



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/Appeal/039/POI/2022/ 423

April 18, 2022

1. Mst. Asif Faryal,
W/o. Naseem ud Din (Late),
House No. R-132, Block-5,
Federal 'B' Area, 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

Subject: **Decision of the Appellate Board Regarding Review Petition Filed By K-Electric Vs. Mst. Asif Faryal Against the Decision of the Appellate Board Dated 17.11.2021 In The Matter K-Electric Vs. Mst. Asif Faryal**

Please find enclosed herewith the Order of the Appellate Board dated 29.03.2022, regarding the subject matter, for information and necessary action accordingly.

Encl: **As Above**

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



National Electric Power Regulatory Authority

Before The Appellate Board

In the matter of

**Review petition filed by K-Electric under NEPRA Review (Procedure)
Regulations, 2009 against the decision dated 17.11.2021 of NEPRA
Appellate Board in the Appeal No.039/POI-2021**

K-Electric Limited

..... Petitioner

Versus

Mst. Asif Faryal w/o Naseem-ud Din,
House No.R-132, Block 5, Federal B Area, Karachi

.....Respondent

For the Petitioner:

Mr. Asif Shajer General Manager
Mr. Najam Din Shiekh Deputy General Manager
Mr. Masahib Ali Manager

For the Respondent:

Nemo

DECISION

1. Through this decision, the review petition filed by the Petitioner ('the K-Electric Limited') against the decision dated 17.11.2021 of the National Electric Power Regulatory Authority (hereinafter referred to as the "NEPRA") is being disposed of.
2. Briefly speaking, Mst. Asif Faryal the Respondent filed a complaint before the Provincial Office of Inspection, Karachi Region-II, Karachi (the POI) and challenged the bills of April 2020 and May 2020. The POI vide its decision dated 09.12.2020 declared the arrears of Rs.387,699/- up to August 2020 as justified and payable by the Respondent.



National Electric Power Regulatory Authority

3. Being aggrieved with the above-mentioned decision of the POI, the Respondent filed an appeal before the NEPRA, which was registered as the Appeal No.039/2021. The NEPRA Appellate Board vide decision dated 17.11.2021 (hereinafter referred to as the 'impugned decision') disposed of the matter with the following conclusion:

"Summing up the foregoing discussion, it is concluded that the bills for the period from April 2020 and May 2020 are unjustified and should be withdrawn. The Appellant should be charged the bills for the period April 2020 and May 2020 based on consumption of April 2019 and May 2019 or average consumption of last eleven (11) months i.e. May 2019 to March 2020, whichever is higher as per Clause 4.4 of the CSM. The remaining arrears pertaining to the bills from June 2020 and onwards charged on the basis of consumption of the third meter are justified and the Appellant should pay the same. The billing account of the Appellant may be overhauled after making the adjustment of payments made, if any against the above bills. In view of the above, the appeal is partially accepted."

4. The Petitioner filed a review petition before NEPRA and opposed the impugned decision, *inter- alia*, on the grounds that the first meter of the Respondent was replaced with the second meter by the K-Electric on 17.03.2020 in the Distribution Implementation Department (DID) project of the whole area; that a bill of 1,739 units was charged to the Respondent on the basis of recorded consumption of the second meter; that the second meter was replaced with the third meter on the request of the Respondent on 05.05.2020; that the second meter was dumped with other meters, hence could not be produced before the POI for checking; that the meter laboratory report for the second meter was submitted before the POI, hence the revision of the metered consumption on the basis of previously recorded consumption is not correct; that the consumption after the replacement of the second meter significantly increased; that Clause 4.4 of the Consumer Service Manual (CSM) is not applicable for the second meter of the Respondent which was working within limits; that the impugned decision for cancellation of the bills of April 2020 and May 2020 be set aside.



National Electric Power Regulatory Authority

5. After issuing notice, the review petition was heard at the NEPRA Regional Office Karachi on 04.03.2022, the representatives for the Petitioner were present but no one appeared for the Respondent. The representatives for the Petitioner repeated the same arguments as contained in the review petition and stated that the bills for April 2020 and May 2020 were debited to the Respondent based on metered consumption and the same be allowed as already decided by the POI.
6. We have heard the arguments of the Petitioner and considered the relevant documents placed before us. Following are our observations:
- i. It is observed that the bill of March 2020 was debited to the Respondent on the basis of reading of the first meter as noted on 14.03.2020. Thereafter, the second meter was installed by the Petitioner on 17.03.2020. The bill of April 2020 was debited to the Respondent as per the detail below:

Month	Units recorded by the first meter from 14.03.2020 to 17.03.2020 (3 days)	Units recorded by the second meter from 17.03.2020 to 13.04.2020 (27 days)	Total units charged
April 2020	58	1682	1,739

The Respondent was aggrieved with the accuracy of the second meter, hence the same was replaced by the petitioner K-Electric with the third meter on 05.05.2020. Later on, the bill of May 2020 was raised to the Respondent as per the following detail:

Month	Units recorded by the second meter from 14.04.2020 to 04.05.2020 (21 days)	Units recorded by the third meter from 05.05.2020 to 14.05.2020 (10 days)	Total units charged
May 2020	2,472	1140	3,612

The Respondent assailed the bills of April 2020 and May 2020 before the POI. The petitioner claimed that the bills of April 2020 and May 2020 were charged on the basis of actual reading recorded by the meter of the Respondent. To verify the stance of the Petitioner, both the bills for April 2020 and May 2020 be analyzed separately in below mentioned paras.



National Electric Power Regulatory Authority

- ii. **Bill of April 2020:-** It contains two parts i.e. 58 units recorded by the first meter during the period 14.03.2020 to 17.03.2020 (3 days) and 1,682 units recorded by the second meter during the period 17.03.2020 to 13.04.2020 (27 days). 58 units as recorded by the first meter are justified and the same are allowed for recovery from the Respondent. As regards the charging of 1,682 units for the period 17.03.2020 to 13.04.2020 (27 days) is concerned, it is observed that the Respondent agitated the billing of the second meter on the plea that the same was running fast, which was subsequently replaced by the Petitioner without raising an objection. The contention of the Petitioner K-Electric in this regard is not sustainable as neither check meter was installed by the Petitioner in series with the second meter nor its checking in the laboratory was carried out in presence of the Respondent. This whole scenario indicates that the second meter was not functioning correctly, hence charging of 1,682 units in April 2020 by the Petitioner to the Respondent on the basis of reading of the second meter is not in line with Clause 4.4 of the CSM and the same are liable to be cancelled. According to Clause 4.4 of the CSM, the Respondent is liable to be billed for 17.03.2020 to 13.04.2020 based on consumption of bill of April 2020 or average consumption of last eleven months i.e. May 2019 to March 2020, whichever is higher. Analysis in this regard is done in the below table:

Applicable Clause 4.4 of CSM	
Consumption of April 2019	Average consumption of last eleven months (May 2019 to March 2020)
464 units	$\frac{\text{Total Units}}{\text{No of Months}} = \frac{706+960+1025+886+793+773+581+273+235+203+328}{11} = 615 \text{ units}$

As evident from the above table, the bill for the remaining period from 17.03.2020 to 13.04.2020 (27 days) be revised as per average consumption of the last eleven months being higher according to Clause 4.4 of the CSM. Calculation of the bill for April 2020 is done below:

Month (A)	April 2020 (14.03.2020 to 13.04.2020)
Units to be charged from 14.03.2020 to	As per reading of the first meter = 58 units



National Electric Power Regulatory Authority

17.03.2020 (3 days)	
(B) Units to be charged for 17.03.2020 to 13.04.2020 (27 days)	$= \frac{\text{Avg. consumption of last eleven months} \times \text{No. of days allowed}}{\text{No. of days in month}}$ $= \frac{615 \times 27}{30} = 553 \text{ units}$
(C) Total units to be charged	$= (A)+(B)$ $= 58+553 = 611 \text{ Units}$

The Respondent is liable to be charged the revised bill of 611 units for April 2020. Impugned decision is liable to be modified to this extent.

- iii. **Bill of May 2020:-** It also contains two parts i.e. 2,472 units recorded by the second meter during the period 14.04.2020 to 04.05.2020 (21 days) and 1,140 units recorded by the third meter during the period 05.05.2020 to 14.05.2020 (10 days). Since the second meter was declared as defective, as such the billing for the period 14.04.2020 to 04.05.2020 (21 days) be revised based on consumption of May 2019 being higher as per Clause 4.4 of the CSM as evident from the below table:

Applicable Clause 4.4 of CSM	
Consumption of May 2019	Average consumption of eleven months (May 2019 to March 2020)
706 units	$\frac{\text{Total Units}}{\text{No of Months}} = \frac{706+960+1025+886+793+773+581+273+235+203+328}{11} = 615 \text{ units}$

However, the consumption of the remaining period 05.05.2020 to 14.05.2020 (10 days) as already charged by the Petitioner to the Respondent on the basis of reading of third meter is correct and payable by the Respondent. Calculation of the bill for May 2020 is done below:

Month	May 2020 (14.04.2020 to 14.05.2020)
(A) Units to be charged for 14.04.2020 to 04.05.2020 (21 days)	$= \frac{\text{Avg. consumption of last eleven months} \times \text{No. of days allowed}}{\text{No. of days in month}}$ $= \frac{706 \times 21}{30} = 494 \text{ units}$
(B) Units to be charged for 05.05.2020 to 14.05.2020 (10 days)	As per reading of the third meter = 1,140 units
(C) Total units to be charged	$= (A) + (B)$ $= 494+1,140 = 1,634 \text{ Units}$



National Electric Power Regulatory Authority

The Respondent is liable to be charged the revised bill of 1,634 units for May 2020. The impugned decision is liable to be modified to this extent.

7. In view of the above discussion, the Petitioner is allowed to charge the revised bills for 611 units and 1,634 units to the Respondent for April 2020 and May 2020 respectively. The payments made against the bills for April 2020 and May 2020 by the Respondent be adjusted, accordingly.
8. The review petition is partially accepted and the impugned decision stands modified.

Abid Hussain
Member/Advisor (CAD)

Nadir Ali Khoso
Convener/Senior Advisor (CAD)

Dated: 29.03.2022