



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

NEPRA Office , Ata 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

No. NEPRA/AB/Appeal/056/POI/2020//77/

November 30, 2020

1. Muhammad Khalid
House No. 11-F, 8/14,
First Floor, Nazimabad No. 02,
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. Fatheera Fatima,
Deputy General Manager,
K-Electric, First Floor,
Block F, Elander Complex,
Elander Road, Karachi
5. Electric Inspector/POI
Karachi Region-II, Government of Sindh,
Plot No. ST-2, Block-N, North Nazimabad,
Near Sarina Mobile Market,
Main Sakhi Hasan Chowrangi, Karachi

Subject: Appeal Titled K-Electric Vs. Muhammad Khalid Against the Decision Dated 24.05.2017 of the Provincial Office of Inspection to Government of the Sindh Karachi Region-II, Karachi

Please find enclosed herewith the decision of the Appellate Board dated 25.11.2020, regarding the subject matter, for information and necessary action accordingly.

Encl: As Above


(Ikram Shakeel)
Deputy Director (M&E)

Forwarded for information please.

1. Director (IT) –for uploading the decision on NEPRA website



National Electric Power Regulatory Authority

Before Appellate Board National Electric Power Regulatory Authority, Islamabad

In the matter of

Appeal No.056/POI-2020

K-Electric Limited

.....Appellant

Versus

Muhammad Khalid, House No.11-F, 8/14, First Floor,
Nazimabad No.02, Karachi

.....Respondent

**APPEAL UNDER SECTION 38(3) OF REGULATION OF GENERATION,
TRANSMISSION AND DISTRIBUTION OF ELECTRIC POWER ACT, 1997
AGAINST THE DECISION DATED 24.05.2017 PASSED BY PROVINCIAL
OFFICE OF INSPECTION KARACHI REGION-II, KARACHI**

For the appellant:

Ms. Tatheera Fatima Deputy General Manager (Distribution-Legal)
Mr. Najamdin Sheikh Deputy General Manager
Mr. Masahib Ali Manager

For the respondent:

Mr. Muhammad Khalid
Mr. Muhammad Asim

DECISION

1. As per facts of the case, the respondent is a domestic consumer of K-Electric bearing Ref No.LA-990497 with a sanctioned load of 5 kW and the applicable tariff is A-1R. As per site inspection report (SIR) dated 22.05.2018, the respondent was using an extra phase for committing theft of electricity and the connected load was noticed as 9.836 kW which is higher than the sanctioned load. Therefore a detection bill amounting to Rs.175,357/- for 10,145 units for the period 07.01.2014 to 04.07.2014 (6 months) was issued by K-Electric to the respondent on the basis of the connected load.
2. Being dissatisfied, the respondent assailed the above detection bill before the Provincial





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Office of Inspection (POI) vide an application on 18.09.2014. POI vide decision dated 24.05.2017 declared the detection bill of Rs.175,357/- for 10,145 units for the period 07.01.2014 to 04.07.2014 as unjustified and cancelled.

3. Subject appeal has been filed against the abovementioned decision of POI (hereinafter referred to as the impugned decision) before NEPRA in which it is contended that the premises of the respondent was inspected on 22.05.2018 and the respondent was found involved in the dishonest abstraction of electricity through an extra phase from K-Electric LT service and the connected load was observed higher than the sanctioned load. K-Electric further contended that the detection bill of Rs.175,357/- for 10,145 units for the period 07.01.2014 to 04.07.2014 was charged to the respondent after completing all codal formalities. As per K-Electric, FIR was not lodged against the respondent, however, he accepted theft of electricity and agreed to pay the aforesaid detection bill. According to K-Electric, the respondent is violator of the provisions of the Consumer Service Manual (CSM) and Electricity Act 1910 in respect of illegal abstraction of electricity and illegal extension of load without soliciting permission from K-Electric and POI. K-Electric pointed out that the POI is not empowered to decide the case of theft of electricity, wherein the meter has been bypassed as per the verdict of the apex court and prayed for setting aside the impugned decision.
4. Notice of the appeal was issued to the respondent for filing reply/para-wise comments, which were filed on 16.11.2020. In the reply, the respondent defended the impugned decision and prayed for upholding the same on the grounds that neither prior notice was

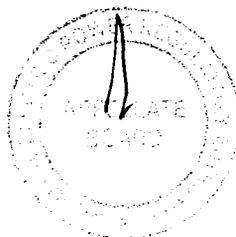




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served nor the site inspection was carried out by K-Electric in his presence; that the consumption trend before and after the dispute remained the same; that the detection bill of Rs.175,357/- for 10,145 units for the period 07.01.2014 to 04.07.2014 was debited in contrary to the provisions of CSM and that the respondent being the residential consumer cannot be penalized beyond two billing cycles.

5. Notice was issued and the appeal was heard in NEPRA Regional Office Karachi on 16.11.2020, which was attended by both the parties. Representatives for K-Electric repeated the same stance as contained in memo of the appeal and contended that the theft of electricity was committed by the respondent through the hook connection. K-Electric submitted that the detection bill of Rs.175,357/- for 10,145 units for the period 07.01.2014 to 04.07.2014 is justified and payable by the respondent. As per K-Electric, the arrears of the above detection bill were suspended as the respondent agitated the matter before POI. Upon a query regarding the late filing of appeal against the impugned decision, K-Electric informed that the impugned decision was not conveyed by POI timely and it was obtained after such information from the respondent. Conversely, the respondent reiterated the same contentions as given in the reply to the appeal and prayed for maintainability of the impugned decision.
6. Both the parties were heard and the record placed before us was perused. It is observed as under:
 - i. K-Electric raised the objection regarding the jurisdiction of POI. It is observed that theft of electricity was alleged by K-Electric but neither the legal proceedings were





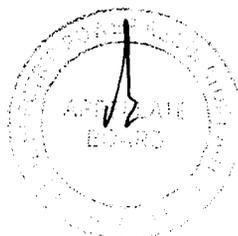
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initiated against the respondent nor the provisions of Consumer Service Manual were followed. Hence objection of K-Electric in this regard is devoid of force and rejected.

ii. K-Electric charged the detection bill of Rs.175,357/- for 10,145 units for the period 07.01.2014 to 04.07.2014 (February 2014 to July 2014) to the respondent, which was disputed before POI. According to clause 9.1c(3) of CSM, K-Electric may charge the detection bill to a general supply consumer i.e. A-I maximum for three billing cycles in the absence of approval of Chief Executive Officer K-Electric due to the theft of electricity, whereas in the instant case, the respondent was charged for a period of six months by K-Electric in violation of foregoing clause of CSM. Besides, the above detection bill was charged on the basis of connected load but the same was not regularized by K-Electric as is evident from the billing statement of the respondent. To ascertain the justification of the above detection bill, the consumption data is analyzed below:

Period	Normal average units
Disputed Period: February 2014 to July 2014	417
Corresponding period after dispute: February 2015 to July 2015	508

Perusal of the above consumption data transpires that the normal average consumption charged during the disputed period is lesser than the normal average consumption of the corresponding period after the dispute. This indicates that the actual consumption was not recorded by the meter during the disputed period. The respondent may be charged the detection bill for three months by K-Electric as per CSM. Under these





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circumstances, the detection bill of Rs.175,357/- for 10,145 units for the period 07.01.2014 to 04.07.2014 charged to the respondent is unjustified and liable to be cancelled as already decided by POI.

iii. It would be judicious to charge the detection bill @ 508 units/month for three months i.e. May 2014 to July 2014 to the respondent as recorded during the corresponding period after the dispute. The impugned decision is liable to be modified to this extent.

7. In consideration of the above, the impugned decision for cancellation of the detection bill of Rs.175,357/- for 10,145 units for the period 07.01.2014 to 04.07.2014 is correct and maintained to this extent. The respondent should be charged the detection bill @ 508 units/month for three months i.e. May 2014 to July 2014 to the respondent as recorded during the corresponding period after the dispute and the normal units already charged during the said months may be adjusted, accordingly.

8. The impugned decision is modified in the above terms.

Muhammad Qamar-uz-Zaman
Member/SA (Finance)

Muhammad Shafique
Member/SA (Legal)

Nadir Ali Khoso
Convener/DG (M&E)

Dated: 25.11.2020

