



National Electric Power Regulatory Authority
Islamic Republic of Pakistan

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**OFFICE OF THE
REGISTRAR**

No. NEPRA/RD(CAD)/TCD.09/ *4296-97*


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 QAMAR ON BEHALF OF MAZHAR HUSSAIN 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 # AL203227) – Complaint # KE-276/2014

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
(Ntikhar Ali Khan)
Deputy Registrar

Copy to:

Mr. Muhammad Qamar,
B-71, Block-A, North Nazimabad,
Karachi-75950



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

Complaint No: KE-276/2014

Mr. Muhammad Qamar Complainant
B-71, Block-A
North Nazimabad, Karachi.

Versus

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

Date of Hearing: December 04, 2014

Date of Decision: March 26, 2015

On behalf of:

Complainant Mr. Muhammad Qamar

Respondent: 1) Mr. Rafique Sheikh (General Manager)
2) Mr. M. Ahmed Hussain (Assistant Manager)
3) Mr. Imran Hanif

Subject: **DECISION IN THE MATTER OF COMPLAINT FILED BY MR. MUHAMMAD QAMAR ON BEHALF OF MAZHAR HUSSAIN 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 # AL203227)**

Decision

1. This decision shall dispose of the complaint dated May 7, 2014 filed by Mr. Muhammad Qamar (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").



The Complainant in his complaint stated that he received a bill for the month of September 2013, with arrears amounting to Rs: 27,369.37 /- by KE. The Complainant added that he approached KE for details/justification of arrears but he was advised to pay the bill in installments; which he paid under protest. The Complainant prayed for refund of the paid bill charged illegally.


3. The matter was taken up with KE for submission of parawise comments. In response, KE vide letter dated May 27, 2014 reported that an inspection notice dated May 22, 2013 under section 20 of the Electricity Act, 1910 was served to the consumer for site inspection which was not acknowledged by the consumer. During the inspection, the discrepancies of "meter main cover seal not original, meter found open and dial screw loose" were reported and connected load was found to be 6.090 kW against sanctioned load of 4 kW. Thereafter, a notice dated May 22, 2013 under section 39, 39A, 44 & 26A of Electricity Act, 1910 was issued to the Complainant. Subsequently, a final notice dated September 07, 2013 was served to the Complainant, which was acknowledged by the consumer. After passage of stipulated time, a supplementary bill of 1799 units, on the basis of Site Inspection Report (SIR), covering a period of six (06) months from January 27, 2013 to July 27, 2013 amounting to Rs. 27,367 was issued to the consumer. KE added that the consumer was involved in theft of electricity, hence the supplementary bill is justified and liable to be paid by the consumer.
4. The report of K-Electric was sent to the Complainant for information/comments. In response, the Complainant vide letter dated June 16, 2014, raised his observations over the report of K-Electric. He stated that he did not receive notice dated May 22, 2013 for inspection from K-Electric. The Complainant further submitted that upon receipt of KE's notice on September 07, 2013 he submitted his response thereof on September 10, 2013.
5. To probe further into the matter, a hearing was held on December 04, 2014 at Karachi which was attended by both the parties. During the hearing, the parties advanced their arguments based on their earlier versions. Further, it was revealed during the hearing that three connections are installed at the Complainant's premises. Subsequent to the hearing, KE was directed to provide some additional information with respect to complainant's three connections, updated MDI of the three connections, rationale of detection bill, etc. In response, KE vide its letter dated December 16, 2014 submitted the required documents/information.
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 KE, an inspection of the Complainant's premises was carried out on May 22, 2013 and it was found that meter main cover seal was not original, meter was found opened and dial screw was loose. On the basis of this discrepancy, KE assessed the consumption of the Complainant as 4556 units (876 units per month for 4 summer months and 526 units per month for 2 winter months) for the period from January 27, 2013 to July 27, 2013 and after



deducting already charged 2757 units during this period, KE raised detection bill for 1799 units amounting to Rs. 27,367/-. The Complainant has denied the allegations leveled against him by KE.

- ii. KE has penalized the Complainant on account of illegal abstraction of electricity. In this regard a procedure is laid down in Consumer Service Manual (CSM) which provides, inter alia, for securing the existing meter in the presence of the consumer or his representative, installation of check meter, issuance of notice 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 Consumer Service Manual for establishing illegal abstraction of electricity has been followed in true letter and spirit.
 - iv. The analysis of billing record of Complainant's account shows that the consumption of the Complainant was already on higher side during the period for which KE has charged detection bill as compared with the consumption recorded in the corresponding months of previous years as well as in the following year. Further, the consumption of the premises during the six months prior to inspection is also on higher side as compared with the consumption of corresponding months of previous year. The same is the case if we take into account the combined consumption of all the three connections. Further, after replacement of the impugned meter, the consumption of the Complainant is on lower side as compared with the consumption of corresponding months of previous year. Moreover, the billing trend is same for combined consumption of all the three connections. As such, it cannot be declared that the complainant was involved in theft of electricity.
7. Foregoing in view, the detection bill amounting to Rs. 27,367/- charged by KE is without any legal justification, therefore, KE is directed to withdraw the detection bill charged against the Complainant
 8. Compliance report in this regard be submitted within thirty (30) days.

Islamabad, March 26, 2015


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