved in dishonest abstraction of electricity. It is observed that the aforesaid detection bill charged to the respondent for six months is inconsistent with the provisions of chapter 9 of CSM. We are inclined to agree with the findings of POI that the detection bill amounting to Rs.45,522/- for 5,333 units for the period December 2002 to May 2003 charged to the respondent has no justification and therefore liable to be cancelled. The respondent could be charged the detection bill for three months only as already determined in the impugned decision.
- iv. As regards the impugned decision for cancellation of electricity bills for September

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2003 and October 2003, we are convinced with the contention of K-Electric that the electricity bills for September 2003 and October 2003 were charged to the respondent as per actual consumption and the determination of POI regarding the cancellation of aforesaid bills is unjustified, therefore liable to be withdrawn to this extent.

- 8. In view of foregoing discussion, we have reached to the conclusion that:
  - Detection bill amounting to Rs.45,522/- for 5,333 units for the period December 2002 to May 2003 charged by K-Electric to the respondent is not justified, therefore cancelled as already determined in the impugned decision.
  - ii. The respondent should be charged the detection bill (three months) only as prescribed in CSM i.e. for the period March 2003 to May 2003.
- iii. Impugned decision regarding the cancellation of the bills for September 2003 and October 2003 is declared null and void and these bills are payable by the respondent.

9. The impugned decision is modified in above terms.

Muhammad Qamar-uz-Zaman Member

> Nadir Ali Khoso Convener

> > OWER

Dated: 31.05.2017

Muhammad Shafique Member

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