



National Electric Power Regulatory Authority
Islamic Republic of Pakistan

2nd Floor, OPF Building, G-5/2, Shahrah-e-Jamhuriat, Islamabad
Phone: 9207200, Fax: 9210215
Website: www.nepra.org.pk, Email: info@nepra.org.pk

REGISTRAR

No. NEPRA/R/TCD-09/11080-22

10-9-2013

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

Subject: Decision of Member (Consumer Affairs) In The Matter of Complaint Filed By Mr. Tajammul Hussain Chishti, Executive Director, Naurus Pvt. Ltd. under Section 39 of The Regulation of Generation, Transmission and Distribution of Electric Power Act, 1997 Against KESC Regarding Detection Bill (Consumer #BL001401)
Complaint # KESC-154-2013

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

(Ifitikhar Ali Khan)
Deputy Registrar

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. Tajammul Hussain Chishti, Executive Director, Naurus (Pvt.) Ltd. C-1/B, Naurus Chowrangi, S.I.T.E., Karachi.

No. NEPRA/R/TCD-09/11083

Forwarded for information and necessary action, please.

2013
10/9/13
Deputy Registrar

1. Director (CAD)
2. Master File [v.r.t. M (CA) D#2220 dated 05.09.2013]

CC:

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



BEFORE THE
NATIONAL ELECTRIC POWER REGULATORY AUTHORITY
(NEPRA)

Complaint No: KESC-154-2013

Mr. Tajammul Hussain Chishti,
Executive Director, Complainant
Naurus (Pvt.) Ltd., C-1/B, Naurus Chowrangi,
S.I.T.E, Karachi.

Versus

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

Date of Decision: September 05, 2013

Date of Hearings: 1) August 12, 2013
2) July 08, 2013

On behalf of:

Complainant: 1) Mr. Tajammul Hussain Chishti, Executive Director, Naurus Pvt. Ltd.
2) Mr. Waheed Zafar, Director, Naurus Pvt. Ltd.

Respondent: 1) Mr. Rafique Ahmed Sheikh, General Manager, KESC
2) Mr. Maqsood Ahmed, General Manager, KESC-
3) Mr. Zulfiqar Ali, Deputy General Manager, KESC
4) Hafiz M. Salman, Manager, KESC

Subject: DECISION IN THE MATTER OF COMPLAINT FILED BY MR. TAJAMMUL HUSSAIN CHISHTI, EXECUTIVE DIRECTOR, NAURUS PVT. LTD. UNDER SECTION 39 OF THE REGULATION OF GENERATION, TRANSMISSION AND DISTRIBUTION OF ELECTRIC POWER ACT, 1997 AGAINST KESC REGARDING DETECTION BILL (CONSUMER # BL001401)

DECISION

1. This decision shall dispose off the complaint dated April 22, 2013 of Mr. Tajammul Hussain Chishti, Executive Director, Naurus Pvt. Ltd Karachi (hereinafter referred to as "the Complainant") received through Mr. Muhammad Rafique Awan, Secretary General, S.I.T.E Association of Industry, Awan-e-Sanat, H-16, Textile



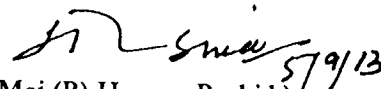
Avenue, S.I.T.E, Karachi against Karachi Electric Supply Company (hereinafter referred to as "the Respondent" or "KESC") filed under section 39 of the Regulation of Generation, Transmission and Distribution of Electric Power Act, 1997.

2. Briefly the Complainant in his complaint stated that KESC has issued him a supplementary bill without any ground after a lapse of about 8 months. The matter was taken up with KESC for submission of para-wise comments. In response thereof, KESC vide its letter dated May 21, 2013 reported that no detection bill has been raised based on any illegal abstraction however, an undercharged bill was raised to recover the units of the period when the meter was not recording the consumption properly. A supplementary bill was raised to the Complainant in March 2013 for 5800 units amounting to Rs.70,838/- for the period from July 02, 2012 to August 02, 2012 due to units undercharged for the same period. The meter was changed on July 20, 2012 and was checked by the meter department which showed result that the meter was not showing display at testing bench. After replacement of meter, consumption of 15 days i.e. 30188 units on new meter were noted on August 04, 2012 and based on those 15 days consumption, complete month's bill i.e. July, 2012 was calculated for 62403 units. Out of total chargeable 62403 units for the month of July 2012, only 56603 units were charged, therefore, the difference of 5800 units for amounting to Rs.70,838/- was charged.
3. Report of KESC was sent to the Complainant for his information/rejoinder. In response, the Complainant vide his letters dated June 10, 2013 and June 21, 2013 raised observations over the report and informed that it is the responsibility of Electric Inspector to estimate the amount of energy supplied in case if there is defect in the meter. KESC cannot unilaterally decide the consumption at its own. The Complainant further informed that two assessed bills have been raised by KESC during the months of July and August 2012 whereas KESC has only discussed the bill of August and ignoring the assessed bill of July for 50852 units which was falsely calculated.
4. To further investigate the matter, a hearing was held on July 08, 2013, which was attended by both the parties. During the hearing, KESC representative requested that they may be allowed few days time to discuss the issue with the Complainant so that the issue can be resolved amicably. Later, KESC vide its letter dated July 18, 2013 informed that after detailed explanation and deliberation, consumer agreed with the supplementary bill. Upon enquiry, the Complainant showed his dissatisfaction and informed that his issue has not yet been settled. Therefore, another hearing in the matter was held on August 12, 2013 which was also attended by both the parties.
5. The case has been analyzed in detail in light of documents provided by both the parties and arguments advanced during the hearings. The issue pertains to charging of assessed bill due to defect in the metering equipment. A procedure is laid down in the Consumer Service Manual which provides that the 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 month of previous year or average of last 11 months which ever is higher. KESC replaced the meter of the Complainant on July 20, 2012. KESC recorded the meter reading of the new meter on August 04, 2012; which was 30188. Thus depending upon this reading, KESC assessed the total consumption of the



Complainant as 62403 units for the month of August 2012 which was illegal. KESC had already charged 56603 units to the Complainant in the month of August 2012 as evident from the electricity bills provided by the Complainant. Therefore, KESC raised $62403 - 56603 = 5800$ units as supplementary bill. Charging of supplementary bill by KESC to the instant Complainant on the basis of 15 days consumption recorded on the new meter is in violation of the provisions of Consumer Service Manual and is unjustified. In the corresponding months of previous year i.e. August 2011 KESC had charged 35542 units to the Complainant. The average monthly consumption for previous 11 months i.e. September 2011 to July 2012 is 32992 units. In August 2012, KESC charged 56603 units to the Complainant which is already on the higher side; as such raising of supplementary bill by KESC has no justification. As per the procedure, KESC should have charged the Complainant for disputed period in accordance with the provisions laid down in Consumer Service Manual.

6. Foregoing in view, KESC is hereby directed to withdraw the supplementary bill amounting to Rs.70,838/- for 5800 units and submit compliance report within 30 days.


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



Islamabad, September 05 , 2013

