



National Electric Power Regulatory Authority Islamic Republic of Pakistan

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OFFICE OF THE
REGISTRAR

No. NEPRA/CAD/TCD-09/10401-02

July 22, 2016

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

Subject: **DECISION IN THE MATTER OF COMPLAINT FILED BY
MOHAMMAD NADEEM S/O HANIF UNDER SECTION 39 OF THE
REGULATION OF GENERATION, TRANSMISSION AND
DISTRIBUTION OF ELECTRIC POWER ACT, 1997 AGAINST K-
ELECTRIC LTD REGARDING DETECTION BILL (CONSUMER #AL-
690464)**
COMPLAINT# KE-2082/2015

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

Encl: As above


(Iftikhar Ali Khan)
Deputy Registrar

Copy to:

Mr. Mohammad Nadeem S/o Muhammad Hanif
371 Block S, Khalilabad, North Nazimabad
Karachi



BEFORE THE
NATIONAL ELECTRIC POWER REGULATORY AUTHORITY
(NEPRA)

Complaint No: KE-2082/2015

Mr. Mohammad Nadeem, **Complainant**
S/o Mr. Mohammad Hanif,
371, block S, Khalidabad, North Nazimabad,
Karachi.

Versus

K-Electric Limited, **Respondent**
KE House No.39-B,
Sunset Boulevard DHA Phase-II,
Defense Housing Authority,
Karachi.

Date of Hearing: May 25, 2016

On behalf of:

Complainant: 1) Mr. Mohammad Nadeem

Respondent:

- 1) Mr. Khalid Jamal, GM (Operations)
- 2) Mr. Ayaz Ahmed, DGM (Operations)
- 3) Mr. Asif Shajar, DGM (Regulations)
- 4) Mr. Imran Hanif, AM (Regulations)

Date of Decision: July 21, 2016

Subject: **DECISION IN THE MATTER OF COMPLAINT FILED BY MR. MOHAMMAD NADEEM S/O MUHAMMAD HANIF UNDER SECTION 39 OF THE REGULATION OF GENERATION, TRANSMISSION AND DISTRIBUTION OF ELECTRIC POWER ACT, 1997 AGAINST K-ELECTRIC LIMITED REGARDING DETECTION BILL**

DECISION

1. This decision shall dispose of the complaint dated November 19, 2015 filed by Mr. Mohammad Nadeem (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 has stated that he received unjustified bill amounting to Rs: 52,143/- in the month of October, 2015, including assessed 450 units which was on higher side as compared to his average monthly consumption i.e. 40~70 units. Further the Complainant has added that he approached KE for correction of bill but he did not receive any satisfactory response from KE. The Complainant prayed that KE be directed to adjust/waive of the unjustified bill.

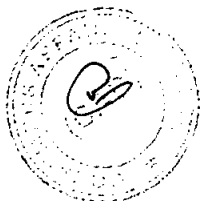
3. The matter was taken up with KE for submission of para-wise comments. In response, KE vide letter dated December 8, 2015 reported that a site inspection was carried out at the premises of the Complainant after serving inspection notice dated October 10, 2015 under section 20 of the Electricity Act, 1910. As per Site Inspection Report (SIR) dated October 10, 2015, a discrepancy of "Meter stop, Hook in use" was reported and connected load was found to be 4.171 kW against sanctioned load of 1.00 kW. Thereupon, a notice dated October 10, 2015 under section 39, 39-A, 44 and 26-A of the Electricity Act, 1910 was served upon the Complainant to explain the reasons of the discrepancy. After lapse of the stipulated time period, a detection bill amounting to Rs.45,607/- for 3273 units was processed on the basis of connected load, covering a period of six months, i.e. from March 22, 2015 to September 21, 2015. Further, 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.

4. The report of KE was sent to the Complainant for information/comments. In response, the Complainant vide letter dated January 7, 2016 submitted his rejoinder, wherein he denied the allegations leveled by KE and stated that he approached KE vide his letter dated January 3, 2016 wherein he informed that his meter is working properly, whereas KE declared it to be not working. Accordingly, the matter was again taken up with KE in light of submissions of the Complainant and some additional information/documents were also sought from KE with respect to billing history of the premises, rationale of detection bill, copy of FIR, proof of discrepancy and copy of MCO etc. In response, KE vide letter dated February 8, 2016 submitted the required information/documents and added that it is not possible to lodge FIR in all cases due to requirement of supporting documents, which are not provided by the consumers after detection of theft.

5. To examine the matter further, a joint site inspection of premises of the Complainant was conducted on April 20, 2016 wherein it was observed that a single phase electricity meter was installed inside the premises and the premises was being used for residential purpose i.e. ground plus one floor. The total connected load of the premises was found as 2.802 kW instead of SIR load of 4.171 kW. Moreover, a hearing in the matter was held at Karachi on May 25, 2016 which was attended by both the parties, the representative presented the case on behalf of the Complainant and raised observation over issuance of notices and SIR. Whereas KE reiterated its earlier version and further informed that the detection bill was calculated on the basis of connected load.

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

- i. The connection is a residential, single phase supply, having sanctioned load of 1 kW.
- ii. As per report of KE, site inspection of premises of the Complainant was carried out on October 10, 2015 and discrepancy of "Meter stop, Hook in use through main LT line" was found. On the basis of the said discrepancy, KE assessed the detection bill 3564 units (594 units per month) as per connected load of 4.171

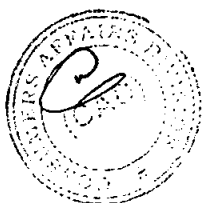


kW, for the period of 6 six months from March 22, 2015 to September 21, 2015 and after deducting already charged 286 units on normal billing during the disputed period, KE raised the detection bill of 3273 units amounting to Rs.45,607/-. The Complainant denied the allegations leveled by KE. Accordingly a joint site inspection of premises of the Complainant was conducted, and connected load of the premises was found to be as 2.802 kW instead of SIR load of 4.171 kW.

- 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	19(Avg.)	68	33	186
February	86(Adjs.)	68	0	78
March	126	46	20	65
April	0	46	36	246
May	0	13	42	300 (Assd)
June	44	17	48	
July	51	7	58	
August	50	4	36	
September	55	75	66	
October	22	20	450 (SIR+Assd)	
November	36	46	350(Assd)	
December	27	49	300(Assd)	

- a. The site inspection of the premises was carried out on October 10, 2015, the above table depicts the consumption of the Complainant as under:
- Consumption of the Complainant during the disputed period i.e. from April 2015 to September 2015 was 286 units (Average monthly=48 units),
 - Consumption of the Complainant in corresponding months of disputed period i.e. from April 2014 to September 2014 was 162 units (Average monthly=27 units),
 - Consumption of the Complainant in corresponding months of previous year i.e. from April 2013 to September 2013 was 200 units (Average monthly=33 units).
- b. KE has charged 3 consecutive assessed bills to the Complainant during the period from October 2015 to December 2015, which are on higher side and unjustified.
- The consumption of the Complainant after inspection i.e. January 2016 to April 2016 = 466 units (Average monthly = 93 units). The actual consumption in the month of January 2016 cannot be evaluated as the



complainant was charged with three (03) consecutive assessed bills during the months of October 2015 to December 2015.

- The consumption of the Complainant in corresponding months of previous year i.e. January 2015 to April 2015 = 89 units (Average monthly = 22 units)
 - iv. The above billing record reveals that the consumption of the Complainant's account was already on higher side during the period for which KE has charged detection bill as compared to the consumption recorded in the same months of the previous years. The actual consumption in the month of January 2016 after inspection cannot be evaluated as the Complainant was charged with three (03) consecutive assessed bills during the months of October 2015 to December 2015. Moreover, the billing history of the Complainant's account does not support the version of KE.
 - v. The Complainant raised observations over issuance of notices and detection bill. KE failed to produce any evidence in support of their argument that notices were properly served to the Complainant.
 - vi. As per provisions of Consumer Service Manual (CSM), FIR is mandatory in case of direct theft of electricity. If the Complainant was involved in theft of electricity by using extra phase/hook, then KE should have lodged FIR against him, however, KE record is silent in this case. In this regard, the detailed procedures laid down in Chapter 9 of CSM have also not been complied with. The non compliance of the procedures specified in CSM by KE also vitiates the detection bill.
 - vii. The billing account of the Complainant's premises has been examined in detail from year 2011 and it has been observed that electricity consumption is on lower side. However, KE has charged some consecutive assessed bills to the Complainant during the period from October 2015 to December 2015 and May 2016 after inspection which is on higher side and without any justification.
 - viii. The impugned demand by KE for detection bill charged to the Complainant appears to be without any legal justification. The provisions of CSM have not been complied with and there is an admission to this effect on record by KE.
7. In view of foregoing, the detection bill amounting to Rs.45,607/- for 3273 units charged by KE is without any legal justification. KE has failed to substantiate its case with any cogent evidence. Further, the non compliance of the procedure provided in Chapter 9 has tainted the entire proceedings. Therefore, KE is hereby directed to withdraw the said detection bill charged against the Complainant and adjust the said assessed billing in future bills of the Complainant.
8. Compliance report be submitted within thirty (30) days.

Member (Consumer Affairs) 21/7/16

Islamabad, July 21, 2016

