



National Electric Power Regulatory Authority
Islamic Republic of Pakistan

**OFFICE OF THE
REGISTRAR**

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No. NEPRA/Dir.(CAD)/TCD-09/13688-89

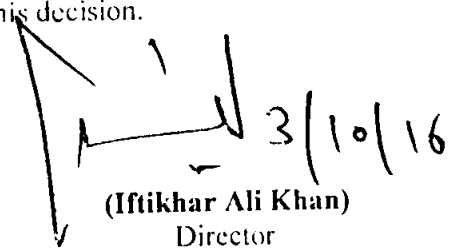
October 3, 2016

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 SYED HASSAN ALI NAQVI UNDER SECTION 39 OF THE REGULATION OF GENERATION, TRANSMISSION AND DISTRIBUTION OF ELECTRIC POWER ACT, 1997 AGAINST K-ELECTRIC LIMITED REGARDING IMPUGNED ARREARS IN THE BILL (LA-490151)
Complaint # KE-543/2015

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

Encl: As Above


(Iftikhar Ali Khan)
Director

Copy to:

Syed Hassan Ali Naqvi
A-76, Block II, Gulshan-E-Iqbal
Karachi



BEFORE THE
NATIONAL ELECTRIC POWER REGULATORY AUTHORITY
(NEPRA)

Complaint No: KE-543-2016

Syed Hassan Ali Naqvi
A-76, Block 11, Gulshan-E-Iqbal
Karachi.

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Complainant

Versus

K- Electric Limited
KE House, 39-B, Sunset Boulevard, Phase II
DHA, Karachi.

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Respondent

Date of Hearing: May 26, 2016

On behalf of:
Complainant: Syed Hassan Ali Naqvi

Respondent:

- i. Mr. Khalid Jamil GM (Operations)
- ii. Mr. Ayaz Ahmed, DGM (Operations)
- iii. Mr. Asif Shajar DGM (Regulations)
- iv. Mr. Imran Hanif AM (Regulations)

Date of Decision: ۲۷ مئی ۲۰۱۶, 2016

Subject: DECISION IN THE MATTER OF COMPLAINT FILED BY MR. HASSAN ALI NAQVI UNDER SECTION 39 OF THE REGULATION OF GENERATION, TRANSMISSION AND DISTRIBUTION OF ELECTRIC POWER ACT, 1997 AGAINST K-ELECTRIC LIMITED REGARDING IMPUGNED ARREARS IN THE BILL (AL-490151)

DECISION

This decision shall dispose of the complaint filed by Mr. Hassan Ali Naqvi (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.

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(2). The Complainant in his complaint has stated that he filed a complaint before Electric Inspector (POI) Karachi region-II Government of Sindh (EIK) dated November 17, 2012 regarding alleged theft of electricity & unjustified arrears and the same was determined in favor of the Complainant by EIK on August 28, 2013, however, the said order was implemented by KE after passage of sufficient time period. The Complainant further added that KE did not comply with the decision of EIK in its true letter & spirit and only deducted the arrears amounting to Rs.9639/- pertaining to the alleged theft of electricity only, whereas, the other charges (i.e. reconnection & late payment surcharge) have not been adjusted. Moreover, the Complainant stated that during the processing of the said case KE charged him fabricated, unjustified assessed bills & reconnection charges as well. The Complainant prayed that KE be directed to implement the decision of EIK, Government of Sindh by reimbursing the reconnection charges and stop issuing bills on assessed mode.

(3). The matter was taken up with KE for submission of para-wise comments. In response, KE vide letter dated October 9, 2015 submitted that in compliance with the decision of Electric Inspector dated August 28, 2013 the disputed amount has been reversed/allowed. Thereafter the same report of KE was sent to the Complainant for information/comments. In response, the Complainant vide his letter dated November 20, 2015 submitted rejoinder and raised observations over the report of KE, wherein he apprised that KE did not credit him the reconnection charges as per EIK order and prayed for resolving the case on merit. Accordingly, the matter was again taken up with KE in light of submission of the Complainant. In response, KE vide letter dated January 26, 2016 reported that Complainant was found involved in theft of electricity twice, therefore, two (2) detection bills amounting to Rs.10,613/- & Rs.9,639/- were charged to the Complainant during the period 2010 & 2012 respectively. Furthermore, KE submitted that the Complainant filed a complaint at EIK against the detection bill which was charged to him during the year 2012 amounting to Rs. 9639/- and subsequently the same was reversed in light of the EIK decision.

(4). KE further submitted that another site inspection was also carried out at premises of the Complainant after serving inspection notice under section 20 of the Electricity Act, 1910. As per Site Inspection Report (SIR) dated September 23, 2015 a discrepancy of "Neutral Break" was found. After lapse of the stipulated time period, a detection bill amounting to Rs.55,992/- for 4204 units was also processed on the basis of connected load, covering a period of six (06) months i.e. from February 05, 2015 to August 05, 2015. Moreover, KE added that the Complainant was involved in illegal abstraction of electricity; hence, the detection bill is justified and liable to be paid by the Complainant.

(5). In consideration of above, additional information/documents were sought from KE with respect to billing history of the premises, rationale of detection bill, charging of reconnection charges, proof of discrepancy and details of inspection which was carried out in the presence of the complainant or his representative etc. In response, KE vide letter dated March 28, 2016 submitted the required information/documents and stated in this regard that it is not possible for KE to lodge FIR in all such cases due to requirement of supporting documents, which are not provided by the consumers after detection of theft.

(6). To examine the matter further, a hearing was held at Karachi on May 26, 2016 which was attended by both the parties, wherein the parties advanced their respective arguments based on earlier submissions. During the course of hearing, KE further apprised that the electricity consumption recorded at the Complainant's premises is on lower side and is not in accordance with his connected load, therefore, the detection bills were charged to the Complainant on the basis of connected load 6.34 kW. Meanwhile, the Complainant informed that KE did not adjusted the bills as per the order of EIK and only debited the amount which pertains to alleged theft of electricity and KE is still charging fabricated assessed bills. Further, the Complainant raised observation over issuance of notices, raising of detection bill and contented that if KE has any doubt over his consumption then KE should have installed a check meter to ascertain the difference of consumption (if any)

(7). After examining the case in light of the available record, relevant documentary evidence, arguments advanced during the hearing and applicable law, following has been observed:



(i). The supply of premises of the Complainant is single phase, residential connection having sanctioned load of 7 kW. As per report of KE, site inspection of the premises was carried out on September 23, 2015 and discrepancy of "Neutral Break" was found. On the basis of the said discrepancy and connected load at the premises i.e. 6.34 kW, KE assessed the detection bill 4450 units (742 units per month) for the period of 6 six months from February 05, 2015 to August 05, 2015 and after deducting already charged 246 units on normal billing during the disputed period, KE raised the detection bill of 4204 units amounting to Rs.55,992/-. The Complainant has denied the allegations leveled by KE.

(ii). The documents/evidences provided by KE has revealed contradictory dates and it does not match with the both documents i.e. notice under section 20 of the electricity Act, 1910 was served to the Complainant on September 23, 2016 and site inspection report was conducted on September 3, 2016.

(iii). The billing statement of the Complainant's account as provided by KE, is as under:

Month	No of units kWh Consumed			
	2013	2014	2015	2016
January	33	30	35	400 Assd
February	34	28	40	67
March	25	33	28	400 Assd
April	26	28	38	58
May	150 Assd	46	42	65
June	72 Assd	71	50	77
July	350 Assd	88	44	56
August	58	37	44	
September	96	51	400 Assd (SIR)	
October	46	37	400 Assd	
November	44	45	450 Assd	
December	39	31	32	

a. The above table depicts the consumption of the Complainant as under:

- Consumption of the Complainant during the disputed period i.e. from March 2015 to August 2015 was 246 units (Average monthly=**41 units**),
- Consumption of the Complainant in same months of corresponding year i.e. from March 2014 to August 2014 was 303 units (Average monthly=**50 units**). As per the billing record the consumption of the Complainant's connection has slightly changed during the period for which KE has charged detection bill as compared with the consumption recorded in the corresponding same months of the previous years.
- After inspection dated September 23, 2015 KE have been charging assessed bills to the Complainant instead of normal bills as per meter reading, which is unjustified and against the provisions of Consumer Service Manual (CSM).
- After inspection the billing analysis cannot be ascertained as KE has charged consecutive Assessed bills to the Complainant.

b. The above billing analysis shows that during the pendency of implementation of the EHK order dated August 28, 2013, KE charged assessed bills to the Complainant in 2013, 2015 &

2016 which are against the provisions and on higher side as the consumption of the Complainant's account is usually on lower side.

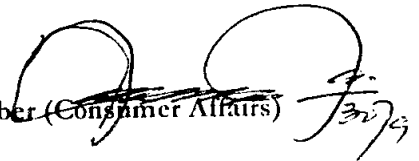
- c. KE vide its report dated October 9, 2015 submitted that in compliance to the decision of Electric Inspector dated August 28, 2013 the disputed amount has been reversed/allowed. However, it is noted that both the parties neither submitted any application nor filed for review or an appeal before the competent authority.

(8). KE has penalized the Complainant on account of neutral break. A procedure is laid down in CSM, as per which FIR is mandatory in case of direct theft of electricity. If the Complainant was involved in theft of electricity by using neutral break, then KE should have lodged FIR against him, but KE record is silent in this case even though three (3) detection bills have been charged to the Complainant. Moreover, from the documents provided by KE, it has been established that the procedure laid down in the CSM for establishing illegal abstraction of electricity has not been followed in true letter and spirit.

(9). Further, if KE had any doubts regarding any metering fault then as per provision of CSM in case of metering faults/billing disputes KE can only charge the difference recorded between the consumption of the two meters (i.e. impugned & check meter) up to two (2) billing cycles instead of issuing continuous assessed bills to the Complainant.

(10). In view of foregoing, detection bill amounting to Rs.55,992/- for 4204 units, i.e. from February 05, 2015 to August 05, 2015 charged against the Complainant is without any legal justification. KE has failed to substantiate its case with any cogent evidence and the said EIK decision in the matter also reaffirms the same. Further, the non-compliance of the procedure and associated formalities provided in CSM has tainted the entire proceedings. The perusal of the billing history of the Complainant also does not support the version of KE. In view of that, KE is hereby directed to waive of the said detection bill, adjust the assessed bills charged against the Complainant in his future bills and take stern action against the delinquents who are responsible for repeated violations of the applicable rules & regulations.

(11). A Compliance report in the matter be submitted within thirty (30) days.

Member (Consumer Affairs) 

Islamabad, Oct 03, 2016