



National Electric Power Regulatory Authority
Islamic Republic of Pakistan

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OFFICE OF THE
REGISTRAR

No. NEPRA/CAD/TCD-09/2015/15670-71

October 28, 2015

Chief Executive Officer
K-Electric Limited
(formerly Karachi Electric Supply Company)
KE House No. 39-B, Sunset Boulevard, Phase-II,
Defense Housing Authority, Karachi.

Subject: **DECISION IN THE MATTER OF COMPLAINT FILED BY MS. NASEEMA KHATOON UNDER SECTION 39 OF THE REGULATION OF GENERATION, TRANSMISSION AND DISTRIBUTION OF ELECTRIC POWER ACT, 1997 AGAINST K-ELECTRIC LIMITED REGARDING DETECTION BILL (CONSUMER NO. LA-698471) COMPLAINT # KE-524/2014**

Please find enclosed herewith the decision of NEPRA regarding the subject matter for necessary action and compliance within thirty (30) days.

Encl: As above


(Iftikhar Ali Khan)
Deputy Registrar

Copy to:

Ms. Naseema Khatoon
R-2, Bagh-e-Sheeraz, Rafah-e-Aam Society,
Malir Halt, Karachi



**BEFORE THE
NATIONAL ELECTRIC POWER REGULATORY AUTHORITY
(NEPRA)**

Complaint No: KE-524-2014

Ms. Naseema Khatoon Complainant
R-2, Bagh-e-Sheeraz, Rafah-e-Aam Society,
Malir Halt, Karachi.

Versus

K- Electric Limited Respondent
(Formerly, Karachi Electric Supply Company (KESC)
KE House, 39-B, Sunset Boulevard,
DHA-II, Karachi.

Date of Hearing: 27th March 2015

Date of Decision: October 27, 2015

On behalf of:

Complainant: Mr. Ata-ur-Rahim

Respondent: Mr. Rafique Ahmed Sheikh, GM (Regulations)

Subject: **DECISION IN THE MATTER OF COMPLAINT FILED BY MS. NASEEMA KHATOON UNDER SECTION 39 OF THE REGULATION OF GENERATION, TRANSMISSION AND DISTRIBUTION OF ELECTRIC POWER ACT, 1997 AGAINST K-ELECTRIC LIMITED REGARDING DETECTION BILL (CONSUMER NO. LA-698471)**

DECISION

This decision shall dispose of the complaint dated 30th June 2014 filed by Ms. Naseema Khatoon (hereinafter referred to as the "Complainant") against K-Electric Limited (hereinafter referred to as the "Respondent" or "KE") under Section 39 of the Regulation of Generation, Transmission and Distribution of Electric Power Act, 1997.

2. The Complainant in her complaint stated that on 4th April 2014, she received a notice from KE regarding "use of extra phase" and the same was replied by her wherein KE was informed that no extra phase has been used at her premises. The Complainant added that KE issued bill amounting to Rs. 25,928/- in the month of May 2014 including arrears amounting to Rs. 23,984/-. The Complainant further stated that she regularly pays her electricity bills, hence, arrears in her bill are unjustified and requested for issuance of correct bill accordingly. It is pertinent to mention that the Complainant forwarded a press clipping dated 28th June 2014 to NEPRA for redressal of her grievances.

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3. The matter was taken up with KE for submission of parawise comments. In response, KE vide its letter dated 8th September 2014 reported that a site inspection was carried out on 3rd April 2014 at the premises of the Complainant after serving an inspection notice under section 20 of the Electricity Act, 1910. As per Site Inspection Report (SIR), discrepancy of "joint before incoming" was detected and connected load was found to be 6.012 kW against sanctioned load of 1.0 kW. Subsequently, a notice dated 3rd April 2014 under section 39, 39A, 44 & 26A of Electricity Act 1910 was served to the Complainant to provide an opportunity to explain the reason of the reported discrepancy. After lapse of stipulated time, a detection bill of 1880 units amounting to Rs. 23,984/- on the basis of SIR, covering a period of six (06) months from 18th September 2013 to 18th March 2014, was processed. Furthermore, consumption of the Complainant increased significantly after the extra phase was detected. KE further stated that the Complainant was involved in theft of electricity, hence the detection bill is justified and liable to be paid by her.

4. The report of KE was sent to the Complainant for information/rejoinder. In response, the Complainant vide her letter dated 26th September 2014 raised observations over the report of KE and stated that low consumption of electricity at the premises was due to winter season whereas in summer, the consumption is normal. The Complainant vide an affidavit/undertaking dated 22nd October 2014 also denied the allegations leveled by KE. Accordingly, the matter was again taken-up with KE and some additional information was also sought from KE with respect to billing history of the premises, rationale of detection bill, copy of MCO, etc. In response, KE vide its letter dated 1st December 2014 provided the required information.

5. To probe further into the matter, a hearing was held on 27th March 2015 at Karachi which was attended by representatives of both the parties. During the hearing, the parties advanced their arguments on the basis of their earlier versions. During the hearing, it was informed by KE that they will review the case and provide 50% rebate to the Complainant on the disputed amount and will resolve the issue amicably. The representative of the Complainant agreed with the proposal of KE. Later on, the Complainant vide her letter dated 28th April 2015 again approached NEPRA and informed (inter alia) that no rebate had yet been provided by KE. Accordingly, the matter was taken-up with KE. In response, KE vide its letter dated 12th May 2015 reported that the Complainant was invited for a meeting, wherein she was informed that the provision of adjustment in future bills is not possible as the disputed amount has already been paid and payment of detection bill itself amounts to acceptance of guilt; as such, the parties failed to redress the issue amicably as committed during the hearing.

6. The case has been examined in detail in light of the documents made so available by both the parties, arguments advanced during the hearing and applicable law. Following has been observed:

- i. As per report of KE, site inspection of the Complainant's premises was carried out on 3rd April 2014 and discrepancies of "joint before incoming" was reported. On the basis of this discrepancy, KE assessed the consumption of the Complainant as 2973 units (623 units for one summer month and 470 units for 5 winter months) for the period from 18th September 2013 to 18th March 2014 and after deducting 1093 units already charged during this period, KE raised detection bill amounting to Rs. 23,984/- for 1880 units. The Complainant has denied the allegations leveled by KE.
- ii. KE has penalized the Complainant on account of direct theft of electricity. In this regard, a procedure is laid down in Consumer Service Manual (CSM) as per which FIR is mandatory in case of direct theft of electricity. In the instant case, KE neither lodged FIR nor reported the matter to the concerned police station for lodging FIR against the Complainant.
- iii. During the course of hearing, KE offered 50% rebate to the Complainant which the Complainant accepted without any hesitation. Later, KE did not provide any rebate to the Complainant.
- iv. The billing statement of the Complainant's accounts provided by KE is as follows:

MONTH	YEARS			
	NUMBER OF UNITS CONSUMED			
	2012	2013	2014	2015
January	215	173	139	317
February	192	177	143	229
March	236	218	168	245
April	279	224	284	271
May	245	235	225	-
June	306	266	500	-
July	224	187	3	-
August	235	271	302	-
September	272	206	288	-
October	202	281	617	-
November	266	193	0	-
December	211	169	211	-


The inspection of the premises was carried out on 3rd April 2014 and KE has charged detection bill for the period from October 2013 to March 2014. The above table depicts the consumption of the Complainant as under:

- i. Consumption of the Complainant during the disputed period i.e. from October 2013 to March 2014 i.e. 6 months prior to inspection = 1093 units (Average monthly = 182 units)
- ii. Consumption of the Complainant in corresponding months of previous year i.e. from October 2012 to March 2013 = 1247 units (Average monthly = 208 units)
- iii. Consumption of the Complainant during 1 year after inspection i.e. from April 2014 to March 2015 = 3221 units (Average monthly = 268 units)
- iv. Consumption of the Complainant in corresponding months of previous year i.e. from April 2013 to March 2014 = 2482 units (Average monthly = 207 units)

The above billing analysis shows that there is a minor decrease in the consumption of the Complainant during the period for which KE has charged detection bill as compared with the consumption recorded in the corresponding months of previous year. Further, there is an increase in the consumption of the premises during one year period after inspection as compared with the consumption of corresponding months of previous year.

7. Foregoing in view, KE is directed to revise the detection bill amounting to Rs. 23,948/- charged against the Complainant from six (06) months to three (03) months and submit compliance report within thirty (30) days.

Islamabad, October 27, 2015


(Maj (R) Haroon Rashid)
Member (Consumer Affairs)