



National Electric Power Regulatory Authority
Islamic Republic of Pakistan

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**OFFICE OF THE
REGISTRAR**

No. NEPRA/R/D(CAD)/TCD.09/ 4293-94


March 27, 2015

Chief Executive Officer
K-Electric Limited
KE House No. 39-B,
Sunset Boulevard, Phase-II, DHA
Karachi

Subject: **DECISION IN THE MATTER OF COMPLIANT FILED BY MR. MUHAMMAD SALMAN UNDER SECTION 39 OF THE REGULATION OF GENERATION, TRANSMISSION AND DISTRIBUTION OF ELECTRIC POWER ACT, 1997 AGAINST K-ELECTRIC LIMITED REGARDING ARREARS IN THE BILL (CONSUMER # AL284457)**
Complaint # KE-402/2014

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

Encl:/As above


27/3/15
(Iftikhar Ali Khan)
Deputy Registrar

Copy to:

Mr. Muhammad Salman,
R-504, Block-16,
F.B. Area, Karachi-75950



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

Complaint No: KE-402/2014

Mr. Muhammad Salman **Complainant**
R-504, Block 16
Federal B. Area, Karachi.

Versus

K-Electric Limited **Respondent**
(Formerly Karachi Electric Supply Company (KESC)),
KE-House No. 39-B,
Sunset Boulevard, Phase II,
Defence Housing Authority, Karachi.

Date of Hearing: December 04, 2014

Date of Decision: March 26, 2015

On behalf of:

Complainant: Mr. Muhammad Salman

Respondent: 1) Mr. Rafique Ahmed Shaikh (General Manager)
2) Mr. Abdul Rubb (Deputy General Manager)
3) Mr. Salman Ahmad (Manager)

Subject: **DECISION IN THE MATTER OF COMPLAINT FILED BY MR. MUHAMMAD SALMAN UNDER SECTION 39 OF THE REGULATION OF GENERATION, TRANSMISSION AND DISTRIBUTION OF ELECTRIC POWER ACT, 1997 AGAINST K-ELECTRIC LIMITED REGARDING ARREARS IN THE BILL (CONSUMER # AL284457.)**

Decision

1. This decision shall dispose of the complaint dated June 19, 2014 filed by Mr. Muhammad Salman (hereinafter referred to as "the Complainant") under Section 39 of the Regulation of Generation, Transmission and Distribution of Electric Power Act, 1997 against K-Electric Limited (hereinafter referred to as "the Respondent" or "KE").



2. The Complainant in his complaint stated that KE charged arrears amounting to Rs.18,594/- in bill for the month of January 2014. He approached KE and lodged a complaint in this regard. In response, KE alleged that a discrepancy of "Meter Neutral wire broken" was found and he was informed accordingly. He informed KE about non-receipt of any such notice and requested for any documentary evidence in this regard. KE did not provide the required evidence and insisted for payment of bill with disputed arrears to avoid adverse action. KE, however, allowed 12 installments for payment of bill, out of which 5 installments have been paid. The Complainant prayed that remaining amount/installments be set-aside till resolution of the issue, current bills be issued for payment and electricity supply be continued. Further, in case of non-provision of any evidence by KE, the paid installments be adjusted in future bills.
3. The matter was taken up with KE for submission of parawise comments. In response, KE vide letter dated July 21, 2014 reported that an inspection was conducted on December 17, 2013 after serving notice under section 20 of the Electricity Act, 1910. As per the inspection report, discrepancy of "neutral break" was found. Thereafter, a notice dated February 12, 2014 under Sections 39, 39A, 44 & 26A of Electricity Act, 1910 was issued to the Complainant to provide him an opportunity to explain the reason of the reported discrepancy, however, the same was not acknowledged by him. After lapse of stipulated time, a supplementary bill of 1330 units was processed on the basis of Site Inspection Report (SIR), covering a period of six (06) months from May 21, 2013 to November 21, 2013 amounting to Rs. 18,596/-. Further, the consumer was involved in illegal abstraction of electricity, and the supplementary bill is justified and liable to be paid by the consumer.
4. The report of KE was sent to the Complainant for information/comments. In response, the Complainant vide letter dated August 17, 2014 raised observations over the report of KE and informed that there is contradiction between factual position and the details provided by KE in its report. The Complainant was advised to submit an undertaking regarding his denial of charges leveled by KE against him for further proceedings into the matter, and the same was duly provided by the Complainant vide his letter dated September 15, 2014.
5. To probe further into the matter, a hearing was held on December 4, 2014 at Karachi, which was attended by both the parties. During the hearing, the parties advanced arguments on the basis of their earlier versions. It was further revealed during the hearing that two connections are installed at the premises in two separate portions.
6. The case has been examined in detail in light of available record, arguments advanced during the hearing, relevant documentary evidence and applicable law. Following has been observed:
 - i. As per the version of KE, an inspection of the Complainant's premises was carried out on December 17, 2013 and discrepancy of "Neutral Break" was found. On the basis of this discrepancy, KE assessed the consumption of the Complainant's connection bearing



No.AL284457 as 3158 units (539 units per month for 5 summer months and 463 units per month for 1 winter month) for the period from May 21, 2013 to November 21, 2013 and after deducting already charged 1828 units during this period, KE raised 1330 units as detection bill amounting to Rs. 18,596/-. The Complainant has denied the allegations leveled against him by KE.

- ii. As per the provisions of Consumer Service Manual (CSM), a procedure is laid down for establishing illegal abstraction of electricity which provides for securing the existing meter in the presence of the consumer or his representative, installation of check meter, involving local representatives during the inspection, issuance of notice in case of involvement in illegal abstraction of electricity and examining the reply of the consumer. Once illegal abstraction is confirmed, detection bill is to be restricted to three billing cycles and upto six months with the approval of CEO or his authorized committee. If the consumer objects payment or disputes over the quantum of the units detected by the DISCO, the appellant authority for revision of detection bill would be the review committee of the DISCO headed by the next higher officer. The consumer will also be given personal hearing by the review committee. In case, the dispute remains unresolved even after exhaustive review, the DISCO after getting approval of the Chief Executive Officer may lodge the F.I.R. The consumer may also approach a competent Court of Law under the relevant provisions of Electricity Act, 1910.
- iii. From the documents provided by KE it has not been established that the procedure laid down in the CSM for establishing illegal abstraction of electricity has been followed by it in true letter and spirit.
- iv. The billing statement of the complainant's accounts provided by KE is as under:

Month	Years								
	(No of units consumed)								
	2012			2013			2014		
No AL-647744	No. AL-284457	Total	No AL-647744	No. AL-284457	Total	No AL-647744	No. AL-284457	Total	
January	222	114	336	52	193	245	206	58	264
February	102	123	225	35	199	234	199	87	286
March	184	109	293	22	246	268	286	95	381
April	265	154	419	252	148	400	316	192	508
May	227	306	533	433	88	521	423	252	675
June	277	284	561	367	360	727	374	290	664
July	314	311	625	250	345	595	387	323	710
August	264	324	588	276	349	625	360	221	581
September	225	293	518	281	240	521	370	77	447
October	276	267	543	363	282	645	363	133	496
November	159	302	461	105	252	357	354	98	452
December	57	209	266	184	130	314			

The inspection of the premises was carried out on December 17, 2013. The above billing history shows that the consumption of Complainant having consumer No.AL284457 during the period from June 2013 to November 2013 i.e. six months prior to inspection is 1828 units (Average 305 units per month) and combined consumption of both connections is 578 units per month. Whereas, the consumption of the Complainant in corresponding months of previous year i.e. from June 2012 to November 2012 is 1781 units (Average 297 units per month) and combined consumption of both connections is 549 units per month. As such there is no remarkable difference in the consumption. The consumption of Complainant during 6 months after inspection i.e from January 2014 to June 2014 is 974 units (Average 162 units per month) and combined consumption of two connections is 463 units per month. Whereas, the consumption of Complainant in corresponding months of previous year i.e. from January 2013 to June 2013 is 1234 units (Average 206 units per month) and combined consumption of two connections is 399 units per month. This shows that there is minor reduction in the consumption of the connection against which detection bill has been charged. If the Complainant was involved in theft of electricity then the consumption should have been increased after inspection or the consumption of the Complainant should have been on lower side prior to inspection. As such, the consumption pattern of the Complainant is not supporting the version of KE that the Complainant was involved in theft of electricity through neutral break.

7. Foregoing in view, the detection bill amounting to Rs.18,596/- charged by KE is without legal justification, therefore, KE is directed to withdraw the detection bill charged against the Complainant.
8. Compliance report be submitted within thirty (30) days.

Islamabad, March 26, 2015


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

