

National Electric Power Regulatory Authority
Islamic Republic of Pakistan

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Registrar

No. NEPRA/R/TCD-09/ 5798--5200

30-5-2013

Chief Executive Officer
Karachi Electric Supply Company Ltd. (KESC)
KESC House, Punjab Chowrangi,
39 - B, Sunset Boulevard, Phase-II
Defence Housing Authority
Karachi.

Subject: - Decision in the Matter of Complaint Filed By Mr. Hasan Farhan Syed under Section 39 of The Regulation of Generation, Transmission and Distribution of Electric Power Act, 1997 Against KESC Regarding Detection Bill (Consumer No.LA974325)
Complaint # KESC-453/2012

Please find enclosed herewith decision of Member (Consumer Affairs) in the subject matter for necessary action and compliance within 30 days of the receipt of this decision.

Encl: As Above

(Syed Safer Hussain)

Copy to:-

1. Syed Muhammad Talha, Director Distribution Strategy
Karachi Electric Supply Company Ltd. (KESC)
KESC House, Punjab Chowrangi,
39 - B, Sunset Boulevard, Phase-II
Defence Housing Authority
Karachi.
2. Mr. Hasan Farhan Syed
S-5, 5th Floor, Sea Rock Apartments
Block-I, Clifton, Karachi.

No. NEPRA/R/TCD-09/ 5201

30-5-2013

Forwarded for information, please.

1. Director (CAD)
2. ALA (QAD)
3. Master File [w.r.t. M (CA) D#1114 dated 27.05.2013]

Registrar

CC:

1. Vice Chairman / Member (Tariff)
2. Member (M&E) / Member (Lic)
3. Member (CA)



BEFORE THE
NATIONAL ELECTRIC POWER REGULATORY AUTHORITY
(NEPRA)

Complaint No: KESC-453-2012

Mr. Hasan Farhan Syed
S-5, 5th Floor, Sea Rock Apartments, Block-1,
Clifton, Karachi.

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Complainant

Versus

Karachi Electric Supply Company (KESC)
KESC House No 39-B,
Sunset Boulevard Phase-II,
Defence Housing Authority, Karachi.

.....

Respondent

Date of Decision: May 27, 2013

Date of Hearing: April 8, 2013

On behalf of:

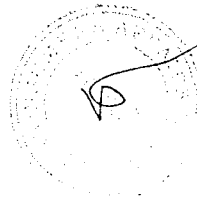
Complainant: i) Mr. Hasan Farhan Syed
ii) Mrs. Shaheen Hasan

Respondent: i) Mr. Rafique Ahmed Sheikh, General Manager (Regulatory Affairs), KESC
ii) Mr. Ramesh Kumar, Manager, KESC

Subject: **DECISION IN THE MATTER OF COMPLAINT FILED BY MR. HASAN FARHAN SYED UNDER SECTION 39 OF THE REGULATION OF GENERATION, TRANSMISSION AND DISTRIBUTION OF ELECTRIC POWER ACT, 1997 AGAINST KESC REGARDING DETECTION BILL (CONSUMER NO.LA974325)**

DECISION

1. This decision shall dispose off the complaint dated December 3, 2012 filed under section 39 of the Regulation of Generation, Transmission and Distribution of Electric Power Act, 1997 by Mr. Hasan Farhan Syed, resident of S-5, 5th Floor, Sea Rock Apartments, Block-1, Clifton, Karachi (hereinafter referred to as the

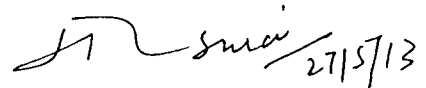


"Complainant") against Karachi Electric Supply Company (hereinafter referred to as the "Respondent" or "KESC").

2. Precisely, the Complainant in the complaint stated that he received a notice dated October 20, 2012 regarding phase reversal from KESC. The notice was replied by him on October 23, 2012 wherein all the facts of the case were stated. The Complainant further stated that neither the seals of the meter were broken nor the meter was tampered by him. The apartment is located on the 5th floor and the meter is installed on the ground floor alongwith 40-50 other meters. KESC removed the meter and installed a new digital meter. KESC issued the bill for the month of November 2012 amounting to Rs.80,195/- which includes arrears amounting to Rs.77,252/- in addition to current charges. The Complainant further stated that he has no problem in payment of actual bill/units consumed but the arrears raised by KESC are illegal and unjustified.
3. Upon inquiry, KESC vide its letter dated December 24, 2012 reported that a site inspection was carried out at the premises of the Complainant after serving inspection notice dated October 20, 2012. As per the site inspection report dated October 20, 2012 reverse connection on red phase was found with connected load of 9.016 kW therefore, a notice under section 39, 39-A, 44 and 26-A of the Electricity Act, 1910 dated October 20, 2012 was served upon the Complainant. The reply submitted by the Complainant in response to the notice was unsatisfactory, therefore, a supplementary bill of 4880 units covering a period of six months from May 2012 to October 2012 amounting to Rs.77,254/- was processed. The said meter was changed on October 31, 2012. KESC further stated that the sanctioned load of the Complainant is 7 kW whereas the connected load is 9.016 kW which needs to be regularized and the consumer will be issued notice for illegal extension of load and necessary action will be taken as per the provisions of Consumer Service Manual (CSM) if the consumer fails to restrain the load within sanctioned load. The Complainant was involved in illegal abstraction of electricity; therefore, the supplementary bill charged is justified and liable to be paid by the Complainant.
4. The report of KESC was sent to the Complainant for his information / rejoinder. In response, the Complainant raised observations over the report of KESC therefore to probe further into the matter it was decided to hold a hearing. Accordingly, the hearing was held on April 8, 2013 at Karachi. The hearing was attended by both the parties. Subsequent to the hearing, some information was sought from KESC with respect to billing statement, detection bill proforma, copy of Meter Change Order (MCO) and month-wise MDI of the connection after replacement of meter, which was submitted by KESC vide its letters dated April 16, 2013 and April 29, 2013.
5. The case has been examined in light of documents provided by both the parties and arguments advanced by the Complainant and the Respondent during the hearing. The following has been concluded:
 - i) KESC is of the view that the Complainant was involved in illegal abstraction of electricity through phase reversal. KESC assessed total consumption of the Complainant as 6810 units during the period from May 2012 to October 2012 and after deducting 1930 units already charged during the said period, the detection bill of 4880 units amounting to Rs.77,252/- was charged by KESC. As per provisions of Consumer Service Manual (CSM), there is a procedure for establishing illegal abstraction of electricity which provides for securing the existing meter in presence of the consumer or his representative, installation of a new meter,

involving local representatives, issuance of notice and examining the reply of the consumer, etc. Once illegal abstraction is confirmed, then detection bill is required to be charged upto 3 months to general supply consumers i.e. A-1 and A-2 and upto six months for other consumer classes. In case detection bill is raised to a general supply consumer for six months then approval of CEO/authorized committee is required in addition to action against the officer incharge for not being vigilant enough. It has not been established from the record that KESC has followed the procedure laid down in CSM for establishing illegal abstraction of electricity.

- ii) As per the site inspection report of KESC dated October 20, 2012 the Complainant extended his load to 9.016 kW against sanctioned load of 7 kW whereas the MDI provided by KESC recorded on the healthy meter between November 2012 to April 2013 is below 2kW, from which it appears that the site inspection report of KESC is incorrect.
 - iii) The premises was inspected on October 20, 2012 and the meter of the Complainant was replaced on October 31, 2012. A detection bill was raised for the period from May 2012 to October 2012 however, there is no remarkable change in consumption pattern of the Complainant during the alleged period as compared with the corresponding months i.e. May to October of the previous two years i.e. 2010 and 2011; rather the consumption has decreased after replacement of the meter.
6. Foregoing in view, KESC is hereby directed to withdraw the detection bill charged to the Complainant and submit compliance report within 30 days of the receipt of this decision.



(Maj (R) Haroon Rashid)

Member (Consumer Affairs)

Islamabad, May 27, 2013

