National Electric Power Regulatory Authority

ISLAMIC REPUBLIC OF PAKISTAN
NEPRA Head Office
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Consumer Affairs Department

TCD.09/4050 -2026
October, 15 2026

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. MUZAMMIL KHAN & OTHERS UNDER SECTION 39 OF THE REGULATION OF GENERATION, TRANSMISSION AND DISTRIBUTION OF ELECTRIC POWER ACT, 1997 AGAINST K-ELECTRIC LIMITED REGARDING LOAD SHEDDING (REF # 0400039377247).**
Complaint No. **KElectric-KHI-69520-02-26**

Please find enclosed herewith the order of NEPRA Complaints Resolution Committee (CRC) dated October 15, 2026, regarding the subject matter for necessary action and compliance.

Encl: As above

(Syed Ibad Ali Shah)
Dy. Director (CAD)

Copy to:

1. Mr. Asif Shajar, General Manager (Regulations), K-Electric Limited, KE House No 39-B. Sunset Boulevard Phase-II Defence Housing Authority, Karachi

2. Mr. Abid Hussain, Advisor, NEPRA Regional Office, Plot No. 15/118, Office No. 706, 7th Floor, Balad Trade Centre, Aalamgir Road. B.M.C.H.S. Block No. 3, Bahadurabad, Karachi

3. Mr. Muzammil Khan
Al-Qaryan Industries SMC Pvt. Ltd.,
Plot No. 1801, Block J, Ittehad Town,
Muhammad Khan Colony, Baldia Town, Karachi.
Ph. 0333-2010506

BEFORE THE
NATIONAL ELECTRIC POWER REGULATORY AUTHORITY
(NEPRA)
Complaint No. KElectric-KHI-69520-02-26

Mr. Muzammil Khan, ... **Complainant**
Al-Qaryan Industries SMC Pvt. Ltd.,
Plot No. 1801, Block J, Ittehad Town,
Muhammad Khan Colony, Baldia Town, Karachi.
Ph. 03333-2010506

Versus

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

Date of Hearing(s): August 24, 2026

On behalf of:
Complainant: Mr. Muzammil Khan

Respondent: 1) Mr. Zulnurain Janjua (K-Electric Limited)
2) Mr. Umair Shaikh (K-Electric Limited)

Subject: **DECISION IN THE MATTER OF COMPLAINT FILED BY MR. MUZAMMIL KHAN & OTHERS UNDER SECTION 39 OF THE REGULATION OF GENERATION, TRANSMISSION AND DISTRIBUTION OF ELECTRIC POWER ACT, 1997 AGAINST K-ELECTRIC LIMITED REGARDING LOAD SHEDDING (REF # 0400039377247).**

DECISION

This decision shall dispose of the complaint filed by Mr. Muzammil Khan, M/s Al-Qaryan Industries SMC Pvt. Ltd., & others, Karachi, (hereinafter referred to as the "Complainant") against K-Electric Limited (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 KE has been conducting prolonged load shedding of electricity supply to the industrial area connected with the Saffron Engineering Feeder and requested that KE be directed to resolve the matter. The matter was taken-up with KE for submission of para wise comments/report. In response, KE reported that the Complainant's industries are situated in a non-dedicated industrial zone/ area of Ittehad Town, Baldia Karachi which is fed from mix load feeder namely 'Safron Engineering' which falls under the "Very High Loss" category based on its Aggregate Technical and Commercial (AT&C) losses. KE further submitted that the industries situated inside dedicated industrial areas/zones of the city are completely exempted from load shedding based on their good Aggregate Technical and Commercial loss profiles. However, it is operationally extremely challenging to exempt industries on an individual basis if they are situated in densely populated residential/ commercial areas in which aggregate technical and commercial losses are high on the basis of which load shed is carried out, as is the case at hand in which load shed is carried out during night hours with the aim to minimize disruption to industrial operations during the day time. 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, hearing was held on August 24, 2026 at NEPRA Regional office Karachi which was attended by both the parties i.e. representatives of KE and the Complainant, wherein the matter was discussed in detail. During the hearing, the Complainant informed that KE is carrying out 10-12 hours of load shedding to the high paying industrial consumers on the basis of technical fault and losses. The representative of KE submitted that the industries are located in a non-dedicated industrial area of Ittehad Town, Baldia, Karachi, supplied through the mixed-load Saffron Engineering feeder, which falls in the "Very High Loss" category. The representative of KE further submitted that while industries in dedicated industrial zones with low AT&C losses are exempted from load shedding, individual exemption is operationally difficult in mixed residential/commercial areas where load shedding is determined by the feeder's overall loss profile.

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 instant matter pertains to load shedding by K-Electric at Saffron Engineering Feeder subjecting the industries of the said feeder to pro-longed load shedding.

(ii) The Complainant is of the view that KE is providing electric supply to the high paying industrial consumers of Ittehad Town, Baldia, through a feeder subjected to extreme load shedding, resulting in frequent interruptions in the electricity supply.

(iii) KE is of the view that the Complainant's area is supplied from "Saffron Engineering Feeder" which falls in "Very High Loss" category based on its Aggregate Technical and Commercial Losses.

(iv) Pursuant to Section 21(2)(b) of the NEPRA Act, the Licensee is responsible to provide distribution service and make sales of electric power within its territory on a non-discriminatory basis to all the consumers who meet the eligibility criteria laid down by the Authority.

(v) Pursuant to Section 21(2)(f) of the NEPRA Act; the Licensee is required to follow the performance standards laid down by the Authority for distribution and transmission of electric power, including safety. Furthermore, Regulation 4(i) of NEPRA Performance Standards (Distribution) Regulations, 2026, provides the framework for load shedding. The said regulation requires distribution companies to maintain plans and schedules for load shedding upon instructions from System Operator and prescribes the priority order for load disconnection. It further requires load-disconnection schedules to rotate load shedding in a non-discriminatory manner, keeping in view the principle of proportionality so that a particular consumer class is not excessively burdened.

5. The Authority has imposed a penalty of Rs. 50 Million upon KE for carrying out load shedding in violation of provisions of the NEPRA Act and other enabling Rules & Regulations. However, KE has challenged the same before Appellate Tribunal (NEPRA) whereby the Tribunal has issued restraining orders against the decision of NEPRA.

6. The Authority, vide its Order dated August 31, 2026 under Section 27C of the NEPRA Act, has categorically examined the issue of unannounced and excessive load shedding by KE. The Authority has held that commercial/revenue-based and AT&C-loss-based load shedding has no recognition under the applicable statutory and regulatory framework. The load shedding is permissible only within the lawful framework and on account of technical/system requirements contemplated under the applicable framework.

7. The Authority has further categorically directed KE to cease and desist from unannounced, unscheduled and excessive load shedding and to ensure that load

management strictly adheres to the applicable legal framework, Rules, Regulations and its License.

8. The Authority has also specifically prohibited KE from carrying out AT&C-loss-based load shedding at feeder level and that commercial defaults, theft or high loss ratios on a particular feeder cannot serve as justification for suspending electricity supply to compliant and paying consumers connected to the same feeder. Further, consumers who are regular in payment of their electricity bills are not to be subjected to disconnection or curtailment of supply due to the defaults or unlawful actions of others.

9. The Authority has emphasized that commercial losses and electricity theft are required to be addressed through targeted technological and administrative measures rather than arbitrary feeder-level outages, including individual disconnections of defaulters/theft cases, intensified anti-theft drives and system interventions such as installation of Aerial Bundled Cables (ABC).

10. In the instant case, KE has termed the load shedding in the Complainant's area on the basis of AT&C losses/high losses/commercial losses/theft of the concerned feeder. However, in view of the aforesaid Order of the Authority, such justification cannot, by itself, constitute a lawful basis for subjecting compliant consumers to feeder-level load shedding. In view of the foregoing, the justification furnished by KE for excessive/prolonged/unannounced load shedding on the basis of the loss category/AT&C losses of the concerned feeder is not found sustainable to the extent that it results in collective curtailment of electricity supply to compliant consumers

11. It is obligatory on the K-Electric to supply un-interrupted electric power to its consumers. Furthermore, the consumer/complainant cannot be held liable and punished on account of non-paying consumers of K-Electric. Being located in the same locality where other community members enjoy load shedding free electricity, it would be rather unconstitutional and discriminatory on part of K-Electric to punish the Complainant on behalf of others in the shape of long hours of power-cut. The electricity is a fundamental right as guaranteed by the Constitution of Islamic Republic of Pakistan, 1973 which is also held by the Honorable Supreme Court of Pakistan in its reported Judgment of Alleged Corruption in Rental Power Plants etc., Human Rights Case (2012 SCMR 773).

12. Foregoing in view, and in light of the Authority's Order dated August 31, 2026, KE is directed to cease and desist from unannounced, unscheduled and excessive load shedding in the Complainant's area and ensure that compliant and paying consumers are not subjected to curtailment of electricity supply on account of AT&C losses, commercial defaults, electricity theft or high loss ratios of other consumers connected to the same feeder. KE shall adopt targeted measures, including individual disconnection of defaulters/theft cases, anti-theft drives, recovery of outstanding dues and necessary system improvement/augmentation, instead of resorting to feeder-level load shedding for addressing commercial losses. KE shall take all measures to reduce/exempt the area of the Complainant from load shedding within 03 to 06 months. KE shall also ensure that any load management undertaken is strictly in accordance with the applicable legal and regulatory framework.

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

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

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

15-10-26

NEPRA
Islamabad
CAD

Islamabad, October 15, 2026