



National Electric Power Regulatory Authority
Islamic Republic of Pakistan

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OFFICE OF THE
REGISTRAR

No. NEPRA/Dir.(CAD)/TCD-09/13992-93

October 07, 2016

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

Subject: Order in the matter of Complaint filed by Syed Sultan Shah Under Section 39 of the Regulation Of Generation, Transmission and Distribution of Electric Power Act, 1997 against K-Electric Limited regarding Detection Bills (Consumer # LA-583012) Complaint # KE-2009/2016

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

Encl: As Above


(Iftikhar Ali Khan)
Director

Copy to:

Syed Sultan Shah
R-40-A, Gulshan-e-Muneer, Malir City,
North Karachi



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

Complaint No: KE-2009-2016

Syed Sultan Shah Complainant
R40-A, Gulshan-e-Muneer, Malir City
North Karachi.

Versus

K- Electric Limited Respondent
KE House, 39-B, Sunset Boulevard, Phase II
DHA, Karachi.

Date of Hearing: May 26, 2016

On behalf of:
Complainant: Syed Sultan Shah

Respondent:
i. Mr. Sajjad Zaheer Incharge IBC (Operations)
ii. Mr. Asif Shajar DGM (Regulations)
iii. Mr. Imran Hanif AM (Regulations)

Date of Order: October , 2016

Subject: ORDER IN THE MATTER OF COMPLAINT FILED BY SYED SULTAN SHAH UNDER SECTION 39 OF THE REGULATION OF GENERATION, TRANSMISSION AND DISTRIBUTION OF ELECTRIC POWER ACT, 1997 AGAINST K-ELECTRIC LIMITED REGARDING DETECTION BILL (CONSUMER # LA-583012)

ORDER

This Order shall dispose of the complaint filed by Syed Sultan Shah (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 his complaint stated that in the month of November 2015 KE issued an unjustified bill amounting to Rs.22,085/- upon which he approached KE for correction of the said bill. In response, KE informed him that a discrepancy of neutral break of meter was found during the regular inspection and further informed him that another site inspection shall be conducted in the coming future. Accordingly, KE staff revisited the premises of the Complainant on December 28, 2015 and replaced the impugned meter with a digital meter. The Complainant further added that on January 12, 2016 KE disconnected the electric supply of his premises and forced him into paying the impugned bill(s). After paying the said bills under duress, the electric supply of his premises was reconnected.

(3). The matter was taken up with KE for submission of para-wise comments. In response, KE vide letter dated February 10, 2016 reported that a site inspection dated October 31, 2015 was carried out at the premises of the Complainant after serving inspection notice dated October 31, 2015 under section 20 of the Electricity Act, 1910. As per Site Inspection Report (SIR) dated October 29, 2015, a discrepancy of "Neutral Broken" was reported and connected load was found to be 4.309 kW against sanctioned load of 1.00 kW. Thereupon, a notice dated October 31, 2015 under section 39, 39-A, 44 and 26-A of the Electricity Act, 1910 was served upon the Complainant to explain the reasons of the mentioned discrepancy which the Complainant refused to acknowledge. After lapse of the stipulated time period, a detection bill amounting to Rs.22,086/- for 1300 units was charged on the basis of the SIR, covering a period of six months, i.e. from April 21, 2015 to October 20, 2015. KE further added that the Complainant was using electricity through unauthorized means; hence the detection bill is justified and liable to be paid by him.

(4). The report of KE was sent to the Complainant for information/comments. In response, the Complainant vide letter dated February 23, 2016 raised observations over the report of KE and denied the allegations leveled by KE. Accordingly, the matter was again taken up with KE in light of submissions of the Complainant and some additional information/documents were sought from KE with respect to billing history of the premises, rationale of detection bill, proof of discrepancy, copy of MCO etc. In response, KE vide its letter dated March 07, 2016 submitted the required information/documents.

(5). To examine the matter further, a hearing in the matter was held at Karachi on May 26, 2016 which was attended by both the parties, wherein the parties advanced respective arguments based upon their earlier submissions. During the hearing, KE apprised that the consumption of the Complainant is recorded on lower side as compared with his connected load i.e. 4.3 kW therefore, the detection bill charged to the Complainant is justified and further contended that the impugned meter was replaced with a new digital meter without levying cost of meter upon the Complainant. In this regard, the Complainant denied the allegations leveled by KE and raised observation over the connected load as reported in SIR dated October 31, 2015, issuance of notice(s), raising of detection bill.

(6). After examining the case in light of the available record, relevant documentary evidence, arguments advanced during the hearing and applicable law, following has been observed:

- i. The supply of meter is single phase, under residential category A1-R, having sanctioned load of 01 kW. As per report of KE, site inspection of premises of the Complainant was carried out on October 31, 2015 and discrepancy of "Neutral Broken" was found. On the basis of this discrepancy, KE assessed the consumption of the Complainant as 3471 units (579 units per month) for the period from April 21, 2015 to October 20, 2015 and after deducting already charged 2171 units, KE raised detection bill of 1300 units amounting to Rs.22,086/-. However, the Complainant denied the said allegations levelled by KE.
- ii. The billing statement of the Complainant's account provided by KE is as under:

Month	No of units kWh Consumed			
	2013	2014	2015	2016
January	162	145	138	191 (MCO)
February	157	217	269	219
March	209	275	258	289
April	238	300	360	318
May	280	310	333	341
June	269	329	398	372
July	209	331	404	302
August	267	427	368	293
September	219	335	358	
October	318	368	310 (SIR)	
November	240	373	358	
December	224	399	231	

- iii. The inspection of the premises was carried out on October 31, 2015 and KE has charged detection bill for the period from May 2015 to October 2015. The above table depicts the consumption of the Complainant as under:

- Consumption of the Complainant during the disputed period i.e. from May 2015 to October 2015 was 2171 units (Average monthly= **362 units**),
- Consumption of the Complainant in corresponding months of previous years i.e. from May 2014 to October 2014 was 2100 units (Average monthly = **350 units**).
- Consumption of the Complainant during the period of (10) ten months after inspection i.e. from November 2015 to August 2016 was 2914 units (Average monthly = **291 units**)

- Consumption of the Complainant in corresponding months of previous year i.e. from November 2014 to August 2015 was 3300 units (Average monthly = **330 units**).
- iv. The above billing record reveals and it is transpired that there is no remarkable difference in the consumption of Complainant during the period for which KE has charged detection bill as compared with the consumption recorded in the corresponding months of the previous year 2014. Moreover, the consumption of the Complainant has also decreased after site inspection as compared to the consumption recorded during the corresponding months of previous year(s). Furthermore, the billing history of the Complainant's account does not support the version of KE that the Complainant was involved in theft of electricity.
- v. KE has penalized that the Complainant on account of illegal abstraction of electricity i.e. neutral broken. 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 up-to six months with the approval of CEO or his authorized committee. In case, the dispute remains unresolved between the parties even after exhaustive review, the utility, after getting approval of Chief Executive Officer may lodge the F.I.R. But in the instant case neither check meter was installed nor the billing difference between check & impugned meter was charged by KE to the Complainant as per the relevant procedures laid down in CSM.
- vi. As per provisions of CSM FIR is mandatory in case of direct theft of electricity. If the Complainant was involved in theft of electricity by using extra phase/hook, then KE should have lodged FIR against him, but the record is silent in this case. In this regard, KE has added that it is not possible to lodge FIR in all cases due to requirement of supporting documents, which are not provided by the consumers after detection of theft.
- vii. 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 in true letter and spirit. Moreover, KE has not provided any proof from which it could be ascertained that the Complainant was involved in illegal abstraction of electricity.

(7). In view of foregoing, the detection bill amounting to Rs.22,086/- for 1300 units is without any legal justification. KE has failed to substantiate its case with any cogent evidence. Further, non-compliance of the

procedure provided in Chapter 9 of CSM has tainted the entire proceedings. In view of the said, KE is hereby directed to waive of the impugned detection bill(s), LPC and any other illegal charges levied by KE upon the Complainant during in the disputed period.

(9). Compliance report be submitted within thirty (30) days.

Member (Consumer Affairs) 

Islamabad, October 7, 2016

