



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

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No. NEPRA/AB/Appeal/290/2019/ 338


March 30, 2020

- | | |
|---|---|
| 1. Pir Syed Mehfooz Ali Shah
R/o. Ahmedpur, Mohallah Ranipur,
Taluka Sabhodero, District Khairpur | 2. Chief Executive Officer
SEPCO Ltd,
SEPCO Headquarters,
Old Thermal Power Station,
Sukkur |
| 3. T. David Lawrence,
Advocate Supreme Court,
11-Mezzannine Floor,
Shalimar Complex, Minar Road,
Sukkur | 4. Ghulam Abbas Kubar
Advocate,
Village Mohammad Sadique Kubar,
P/o. Sethrja, Taluka Mirwah,
District Khairpur Mir's |
| 5. Sub Divisional Officer (Operations),
SEPCO Ltd,
Ranipur Sub Division,
Ranipur | 6. Electric Inspector/POI
Sukkur Region, Energy Department,
Govt. of Sindh, Irrigation Scrap Colony,
Military Road, Sukkur |

Subject: **Appeal Titled SEPCO Vs. Pir Syed Mehfooz Ali Against the Decision Dated 24.09.2019 of the Provincial Office of Inspection to Government of the Sindh Sukkur Region, Sukkur**

Please find enclosed herewith the decision of the Appellate Board dated 26.03.2020, regarding the subject matter, for information and necessary action accordingly.

Encl: As Above


(Iqbal Shakeel)
Assistant Director
Appellate Board

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. 290/2019

Sukkur Electric Power Company LimitedAppellant

Versus

Pir Syed Mehfooz Ali Shah, R/o Ahmedpur Mohallah Ranipur,
Taluka Sabhoderi, District KhairpurRespondent

**APPEAL UNDER SECTION 38(3) OF REGULATION OF GENERATION,
TRANSMISSION, AND DISTRIBUTION OF ELECTRIC POWER ACT, 1997
AGAINST THE DECISION DATED 24.09.2019 PASSED BY PROVINCIAL
OFFICE OF INSPECTION SUKKUR REGION, SUKKUR**

For the appellant:

Mr. Nisar Ahled Baloch XEN
Mr. Javaid Ahmed Soomro DCM

For the respondent:

Mr. Ghulam Abbas Advocate
Syed Ahmed Nawaz

DECISION

1. Brief facts leading to the filing of instant appeal are that the respondent is a domestic consumer of SEPCO bearing Ref No.13-38141-0676108 having a sanctioned load of 1 kW under A-1 tariff. Premises of the respondent was checked by Task Force SEPCO on 20.06.2019 and allegedly no meter existed at the site, the respondent was found stealing electricity directly and the connected load observed was 4.9 kW which is higher than the sanctioned load. Resultantly, a detection bill amounting to Rs.200,000/- was charged to the respondent by SEPCO in June 2019.
2. Being aggrieved, the respondent filed an application before the Provincial Office of Inspection (POI) on 27.06.2019 and challenged the aforesaid detection bill. POI disposed of the matter vide its decision dated 24.09.2019, wherein the detection bill

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of Rs.200,000/- charged in June 2019 along with late payment surcharge (LPS) are withdrawn and SEPCO was directed to issue the revised bill to the respondent within 30 days.

3. Being dissatisfied with the decision of POI dated 24.09.2019 (hereinafter referred to as the impugned decision). SEPCO has filed the present appeal before NEPRA. In its appeal, SEPCO raised the preliminary objection on the maintainability of the impugned decision on the grounds that the respondent was stealing electricity directly through the transformer and no metering equipment is involved in the instant case, hence POI has no jurisdiction to entertain the complaint of the respondent; that the detection bill was served to the respondent in accordance with the Section 26-A of Electricity Act, 1910 and Chapter 9 of the Consumer Service Manual (CSM); that the respondent has defaulted in making the regular payments as evident from the billing history and that the impugned decision is liable to be set aside.
4. Notice of the appeal was issued to the respondent for filing reply/para-wise comments, which were filed by the respondent on 06.01.2020. In his reply, the respondent opposed the maintainability of the appeal on the plea that neither any notice as required u/s 24 of Electricity Act 1910 was served by SEPCO before charging the detection bill of Rs.200,000/- nor any illegality was pointed out in the impugned decision: that his maximum consumption recorded was 438 units, hence the detection bill may be revised for three months @ Rs.5,256/- per month; that SEPCO failed to file para-wise comments to the complaint and only relied upon the C.P.No.D-1033/2019 filed before High Court of Sindh, Sukkur Bench against the removal of the transformer, which has no concern with the instant issue; that

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the POI has properly exercised the jurisdiction while deciding the complaint of the respondent and rightly observed that the action may be taken against the delinquent SEPCO official for charging the above detection bill without fulfilling SEPCO detection policy and CSM and that the appeal may be dismissed.

5. Hearing of the appeal was fixed for 12.03.2020 at NEPRA Regional Office Sukkur, which was attended by both the parties. Representatives of SEPCO reiterated the same arguments as contained in memo of the appeal and submitted that the respondent's meter was found defective during checking dated 20.06.2019 and he was found involved in direct theft of electricity, hence the detection bill of Rs.200,000/- charged to the respondent is justified and payable by him. Besides, XEN SEPCO pleaded that even otherwise the respondent is liable to be charged the detection bill for six months on the basis of the connected load. On the contrary, learned counsel for the respondent rebutted the stance of SEPCO denied theft of electricity and prayed for the decision on the basis of the available record and the para-wise comments to the appeal.
6. We have heard the arguments and examined the record placed before us. Following are our observations:
 - i. SEPCO raised the preliminary objection against the jurisdiction of POI being theft of electricity case but failed to follow the procedure of CSM and did not take any legal action against the respondent on account of theft of electricity. Obviously, it is a metering and billing dispute and falls in the jurisdiction of POI. The objection of SEPCO in this regard is devoid of force, therefore rejected.

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- ii. Regarding the merits of the case, the connection of the respondent was checked by SEPCO on 20.06.2019 and allegedly no meter existed at the site, the respondent was found stealing electricity directly and the connected load observed was 4.9 kW. Therefore a detection bill of Rs.200,000/- was charged to the respondent by SEPCO in June 2019, which was challenged before POI.
- iii. It is observed that the inspection of the premises was conducted by SEPCO but neither prior notice as required in clause 14.1 of CSM was served to the respondent nor the procedure of theft of electricity for a registered consumer as given in chapter 9 of CSM was adopted by SEPCO. Besides, SEPCO could not explain the justification of the detection bill of Rs.200,000/- charged to the respondent in June 2019 in terms of detection units and the period. Moreover, SEPCO failed to register FIR against the respondent for direct theft of electricity and did not get verification of the connected load of 4.9 kW of the respondent from POI being a competent forum. Under these circumstances, we agree with the findings of POI that the detection bill of Rs.200,000/- charged to the respondent in June 2019 is unjustified and liable to be cancelled.
- iv. According to clause 9.1c(3) of CSM, the respondent being a general supply consumer i.e. A-I may be charged the detection bill maximum for three months in the absence of approval of CEO SEPCO. In the reply/para-wise comments to the appeal, the respondent agreed to pay the detection bill @ Rs.5,256/- per month for three months. Hence SEPCO may issue a revised bill to the respondent as per the below calculation:

Detection bill = Amount (Rs.) per month x No. of months

$$= \text{Rs.5,256/-} \times 3 = \text{Rs.15,768/-}$$



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7. In view of what has been stated above, the impugned decision for declaring null and void the detection bill of Rs.200,000/- along with LPS is upheld. However, while partly allowing the appeal, the respondent is to be charged the revised detection bill total amounting to Rs.15,768/-. The billing account of the respondent may be revised, accordingly.
8. While partly allowing the appeal, the impugned decision is modified in the above terms.

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Muhammad Qamar-uz-Zaman
Member

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Muhammad Shafique
Member

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Nadir Ali Khoso
Convener

Dated: 26.03.2020