



National Electric Power Regulatory Authority

ISLAMIC REPUBLIC OF PAKISTAN

NEPRA Head Office

Ataturk Avenue (East) Sector G-5/1, Islamabad.

Ph:051-2013200, Fax: 051-2600021

**Consumer Affairs
Department**

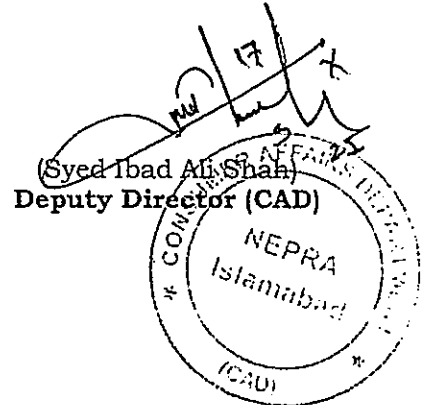
TCD.09/1770-2025
October 17, 2025

Chief Executive Officer,
K-Electric Limited, KE House No 39-B,
Sunset Boulevard Phase-II,
Defence Housing Authority,
Karachi.

Subject: **DECISION IN THE MATTER OF COMPLAINT FILED BY MR. MUHAMMAD ALI S/O ALI MUHAMMAD UNDER SECTION 39 OF THE REGULATION OF GENERATION, TRANSMISSION AND DISTRIBUTION OF ELECTRIC POWER ACT, 1997 AGAINST K-ELECTRIC LIMITED REGARDING COST OF MATERIAL (ACCOUNT NO. 0400032048011).**
KElectric-KHI-39692-07-24

Please find enclosed herewith the decision of NEPRA Complaints Resolution Committee (CRC) dated October 17, 2025, regarding the subject matter for necessary action and compliance.

Encl: As above



Copy to:-

1. Mr. M. Imran Hussain Qureshi
Chief Regulatory Affairs Officer & -
Government Relations Officer,
K-Electric Limited Office, 56 A, Street No. 88, G-6/3,
Islamabad.
2. Mr. Abid Hussain, Advisor,
Provincial Office Consumer Affairs,
Office # 101, 1st Floor, Balad Trade Centre,
Aalamgir Road, B.M.C.H.S., Bahadurabad,
Karachi.
3. Mr. Muhammad Ali S/O Ali Muhammad,
Plot No: 10, MP Road, Haji Mohammad Dongi Goth,
Manghopir, Karachi.

(For follow-up, please)



BEFORE THE
NATIONAL ELECTRIC POWER REGULATORY AUTHORITY
(NEPRA)

Complaint No. KElectric-KHI-39692-07-24

Mr. Muhammad Ali S/O Ali Muhammad, **Complainant**
Plot No: 10, MP Road, Haji Mohammad Dongi Goth
Manghopir, Karachi.

Versus

K-Electric Limited (KE) **Respondent**
KE House No.39B, Sunset Boulevard
Defence Housing Authority, Karachi.

Date of Hearing(s): 1) October 24, 2024
2) October 30, 2024

On behalf of:

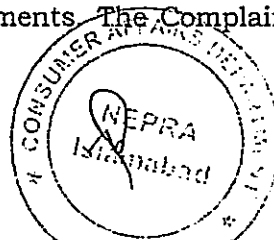
Complainant: 1) Mr. Muhammad Ali S/O Ali Muhammad

Respondent: 1) Mr. Usman Moeen (K-Electric Limited)
2) Mr. Zulnurain (K-Electric Limited)

Subject: **DECISION IN THE MATTER OF COMPLAINT FILED BY MR. MUHAMMAD ALI S/O ALI MUHAMMAD UNDER SECTION 39 OF THE REGULATION OF GENERATION, TRANSMISSION AND DISTRIBUTION OF ELECTRIC POWER ACT, 1997 AGAINST K-ELECTRIC LIMITED REGARDING COST OF MATERIAL (ACCOUNT NO. 0400032048011).**

This decision shall dispose of the Complaint filed by Mr. Muhammad Ali S/O Ali Muhammad, Plot No: 10, MP Road, Haji Mohammad Dongi Goth Manghopir, Karachi, (hereinafter referred to as the "Complainant") against K-Electric Pvt. Ltd (hereinafter referred to as the "Respondent" or "KE"), under Section 39 of the Regulation of Generation, Transmission and Distribution of Electric Power Act, 1997 (hereinafter referred to as the "NEPRA Act").

2. Brief facts of the case are that NEPRA received a complaint wherein the dispute agitated by the Complainant was that he had applied for permanent disconnection of his Dedicated Distribution System (DDS) however KE has not been refunding the cost of material and requested NEPRA to intervene in the matter and direct KE to refund the cost of material. The matter was taken-up with KE for submission of para wise comments/report. In response, KE reported that the Complainant applied for permanent disconnection/ dismantling of his dedicated distribution system (DDS)/ connection upon which the DDS has been retained by KE as per guidelines enshrined in NEPRA approved Consumer Service Manual (CSM) 2021 read with NEPRA Consumer Eligibility Criteria (Distribution Licensees) Regulations, 2022. KE added that the depreciated cost of the serviceable equipment/DDS system shall be refunded to the Complainant in due course of time and the same has been duly communicated to the Complainant. The report of KE was sent to the Complainant for information/comments. The Complainant raised observations over the report of KE.



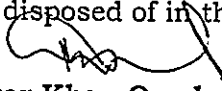
3. In order to proceed further into the matter, hearings were held at NEPRA Regional office Karachi which were attended by the Complainant and representative of KE in person.

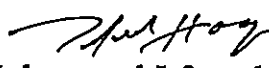
4. The case has been examined in detail in light of the record made so available by the parties, arguments advanced during the hearing and applicable law. The following has been observed:

- i. The Complainant is a commercial consumer of KE bearing reference No. 0400032048011. The Complainant submitted that he applied for permanent disconnection of his Dedicated Distribution System (DDS) however, KE has not refunded the cost of material.
- ii. The Complainant is of the view that KE be directed to refund cost of material to be dismantled i.e. poles, transformer etc.
- iii. The Regulation 9 of NEPRA Consumer Eligibility Criteria (Distribution Licensees) Regulations, 2022, Stipulates that "Upon removal or replacement of a Dedicated Distribution System or any part thereof, on account of permanent disconnection, extension or reduction of load, change of tariff, shifting of site or for any other similar reasons, the distribution licensee shall retain the Dedicated Distribution System or any part thereof as the case may be if the material is not utilized for extension or reduction of load, change of tariff, shifting of site, etc. upon payment in the manner specified as:
 - a. The monetary value of any serviceable equipment such as switchgear, transformer and others, in the Dedicated Distribution System or any part thereof shall be determined by taking useful life as twenty years for calculation of depreciation for adjustment at the rate of five percent per annum:

Provided that, in any case, the depreciated value of the serviceable equipment shall not be less than twenty percent of the initial capital cost and there shall not be any compensation for non-serviceable material and equipment; and
 - b. The cost of removal of Dedicated Distribution System, if any, shall be borne by the distribution licensee.
- iv. KE has not refunded the cost of the removed material to the Complainant.

5. Foregoing in view, KE is directed to refund the depreciated cost of the serviceable equipment/ DDS system to the Complainant as per ibid regulations. The complaint is disposed of in the above terms.


(Lashkar Khan Qambrani)
Member, Complaints Resolution Committee/
Director (CAD)


(Muhammad Irfan-ul-Haq)
Member, Complaints Resolution Committee/
Assistant Legal Advisor


(Naveed Illahi Shaikh)
Convener, Complaints Resolution Committee/
Director General (CAD)

Islamabad, October 17, 2025

