



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.nepa.org.pk, E-mail: registrar@nepa.org.pk

No. NEPRA/R/TCD.09(CAD)/15761-62
November 16, 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. MUHAMMAD YOUNIS S/O JUMA BHAI UNDER SECTION 39 OF THE REGULATION OF GENERATION, TRANSMISSION AND DISTRIBUTION OF ELECTRIC POWER ACT, 1997 AGAINST K-ELECTRIC LIMITED REGARDING ASSESSED BILLING & DETECTION BILL (CONSUMER # LA-932707)**
Complaint # KE-2104/2015

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


16/11/16
(Iftikhar Ali Khan)
Director
Registrar Office

CC:

Mr. Muhammad Younis S/o Juma Bhai
Flat No. 3, 2nd Floor, Kalsoom Anwer Manzal
(Former Khadija Manzil), Street No. 4-B, Liaqat
Colony, Shah Waliullah Road, Layari
Karachi.



BEFORE THE
NATIONAL ELECTRIC POWER REGULATORY AUTHORITY
(NEPRA)

Complaint No: KE-2104-2015

Mr. Muhammad Younis S/o Juma Bhai **Complainant**
Flat No. 3, 2nd Floor, Kalsoom Anwer Manzal
(Former Khadija Manzil), Street No. 4-B, Liaqat
Colony, Shah Waliullah Road, Layari
Karachi.

Versus

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

Date of Hearing: May 24, 2016

On behalf of
Complainant: Mr. Muhammad Younis

Respondent:

- i. Mr. Azhar Memon Incharge (GM) IBC (Operations)
- ii. Mr. Asif Shajar DGM (Regulations)
- iii. Mr. Imran Hanif AM (Regulations)

Date of Order: November , 2016

Subject: **ORDER IN THE MATTER OF COMPLAINT FILED BY MR. MUHAMMAD YOUNIS S/O JUMA BHAI UNDER SECTION 39 OF THE REGULATION OF GENERATION, TRANSMISSION AND DISTRIBUTION OF ELECTRIC POWER ACT, 1997 AGAINST K-ELECTRIC LIMITED REGARDING ASSESSED BILLING & DETECTION BILL (CONSUMER # LA-932707)**

ORDER

This Order shall dispose of the complaint filed by Mr. Muhammad Younis (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 May 2014 KE issued an unjustified bill to the tune of Rs.4,456/- having arrears amounting to Rs.3,871/- despite of the fact that there was no pendency of arrears upon him. Thereafter, in the month of June 2014, KE issued another bill to the tune of Rs.4,971/- upon which he approached KE, whereby KE staff offered him to pay the impugned bill in installments and assured him that the paid amount would be adjusted in the next billing cycle, whereas no such adjustment was made by KE. The Complainant further mentioned in his complaint that in the month of January 2015 KE charged yet another bill on assessed mode and this practice of issuing fabricated bills continued even in the month of April 2015 as KE issued another bill of Rs.4,849/- with arrears amounting to Rs.4,507/-. Thereon, he once again approached KE in the month of April and May 2015, instead of resolving his issue the officials of KE advised him to pay the disputed bill in installments, having no other efficacious remedy the Complainant paid the impugned bills under protest in installments. However, after few months KE continued the same practice of issuing the fabricated bills by issuing arrears amounting to Rs.11,350/- in the month of November 2015. The Complainant prayed for the intervention of the authority to resolve his grievances.

(3). The matter was taken up with KE for submission of para-wise comments. In response, KE vide letter dated January 8, 2016 reported that in the past Complainant was found involved in theft of electricity and detection bills were charged to him after fulfilling all the formalities. KE further stated that a site inspection was carried out at the premises of the Complainant after serving inspection notice dated October 05, 2015 under section 20 of the Electricity Act, 1910 and a discrepancy of "meter found neutral break" was found and connected load was found to be 2.103 kW against sanctioned load of 1.0 kW. Thereupon, a notice dated October 06, 2015 under section 39, 39-A, 44 and 26-A of the Electricity Act, 1910 was served upon the Complainant to explain the reason behind the said discrepancy however, the Complainant refused to acknowledge the same. After lapse of the stipulated period of time of notice, a detection bill amounting to Rs.10,704/- for 1051 units was processed on the basis of Site Inspection Report (SIR), covering a period of six (06) months, i.e. from March 13, 2015 to September 11, 2015. Moreover, KE stated that since the Complainant was involved in theft of electricity through unauthorized means; therefore, the detection bill is justified and liable to be paid by the Complainant.

(4). The report of KE was sent to the Complainant for information/comments. In response, the Complainant vide letter dated January 26, 2016 submitted his submissions and raised certain objections over the report of KE. Accordingly, the matter was again taken up with KE in light of rejoinder of the Complainant and some additional documents/information were sought from KE with respect to billing history, rationale of detection bill, copy of MCO and any proof of said discrepancy etc. In response, KE vide letter dated February 11, 2016 provided the required documents.

(5). To examine the matter further, a hearing was held at Karachi on May 24, 2016 which was attended by both the parties, wherein the parties advanced respective arguments based upon their earlier submissions. During the proceedings, the Complainant denied the allegations leveled against him by KE and raised

objections over issuance of notice(s), raising of detection bill and SIR. He further argued that he lives along with his old wife in two (02) room apartment, which is mostly idle and contended that KE field officials/staff entered into his premises without serving any prior notice and forced him to pay the impugned bills by disconnecting the supply. In defense, KE apprised that the consumption of the Complainant is recorded on lower side as compared with his connected load i.e. 2.1 kW, therefore, the detection bill charged to the Complainant is justified.

(6). 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 is single phase, under residential tariff category (Flat) Al-R, having sanctioned load of 1 kW. As per report of KE, site inspection of the premises of the Complainant was carried out on October 5, 2015 and discrepancy of "meter found neutral break" was found. On the basis of this discrepancy, KE assessed the consumption of the Complainant as 1529 units (255 units per month) for the period from March 13, 2015 to September 11, 2015 and after deducting already charged 478 units, KE charged detection bill of 1051 units amounting to Rs.10,704/-. Whereas, the Complainant denied the allegations leveled by KE against him and raised objections over issuance of notices. In this regard, KE apprised 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.
- ii. The billing statement of the Complainant's accounts provided by KE is as under:

Month	No of units kWh Consumed		
	2014	2015	2016
January	54	250 (Assd)	240 (Assd)
February	46	240	190 (Assd)
March	64	53	72
April	66	62	95
May	76	55	85
June	68	78	72
July	53	100	110
August	90	98	170 (Assd)
September	79	85	72
October	79	96 (SIR)	
November	62	90	
December	60	230 (Assd)	

iii. The inspection of the premises of Complainant was carried out on October 5, 2015 and KE has charged detection bill for the period commencing from March 2015 to September 2015. The above table depicts the consumption of the Complainant as under

- Consumption during the disputed period i.e. from March 2015 to September 2015 was 478 units (Average monthly = 80 units).
- Consumption corresponding months of previous year i.e. from March 2014 to September 2014 was 432 units (Average monthly = 72 units).
- The above billing analysis reveals that the consumption of the Complainant was already on higher side during the period for which KE has charged the detection bill as compared with the consumption recorded in the corresponding months of the previous year (2014). Further, the actual consumption of account could not be ascertained immediately after inspection as KE has issued consecutive excessive assessed bills to the Complainant from December 2015 to February 2016 despite the facts that the consumption of premises is usually on lower side
- Consumption after inspection on normal billing mode i.e. from March 2016 to July 2016 was 434 units (Average monthly = 87 units).
- Consumption in corresponding months of previous year i.e. from March 2015 to July 2015 was 348 units (Average monthly = 70 units).

iv. It is transpired from the above analysis that there is no significant increase in the consumption of the Complainant during the period of five (05) months after inspection (charged on normal billing mode i.e. from March 2016 to July 2016) as compared with the consumption recorded in corresponding months of the previous year. Moreover, the billing record of premises does not support the version of KE that the Complainant was involved in theft of electricity.

v. It is transpired from the documents made so available that KE has charged consecutive excessive assessed bills to the Complainant since 2015 including two detection bills amounting to Rs:3871/- and 3328/- issued in the months of March 2014 and June 2016 respectively which are illegal, void and unjustified.



- vi. KE has penalized the Complainant on account of illegal abstraction of electricity i.e. meter found neutral break. In this regard a procedure is laid down in Consumer Service Manual (CSM) which provides, inter alia for lodging FIR, which 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 aspect. Moreover, KE has not provided any concrete proof of the said discrepancy and failed to calculate the actual quantum of energy at premises of the Complainant through means of installing check meter or replacement of impugned meter.
- vii. KE has not furnished the true/actual copies of SIR and notices served on the Complainant under section 39, 39-A, 44 and 26-A of the Electricity Act, 1910 except the computer generated copies.
- viii. It is established from the documents 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.

(7). In view of above arguments, the detection bills charged to the Complainant since 2014 to 2016 are without any legal justification. KE has failed to substantiate its case with any cogent evidence and submitted incomplete information. Moreover, the non-compliance of the procedure provided in CSM has tainted the entire proceedings. Therefore, KE is ordered to comply with the following directions:

- a) To waive all the detection bills charged since 2014 including LPS and any other illegal/hidden charges levied upon the Complainant during the disputed period.
- b) To regularize the incremental load of the Complainant as procedurally.
- c) To adjust the aforesaid consecutive excessive assessed bills in the Complainant future bills.
- d) KE is also directed to follow the procedures of CSM strictly in future while charging detection bill and take legal action against the delinquents, who failed to follow the applicable rules and regulations in its true letter and spirit.

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

Member (Consumer Affairs)

Islamabad, November 15, 2016