



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

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No. NEPRA/Appeal/087/2023/ 775


December 13, 2023

- | | |
|---|--|
| 1. Muhammad Akhter,
(Good Luck Lawn),
Rehmat House No. C-032,
Sector No. 1-A/4, North Karachi,
Karachi | 2. Chief Executive Officer,
K-Electric Ltd,
KE House, 39-B, Sunset Boulevard,
DHA-II, Karachi |
| 3. Asif Shajer,
Deputy General Manager,
K-Electric Ltd, KE House,
39-B, Sunset Boulevard,
DHA-II, Karachi | 4. Tatheera Fatima,
Deputy General Manager,
Distribution Legal, K-Electric Ltd,
1 st Floor, Block F, Elander Complex,
Elander Road, Karachi |
| 5. POI/Electric Inspector,
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 No.087/2023 (K-Electric Vs. Muhhammad Akhter) Against the Decision Dated 01.07.2023 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 13.12.2023 (04 pages), regarding the subject matter, for information and necessary action accordingly.

Encl: As Above


(Ikram Shakeel)
Deputy Director (AB)

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.087/POI-2023

K-Electric Limited

.....Appellant

Versus

Muhammad Akhtar (Good Luck Lawn),
Rehmat House No.C-032, Sector No.1-A/4,
North Karachi, Karachi

.....Respondent

APPEAL U/S 38(3) OF THE REGULATION OF GENERATION, TRANSMISSION, AND DISTRIBUTION OF ELECTRIC POWER ACT, 1997

For the Appellant:

Ms. Tatheera Fatima Deputy General Manager
Mr. Sohail Sheikh Deputy General Manager
Mr. Masahib Ali Manager
Mr. Anas Lakhani Deputy Manager
Mr. Junaid Alam Deputy Manager

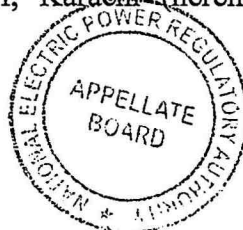
For the Respondent:

Mr. Muhammad Akhtar

DECISION

1. Brief facts leading to the filing of instant appeal are that Mr. Muhammad Akhtar (hereinafter referred to as the "Respondent") is a commercial consumer of K-Electric Limited (hereinafter referred to as the "Appellant") bearing Ref No.AM-319053 with a sanctioned load of 33 kW and the applicable Tariff category is A-2C. As per site inspection report dated 07.12.2022, the Respondent was stealing electricity through Kunda, and the connected load was observed as 8.616 kW. Therefore, a detection bill of Rs.297,827/- for 7,412 units for six months from 02.06.2022 to 01.12.2022 was charged to the Respondent on the basis of 28% load factor of the connected load.
2. Being aggrieved, the Respondent filed a complaint before the Provincial Office of Inspection, Karachi Region-II, Karachi (hereinafter referred to as the "POI") on

Appeal No.087/POI-2023



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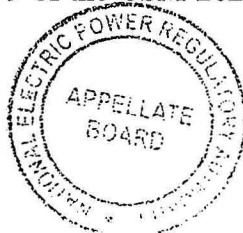
National Electric Power Regulatory Authority

01.07.2023 and challenged the above detection bill. The complaint was decided by the POI vide the decision dated 23.08.2023 wherein the detection bill of Rs.297,827/- for 7,412 units for six months from 02.06.2022 to 01.12.2022 was cancelled.

3. Subject appeal has been filed against the afore-referred decision dated 01.07.2023 of the POI (hereinafter referred to as the "impugned decision") by the Appellant before the NEPRA, wherein it is contended that the Respondent was stealing electricity directly through Kunda and the connected load was noticed as 8.616 kW during the checking dated 07.12.2022, therefore a detection bill of Rs.297,827/- for 7,412 units for six months from 02.06.2022 to 01.12.2022 was charged to the Respondent on the basis of the connected load. The Appellant further contended that the above detection bill was served to the Respondent after the completion of codal formalities, however, the POI cancelled the same on the basis of consumption trend and did not consider the pictorial evidence of direct use of electricity. The Appellant opposed the finding of the POI with regard to the prior notice and submitted that no notice is required to be served on consumers for conducting a raid in case of the theft of electricity. As per the Appellant, the FIR was not lodged against the Respondent as he admitted theft of electricity and agreed to pay the detection bill. According to the Appellant, the Site Inspection Report and billing statement reflect that the Respondent was involved in the theft of electricity by taking the hook, hence the impugned decision is liable to be set aside. The Appellant raised the preliminary objection 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.

4. **Proceedings by the Appellate Board**

Upon filing of the instant appeal, a Notice dated 04.10.2023 was sent to the Respondent for filing reply/para-wise comments to the appeal within ten (10) days. In response, the Respondent submitted his reply on 25.10.2023 wherein he denied the allegation of theft of electricity through kunda and contended that the premises is located in Shahnawaz Bhutto Colony, which remained under load shedding for fourteen hours per day and particularly during events time, load is being supplied through two self-generators. As per Respondent, neither any inspection was carried out in his presence nor could the Appellant produce the material evidence before the POI to prove their allegation of direct theft of electricity as required in Chapter 9 of the CSM-2021. According to the Respondent, the





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connected load was observed as 9 kW during the Appellant's alleged inspection, whereas the Appellant is debiting the fixed charges on the basis of the sanctioned load i.e. 33 kW. The Respondent finally prayed for the dismissal of the appeal.

5. Hearing

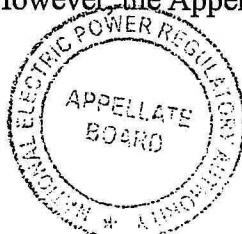
5.1. Hearing in the matter was fixed for 06.11.2023 at Karachi and accordingly, the notices dated 30.10.2023 were sent to the parties (i.e. the Appellant and the Respondent) to attend the hearing. As per schedule, the hearing was conducted at the NEPRA Regional Office Karachi which was attended by both parties. The representatives for the Appellant contended that the detection bill of Rs.297,827/- for 7,412 units for six months from 02.06.2022 to 01.12.2022 was debited on the basis of connected load i.e. 8.616 kW on account of direct theft of electricity as evident from the video of the inspection dated 07.12.2022. The Appellant further contended that no notice is required in the case of direct theft of electricity, hence the impugned finding of the POI is not correct. The Appellant defended the charging of the impugned detection bill and prayed that the same be declared as justified and payable by the Respondent.

5.2. The Respondent appearing in person denied the allegation of theft of electricity levelled by the Appellant and averred that entire proceedings were carried out unilaterally and the Appellant failed to prove theft of electricity through material evidence. The Respondent supported the impugned decision and prayed for upholding the same.

6. Arguments heard and the record perused. Following are our observations:

6.1 In its appeal, the Appellant has claimed that the Respondent was involved in the theft of electricity. In this regard, the video was shown by the Appellant to prove their allegation of theft of electricity wherein it was observed that the Respondent was using electricity through two different sources i.e. metered supply and another one through unfair means. This shows that the Respondent was involved in the illegal abstraction of electricity. Hence, only the period of detection bill needs to be determined as per relevant provisions of the CSM-2021

6.2 The Appellant debited the detection bill of Rs.297,827/- for 7,412 units for six months from 02.06.2022 to 01.12.2022 to the Respondent on the basis of 28% load factor of the connected load i.e. 8.616 kW. However, the Appellant neither solicited approval from the





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CEO for charging the detection bill beyond three billing cycles to the Respondent being a general supply consumer i.e. A-II nor applied the correct load factor as given in Annex-V of the CSM-2021. Therefore, it is held that the detection bill of Rs.297,827/- for 7,412 units for six months from 02.06.2022 to 01.12.2022 charged by the Appellant to the Respondent is illegal, and the same is liable to be declared as null and void as already determined by the POI.

6.3 The Respondent was involved in the illegal abstraction of electricity through unfair means as evident from the video, therefore, it would be fair and appropriate to debit the detection bill maximum for three billing cycles prior checking dated 07.12.2022 as per Clause 9.2.3(c)(i) of the CSM-2021. The impugned decision is liable to be modified to this extent.

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

7.1 The detection bill of Rs.297,827/- for 7,412 units for six months from 02.06.2022 to 01.12.2022 charged to the Respondent is unjustified and the same is cancelled.

7.2 The Respondent may be charged the detection bill maximum for three billing cycles before checking dated 07.12.2022 as per Clause 9.2.3c(ii) of the CSM-2021 and the basis of detection bill be made @ 25% load factor of the connected load i.e. 8.616 kW.

7.3 The billing account of the Respondent may be overhauled after making adjustments of units already charged/payments against the impugned detection bill.

8. Impugned decision is modified in the above terms.

Abid Hussain
Member

Muhammad Irfan-ul-Haq
Member

Naweed Illahi Sheikh
Convener

Dated: 13-12-2023

