



Registrar

National Electric Power Regulatory Authority Islamic Republic of Pakistan

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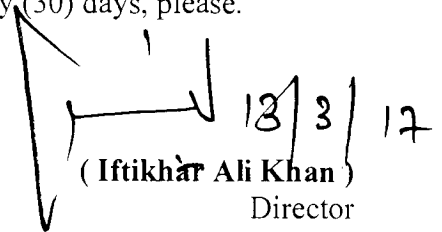
March 13, 2017

K-Electric Limited (then KESC)
KE House, Punjab Chowrangi, No. 39-B,
Sunset Boulevard
Phase-II, Defence Housing Authority,
Karachi

Subject:- **Order of the Member (Consumer Affairs) in the Matter of Complaint filed by Mr. Tahir Ali Khan under Section 39 of the Regulation of Generation, Transmission and Distribution of Electric Power Act, 1997 Against K-Electric Limited regarding Detection Bill (Consumer No. AL-264429)**

Please find herewith the Order of Member (Consumer Affairs) regarding the subject matter for necessary action and compliance within thirty (30) days, please.

Encl: As above


(Iftikhar Ali Khan)
Director
Registrar Office

Copy:-

Mr. Tahir Ali Khan
Plot No. 1815, Block 14,
Federal B Area, Karachi



BEFORE THE
NATIONAL ELECTRIC POWER REGULATORY AUTHORITY
(NEPRA)

Complaint No: KE-2103-2016

Mr. Tahir Ali Khan
Plot No. 1815, Block 14, FB 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. Muhammad Hussain Ansari, Advocate
ii. Mr. Tahir Ali Khan

Respondent: i. Mr. Abdul Rabb - DGM (Operations)
ii. Mr. Asif Shajar - DGM (Regulations)

Date of Order: March 10, 2017

Subject: ORDER IN THE MATTER OF COMPLAINT FILED BY MR. TAHIR ALI KHAN 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-264429)

ORDER

This Order shall dispose of the complaint filed by Mr. Tahir Ali Khan (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 submitted that he received electricity bill for the month of November 2015 including arrears amounting to Rs. 23,871/- despite the fact that the bills are paid by him

(Handwritten signatures and marks)

regularly and he has never defaulted in payment of bills. Thereon, he approached KE but the issue remained unresolved. The Complainant prayed that KE be directed to waive of the unjustified arrears.

(3). The matter was taken up with KE for submission of para-wise comments. In response, KE vide letter dated January 18, 2016 reported that a site inspection was carried out at the premises of the Complainant after serving inspection notice dated October 14, 2015 under section 20 of the Electricity Act, 1910. As per site inspection report (SIR) a discrepancy of "Chemical Used on the Bottom Side of Disk" was reported and connected load was found to be 4.894 kW against sanctioned load of 1 kW. Thereupon, a notice dated October 14, 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.23,871/- for 1439 units was processed on the basis of connected load, covering a period of six (06) months i.e. from April 09, 2015 to October 20, 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.

(4). The report of KE was sent to the Complainant for information/comments. In response, the Complainant vide letter dated February 15, 2016 raised observations over the report and denied the allegations leveled by KE against him. Accordingly, the matter was again taken up with KE in light of rejoinder of the Complainant and some additional information/details with respect to billing history of the premises, rationale of detection bill, copy of MCO etc. were sought from KE. In response, KE vide its letter dated February 23, 2016 submitted the same and further added that the inspection of the premises was carried out in presence of the Complainant, however, he refused to sign the SIR.

(5). In order to further examine the matter, a hearing was held at Karachi on May 24, 2016 which was attended by both the parties, who advanced their respective arguments based on their earlier submissions. The Complainant further alleged that KE replaced his electricity meter illegally and without issuance of any prior notice or intimation.

(6). The case has been examined in light of the record made so available by the parties, arguments advanced in the hearing and applicable law. Following has been observed:

- i. As per report of KE, a site inspection of the premises was carried out on October 14, 2015 and discrepancy of "Chemical Used on the Bottom Side of Disk" was found. On the basis of this discrepancy, KE assessed consumption of the Complainant as 3782 units for the period of six (06) months i.e. from April 9, 2015 to October 20, 2015. After deducting already charged 2343 units during this period, KE raised detection bill of 1439 units amounting to Rs.23,871/-. The Complainant denied the allegations leveled by KE.

- ii. The billing statement of the Complainant provided by KE is as under:

Month	No of units (KWh) consumed		
	2014	2015	2016
January	194	125	178
February	190	151	195
March	63	185	208
April	359	250	310
May	293	296	382
June	330	437	457
July	311	445	539
August	319	415	337
September	347	344	359
October	300	406 (SIR)	334
November	257	315 (MCO)	290
December	170	184	168

- iii. If the Complainant was involved in illegal abstraction of electricity, then the consumption during disputed period should have been on lower side and after MCO/inspection, the consumption should have increased whereas, the above billing record depicts that the consumption of the Complainant during the disputed period i.e. April 09, 2015 to October 20, 2015 was on higher side (391 units per month on average) as compared to the consumption recorded during the corresponding months of previous year (317 units per month on average). Moreover, there is no remarkable difference in the consumption after inspection/meter change as compared to consumption in corresponding months of previous year.
- iv. The impugned meter was replaced on November 20, 2015 and the same was tested in the laboratory on January 16, 2016. The meter testing report nullifies the version of KE by clearly reporting that the main cover seal caps and terminals of the meter were found intact, chemical not found in meter and the meter was within permissible limit on testing bench. Thereby, proving the fact that the Complainant was not involved in theft of electricity.
- v. KE has penalized that 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 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 KE has failed to follow the provisions envisioned in CSM with respect to establishing illegal abstraction of electricity by the Complainant. Moreover, KE has also failed to provide any cogent proof from which it could be ascertained that the Complainant was involved in illegal abstraction of electricity.

(7). In view of above, the detection bill 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 directed to:

- (i). Waive of the impugned detection bill amounting to Rs. 23,871/- along with Late Payment Surcharges (if any)
- (ii). Regularize the extended load of the Complainant (if any)
- (iii). Take strict action against the responsible officials who failed to follow the relevant provisions of CSM.
- (iv). Ensure compliance with the procedure provided in CSM in future.

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

Islamabad, March 10, 2017

Member (Consumer Affairs)
10/3/17