



National Electric Power Regulatory Authority
Islamic Republic of Pakistan

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OFFICE OF THE
REGISTRAR

No. NEPRA/R/TCD-09/11902-11904

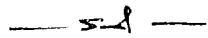
2-10-2013

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

Subject: Complaint Filed By Mr. Khalil Ahmed Shaikh under Section 39 of The Regulation of Generation, Transmission and Distribution of Electric Power Act, 1997 Against KESC Regarding Excessive Billing and Arrears in the Bill (Consumer #LA575411)
Complaint # KESC-23-2013

Please find enclosed the decision of Member (Consumer Affairs) regarding 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 Taha, Director Distribution Strategy, Karachi Electric Supply Company Ltd. KESC House, Punjab Chowrangi, 39 - B, Sunset Boulevard, Phase-II. Defence Housing Authority, Karachi.
2. Mr. Khalil Ahmed Shaikh, Flat E-209, Hunaid City, Block-17, Gulistan-e-Johar, Karachi.

No. NEPRA/R/TCD-09/11905

2-10-2013

Forwarded for information and necessary action, please.


Registrar

1. Director (CAD)
2. Master File [w.r.t. M (CA) D#2418 dated 30.09.2013]

CC:

1. Vice Chairman / Member (Tariff)
2. Member (M&E)
3. Member (C.A)

09/10/13

09/10/13

Plan pursue.



BEFORE THE
NATIONAL ELECTRIC POWER REGULATORY AUTHORITY
(NEPRA)

Complaint No: KESC-23-2013

Mr. Khalil Ahmed Shaikh,
Flat E-209, Hunaid City, Block-17
Gulistan-e-Jouhar, Karachi.

.....

Complainant

Versus

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

.....

Respondent

Date of Decision: October 01, 2013

Date of Hearing: July 8, 2013

On behalf of:

Complainant: Mr. Khalil Ahmed Shaikh

Respondent: 1) Mr. Rafique Ahmed Sheikh, General Manager, KESC
2) Mr. Nadeem Dayo, Manager, KESC
3) Mr. Zafar Mehdi, CCR, KESC

Subject: DECISION IN THE MATTER OF COMPLAINT FILED BY MR. KHALIL AHMED SHAIKH UNDER SECTION 39 OF THE REGULATION OF GENERATION, TRANSMISSION AND DISTRIBUTION OF ELECTRIC POWER ACT, 1997 AGAINST KESC REGARDING EXCESSIVE BILLING & ARREARS IN THE BILL (CONSUMER # LA575411)

DECISION

1. This decision shall dispose off the complaint dated December 19, 2012 of Mr. Khalil Ahmed Shaikh, (hereinafter referred to as the "Complainant") against Karachi Electric Supply Company (hereinafter referred to as the "Respondent" or "KESC") filed under Section 39 of the Regulation of Generation, Transmission and Distribution of Electric Power Act, 1997.




2. The Complainant in his complaint stated that he received notice from KESC regarding phase reversal. KESC has also included arrears amounting to Rs.29,516/- in his bill without any justification. The matter was taken up with KESC for submission of para-wise comments. In response thereof, KESC vide its letter dated February 6, 2013 reported that earlier a detection bill was issued to the Complainant on account of reverse connection which was paid by him. KESC further stated that a site inspection was carried out after serving notice on October 16, 2012 during which the discrepancy of phase reversal was found and the connected load was found as 4.905 kW. The Complainant was served notice on October 16, 2012 and reply thereto was unsatisfactory. A detection bill of 2671 units was processed covering a period of 6 months from December 14, 2011 to June 18, 2012 amounting to Rs.29,514/-. KESC assessed total consumption of the Complainant as 3270 units for the period from December 14, 2011 to June 18, 2012 and after deducting 599 units already charged, the net $3270 - 599 = 2671$ units were raised as detection bill.
3. Report of KESC was sent to the Complainant for his information/rejoinder. In response, the Complainant vide his letter dated April 6, 2013 raised observations over the report of KESC and informed that he paid the first detection bill under protest. Inspection was carried out by KESC without any notice and his flat remains closed during the day and the view of KESC regarding extension of load is baseless. Accordingly, the matter was again taken up with KESC vide this office's letter dated April 17, 2013 and also some information with respect to billing statement and rationale of detection bill was sought which was submitted by KESC vide its letter dated May 02, 2013.
4. To further explore the matter, a hearing was held on July 08, 2013 at Karachi which was attended by both the parties. During the hearing, it was agreed between the parties that a fresh site inspection would be carried out on the same day i.e. on July 08, 2013, but later KESC informed that the Complainant is not allowing KESC team for site inspection to ascertain the actual load. Pursuant to the hearing, some information with respect to updated billing statement of the account was sought from KESC which was submitted vide its letter dated July 29, 2013.
5. The case has been analyzed in light of documents provided by both the parties and arguments advanced during the hearing. KESC carried out site inspection on October 16, 2012 and as per KESC, phase reversal was found; therefore, KESC raised a detection bill for a period of six months from December 14, 2011 to June 18, 2012. KESC assessed total consumption of the Complainant as 3270 units for the period from December 14, 2011 to June 18, 2012 and after deducting 599 units already charged, the net $3270 - 599 = 2671$ units were raised as detection bill. KESC should have raised a detection bill (after following the procedure laid down in Consumer Service Manual) maximum up to 6 months i.e. April 2012 to September 2012, prior to date of inspection but it has raised the same for the period from December 14, 2011 to June 18, 2012. A procedure is laid down in Consumer Service Manual (CSM) regarding establishing illegal abstraction of electricity by the consumers which provides for securing the existing meter in presence of the consumer or his representative, installation of check meter, involving local representatives, issuance of notice and examining the reply of the consumer. Once illegal

abstraction is confirmed, then detection bill is to be restricted to three billing cycles and up to six months with the approval of CEO or his authorized committee. Also in such case, action is required to be taken against officer incharge for not being vigilant enough.

6. In the instant case, detection bill has been raised by KESC for six months but record is silent about any disciplinary action taken against the officer incharge as required under CSM. It has not been established from the documents provided by KESC that the procedure laid down in the CSM for establishing illegal abstraction of electricity has been followed by it. KESC is of the view that the Complainant has extended his load whereas the Complainant has denied the same. KESC should have issued notice to the Complainant for regularization of load (if any). The consumption of the Complainant during the six months after date of checking by KESC (November 2012 to April 2013) is 505 units with an average of 84 units per month, whereas the consumption of the Complainant for the corresponding months of previous year i.e November 2011 to April 2012 is 469 units with an average of 78 units per month; as such the consumption pattern of the Complainant is almost the same before and after checking of the premises by the KESC.
7. Foregoing in view, the detection bill raised by KESC is unjustified and is required to be withdrawn, however, as per the report of KESC, the Complainant did not allow KESC team to inspect the premises therefore, by giving support to KESC's version, KESC is hereby directed to revise the detection bill from 6 months to 3 months as per the following formula and submit compliance report within 30 days:

$$\begin{aligned} \text{Detection units to be charged} &= \frac{\text{Detection units already charged} \times 3}{\text{Number of months}} \\ &= \frac{2671 \text{ units} \times 3 \text{ months}}{6 \text{ months}} \\ &= 1336 \text{ units} \end{aligned}$$

Islamabad, October 01, 2013


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