



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

2nd Floor, OPF Building, G-5/2, Islamabad  
Ph: 051-9206500, 9207200, Fax: 9210215  
E-mail: registrar@nepra.org.pk

Registrar

No. NEPRA/TCD 09/ 10965-67

17-12-2012

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

Subject: **Decision of Member (Consumer Affairs) in the matter of Complaint filed by Mr. Muhammad Fayyaz under Section 39 of the Regulation of Generation, Transmission and Distribution of Electric Power Act, 1997 against KESC regarding Replacement of Electricity Meter & Detection Bill**

Please find enclosed herewith 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

— *SA* —  
( Syed Safer Hussain )

Copy:

1. Mr. Rafique Sheikh  
Deputy General Manager (Regulatory Affairs)  
Karachi Electric Supply Company Ltd.  
Punjab Chowrangi, KESC House,  
39 - B, Sunset Boulevard, Phase-II  
Defence Housing Authority  
Karachi.
2. Mr. Muhammad Fayyaz  
R-1/A Row VI Block A, NCEHS  
Gulshan-e-Iqbal  
Karachi

No. NEPRA/TCD 09/ 10968

Forwarded for information, please.

Senior Advisor (CAD)

Master File [w.r.t. Dy. No. 1334 dated 14.12.2012]

CD# 367 dt 17.12.12

CC:

1. Chairman
2. Member (Licensing)
3. Member (Tariff)
4. Member (C.A)

2012

*Hussain*

Registrar

19/12/12



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

**Complaint No. KESC-302-2012**

Mr. Muhammad Fayyaz, ..... Complainant  
R-1/A Row VI Block A, NCEHS,  
Gulshan-e-Iqbal, Block 10 A,  
Karachi.

Versus

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

Date of Decision: December 12, 2012

Date of Hearings: October 23, 2012

On behalf of:

Complainant: None

Respondent: Mr. Rafique Ahmed Shaikh, Dy. General Manager (Regulatory Affairs)

Subject: **DECISION IN THE MATTER OF COMPLAINT FILED BY MR. MUHAMMAD FAYYAZ UNDER SECTION 39 OF THE REGULATION OF GENERATION, TRANSMISSION AND DISTRIBUTION OF ELECTRIC POWER ACT, 1997 AGAINST KESC REGARDING REPLACEMENT OF ELECTRICITY METER & DETECTION BILL.**

**Decision**

1. This decision shall dispose of the complaint dated July 17, 2012 filed by Mr. Muhammad Fayyaz, R-1/A Row VI Block A, NCEHS, Gulshan-e-Iqbal, Block 10 A, Karachi (hereinafter referred to as "the Complainant") against Karachi Electric Supply Company (hereinafter referred to as "the Respondent" or "KESC") filed before NEPRA under section 39 of the Regulation of Generation, Transmission and Distribution of Electric Power Act, 1997.
2. The Complainant in his complaint stated that on June 14, 2012, KESC team visited his house and issued notice regarding phase interchange. On June 16, 2012 he submitted a reply to the

notice of KESC and explained the reason for less consumption. After that there was no response from KESC. Bill of Rs.7728/- for the month of June 2012 was issued on ASSD mode (Assessed mode) without any meter reading. On approaching KESC, it was told that he had to pay the bill and his meter was to be changed being faulty. The Complainant further stated that he paid the bill but the meter was not yet changed and KESC was going to charge him a detection bill amounting to Rs.53,986/- for 4080 units for the period from November 21, 2011 to May 22, 2012 which is against NEPRA rules because DISCO can charge detection bill for maximum period of 3 months. He further stated that according to owner of the house, the same problem occurred in March, 2011 and he paid a detection bill of Rs.18,750/-. At that time KESC informed the owner that the meter was required to be changed but the meter was not changed. Before hiring, the premises was used for commercial purpose and the billing was also made on commercial basis and later on the tariff was changed to residential category and the consumption was also decreased.

3. The complaint was forwarded to KESC on August 2, 2012 for submission of parawise comments. In the meanwhile, the Complainant vide letter dated August 6, 2008 approached Consume Affairs Division and informed that his meter had been replaced on July 28, 2012 and KESC sent a bill of Rs.64,856/- for the month of July 2012 including current bill of Rs.8,217/- and detection bill of Rs.56,639/- . KESC vide letter dated September 3, 2012 submitted its report and informed that a site inspection was carried out at consumer's premises on June 14, 2012. During inspection, discrepancy of phase and neutral wire interchange was noticed while the connected load was found as 5.49 kW. A notice under section 39, 39A, 44 & 26A of Electricity Act, 1910 was served to the Complainant on June 14, 2012. After serving notice upon the Complainant, a detection bill of 4080 units amounting to Rs.53,986/- was processed on the basis of Site Inspection Report (SIR), covering the period of 6 months i.e. from November 21, 2011 to May 22, 2012. The consumer is involved in illegal abstraction of electricity, therefore the detection bill charged against the Complainant is justified and liable to be paid by him.
4. The report of KESC was forwarded to the Complainant for information/rejoinder. In response, the Complainant vide letter dated September 14, 2012 submitted rejoinder and reiterated his earlier version. He further informed that the phase interchange problem was an old issue of March 2011 and KESC did not resolve it inspite of payment of detection bill in May 2011. It is KESC's fault but they did not change the meter. He had acquired the house in September 2011 and there was no problem shown in KESC bills at that time.
5. To probe further into the matter, a hearing was held on October 23, 2012 at Consumer Affairs Division Islamabad wherein both the parties were invited. The Complainant informed through letter dated October 18, 2012 that he could not attend the hearing therefore, his view point as written in his earlier letters might be relied upon. KESC attended the hearing and reiterated earlier version.
6. The case has been analyzed in detail in light of the documents provided by both the parties. Site inspection was carried out on June 14, 2012 and KESC detected discrepancy of phase and neutral wire interchange. KESC assessed the consumption of the Complainant as 5287 units during the period from November 21, 2011 to May 22, 2012. During this period KESC had already charged 1207 units and remaining (5287 - 1207 =) 4080 units were charged as detection bill. There is a procedure laid down in Consumer Service Manual for establishing illegal abstraction of electricity which provides securing the electricity meter in presence of the consumer or his representative, installation of check meter, involving local representatives, issuance of notice and examination of the reply submitted by the consumer. Once illegal abstraction is confirmed the detection bill is to be restricted to three billing cycles for general consumers and upto six months with the approval of Chief Executive Officer or his authorized committee and in such case action is also required to be taken against the official incharge for not being vigilant enough. In the instant case KESC had charged detection bill for six months and the record is also silent with respect to any action against the officials. Also the procedure laid down in Consumer Service Manual has not been followed by KESC before establishing illegal abstraction of electricity by the Complainant.

7. A gist of the billing history of the premises is as under:

Months	2010 (units)	2011 (units)	2012 (units)
January	284	141	140
February	254	114	128
March	356	313	194
April	288	455	244
May	344	572	273
June	402	601	629
July	396	377	678
August	450	11	466
September	316	85	366
October	402	365	318
November	244	352	-
December	121	228	-


The Complainant informed that he acquired the house in September 2011. AS per the record, the premises was inspected on June 14, 2012 and KESC detected discrepancy of phase and neutral interchange. The meter was replaced in July 2012 and after replacement of the meter, the consumption of the Complainant shows increasing trend. There is justification in charging difference of units but the quantum of units charged by KESC is on the higher side. Moreover, KESC has not followed the complete procedure for establishing illegal abstraction of electricity as envisaged in the Consumer Service Manual.

8. From the above, the following is concluded:

- (i) Consumption assessed by KESC from November 21, 2011 to May 22, 2012 = 5287 units
- (ii) Units already charged during November 2011 to May 2012 = 1207 units
- (iii) Consumption for the same months of previous year i.e. November 2010 to May 2011 = 1716 units
- (iv) Units calculated for six months on the basis of 11 months =  $(2397 / 11) \times 6 = 1308$  units consumption prior to change of meter i.e. July 2011 to May 2012

Pursuant to Consumer Service Manual the higher of (ii) or (iii) is chargeable. Hence 1716 units being on higher side are liable to be billed as detection units. Since 1207 units have already been charged therefore the net units to be charged would be  $(1716 - 1207 =) 509$  units for the period from November 21, 2011 to May 22, 2012.

9. Forgoing in view, KESC is hereby directed to revise the detection bill of the Complainant from 4080 units to 509 units only.

  
Member (Consumer Affairs)

Islamabad, December 12, 2012