



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

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Registrar

No. NEPRA/R/TCD-09/553-55

21-1 2013

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 IN THE MATTER OF COMPLAINT FILED BY M/S QASIM  
TEXTILES UNDER SECTION 39 OF THE REGULATION OF  
GENERATION, TRANSMISSION AND DISTRIBUTION OF ELECTRIC  
POWER ACT, 1997 AGAINST KESC REGARDING ISSUANCE OF NOTICE  
FOR UNAUTHORIZED EXTENSION OF LOAD (AC NO 2405664123735)**  
Complaint # KESC-85-2012

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

— 54 —  
(Syed Safer Hussain)

Copy to:-

1. Syed Muhammad Taha  
Director Distribution Strategy  
Karachi Electric Supply Company (KESC)  
2<sup>nd</sup> Floor, KESC House No. 39-B  
Sunset Boulevard Phase-II  
Defence Housing Authority, Karachi.
2. Mr. Salman Arshad  
M/s Qasim Textiles  
SF Unit No. 34, Off Hub River Road  
S.I.T.E Karachi.

No. NEPRA/R/TCD-09/556

21-1-2013

For information, please.

  
Registrar

Director (CAD)

Master File [w.r.t. D (CAD) D# 89 dated 18.1.2013].

CC:-

1. Chairman
2. ~~Member (Licensing)~~



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

**Complaint No. KESC-85-2012**

M/s Qasim Textiles,  
SF Unit No 34, Off Hub River Road,  
S.I.T.E Karachi.

Complainant

Versus

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

Respondent

Date of Decision: January 17, 2013

Date of Hearings: November 27, 2012

On behalf of:

Complainant: Mr. Salman Arshad, Manager M/s Qasim Textiles, Karachi

Respondent: Mr. Rafique Ahmed Sheikh, DGM (Regulatory Affairs)  
Mr. Kashif Iqbal Ghazi, DGM

Subject: **DECISION IN THE MATTER OF COMPLAINT FILED BY M/S QASIM TEXTILES UNDER SECTION 39 OF THE REGULATION OF GENERATION, TRANSMISSION AND DISTRIBUTION OF ELECTRIC POWER ACT, 1997 AGAINST KESC REGARDING ISSUANCE OF NOTICE FOR UNAUTHORIZED EXTENSION OF LOAD (AC NO 2405664123735)**

**Decision**

1. This decision shall dispose of the complaint dated March 15, 2012 of M/s Qasim Textiles, 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 brief facts of the case are that the Complainant in the complaint stated that they received a notice from KESC regarding use of unauthorized load. Their connected load is 125 kW and their Maximum Demand Indicator (MDI) has never crossed 84 kW. System Development Charges (SDC) of Rs.294,000/- against application dated January 12, 2001 and Security Deposit

of Rs.42,000/- were paid on January 18, 2001 for regularization of 84 kW in the load regularization scheme. Their electricity bills for past 12 years show connected load of 125 kW and they had received no notice from KESC regarding unauthorized load extension. KESC has suddenly issued a notice which is beyond their comprehension. They are not using any unauthorized load and there is no reason for disconnection of their electricity and the final notice issued by KESC for disconnection is liable to be cancelled.

3. The complaint was forwarded to KESC for submission of parawise comments. KESC vide letter dated April 6, 2012 submitted report and informed that there are two steps for the regularization of load. In the first step, Security Deposit (SD) is charged for additional load and after payment the applicant is asked to contact the Planning Department for development of Dedicated Distribution System as per the total load. The consumer has not approached the Planning Department for enhancing the system capacity as per total load. As per policy, the load of 125 kW cannot be provided through Common Distribution System (CDS) and the load is to be supplied as per Dedicated Distribution System (DDS). The notice issued to the Complainant regarding unauthorized extension of load is justified since the Complainant has not got his load regularized yet and same has also been explained to the Complainant during different meetings. Therefore, the Complainant may be advised to approach Planning Department KESC so that his SD and SDC amount could be adjusted in planning process and the load could be regularized as per policy.
4. The report of KESC was sent to the Complainant for information/rejoinder. The Complainant submitted rejoinder and reiterated his earlier version. Subsequently, the matter was again taken up with KESC vide this office letter dated September 4, 2012 for submission of report on the rejoinder of the Complainant.
5. To probe further into the matter, hearing was held on November 27, 2012. The parties argued their case on the basis of their earlier versions. Pursuant to the hearing some information was sought from KESC which was submitted by KESC vide letter dated December 17, 2012.
6. The case has been examined in detail in light of documents provided by the parties and arguments advanced during the hearing. The Authority vide its order dated March 16, 2000 allowed KESC to charge SDC @ Rs.1500/- per kW for residential consumers and @ Rs.3500/- per kW for industrial, commercial, bulk supply and agricultural consumers. The sanctioned load of the Complainant was 41 kW and connected load was 125 kW therefore additional 84 kW load was required to be regularized. Accordingly, the Complainant being an industrial consumer was charged Rs.294,000/- @ Rs.3500/- per kW as System Development Charges and Rs.42,000/- on account of security deposit for regularization of 84 kW load. The System Development Charges were abolished by the Authority vide the determination dated August 20, 2003. The consumer is being provided electricity connection from the CDS. The Complainant does not require further extension of load rather his request is regarding regularization of load for which he had already paid Security Deposit and System Development Charges.
7. Since the Complainant's load is already on the KESC's system, therefore KESC is not required to further extend / reinforce its system for regularization of load. Moreover, the Complainant had paid Security Deposit and System Development Charges in 2001 for the total load of 125 kW. However, if some documentary formalities are required, KESC may get it done from the Complainant but in no way the Complainant will pay any cost for a Dedicated Distribution System since he is getting a supply from a Common Distribution System and his connected load is within the limit for which he had already paid SDC & SD to KESC in 2001.
8. Foregoing in view, KESC is directed to regularize load of the Complainant without any demand for further payment.

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

Islamabad, January 17, 2013