



Registrar

National Electric Power Regulatory Authority Islamic Republic of Pakistan

NEPRA Tower, Attaturk Avenue (East), G-5/1, Islamabad
Ph: +92-51-9206500, Fax: +92-51-2600026
Web: www.nepra.org.pk, E-mail: registrar@nepra.org.pk

No. NEPRA/DG(CAD)/TCD 01/25334-38

May 18, 2021

Mr. Nauman Bashir S/o Bashir Hussain,
M/s Nauman Ice Factory,
Din Pur Road, Dera Ismail Khan.
Cell Nos. 0301-8791844 / 0333-993648

Subject: **DECISION OF THE AUTHORITY REGARDING MOTION FOR
REVIEW OF ORDER DATED 29TH DECEMBER 2020 UNDER RULE
16(6) OF NEPRA TARIFF (STANDARDS AND PROCEDURES) RULES,
1998 READ WITH OTHER ENABLING PROVISIONS – M/S NAUMAN
ICE FACTORY VS PESCO**
PESCO-76/03/2018

Reference is made to your Review Motion dated 17th February 2021, against the Decision of Member (Consumer Affairs), NEPRA dated 29th December 2020.

2. Enclosed find herewith the Decision of the Authority dated 18.05.2021 (04 Pages) regarding the subject matter for information and necessary action, please.

Encl: As above


18 05 21
(Syed Safeer Hussain)
Registrar

Copy to:

- i. Chief Executive Officer
Peshawar Electric Supply Company (PESCO),
WAPDA House, Sakhi Chashma Shami Road,
Peshawar.
- ii. Chief Commercial Officer, PESCO,
PESCO Head Quarters, WAPDA House,
Sakhi Chashma Shami Road, Peshawar.
- iii. S.E. (Op), Bannu Circle, PESCO,
WAPDA Colony, D. I. Khan Road,
Bannu City.
- iv. Incharge Complaint Cell, PESCO,
PESCO Head Quarters, WAPDA House,
Sakhi Chashma Shami Road, Peshawar.



BEFORE THE
NATIONAL ELECTRIC POWER REGULATORY AUTHORITY
(NEPRA)

Complaint No. PESCO-76/03/2018

M/s Nauman Ice Factory,
Through Mr. Nauman Bashir S/o Bashir Hussain,
Din Pur Road, Dera Ismail Khan.

..... **Petitioner**

Versus

Peshawar Electric Supply Company Limited (PESCO)
WAPDA House, Sakhi Chasma,
Shami Road, Peshawar

..... **Respondent**

Date of Decision: May /8 , 2021

Present:

- | | | |
|----|--------------------------|--------------------------|
| 1) | Mr. Tauseef H. Farooqi | Chairman |
| 2) | Mr. Rehmatullah Baloch | Member (CA)/(Tariff) |
| 3) | Mr. Rafique Ahmed Shaikh | Member (Licensing)/(M&E) |



Subject: **DECISION OF THE AUTHORITY REGARDING MOTION FOR REVIEW OF ORDER DATED 29TH DECEMBER 2020 UNDER RULE 16(6) OF NEPRA TARIFF (STANDARDS AND PROCEDURES) RULES, 1998 READ WITH OTHER ENABLING PROVISIONS – M/S NAUMAN ICE FACTORY VS PESCO**

DECISION

This decision shall dispose of Review Motion dated 17th February 2021 filed by M/s Nauman Ice Factory, Dera Ismail Khan (hereinafter referred to as the "Petitioner") under Rule 16(6) of NEPRA Tariff (Standards and Procedures) Rules, 1998, read with other enabling provisions, against the Decision of Member (Consumer Affairs), NEPRA dated 29th December 2020, conveyed vide NEPRA's letter dated 1st January 2021, in the matter of complaint of the Petitioner against Peshawar Electric Supply Company Limited (hereinafter referred to as the "Respondent" or "PESCO").

2. Brief facts of the case are as under:

- i. NEPRA received a complaint dated 26th March 2018 from the Petitioner, wherein the dispute agitated was that PESCO imposed unjustified detection bill amounting to Rs. 412,000/- despite the fact that the factory was closed. Later, their meter was removed

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from site and sent for testing/data retrieval, whereby the meter was found 'OK'. However, in February 2018, PESCO imposed another detection bill amounting to Rs. 402,000/-, i.e. a total of Rs. 814,000/- as detection bill(s). The Petitioner requested to withdraw the unjustified detection bills.

- ii. The matter was taken-up with PESCO for submission of parawise comments/report. PESCO was also directed not to disconnect the Petitioner's supply and defer the disputed amount till finalization of the case. In response, PESCO, vide its letter dated 12th June 2018, reported that the Petitioner has been charged detection bills as per M&T test results. Further, the Petitioner has filed the same case in the Court of Civil Judge-IV, D. I. Khan and Addl. Session Judge-II, D. I. Khan, and the same is under trial. The report of PESCO was forwarded to the Petitioner for information/comments. In response, the Petitioner, vide letter received on 1st August 2018, submitted that the Court case for shifting of transformer was under trial in the Court of Addl. Session Judge-II, D. I. Khan which has no link with the instant case. Further, the case under trial in the Court of Civil Judge-IV, D. I. Khan has been withdrawn.
- iii. Opportunities of hearing were provided to both the parties (i.e. PESCO and the Petitioner). During the hearings, both the parties advanced their arguments in light of their earlier submissions. The representatives of PESCO submitted that the Petitioner has been involved in theft of electricity and they have deliberately tampered with the meter. The Petitioner has been charged with three (03) detection bills on account of slowness of meter, which are justified and liable to be paid by the Petitioner.

3. The case was examined in detail in light of the record made so available by the parties, arguments advanced during the hearings and applicable law. The following was observed:

- i. The Petitioner is a consumer of PESCO under tariff category B-2(b) with a sanctioned load of 173 kW. The connection was energized on 7th April 2017.
- ii. The Joint Technical Committee, PESCO visited the Petitioner's site on 2nd August 2017 and found all meter security slips and seals tampered, and the meter was found 45% slow. The meter security box was opened and it was found that all phases were shunted, which were removed on spot and the meter's accuracy was consequently found within permissible limit. Accordingly, 1st detection bill for 22661 units, amounting to Rs. 402,779/-, was charged to the Petitioner for 45% slowness for 02 months, i.e. June 2017 and July 2017. PESCO had already charged 27,697 units to the Petitioner during the said months, and the remaining 22,661 units were charged as detection bill for 45% slowness.
- iii. The Joint Technical Committee, PESCO again visited the site on 20th October 2017 and found all meter security slips and seals tampered, and the meter was found 32% slow. The meter security box was opened and it was found that yellow and blue PTs were interchanged. The Complainant's meter was replaced with a new one, and the old meter was sent for testing. As per M&T test result, 2nd detection bill for 23281 units, amounting to Rs. 425,179/-, was charged to the Petitioner for 32% slowness from September 2017 to 9th November 2017. PESCO had already charged 49,470 units to the Petitioner, and the remaining 23,281 units were charged as detection bill for 32% slowness.
- iv. Thereafter, the Petitioner approached NEPRA with his complaint dated 26th March 2018. Meanwhile, the Complainant's site was again checked by PESCO on 31st August 2018 and the meter was found 33% slow. The meter security box was opened



and it was found that red and yellow PTs wires were interchanged. The PTs were set right and the meter's accuracy was consequently found within permissible limit. As per M&T test result, 3rd detection bill for 50279 units, amounting to Rs. 977,047/-, was charged to the Petitioner for 02 months, i.e. June 2018 and July 2018.

- v. The Consumer Service Manual (CSM) envisages the procedure for establishing illegal abstraction of electricity. In the instant case, PESCO has failed to fully comply with the relevant provisions of the CSM, however, there are unassailable evidences that the Petitioner was involved in theft of electricity.
- vi. During the hearing, the Petitioner confessed that he was stealing electricity in connivance with PESCO officials.
- vii. The other document requiring examination in this case is the consumption/billing data. The consumption/billing data of the Petitioner from May 2017 to November 2019 is as under:

Month	2017		2018		2019	
	Units	MDI	Units	MDI	Units	MDI
Jan	-	-	490	3	0	0
Feb	-	-	0	0	160	6
Mar	-	-	546	2	0	0
Apr	-	-	299	4	0	0
May	0	0	9225	74	1160	52
Jun	16134	64	30800	93	62560	176
Jul	11564	63	45800	132	70760	182
Aug	11080	126	56280	136	75880	187
Sep	13120	115	62320	177	75000	183
Oct	14000	97	46400	185	65080	185
Nov	23847	94	7480	74	4120	70
Dec	720	9	0	0	-	-

The above data shows unassailable evidence that the impugned meter(s) did not record actual consumption of energy, and there are irregularities in the consumption pattern. This fact is substantiated by the low consumption on average per month during the disputed periods. The Petitioner was charged 1st detection bill for June & July 2017, and comparison of consumption with the corresponding months of next year, i.e. June & July 2018, shows a substantial increase in consumption (i.e average consumption of 38,300 units in Jun-Jul '18 as compared to 13,849 units in Jun-Jul '17). Similarly, the Petitioner was charged 2nd detection bill for Sep & Oct 2017, and comparison of consumption with the corresponding months of next year, i.e. Sep & Oct 2018, shows a substantial increase in consumption (i.e average consumption of 54,360 units in Sep-Oct '18 as compared to 13,560 units in Sep-Oct '17). The Petitioner was charged 3rd detection bill for June & July 2018, and comparison of consumption with the corresponding months of next year, i.e. June & July 2019, also shows a substantial increase in consumption (i.e. average consumption of 66,660 units in Jun-Jul '19 as compared to 38,300 units in Jun-Jul '18). Moreover, the Petitioner failed to produce production data of his industry for examination with respect to low consumption recorded on the metering equipment during the disputed periods.




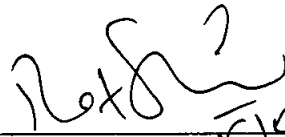
viii. The Petitioner, during the hearing, in the presence of PESCO officials, admitted that he was involved in theft of electricity in connivance with PESCO staff.

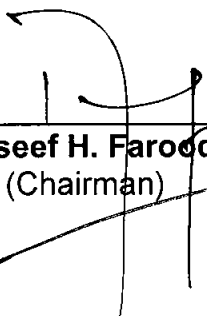
4. In light of the above, the case was decided by Member (Consumer Affairs) NEPRA vide Decision dated 29th December 2020. As per the Decision, it was established that "all three (03) detection bills are justified and liable to be paid by the Complainant/Petitioner. PESCO may allow installments for payment of the detection bills by the Complainant/Petitioner. PESCO is also directed to conduct an enquiry into the alleged connivance of PESCO officials w.r.t theft of electricity by the Complainant/Petitioner, and initiate proceedings against the delinquents under PESCO rules."

5. Being aggrieved with the impugned Decision, the Petitioner filed a Review Motion under Rule 16(6) of NEPRA Tariff (Standards and Procedures) Rules, 1998, read with other enabling provisions.

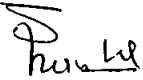
6. The Review Motion filed by the Petitioner was considered. The Authority is of the view that all material facts and representations made in the impugned Decision were examined in detail and there is neither any occasion to amend the impugned decision nor any error inviting indulgence as admissible in law has been pleaded out. Further, no new and important matter of evidence has been identified/highlighted by the Petitioner in the Review Motion. Therefore, the Authority is convinced that there is no need to withdraw or modify the impugned Decision. Hence, the Review Motion filed by the Petitioner is declined/rejected and the Decision dated 29th December 2020 (conveyed vide letter dated 1st January 2021) is upheld.


25/5/2021
Rehmatullah Baloch
(Member)


25/5/21
Rafique Ahmed Shaikh
(Member)


Tauseef H. Farooqi
(Chairman)




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