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**National Electric Power Regulatory Authority**  
Islamic Republic of Pakistan

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Registrar

No. TCD 09/ 5751-53

June 28, 2012

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

DD/CATY  
M  
28/06

AD (CAD)  
28/06/12

Subject: **Complaint filed by Mr. I.R. Sheikh under Section 39 of the Regulation of Generation, Transmission and Distribution of Electric Power Act, 1997 against KESC regarding Detection Bill (A/C No. 1114240420017)**  
Complaint # KESC-22/2012

Please find enclosed herewith the Order of Member (Consumer Affairs) on the subject matter for compliance within 30 days of the receipt of this Order.

Encl: As above

Sd/-  
(Syed Safer Hussain)

Copy:

1. Mr. Amer Zia  
Director (Strategy Planning and Compliance)  
Karachi Electric Supply Company Ltd.  
House No. 10-B, St. 65,  
F-8/3, Islamabad.
2. Mr. I.R. Sheikh  
R/O F-47, Block No. 8,  
KDA Scheme No. 5,  
Clifton, Karachi.

No. TCD 09/ 5754

June 28, 2012

Forwarded for information, please.

Registrar

Senior Advisor (CAD) [w.r.t. Dy. No. 625 dated 27.06.2012]

CC:

1. Acting Chairman / Member (CA & T)



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

**Complaint No. KESC-22-2012**

Mr. I. R Sheikh

.....

Complainant

**Versus**

Karachi Electric Supply Company Ltd

.....

Respondent

**Date of Decision:** June 26, 2012

**Subject:** IN THE MATTER OF COMPLAINT FILED BY MR I.R. SHEIKH UNDER SECTION 39 OF THE REGULATION OF GENERATION, TRANSMISSION AND DISTRIBUTION OF ELECTRIC POWER ACT, 1997 AGAINST KESC REGARDING DETECTION BILL (A/C No.1114240420017)

**ORDER**

1. This order shall dispose of the complaint dated January 17, 2012 filed by Mr. I.R Sheikh R/o F-47, Block No. 8, KDA Scheme No. 5, Clifton, Karachi (hereinafter referred to as "Complainant") against Karachi Electric Supply Company (hereinafter referred to as "Respondent" or "KESC").
2. The complainant in his complaint stated that he has taken various steps to reduce his dependence on electric power such as installing a large solar assisted air conditioner, changing central air conditioning unit to gas, installing energy savers, switching off unnecessary lights etc. He further informed that on September 17, 2011 in his absence his electricity meter being not properly installed by KESC caught fire which resulted in damage of several expensive appliances at his home. KESC replaced the meter after considerable delay i.e on 06.10.2011 and provided an un-metered supply in the interim period. KESC is alleging that for the interim period from 17 September 2011 to 05 October 2011 (18 days) very low reading has

been billed to him therefore it issued him a detection bill for the period of 02 months. Moreover, KESC has also sent a bill of Rs.9,911.54 as arrears for meter replacement cost. The meter was burnt being not properly installed by KESC and he has also continuously been paying the meter rent then why KESC is charging him meter replacement cost whereas it should have changed the meter at its own cost. The complainant also stated that due to frequent power fluctuation and load shedding upto four times daily over a long period, damage to his appliances has been caused by KESC. The complainant has prayed for withdrawal of additional amount, withdrawal of cost of the meter amounting to Rs.9,911.54 along with late payment charges, compensation for damage caused to the appliances due to KESC's negligence, and restraining KESC from any coercive action relating to recovery of disputed amounts, or levy late payment charges for the same till the decision on these complaints.

3. To proceed with the matter, the complaint was referred to the KESC for a detailed report. KESC in response reported that meter of the complainant was changed on 06.10.2011 as the complainant registered his complaint of meter burnt out. The removed meter was tested and as per the report of meter department "meter body was burnt out". A notice was served to the complainant dated 24.11.2011 which was acknowledged by Mr. Ali Zaman. After seven working days, a supplementary bill of 3,866 units amounting to Rs.61,344/- was processed for the period of 02 billing cycles (Sep-2011 & Oct-2011) after adjustment of already charged units. The units were charged on the basis of actual metered consumption prior to meter burnt out. Cost of meter replacement was charged as per policy. The complainant registered his complaint for meter burnt out and the same was accepted by the complainant by signing of an affidavit; hence the cost of replacement of meter was charged. The supplementary bill charged against the complainant is justified and liable to be paid by the consumer.
4. Report of KESC was communicated to the complainant for his information/rejoinder. In response, the complainant vide his letter dated 28.02.2012 made some observations on KESC's report and stated that he was out of country from 27-06-2011 to 26-10-2011 and his house was vacant, hence consumption was low during the period for which supplementary bill has been charged by KESC. When meter reading was taken by KESC staff on 15.09.2011 the meter was working normally and no defect was reported till his staff reported it on 17.09.2011 so defect occurred on 16<sup>th</sup> or 17<sup>th</sup> Sep, 2011. Supplementary bill for 3866 units amounting to Rs.61,344/- has been charged for the period Sep-2011 and Oct-2011 (02 months) instead of 18 days (17.09.2011 to 06.10.2011). The supplementary bill is in addition to full charges billed and paid upto 15.09.2011 which is prepared by KESC on arbitrary consumption and not actual consumption. KESC delayed replacing the meter from 17.09.2011 to 06.10.2011 and provided an un-metered supply against the supply agreement; hence they must prove actual consumption in this period for billing. Meter was supplied by KESC and was damaged due to KESC's negligence, as either the meter was improperly installed or inherently defective so it caught fire. KESC under duress got signed an affidavit regarding replacement cost of meter to be paid by the consumer.
5. The matter was again taken up with KESC vide letter dated 14.03.2012 in light of observations of the complainant. In response, KESC vide its letter dated April 02, 2012 informed that the complainant's billing history shows that his meter has been changed six times during last ten years due to over loading. The supplementary bill



was processed on actual recorded consumption trend for the period of two months for 3866 units after adjusting already charged 916 units. This report of KESC was also forwarded to the complainant. In response, the complainant again raised his observations over the report of KESC. The case was again taken up with KESC vide letter dated April 18, 2012 for providing documents to establish that the meter was damaged due to over loading in addition to some other information. In response, KESC vide its letters dated May 10, 2012 and May 14, 2012 submitted report and informed that the said detection bill charged to the complainant is on lower side as compared to the previous trend of consumer's electricity consumption, the meter burnt comes under illegal abstraction of electricity, and the units charged to him are in accordance with the provisions of Consumer Service Manual but KESC could not provide any document to establish that the meter was burnt due to over loading.

6. The matter has been examined. It is an admitted position on record that the meter was burnt on September 17, 2011 and the matter was reported to KESC by the complainant, therefore burning of the meter in the instant case does not come under the ambit of illegal abstraction of electricity. KESC should have replaced the meter immediately soon after receipt of complaint for the defect but the same was not done by KESC and the meter was replaced on October 06, 2011. KESC should have dealt the case as per the provisions of CSM laid down in chapter 4 according to which charging of consumers on the basis of defective code, where the meter has become defective and is not recording the actual consumption will not be more than two billing cycles. The basis of charging will be 100 % of the consumption recorded in the same months of previous year or average of the last 11 months which ever is higher. KESC assessed the consumption of the complainant as 4782 units for the months of September and October 2011 but during these months KESC had already charged 916 units to the complainant, therefore less charged units i.e.  $4782-916=3866$  units were claimed as detection bill by KESC. The recorded total consumption of the complainant during the corresponding months of the previous year i.e. September and October 2010 is 3328 units and the average monthly consumption of the complainant for last 11 months i.e. October 2010 to August 2011 is 2074 units and total for two months will be  $2074 \times 2 = 4148$  units. This consumption (4148 units) being on higher side is therefore, chargeable to consumer. After deducting the already charged 916 units, the net chargeable units are  $(4148-916=)$  3232 units instead of 3866 units (as assessed by KESC). Moreover, KESC could not establish that the meter was burnt due to over loading or any other fault for which the complainant / consumer be held responsible.
7. Foregoing in view, it is concluded that KESC is entitled to claim supplementary bill for net 3232 units for the months of September 2011 and October 2011. However, no cost for the burnt meter is recoverable from the complainant / consumer. The KESC is, therefore, directed to revise its bill and serve it to complainant / consumer for making payment accordingly.

(Ghiasuddin Ahmed) 26/6  
Member (Consumer Affairs)

Islamabad, June 26, 2012