



Registrar

National Electric Power Regulatory Authority Islamic Republic of Pakistan

NEPRA Tower, Attaturk Avenue (East), G-5/1, Islamabad
Ph: +92-51-9206500, Fax: +92-51-2600026
Web: www.nepra.org.pk, E-mail: registrar@nepra.org.pk

No. NEPRA/CAD/TCD.09/16944-45
December 23, 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. BARKAT ALI 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 # AL-382345)**
Complaint # KE-2119/2015

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.

Encl: As above

 23/12/16
(Iftikhar Ali Khan)
Director
Registrar Office

CC:
Mr. Barkat Ali,
KSB # 759-B, Bhangoria Goth,
F.B. Area,
Karachi



BEFORE THE
NATIONAL ELECTRIC POWER REGULATORY AUTHORITY
(NEPRA)

Complaint No: KE-2119-2015

Mr. Barkat Ali

KSB # 759-B, 211 Bhangoria Goth, F.B Area
Karachi.

Complainant

Versus

K- Electric Limited

KE House, 39-B, Sunset Boulevard, Phase II
DHA, Karachi.

Respondent

Date of Hearing: May 24, 2016

On behalf of Complainant:

- i. Mr. Barkat Ali
- ii. Mr. Shoaib Ali


Respondent:

- i. Mr. Abdul Rubb - GM (Operations)
- ii. Mr. Asif Shajar - DGM (Regulations)
- iii. Mr. Imran Hanif - AM (Regulations)

Date of Order: December , 2016

Subject: **ORDER IN THE MATTER OF COMPLAINT FILED BY MR. BARKAT ALI 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 # AL-382345)**


ORDER

This Order shall dispose of the complaint filed by Mr. Barkat Ali (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. 

(02). The Complainant in his complaint submitted that KE issued bill amounting to Rs.69,785/- for the month of November 2015 wherein arrears amounting to Rs.68,139/- were wrongly included. To inquire the matter further he filed complaint at respective office of KE for removal of unjustified arrears, upon which a survey of his premises was carried out by KE on December 1, 2015, however the said issue remained unresolved. The Complainant prayed for the intervention of the Authority to redress his grievances.

(03). The matter was taken up with KE for submission of para-wise comments. In response, KE vide letter dated January 08, 2016 reported that a site inspection was carried out at the premises of the Complainant after serving inspection notice dated September 30, 2015 under section 20 of the Electricity Act, 1910. As per site inspection report (SIR) a discrepancy of "direct use from the distribution box" and meter installed inside the premises was reported and connected load was found to be 7.642 kW against sanctioned load of 1 kW. Thereupon, a notice dated September 30, 2015 under section 39, 39-A, 44 and 26-A of the Electricity Act, 1910 was served upon the Complainant to explain the reasons behind the reported discrepancy, however, the Complainant refused to acknowledge the same. After lapse of the stipulated time period, a detection bill amounting to Rs.68,139/- for 3707 units was processed on the basis of connected load, covering a period of six (06) months commencing from March 17, 2016 to September 15, 2015. Moreover, KE added that since the Complainant was involved in using electricity through unauthorized means therefore, the detection bill is justified and liable to be paid by the Complainant.

(04). The report of KE was sent to the Complainant for information/comments. In response, the Complainant vide letter dated January 28, 2016 submitted rejoinder, wherein he raised objections over the report of KE and denied the allegation leveled upon him. Accordingly, the matter was again taken up with KE in light of submissions of the Complainant and some additional documents were sought from KE with respect to billing history of the Complainant, copy of MCO, rationale of detection bill, copy of FIR, was inspection conducted in presence of the Complainant, proof of discrepancy etc. In response, KE vide its letter dated February 15, 2016 submitted the required documents. In addition to above, KE submitted that as per record, a site inspection of premise was carried out in presence of the Complainant, however he refused to sign the same and 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.


(05). In order to examine the matter further, a hearing was held at Karachi on May 24, 2016 which was attended by both the parties and advanced arguments on the basis of their earlier submissions wherein, the Complainant raised observation over the SIR dated September 30, 2015, issuance of notice(s), raising of detection bill and further contented that he filed his application at the respective IBC office of KE, however KE did not even bother to reply the same and replaced the impugned meter after passage of eight (08) months of site inspection. In this regard, KE advanced its respective arguments based upon its earlier version and further informed that the detection bill was calculated on the basis of connected load of 7.642 kW. 

(06). After examining the case in detail in light of the available record, relevant documentary evidence, and applicable law, following has been observed:

- i. The connection of the premises is single phase, under residential category (House) Al-R, having sanctioned load of 1 kW. As per report of KE, a site inspection of premises of the Complainant was carried out on September 30, 2015 and discrepancy of “direct use from the distribution box” was found. On the basis of this discrepancy, KE assessed the consumption of the Complainant as 5573 units (929 units per month) as per connected load of 7.642 kW for covering period of six (06) months commencing from March 17, 2015 to September 15, 2015 and after deducting already charged 1866 units, KE charged detection bill of 3707 units amounting to Rs.68,139/- to the Complainant. The Complainant denied the said allegations leveled by KE in its report and raised observations over the issuance of notices, detections bill and SIR report.
- ii. The billing statement of the Complainant's accounts provided by KE is as under:

Month	No of units KWh consumed (AL-382345)		
	2014	2015	2016
January	160	185	222
February	134	211	236
March	133	236	253
April	198	347	297
May	322	315	311
June	287	370	275 (MCO)
July	234	288	295
August	293	312	214
September	247	234 (SIR)	276
October	183	317	274
November	202	238	
December	196	229	

- iii. The inspection of the premises of the Complainant was carried out on September 30, 2015 and KE charged the detection bill for the period of six (06) months commencing from March 2015 to September 2015. The above table depicts the consumption of the Complainant as under:
 - a) Consumption during the disputed period i.e. from March 2015 to September 2015 was 1866 units (Average monthly= **311 units**)

- b) Consumption during the corresponding months of the disputed period i.e. March 2014 to September 2014 was 1581 units (Average monthly= **264 units**)
- c) Consumption during the period of (13) thirteen months after inspection i.e. from October 2015 to November 2016 was 3663 units (Average monthly = **262 units**)
- d) Consumption in corresponding months of previous year i.e. from October 2014 to November 2015 is 3634 units (Average monthly = **260 units**).
- iv. The above billing record indicates that the consumption of the Complainant during the disputed period i.e. March 2015 to September 2015 (1866 units and per month 311 units) is already recorded on higher side as compared to the consumption recorded during the corresponding months of previous year 2014 (1581 units and per month 264 units). Moreover, the consumption of the Complainant recorded after thirteen (13) months of site inspection and meter replacement MCO dated June 2016 i.e. October 2015 to November 2016 (3663 units and per month 262 units) bears no difference as compared to corresponding months of previous years (3634 units and per month 260 units). Thereby, it is proved that even the billing analysis of the Complainant account does not support the version of KE that the Complainant was involved in theft of electricity.
- v. KE has penalized the Complainant on account of theft of electricity i.e. direct use from the distribution box. In this regard, a procedure is laid down in the Consumer Service Manual (CSM) according to which lodging of FIR is mandatory in the case of direct theft of electricity. However, in the instant case KE neither lodged FIR nor reported the matter to the concerned police station and also failed to produce endorsement of notices. Moreover, non-compliance of the procedure laid down in Chapter 9 of CSM has tainted the entire proceedings.
- vi. It is established from the information and record provided by KE that it has not been followed the procedure laid down in the CSM for establishing illegal abstraction of electricity in its true letter and spirit. Furthermore, KE has not provided any proof from which it could be ascertained that the Complainant was involved in illegal abstraction of electricity. 

(07). In view of above, the detection bill for 3707 units amounting to Rs.68,139/- charged by KE is without any legal justification. Non-compliance of the procedure provided in Chapter 9 of CSM has tainted the entire proceedings. Therefore, KE is hereby ordered to:

- a) Waive the impugned detection bill, LPS and any other illegal/hidden charges levied by KE during the disputed period.
- b) Regularize the excessive load of premises and install meter in accordance with the relevant procedures rules and regulations.
- c) Take strict action against the responsible officials who failed to follow the applicable rules and regulations in true letter and spirit.
- d) Ensure compliance with the procedure provided in CSM for all cases falling under Chapter 09 thereof.

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


Member Consumer Affairs 21/12/16.

Islamabad, December 21 , 2016