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National Electric Power Regulatory Authority

Islamic Republic of Pakistan

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No. NEPRA/R/TCD-09/10931-32

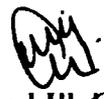
September 18, 2014

Chief Executive Officer
K-Electric Limited (formerly KESC)
KESC House No. 39-B, Sunset Boulevard, Phase-II
Defense Housing Authority, Karachi.

Subject: Decision in the matter of complaint filed by Mrs. Asma Khalid under Section 39 of Regulation of Generation, Transmission and Distribution of Electric Power Act, 1997 Against K-Electric Regarding Tariff Dispute (Consumer#AP004100)
Complaint # KE-235/2014

Please find enclosed decision of NEPRA in the subject matter for necessary action and compliance within 30 days of the receipt of this letter.

Encl : As Above


(Naweed Illahi Shaikh)
18/09/14

Copy to:

Mrs. Asma Khalid, House No.41/V-6, P.E.C.H.S, Karachi.



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

Complaint No: KE-235/2014

Mrs. Asma Khalid. **Complainant**
House No.41/V-6, P.E.C.H.S,
Karachi.

Versus

K-Electric Limited. **Respondent**
(Formerly Karachi Electric Supply Company, KESC)
KE House No.39-B,
Sunset Boulevard Phase-II,
Defence Housing Authority, Karachi.

Date of Hearing: July 14, 2014

Date of Decision: September 17, 2014

On behalf of:

Complainant: Mr. Abdul Qayyum

Respondent: 1) Mr. Rafique Ahmed Sheikh, General Manager (Regulations)
2) Mr. Jameel Ahmed, Deputy General Manager (CA)

Subject: DECISION IN THE MATTER OF COMPLAINT FILED BY MRS. ASMA KHALID UNDER SECTION 39 OF THE REGULATION OF GENERATION, TRANSMISSION AND DISTRIBUTION OF ELECTRIC POWER ACT, 1997 AGAINST K-ELECTRIC LIMITED REGARDING TARIFF DISPUTE (CONSUMER # AP004100)

DECISION

1. This decision shall dispose of the complaint filed by Mrs. Asma Khalid (hereinafter referred to as the "Complainant") under Section 39 of the Regulation of Generation, Transmission and Distribution of Electric Power Act, 1997 against K-Electric Limited (hereinafter referred to as the "Respondent" or "KE").



2. The Complainant in her complaint stated that the electricity meter was installed at the premises for 20 years. In 2012, she renovated her house. KE changed the tariff of the electricity connection from A1 (residential) to TL (temporary). On completion of renovation work, several applications were submitted to KE but most of them were not acknowledged, rather KE instructed the Complainant to apply for new connection otherwise it will disconnect the electric supply of her premises. The Complainant further stated that she was compelled to submit new connection application. The Complainant further stated that till now she has paid bills amounting to Rs.1,500,000/- in excess but the tariff has not yet been restored. KE has informed her that as per NEPRA rules, wherever construction work is carried out, old/existing electricity meter/connection is to be removed and a new electricity connection has to be applied for. The Complainant prayed that KE be directed to restore tariff A-1 and legal action may also be initiated against KE.
3. The matter was taken up with KE for submission of para-wise comments. In response, KE vide letter dated May 16, 2014 reported that a routine site inspection was carried out at Complainant's premises on February 10, 2014 and the remarks "meter outside on wall, strip closed, new construction completed" were received as per the Site Inspection Report (SIR). Moreover, the connected load was found as 41.729 kW against sanctioned load of 4 kW. KE further reported that the Complainant submitted an undertaking dated March 13, 2012 wherein it was agreed that once the construction is completed, she will apply for new connection. As per the policy of KE, the Complainant is required to apply for a new connection after completion of construction at the premises. KE also informed that the application is pending at the consumer's end and the consumer shall be advised to visit the New Connection department with duly filled connection form alongwith required documents in order to get a meter installed at her premises.
4. The report of KE was sent to the Complainant for information / comments. Through a written response, the Complainant raised observations over the report of KE and stated that KE is demanding to submit application for new connection on the basis of excess load whereas for excess load KE should have demanded Security Deposit (SD). The Complainant further stated that if she had constructed a multistorey building or made portions in the premises then obtaining new connection is understandable, whereas, she has only renovated her house. The Complainant further informed that she has paid bills amounting to Rs.2,000,000/- charged in excess for past two years.
5. To probe further into the matter, a hearing was held on July 14, 2014 at Karachi which was attended by representatives of both the parties. During the hearing, KE reiterated its earlier version while the representative of the Complainant stated that three electric connections were installed at the premises and on commencement of the renovation work, KE removed two connections, whereas, KE changed the tariff of the third connection from residential to

temporary which is illegal and without any justification. He added that no new construction was done and only renovation work was carried out. The building plan/structure is the same as it was before execution of the said renovation work.

6. The case has been examined in detail in light of documents provided by both the parties, arguments advanced during the hearing and applicable law. The following has been observed:

- i) Three meters/connections were installed at the premises of the Complainant. The Complainant renovated her house on which KE removed two connections and changed the tariff of the third connection from residential to temporary tariff.
- ii) Upon completion of renovation work, the Complainant requested KE for change of tariff and submitted various applications. As per the record, one of her applications was received by KE on July 5, 2012 but no action was taken by KE on her request.
- iii) As per the provisions of Consumer Service Manual and terms & conditions of electricity supply of KE approved by NEPRA, temporary connection is given for illumination & lighting for weddings, festival, functions, exhibitions or national & religious ceremonies, construction of buildings, testing of industrial equipments and any other emergent requirement of temporary nature.
- iv) If the meters were not in use then KE should have temporarily disconnected the same instead of removal on permanent basis. As per tariff terms and conditions for supply of electric power, the consumer has to pay minimum charges even if there is no use of electricity.
- v) The site plan of the building is same, therefore, change of tariff by KE has no justification. Moreover, the instructions of KE to the Complainant for submission of application for new connection, is also unjustified and not covered under the law.
- vi) KE is of the view that the Complainant has extended the load from 4 kW to 41.729 kW. If this is the case then KE should have taken action against the Complainant as per provisions of Consumer Service Manual and regularized the load but there is nothing on record to show that KE has taken any action in this regard.

7. Foregoing in view, KE is hereby directed to:

- i) Change the tariff of the Complainant from Temporary tariff to A-1 (Residential) tariff with effect from the date of receipt of the application of the Complainant by KE i.e.

July 05, 2012 and adjust the difference of amount on account of tariff in her future bills.

ii) Re-install the removed two meters/connections subject to willingness of the Complainant.

iii) Regularize extension of load as per the provisions of Consumer Service Manual.

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

For and on behalf of NEPRA



(Maj (R) Haroon Rashid)
Member (Consumer Affairs)



Islamabad, September 17 , 2014