

## **PROCEDURE FOR DEALING WITH THEFT OF GAS CASES**

### **Definition: Theft of natural gas: -**

Theft of natural gas means use / consumption of gas in unauthorized / un-lawful manner for which the user / consumer has neither been billed nor he/she has paid for such consumption.

### **A. FOLLOWING ARE POSSIBLE INSTANCES OF ACTS WHICH TENTAMOUNT TO THEFT: -**

- Tempering with the meter, volume corrector and recording instruments (flow, pressure and temperature recorders).
- Reverse installation of meter by the consumer i.e. inlet at outlet and vice versa.
- Securing gas by removing meter and connecting inlet/ outlet by rubber pipe or other tubing or using unmeasured gas through by pass point before meter.
- Using gas without obtaining gas connection or reconnection of a disconnected gas supply connection by the consumer.
- Suction of gas from disconnected gas service lines by mechanical device or illegally restoring the service.
- Increasing pressure of gas from pre-set setting / value by tampering with the pressure regulator or securing gas online pressure by removing regulator.
- Taking un-authorized "off-take" from the distribution supply main.
- Reversing of meter reading by back flow of air using a blower / tempering index of meter or by other mechanical means.
- Using un-metered gas by taking off-take before meter inlet coupling/spud.
- Tempering / blocking of sensing elements of volume correctors for less registration of corrected volume.
- Increase in load by the consumer resulting in meter becoming under capacity and consequential under /short billing. Tempering of meter's / regulator's seals to secure more gas than registered by the meter /Tempering of meters / regulators seals to secure more gas than registered by the meter.
- Installation of stolen / unauthorized meter by a disconnected consumer or an unregistered consumer.
- Using un-metered gas by removing meter index.
- Illegally restoring gas supply by damaging / breaking of company's installed disconnection lock.
- Using gas in category of tariff not allowed by the utility.

- Cutting cage of CMS for any kind of tampering and then re-welding.
- Any other mode not specified herein above.

**B. INFORMATION: -**

Any information from company's own sources, outside sources, consumers, members of the public, telephone calls regarding theft, unauthorized and unlawful use of gas by any consumer, person or premises shall be duly registered by designated officials of the company as an important information, which shall be maintained confidentially and will not be ignored and appropriate action for detection, confirmation and recovery shall immediately be initiated.

**C. BASIS OF SUSPICION: -**

One or more of the following events and / or circumstances shall form the basis for suspicion of theft: -

- Index of meter found stuck-up for movement or recording slow and / or meter bearing evidence of such tampering which may allow the meter to pass gas without being registered on the index counter. Seals of the meter found tampered or broken.
- "Gas Pressure regulator" bearing such indication and / or evidence of tampering which may cause flow of gas at higher pressure than pre-set value or that contracted for / Seals of regulators found tampered or broken.
- Unauthorized connection from main/ upstream of meter.
- Gas flowing to the consumption units without being registered on the meter.
- Deliberately taking more than contracted volume over and above rated meter capacity causing wear and tear and consequential slowing/ stoppage of meter.
- Gas flowing to a premises where existence of a legitimate metered connection is not observed / evident.
- Any other reasonable cause not mentioned herein above.

**D. ACTION OF THE COMPANY: -**

- The company may in association with local and provincial government, acquire services of Magistrate or a judicial officer and police and / or personnel from the Army/ Paramilitary establishment (as an alternative to police force) for conducting raids on suspected consumers.
- Meter testing workshops/mobile-testing workshops shall be established at all regional head quarters as far as possible keeping in view operational requirement, but not later than two years with effect from July 01, 2005.
- In case of strong evidences leading to confirmation of the act of theft, the company will disconnect the gas supply of the consumer /

defaulter immediately and will remove all devices which can facilitate the consumer/ defaulter in illegal restoration of gas supply.

Following procedure shall be adopted while undertaking disconnection: -

- Physical / visual appearance of the meter and / or pressure regulator shall be documented preferably in the presence of a representative of the defaulter consumer.
- The disconnected meter and / or regulator shall be taken into personal custody by a responsible designated official of the company who shall place the equipment in a bag / container which shall be sealed at the site. Time and date shall be logged.
- The observations made at the time of disconnection shall be logged / documented and signed by all the members of the disconnection team. The document on which the said observations are recorded will be enclosed in the box / container in duplicate with copies to Head of department and local Regional General Manager. The company shall send a quarterly report to OGRA giving addresses of premises where acts of theft are confirmed, as well as brief description of mode of theft.
- The suspected equipment shall be dispatched to the “Local / nearest Testing Workshop/ Laboratory” within two working days of disconnection.
- Safe and secure handling of the equipment shall be ensured during transportation / transit to protect against possible damage.
- The official taking charge of the equipment in testing workshop / laboratory shall break open the seal of the bag in the presence of the person delivering the equipment. Moreover, out of two, one copy of the document accompanying the meter in the container shall be endorsed by the official receiving it and returned to the one delivering it for handling over the same to General Manager / Incharge of the Region to which the meter pertains and would also confirm the physical / visual condition of the equipment as recorded by the inspection/raiding team. *Testing of internal parts/ operation of meter and flow proving shall be carried out in the laboratory and reported to the G.M of the region within five working days, in case of industrial category and ten working days, in case of commercial / domestic category after the receipt of meter.*
- The meter will be tested if desired by the customer in his presence or otherwise the absence of the customer will be noted.

**E. DETECTION AGAINST DIRECT TAPPING / UNAUTHORIZED PRESSURE ENHANCEMENT: -**

- The direct tapping including ‘Self-reconnection / connection’ cases shall be checked by company’s vigilance team on receipt of any information, preferably in association with a Magistrate or judicial officer and Police/ Army / Paramilitary Personnel.

- The physical evidence shall be documented and photographs of means of direct tapping or ' Self-reconnection / connection' of disconnected premises shall be taken.
- As far as possible the evidence shall be witnessed by the accompanying Magistrate or judicial officer and police contingent / Army / Paramilitary Personnel.
- The cases of un-authorized enhancement in pressure over and above pre-set approved metering / billing pressure shall be substantiated with available evidences , authenticated in the site reports.
- Disconnect the consumer/person / premises using gas un-authorizedly and removed devices / installations used for the purpose.
- Take appropriate action including invoking of Section 27 of Chapter V of OGRA Ordinance, 2002.

**F. ASSESSMENT OF VALUE OF GAS STOLEN AND RECOVERY: -**

**Meter Tempering Cases: -**

When any consumer is established to be involve in a gas theft using gas through tampering with the meter or instruments installed / mounted on or along the meter (i.e. volume corrector, or pressure- temperature recorder), or any act mentioned in clauses "A", "C" or "G" the volume of gas stolen by consumer shall be assessed taking into consideration the following: -

1. Period / duration of suspected theft will be assessed on direct and circumstantial evidence taking into accounts the reports of previous checking / inspection of site by company's technical staff / officer, checking of meter by metering workshop officials. Unless the circumstances specifically necessitate, the period of suspicion shall be counted from the period the consumption behavior of the consumer has shown decline over the normal / connected load or consumption pattern of the past period till the date of raid / confirmation of pilferage. The assessed volume / BTUs shall be compatible with highest consumption of corresponding months in previous three years or on subsequent replaced meter's consumption, provided that the suspected period shall not exceed 12 months.
2. Connected load (connected load shall be based on appliances actually installed and taking load of each in comparison to predetermined load of each appliance). The connected load will be assessed by three members committee comprising of one representative each from Engineering, Sales and Billing Sections.
3. Working hours (the assessed working hours shall be based on type of business. Reference of sales survey report specifying number of hours may be made). The working hours will also be assessed by a three members committee comprising of one representative each from Engineering, Sales and Billing Sections.

4. The Gas flow rate shall be recorded as registered by the installed meter which will later be flow proved at Metering Workshop to determine the accuracy of measurement, within two weeks.
5. Assessed period of consumption through tampered meter (the assessment will be made taking into consideration the prominent "dips" in billed volume / BTUs. the period of claim will be last three / five years. In case the period of pilferage is determined more than 12 months, the period of claim will be restricted up to 12 months.)
6. The amount to be charged for previous period shall be based on the prevalent sale prices.
7. Flow proving report / meter inspection report in meter testing shop
8. The reconnection of a registered consumer shall be carried out when recovery of at least 25% of the amount levied has been made along with "reconnection charges" as well as written agreement between the company and consumer on the amount agreed upon and mode of payment.
9. An in-house committee headed by a Senior General Manager and comprising Senior level representatives from Finance / Billing, Audit, Distribution, Measurement and Theft Control Department shall be constituted to review the appeals of the consumers charged for theft of gas. The alleged consumer shall have the right to be present before the review committee for presentation of his case.

In case of domestic consumers, the available record alone shall not form basis of recovery because in domestic consumption weather / seasonal affects have significant bearing, therefore consumption of the corresponding months too shall be considered for assessing charges to be claimed for the period as is determinable, however, not exceeding 12 months.

#### **G. TAMPERING OF METERS NOT DETECTED AT SITE BUT LATER DETECTED / PROVED AT COMPANY'S METER SHOP.**

Where tampering of meter is not detected at site but later proved in the Central Meter Shop / Regional Meter Shop which inspection shall be carried out within time limit i.e. for industrial 3 weeks, for commercial 6 weeks and for domestic consumers 12 weeks, the basis of assessment of value of gas stolen and recovery of amount from defaulting consumer shall be the same as per clause 'F'. However, the company shall not claim such charges later than six months after removal / replacement of meter at the site. The recoveries shall have to be evaluated and finalized by the in-house committees within stipulated time frame of 06 months.

- LPS/GST will also be recovered as applicable.

- The cost of meter and other damaged or affected ancillaries / equipment may also be recovered from the consumer.

**H. PROCEDURE FOR RECOVERY OF GAS THEFT CHARGES FROM NON-CONSUMERS**

Gas theft charges shall be determined as per procedure, and legal notice will be served to the defaulter for depositing the gas theft charges to the company, as per provisions of OGRA Ordinance and Rules / Regulations made there under.