



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

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No. NEPRA/AB/Appeal/042/POI/2021/ 34

March 29, 2022

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|---|--|
| 1. Mr. Sajjad,
S/o. Muhammad Siddique,
Quarter No. 23, Block-08,
Area 11-D, 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/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. Mr. Sajjad the Decision Dated 18.01.2021 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 15.03.2022, 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. Additional Director (IT) --for uploading the decision on NEPRA website



National Electric Power Regulatory Authority

Before Appellate Board

In the matter of

Appeal No.042/POI-2021

K-Electric Limited

.....Appellant

Versus

Mr. Sajjad S/o Muhammad Siddique, Quarter No.23,
Block-08, Area-11-D, North Karachi, Karachi

.....Respondent

APPEAL UNDER SECTION 38(3) OF REGULATION OF GENERATION, TRANSMISSION, AND DISTRIBUTION OF ELECTRIC POWER ACT, 1997 AGAINST THE DECISION DATED 18.01.2021 PASSED BY PROVINCIAL OFFICE OF INSPECTION KARACHI REGION-II, KARACHI

For the Appellant:

Mr. Asif Shajer General Manager
Mr. Najamuddin Sheikh Deputy General Manager
Mr. Masahib Ali Manager
Mr. Zubair Asif Manager
Mr. Amir Masood Manager

For the Respondent:

Nemo

DECISION

1. Brief facts of the case are that the Respondent is an industrial consumer of the K-Electric bearing Ref No. AP-055755 having a sanctioned load of 8 kW under the tariff category B-1. The billing meter of the Respondent was removed by the K-Electric and checked in the laboratory on 21.05.2013, wherein reportedly, it was found tampered (hole found in the meter body) for stealing electricity. Therefore, a detection bill amounting to Rs.453,264/- for 35,056 units for the period 12.11.2012



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to 13.05.2013 six (6) months was charged by the K-Electric to the Respondent on the basis of 60% load factor of the connected load i.e. 16.385 kW and added in the bill for June 2013.

2. Being aggrieved, the Respondent approached the Provincial Office of Inspection, Karachi Region-II, Karachi (the POI), and agitated the abovementioned detection bill. The complaint of the Respondent was disposed of by the POI vide decision dated 18.01.2021, wherein the detection bill of Rs.453,264/- for 35,056 units for the period 12.11.2012 to 13.05.2013 six (6) months was cancelled and K-Electric was directed to charge the revised bill of 5,184 units to the Respondent on the basis sanctioned load i.e.8 kW.
3. Through the instant appeal, K-Electric has assailed the above-referred decision of the POI (hereinafter referred to as the impugned decision) before the NEPRA in which it is contended that the billing meter of the Respondent was removed and checked in the K-Electric laboratory on 21.05.2013 and it was found tampered (hole found on the top side of the main cover) for committing theft of electricity. As per the K-Electric, a detection bill of Rs.453,264/- for 35,056 units for the period 12.11.2012 to 13.05.2013 six (6) months was charged to the Respondent on the basis of connected load i.e. 16.385 kW as per provisions of the Consumer Service Manual (CSM). According to the K-Electric, the FIR was not registered against the Respondent as he accepted theft of electricity and agreed to pay the above detection bill. K-Electric submitted that the Respondent is the violator of provisions of CSM in respect of dishonest abstraction of electricity and illegal extension of load. K-Electric further submitted that notice was



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properly served to the Respondent before charging the above detection bill, hence the finding of the POI in this regard is incorrect. K-Electric pointed out that being a case of theft of electricity through bypassing the meter, the POI was not authorized to decide the instant matter as per verdict of the apex court.

4. The Respondent was issued the notice for filing reply/para-wise comments to the appeal, which however were not filed.
5. After issuing notice, hearing of the appeal was held at the NEPRA Regional Office Karachi on 04.03.2022, wherein the representatives for the K-Electric were present and no one appeared for the Respondent. The representatives for the K-Electric reiterated the same arguments as contained in memo of the appeal and contended that the meter of the Respondent was found tampered with during the inspection dated 21.05.2013, therefore a detection bill of Rs.453,264/- for 35,056 units for the period 12.11.2012 to 13.05.2013 six (6) months was charged to the Respondent based on the connected load i.e.16.835 kW. The representatives for the K-Electric prayed for setting aside the impugned decision and revision of the detection bill for six months based on the sanctioned load of 8 kW as per provisions of the CSM.
6. Arguments were heard and the record placed before us was perused. Following are our observations:
 - i. K-Electric raised the preliminary objection for the jurisdiction of the POI being theft of electricity case but failed to follow the procedure as laid down in the CSM and did not take any legal action against the Respondent on account of theft of electricity. Indeed, it is a metering and billing dispute and falls in the jurisdiction of



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the POI. The objection of the K-Electric in this regard is devoid of force, therefore rejected.

ii. Following detection bill was charged by the K-Electric to the Respondent:

Table-A

SIR dated	Discrepancies	Bill type	Period		Units	Amount (Rs.)
21.05.2013	Tampered meter	Detection	12.11.2012	13.05.2013	35,056	453,264/-

Scrutiny of the record shows that the above detection bill was prepared on the basis of the connected load i.e. 16.385 kW as found during the inspection of the premises. However, the connected load of the Respondent was neither verified by the POI nor any action was initiated by the K-Electric for regularization of the connected load beyond the sanctioned load i.e. 8 kW. K-Electric claims that the FIR was not registered against the Respondent as he admitted theft of electricity and ready to pay the above detection bill, however K-Electric did not produce any document in this regard. Therefore, we are of the view that the detection bill of Rs.453,264/- for 35,056 units for the period 12.11.2012 to 13.05.2013 six (6) months charged by K-Electric to the Respondent is unjustified and the same is liable to be cancelled. The impugned decision is liable to be maintained to this extent.

iii. According to Clause 9.1c(3) of the CSM, the Respondent may be charged the detection bill for six (6) months i.e. 12.11.2012 to 13.05.2013 based on sanctioned load i.e. 8 kW, and the calculation of the detection bill be made as per the formula given in Annex-VIII of the CSM in below table:



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Table-B

Units/month to be assessed				
= Sanctioned load (kW) x Load Factor x No. of Hours/month				
8	x	0.6	x	730 = 3,504 units
<u>Detection bill for the period 12.11.2012 to 13.05.213</u>				
A. Total units to be charged = Units/month x No. of Months = 3,504 x 6 = 21,024 units				
B. Total units already charged				= 7,405 units
C. A - B = 21,024 - 7,405				= 13,619 units

7. From forgoing discussion, we have concluded that:

- The detection bill of Rs.453,264/- for 35,056 units for the period 12.11.2012 to 13.05.2013 six (6) months is unjustified, hence the same should be cancelled.
- The Respondent may be charged the revised detection bill for net 13,619 units for the period 12.11.2012 to 13.05.2013.
- The billing account of the Respondent may be overhauled after making the adjustment of payments made against the above detection bill.

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

Abid Hussain
Member/Advisor (CAD)

Nadir Ali Khoso
Convener/Senior Advisor (CAD)

Dated: 15.03.2022

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