



National Electric Power Regulatory Authority
Islamic Republic of Pakistan

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**OFFICE OF THE
REGISTRAR**

No. NEPRA/CAD/TCD-09/14654-55

October 26, 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 MR. SALEEM AHMAD UNDER SECTION 39 OF THE REGULATION OF GENERATION, TRANSMISSION AND DISTRIBUTION OF ELECTRIC POWER ACT, 1997 AGAINST K-ELECTRIC LIMITED REGARDING DETECTION BILL (AL-238511, AL-134517 & AL-434216)**
Complaint # KE-641/2015

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 Order.

End: As above


(Syed Zawar Haider)
Deputy Registrar

Copy:-

Mr. Saleem Ahmad
3/F, 1/3 Nazimabad No. 3
Karachi



BEFORE THE
NATIONAL ELECTRIC POWER REGULATORY AUTHORITY
(NEPRA)

Complaint No: KE-641-2015

Mr. Saleem Ahmad Complainant
3/F, 1/3 Nazimabad # 3
Karachi.

Versus

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

Date of Hearing: May 27, 2016

On behalf of:
Complainant: Mr. Saleem Ahmed

Respondent:

- i. Mr. Mustafa Siraj - DGM (Operations)
- ii. Mr. Rashid Ali - AM (Operations)
- iii. Mr. Asif Shajar - DGM (Regulations)
- iv. Mr. Imran Hanif - AM (Regulations)

Date of Order: October , 2016

Subject: **ORDER IN THE MATTER OF COMPLAINT FILED BY MR. SALEEM AHMED UNDER SECTION 39 OF THE REGULATION OF GENERATION, TRANSMISSION AND DISTRIBUTION OF ELECTRIC POWER ACT, 1997 AGAINST K-ELECTRIC LIMITED REGARDING DETECTION BILL (CONSUMER # AL-434216)**

ORDER

This Order shall dispose of the complaint filed by Mr. Saleem Ahmed (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 grievances of the Complainant is that KIE issued exorbitant bill(s) against all (3) three connections in the month of November, 2015, whereas their electricity consumption for the past many years is around 300 units/months. Further the Complainant stated in his complaint that he approached KIE but the issue remained unresolved. The Complainant prayed for correction of unjustified bill(s).

(3). The matter was taken up with KIE for submission of para-wise comments. In response to the Complaint, KIE vide letter dated January 08, 2016 reported that there are three (03) meters installed at the consumer premises having residential tariff. The site inspection of the Complainant premises was carried out on November 06, 2015 & November 07, 2015 for all three (03) connections having consumer no. AL-134517 & AL-434216 and AL-238511. According to it, a discrepancy of "Incoming wire cable punctured behind wooden board" was reported and connected load of premises of the Complainant was found to be 18.105 kW against the sectioned load of 7.0 kW. KIE further submitted that a notice under section 39, 39-A, 44 and 26-A of the Electricity Act, 1910 was served upon the Complainant to explain his position over the above mentioned discrepancy, however, the Complainant refused to acknowledge the same. Accordingly, after lapse of the stipulated time, a detection bill of 6117 units, amounting to Rs. 111,780/- was charged on the basis of connected load of premises. KIE further submitted that the Complainant was involved in illegal abstraction of electricity; therefore, the detection bill of Rs. 111,780/- is justified and liable to be paid by him.

(4). The report of KIE was sent to the Complainant for information/comments. In response, the Complainant vide letter dated February 8, 2015 raised objections over the report of KIE and also denied the allegation leveled by KIE. Accordingly, the case was again taken up with KIE in light of submissions of the Complainant and also some additional information was sought from KIE with respect to billing history of the Complainant, rationale of detection bill, proof of discrepancy etc, KIE vide letter date February 29, 2016 has submitted the required information/documents. Moreover KIE submitted that in most cases consumers are either not present at home or do not cooperate with KIE staff for such inspections.

(5). To probe further into the matter, a hearing was held at Karachi on May 27, 2016 which was attended by both the parties, wherein the parties advanced the arguments based upon their earlier submissions. During the hearing, KIE informed that the consumption recorded at premises of the Complainant is on lower side and is not in accordance with his connected load 18.105 kW, hence, the detection bills are justified. In this behalf, the Complainant raised the objections over the SIR(s) dated November 06, 2015, November 07, 2015, issuance of notices(s) and raising of detection bills.

(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. Three (3) single phase connections i.e. AL-238511, AL-134517, & AL-434216 are installed at premises of the Complainant, having residential tariff (AR-1). The sanctioned cumulative load of all connections is 07 kW. Whereas, the load reported by KE in its site inspection (SIRs) in the month of November 2015 is 18.105 kW
- ii. According to the report of KE, site inspection of the premises of Complainant was carried out on November 06, 2015 & November 07, 2015 wherein the discrepancy of "incoming wire cable punctured behind wooden board" was found. On the basis of the said discrepancy, KE assessed the detection bill 12,982 units (2163 units per month) for the period of 6 six months from April 11, 2015 to October 12, 2015 and after deducting already charged 6865 units during the disputed period, KE issued the detection bill of 6117 units amounting to Rs.111,780/-. The Complainant denied the allegations levelled by KE
- iii. The billing statement of the Complainant's account as provided by KE, is as follows:

UNIT CONSUMPTION (kwh/MONTHS)															
MONTHS	AL-134517					LA-434216					AL-238511				
	2012	2013	2014	2015	2016	2012	2013	2014	2015	2016	2012	2013	2014	2015	2016
Jan	266	242	225	199	239	193	234	185	177	122	53	72	71	50	85
Feb	234	203	254	207	253	172	187	194	193	98	48	71	68	51	86
Mar	219	233	323	227	281	186	171	320	257	27	45	84	106	69	86
Apr	315	301	269	361	333	276	234	140	313	136	87	109	68	100	71
May	381	329	396	442	345	362	286	305	367	128	108	119	107	80	71
Jun	444	411	495	647	465	498	329	428	608	196	127	146	129	144	97
Jul	381	346	461	653	452	616	499	361	698	197	114	112	82	114	98
Aug	333	433	645	439	303	355	654	617	498	138	102	146	120	140	61
Sep	526	350	425	316		486	338	545	409		160	121	86	85	
Oct	378	362	398	489		318	517	520	610		125	117	84	126	
Nov	405	364	397	354(SIR)		345	414	473	355(SIR)		150	147	108	112(SIR)	
Dec	323	311	342	320		272	214	320	177		97	98	92	114	

The above table depicts the consumption of the Complainant w.r.t. the detection bill(s) charged by KE to the Complainant for the period from April 11, 2015 to October 12, 2015.

For AL-134517:

- Consumption of the Complainant during the disputed period i.e. from April, 2015 to October, 2015 = 2986 units (Average monthly = 498 units)

- Consumption of the Complainant in corresponding months of previous years i.e. from April, 2014 to October, 2014 = 2820 units (Average monthly= **470 units**).
- Consumption of the Complainant after inspection charged on normal mode i.e. from December, 2015 to August, 2016= 2991 units (Average monthly= **332 units**)
- Consumption of the Complainant in corresponding months of previous year i.e. from December, 2015 to August, 2016 =3517 units (Average monthly= **390 units**).
- The above billing analysis shows that the detection bill charged to the Complainant for the period from April 11, 2015 to October 12, 2015 has no difference in consumption as comparison to the consumption recorded in the corresponding months of previous year 2014. Moreover, it has been observed that there is no remarkable difference in consumption after site inspection/SIR i.e. from December, 2015 to August, 2016 as comparison to the same months of pervious year(s)

For LA-434216:

- Consumption of the Complainant during the disputed period i.e. from April, 2015 to October 12, 2015 = 3190 units (Average monthly= **532 units**)
- Consumption of the Complainant in corresponding months of previous years i.e. from April, 2014 to October 12 2014 = 2776 units (Average monthly= **463 units**).
- Consumption of the Complainant after inspection charged on normal mode i.e. from December, 2015 to August, 2016 = 1219 units (Average monthly= **135 units**)
- Consumption of the Complainant in corresponding months of previous year i.e. from December, 2015 to August, 2016 = 3431 units (Average monthly= **381 units**).
- The above billing analysis shows that the detection bill charged to the Complainant for the period from April 11, 2015 to October 12, 2015 is already on higher side during the disputed period as comparison to the consumption recorded in the corresponding months of previous year i.e. 2014. Moreover, the consumption of the Complainant has decreased after site inspection i.e. from December, 2015 to August, 2016 as compared to the consumption recorded during the corresponding months of previous year(s)

- Consumption of the Complainant during the disputed period i.e. from April, 2015 to October, 2015= 689 units (Average monthly= **115 units**).
 - Consumption of the Complainant in corresponding months of previous years i.e. from April, 2014 to October, 2014= 608 units (Average monthly= **101 units**) respectively.
 - Consumption of the Complainant after inspection charged on normal mode i.e. from December, 2015 to August, 2016 = 769 units (Average monthly= **85 units**)
 - Consumption of the Complainant in corresponding months of previous year i.e. from December, 2015 to August, 2016 = 840 units (Average monthly= **93 units**)
 - The above billing analysis shows that the detection bill charged by KE for the period from April, 2015 to October, 2015 has no remarkable difference in the consumption of Complainant as compared to the consumption recorded in the corresponding months of previous year i.e. 2014. Meanwhile, after inspection the consumption of Complainant is on lower side in comparison to the consumption recorded during the corresponding months of the previous year(s).
- iv. Moreover, it is evident from the documents provided by KE that the procedure laid down in the chapter 09 of CSM for establishing illegal abstraction of electricity has not been followed in true letter and spirit. Furthermore, the billing history of the Complainant does not support the version of KE that the Complainant was involved in theft of electricity.
- v. As per provisions of Consumer Service Manual (CSM), FIR is mandatory in case of direct theft of electricity. If the consumer was involved in theft of electricity by illegal means i.e. using extra phase/hook, then KE should have lodged FIR against him, but the record is silent in this case. Further, KE has submitted 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.

(7). In view of the above, the detection bill amounting to Rs.111,780/- for 6117 units charged by KE 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. Therefore, KE is hereby directed to waive the impugned detection bill, LPS and any other illegal/hidden charges levied upon

the Complainant during the disputed period (if any). Further, KEE is also directed to shift the relevant meters outside of the premises and replace the incoming wire of the Complainant as per the applicable rules and regulations, forthwith.

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


Member (Consumer Affairs) 24/10

Islamabad, October , 2016

