



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

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No.NEPRA/AB/Appeal/020/POI/2021/ 1052

December 28, 2021

1. Shoukat Saleem
S/o. Saleem Noor Ali,
House No. F-64/3, Block-07,
Gulistan-e-Iqbal, 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/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. Shoukat Saleem Against the Decision Dated 09.12.2020 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 10.12.2021, regarding the subject matter, for information and necessary action accordingly.

Encl: **As Above**

(Ikram Shakeel)
Deputy Director (M&E)/
Appellate Board

Forwarded for information please.

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



National Electric Power Regulatory Authority

Before Appellate Board

In the matter of

Appeal No.020/POI-2021

K-Electric Limited

.....Appellant

Versus

Shoukat Saleem S/o Saleem Noor Ali,
House No.F-64/3, Block-07, Gulshan-e-Iqbal Karachi

.....Respondent

APPEAL UNDER SECTION 38(3) OF REGULATION OF GENERATION, TRANSMISSION, AND DISTRIBUTION OF ELECTRIC POWER ACT, 1997 AGAINST THE DECISION DATED 09.12.2020 PASSED BY PROVINCIAL OFFICE OF INSPECTION KARACHI REGION-II, KARACHI

For the Appellant:

Mr. Asif Shajer General Manager
Ms. Tatheera Fatima Deputy General Manager
Mr. Najamuddin Sheikh Deputy General Manager
Mr. Masahib Ali Manager

For the Respondent:

Mr. Shoukat Saleem

DECISION

1. Brief facts of the case are that the Respondent is an industrial consumer of the K-Electric bearing Ref No.BL-05058 having a sanctioned load of 83 kW under the B-2(b) tariff. Reportedly, the billing meter of the Respondent was found faulty by the K-Electric during the date of reading on 11.03.2020. Thereafter, the K-Electric charged the following assessed bills to the Respondent as the defective meter could not be replaced due to the non-availability of the new meter:





National Electric Power Regulatory Authority

Month	Reading date	Bill type	Units billed		Basis of Recovery
			Off-peak	Peak	
Mar-2020	11.03.2020	Assessed	15570	1847	Consumption of last month i.e. Feb-2020
Apr-2020	16.04.2020	Assessed	6747	800	43% of consumption of Feb-2020 by considering COVID-19 partial lock down
May-2020	14.05.2020	Assessed	13137	0	75% of consumption of Feb-2020 by considering COVID-19 partial lock down
Jun-2020	11.06.2020	Assessed	11490	467	68% of consumption of Feb-2020 by considering COVID-19 partial lock down

2. Being aggrieved, the Respondent challenged the arrears of Rs.560,000/- before the Provincial Office of Inspection, Karachi Region-II, Karachi (the POI) vide the complaint dated 09.09.2020, which contained the bills for the period March 2020 to June 2020. The complaint of the Respondent was disposed of by the POI vide the decision dated 09.12.2020, wherein the bills for the period March 2020 to June 2020 were cancelled. As per the POI decision, K-Electric was directed to charge the revised bills for the same period based on minimum charges as per the NEPRA Consumer Service Manual (CSM). K-Electric was further directed for adjustment of excessive payment in future billing.
3. The appeal in hand has been filed against the above-referred decision by the K-Electric before the NEPRA in which it is contended that the billing meter of the Respondent was found defective on 11.03.2020, therefore, the Respondent was charged the bill of March 2020 for off-peak=15,570 + peak=1847 units by the K-Electric on the basis of consumption of February 2020, which was paid by him on 18.03.2020. K-Electric further contended that the defective meter of the Respondent could not be replaced





National Electric Power Regulatory Authority

due to non-availability of the new meter, hence the bills for the period April 2020 to June 2020 were debited on the basis of 43%, 75%, and 68% consumption of February 2020 respectively while considering the partial lockdown of COVID-19. As per the K-Electric, the above said bills were charged correctly and the Respondent paid these bills, accordingly, whereas the POI without considering the facts and without taking any authentic documents cancelled the disputed and undisputed bills. According to the K-Electric, the Respondent disputed the billing for the period from 21.03.2020 to 11.05.2020 fifty (50) days before the POI, who erroneously cancelled the bills for one twenty (120) days. The K-Electric submitted that the Respondent accepted that the factory was operational during the undisputed period, hence the impugned decision baseless and the same is liable to be set aside.

4. The Respondent was issued notice for filing reply/para-wise comments to the appeal, which were filed on 12.03.2021. In his reply, the Respondent defended the impugned decision on the following grounds; (1) the site inspection report was prepared without associating him or the POI and no seven (7) days' notice was served by the K-Electric to him; (2) the K-Electric charged three detection bills (first detection bill of Rs.430,035/- for 7,545 units for April 2020, second detection bill of Rs.283,620/- for 13,137 unit for May 2020 and third detection bill of 11,490 units for June 2020) but the consumption trend before and after the dispute remained same; (3) the above detection bills were charged contrary to the provisions of the CSM; and (5) the impugned decision is liable to be maintained.

5. After issuing notice, hearing of the appeal was held at the NEPRA Regional Office





National Electric Power Regulatory Authority

Karachi on 19.11.2021, wherein both the parties were present. The representative for the K-Electric reiterated the same arguments as contained in memo of the appeal and contended that the grievance of the Respondent was with the regard to the billing for the period from 21.03.2020 to 11.05.2020 fifty (50) days before the POI but the impugned decision was given by the POI for the billing of four (4) months, which is beyond the prayers of the Respondent. The K-Electric further contended that the Respondent did not produce any evidence to substantiate his stance for the closure of the factory during the disputed period i.e. March 2020 to June 2020 due to the COVID-19 lockdown. As per the K-Electric, if the factory of the Respondent remained closed as to why the Respondent made payments against the bills for the period March 2020 to June 2020. The K-Electric finally prayed for setting aside the impugned decision. On the contrary, the Respondent rebutted the stance of the K-Electric for charging the above detection bills, repeated his version given in reply to the appeal, supported the impugned decision and prayed for upholding the same.

6. Arguments were heard and the record placed before us was perused. Following are our observations:

- i. Following bills were charged by the K-Electric to the Respondent on the plea that the meter of the Respondent became defective in March 2020 and it could not be replaced due to the non-availability of the new meter.

Month	Reading date	Bill type	Units billed		Basis of Recovery
			Off-peak	Peak	
Mar-2020	11.03.2020	Assessed	15570	1847	Consumption of last month i.e. Feb-2020





National Electric Power Regulatory Authority

Apr-2020	16.04.2020	Assessed	6747	800	43% of consumption of Feb-2020 by considering COVID-19 lock down
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ii. K-Electric raised the preliminary objection that the Respondent disputed the bills for the period 21.03.2020 to 11.05.2020 fifty (50) days before the POI, who cancelled the bills for four months i.e. March 2020 to June 2020. A bare perusal of contents of the application of the Respondent replicated in the impugned decision transpire that the Respondent was aggrieved with the billing process carried out by the K-Electric for the period March 2020 to August 2020 and agitated the same before the POI. As such, the POI has rightly adjudged the complaint of the Respondent for the period March 2020 to June 2020. The Objection of the K-Electric in this regard carries no weight therefore rejected.

iii. As far as the fate of billing for the period March 2020 to June 2020 is concerned, it is observed that the bill of March 2020 was charged by the K-Electric to the Respondent on the basis of consumption of February 2020 due to the defective meter. The meter reading on the bill for March 2020 was noted as 11.03.2020 whereas the Government of Sindh had initially announced lockdown for fourteen days i.e. 23.03.2020 to 06.04.2020 in the Province of Sindh which was subsequently further extended. This manifests that the factory of the Respondent remained operational till 22.03.2020 and the Respondent is responsible for payment of the bill

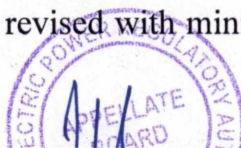




National Electric Power Regulatory Authority

for March 2020. However the quantum of charging the bill for March 2020 by the K-Electric on the basis of consumption of last month i.e. February 2020 is not correct being inconsistent with Clause 4.4 of the CSM, which is liable to be withdrawn. In the case of a defective meter, the Respondent is liable to be charged the bill for March 2020 on the basis of consumption of the corresponding month of the previous year i.e. March 2019, or average consumption of the last eleven months i.e. April 2019 to February 2020, whichever is higher in pursuance of the ibid Clause of the CSM. The impugned decision is liable to be modified to this extent.

- iv. Since the factory remained operational for twelve (12) days i.e. 11.03.2020 (reading date) to 23.03.2020 (lockdown date), therefore the bill for April 2020 be charged for twelve days and the basis of charging the above-said bill will be made at the rate of $[(12 \text{ days} \div 30 \text{ days} \times 100 = 40\%)]$ of the consumption of April 2019 or average consumption of last eleven months i.e. May 2019 to March 2020, whichever is higher] as per the Clause 4.4 of the CSM. The impugned decision is liable to be modified to this extent.
- v. It is an admitted fact that the factory of the Respondent remained closed w.e.f 23.03.2020 and onwards due to the enforced lockdown in general by the Government of Sindh throughout the province of Sindh. Moreover, the K-Electric did not replace the defective meter of the Respondent timely. Under these circumstances, the Respondent cannot be held responsible for the payment of the bills for the remaining period 23.03.2020 till June 2020. The bills for the period 23.03.2020 till June 2020 be revised with minimum charges as per the CSM. The





National Electric Power Regulatory Authority

impugned decision is liable to be maintained to this extent.

7. In view of what has been stated above, it is concluded that:

- i. The assessed bills for the period March 2020 to June 2020 charged by the K-Electric are unjustified and should be withdrawn.
- ii. The Respondent should be charged the bills as per the details given below:

Bill	Period	Duration	Basis of recovery
Mar-2020	11.02.2020 to 11.03.2020	30 days	As per consumption of corresponding month of previous year i.e. March 2019 or average consumption of last eleven months i.e. April 2019 to February 2020, whichever is higher
Apr-2020	12.03.2020 to 22.03.2020	12 days	As per 40% of the: i. consumption of April 2019 or ii. the average consumption of the last eleven months i.e. May 2019 to March 2020, whichever is higher.
May-2020	-	30 days	On the minimum charges
Jun-2020	-	30 days	On the minimum charges

The billing account of the Respondent may be overhauled after making the adjustment of payments made, if any, against the above-disputed bills.

8. The appeal is disposed of in the above terms.

Abid Hussain
Member/Advisor (CAD)

Nadir Ali Khoso
Convener/Senior Advisor (CAD)



Dated: 10.12.2021