



National Electric Power Regulatory Authority
Islamic Republic of Pakistan

NEPRA Office Building, G-5/1, Attaturk Avenue (East), Islamabad
Phone: 051-9206500, Fax: 051-2600026

Website: www.nepra.org.pk, Email: registrar@nepra.org.pk

**OFFICE OF THE
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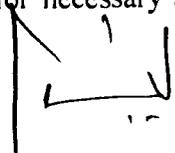
June 01, 2015

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

Subject: DECISION IN THE MATTER OF COMPLIANT FILED BY MR. ABDUL WAHEED UNDER SECTION 39 OF THE REGULATION OF GENERATION, TRANSMISSION AND DISTRIBUTION OF ELECTRIC POWER ACT, 1997 AGAINST K-ELECTRIC REGARDING EXCESSIVE BILLING / DETECTION BILL (CONSUMER # AL-467147 & LA-361824 - COMPLAINT # KE-445/2014)

Please find enclosed the decision of NEPRA in the subject matter for necessary action and compliance within thirty (30) days of receipt of the decision.

Encl:/As above


1/6/15
(Rtikhar Ali Khan)
Deputy Registrar

Copy to:

Mr. Abdul Waheed
House No. 133, Moinabad Phase-One,
Mehran Depot Road, Model Colony
Karachi



BEFORE THE
NATIONAL ELECTRIC POWER REGULATORY AUTHORITY
(NEPRA)

Complaint No: KE-445/2014

Mr. Abdul Waheed **Complainant**
House No. 133, Moinabad Phase-One,
Mehran Depot Road, Model Colony, Karachi.

Versus

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

Date of Hearing: March 27, 2015

Date of Decision: May 27, 2015

On behalf of:

Complainant Mr. Abdul Waheed

Respondent: 1) Mr. Rafique Ahmed Sheikh (General Manager)
2) Mr. Muhammad Asim Ali Khan (Deputy General Manager)

Subject: **DECISION IN THE MATTER OF COMPLAINT FILED BY MR. ABDUL WAHEED UNDER SECTION 39 OF THE REGULATION OF GENERATION, TRANSMISSION AND DISTRIBUTION OF ELECTRIC POWER ACT, 1997 AGAINST K-ELECTRIC LIMITED REGARDING EXCESSIVE BILLING / DETECTION BILL (CONSUMER # AL-467147 & LA-361824)**

Decision

1. This decision shall dispose of the complaint dated June 25, 2014 filed by Mr. Abdul Waheed (hereinafter referred to as "the Complainant") under Section 39 of the Regulation of Generation, Transmission and Distribution of Electric Power Act, 1997 against K-Electric Limited (hereinafter referred to as "the Respondent" or "KE").
2. The Complainant in his complaint had stated that KE issued a notice dated May 09, 2014 to him which he replied on May 24, 2014 but without providing any opportunity of

hearing, KE issued bills for the month of May 2014 amounting to Rs. 9963/- and Rs. 17409/- on two meters installed at the premises including arrears of Rs. 6526/- and Rs.7731/- whereas no arrears were outstanding in the previous month. Upon approaching KE, he was informed that his consumption has been low during the period from December 2013 to March 2014, therefore, KE has charged arrears amounting to Rs. 14,257/-. He further informed that KE offered 20 % rebate but he refused to accept the same. The Complainant added that he also lodged a complaint with KE for wrong reading carried out in the month of March 2014 but the same was also not redressed by KE. The Complainant has requested for resolution of his complaint with respect to wrong billing/ wrong arrears.

3. The matter was taken up with K-Electric for submission of parawise comments. In response, K-Electric vide letter dated July 17, 2014 reported that a site inspection was carried out at the premises of the Complainant after serving inspection notice dated May 9, 2014 during which discrepancy of "extra phase use" was found. Thereafter, a notice dated May 09, 2014 under section 39, 39A, 44 & 26A of Electricity Act 1910 was served upon the consumer. After getting consumer's reply and considering it, a supplementary bill of 1386 units amounting to Rs. 14,257/- on both the meters was issued covering a period of six (06) months from November, 2013 to April, 2014. During the period of detection bill, the consumption pattern was around 400 units/month and it increased to around 1100 units/month immediately after the extra phase was detected and removed. KE added that the consumer was involved in theft of electricity, as the consumption was increased after extra phase detection, therefore, the supplementary bill is justified and liable to be paid by the consumer.
4. The report of K-Electric was sent to the Complainant for information/comments. In response, the Complainant vide letter dated September 09, 2014 raised his objections over the report of K-Electric and informed that the allegations of KE are baseless. With regard to increase in electricity consumption pattern after site inspection, the Complainant stated that he installed an air conditioner as his son got married on April 26, 2014, therefore, the consumption has increased. The Complainant also provided documents in support of his contention with respect to increase in consumption after April, 2014. Accordingly, the matter was again taken up with KE for submission of report on rejoinder of the Complainant. In response, KE vide letter dated October 10, 2014 reported that after receipt of rejoinder, again a site inspection was carried out on September 25, 2014 and the connected load at Complainant's premises was found as 8.38 kW. KE further added that both the meters are installed inside the premises of the Complainant and terminal cover seals of three phase meter are missing and also there is difference in current readings for neutral and phase of the single phase meter. The report of KE was again sent to the Complainant but the Complainant was not satisfied and again approached NEPRA and informed that the allegations of KE were baseless and his meters were completely sealed. He further stated that KE had offered him rebate of 50% but he had refused to accept the same because he had never been involved in theft of electricity.
5. To further investigate the matter, some additional information with respect to billing statement, rationale of detection bill, copy of MCO etc was sought from KE vide letter dated November 27, 2014 which KE submitted vide its letter dated December 08, 2014. To probe further into the matter, a hearing was given on March 27, 2015 at Karachi, which was attended by both the parties. The parties advanced their arguments on the basis of their earlier submissions.



6. The case has been examined in detail in light of available record, arguments advanced by the parties during the hearing, relevant documentary evidence and the law. Following has been observed:

- i. As per the version of KE, two meters were installed at the premises of Complainant. An inspection of the Complainant's premises was carried out on May 09, 2014 and discrepancy of "Extra Phase Use" was found. On the basis of this discrepancy, KE issued detection bills of 761 units amounting to Rs. 7,731/- on consumer No LA-361824 and 625 units amounting to Rs. 6,526/- on consumer No AL-467147 for the period from November 2013 to April 2014. The Complainant has denied the allegations leveled by KE.
- ii. The billing history of the Complainant's accounts as per record provided by KE is as under:

Month	YEARS											
	NUMBER OF UNITS CONSUMED											
	2012			2013			2014			2015		
	Consumer No LA-361824 3 Phase	Consumer No. AL-467147 1 Phase	Total	Consumer No LA-361824 3 Phase	Consumer No. AL-467147 1 Phase	Total	Consumer No LA-361824 3 Phase	Consumer No AL-467147 1 Phase	Total	Consumer No LA-361824 3 Phase	Consumer No AL-467147 1 Phase	Total
January	139	148	287	200	143	343	34	126	160	160	123	283
February	176	300	476	250	177	427	134	146	280	104	200	304
March	140	273	413	168	120	288	146	337	483	264	309	573
April	229	207	436	265	206	471	278	111	389	255	321	576
May	371	253	624	393	255	648	764	355	1119			
June	253	226	479	559	400	959	941	325	1266			
July	253	226	479	200	346	546	270	456	726			
August	253	226	479	937	233	1170	440	411	851			
September	376	455	831	208	222	430	306	372	678			
October	212	195	407	255	226	481	280	288	568			
November	176	308	484	145	169	314	202	216	418			
December	250	149	399	150	134	284	139	151	290			

The above table shows that consumption of the connections bearing consumer numbers LA-361824 (3-Phase) and AL-467147 (1-Phase) from November 2013 to April 2014, the period during which KE has charged the detection bills, is 887 units (monthly average = 148 units) and 1023 units (monthly average = 171 units) respectively and the combined consumption of both the connections is 1910 (monthly average = 318 units). Whereas the consumption of consumer numbers LA-361824 and AL-467147 during corresponding months of previous year i.e from November 2012 to April 2013 was 1309 units (monthly average = 218 units) and 1103 units (monthly average = 184 units) respectively and the combined consumption of two meters in the same period was 2412 (monthly average = 402 units). As such, there is no remarkable reduction in the combined consumption of Complainant during the period for which KE has charged the detection bill as compared to the consumption of the corresponding months of previous year. Further, the consumption of the connections bearing consumer numbers LA-361824 and AL-467147 for a period of 01 year after site inspection, i.e. May 2014 to April 2015, is 4125 units (monthly average = 344 units) and 3527 units (monthly average = 293 units) respectively and the combined consumption of both the connections for the said period is 7652 units (monthly average = 638 units). Whereas, the

consumption of the connections bearing consumer numbers LA-361824 and AL-467147 for the corresponding months of previous year, i.e. May 2013 to April 2014 was 3439 units (monthly average = 286 units) and 2705 units (monthly average = 225 units) respectively and the combined consumption of both the connections for the said period was 6144 units (monthly average = 512 units). As such, there is a minor increase in consumption of the Complainant after inspection for which the Complainant has produced documentary evidence. Further, the billing history of the Complainant shows that the Complainant was not involved in theft of electricity as reasonable amount of units have been charged to the Complainant in last three years. The Complainant has rejected the offer of KE for 50% rebate. Therefore, it can be construed that if the Complainant was involved in theft of electricity he would have accepted 50% rebate offered by KE. Moreover if the Complainant was involved in theft of electricity then KE would not have offered him 50% rebate.

- iii. KE has penalized the Complainant on account of illegal abstraction of electricity i.e Extra Phase in use. In this regard, a procedure is laid down in Consumer Service Manual (CSM). From the record, it has not been established that KE had followed the procedure given in CSM prior to imposition of detection bills.
7. Keeping in view all the above circumstances, KE is directed to withdraw the detection bills amounting to Rs. 7,731/- and Rs. 6,526/- charged against consumer numbers LA-361824 and AL-467147 respectively.
8. Compliance report be submitted within thirty (30) days.

Islamabad, May 27, 2015


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

