



Registrar

National Electric Power Regulatory Authority
Islamic Republic of Pakistan

NEPRA Tower, Attaturk Avenue (East), G-5/1, Islamabad
Ph: +92-51-9206500, Fax: +92-51-2600026
Web: www.nepra.org.pk, E-mail: registrar@nepra.org.pk

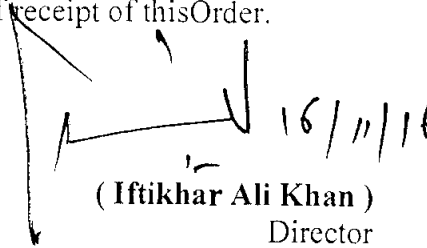
NEPRA/R/TCD.09(CAD)/15764-65
November 16, 2016

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

Subject: **ORDER IN THE MATTER OF COMPLAINT FILED BY MR. ZAHID RAMZAN UNDER SECTION 39 OF THE REGULATION OF GENERATION, TRANSMISSION AND DISTRIBUTION OF ELECTRIC POWER ACT, 1997 AGAINST K-ELECTRIC LIMITED REGARDING KE INSPECTION TEAM ATTITUDE AND WRONG BILLING (CONSUMER # LA-772496)**
Complaint # KE-96/2016

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

Encl: As above


(Iftikhar Ali Khan)
Director
Registrar Office

CC:

Mr. Zahid Ramzan
649-A 25-C, Mehmoodabad 5 - 1/2 I
Karachi.



BEFORE THE
NATIONAL ELECTRIC POWER REGULATORY AUTHORITY
(NEPRA)

Complaint No: KE-96-2006

Mr. Zahid Ramzan **Complainant**
649-A 25-C, Mehmoodabad 5 - 1/2 I
Karachi.

Versus

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

Date of Hearing: September 07, 2016

On behalf of
Complainant: Mr. Zahid Ramzan

Respondent:

- i. Mr. Rafique Ahmed - DGM (Operations)
- ii. Mr. Omair M. Farooq - DGM (Operations)
- iii. Mr. Asif Shajar - DGM (Regulations)
- iv. Mr. Imran Hanif - AM (Regulations)

Date of Order: November , 2016

Subject: ORDER IN THE MATTER OF COMPLAINT FILED BY MR. ZAHID RAMZAN UNDER SECTION 39 OF THE REGULATION OF GENERATION, TRANSMISSION AND DISTRIBUTION OF ELECTRIC POWER ACT, 1997 AGAINST K-ELECTRIC LIMITED REGARDING KE INSPECTION TEAM ATTITUDE AND WRONG BILLING (CONSUMER # LA-772496)

ORDER

This Order shall dispose of the complaint filed by Mr. Zahid Ramzan (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.

(2). The Complainant in his complaint submitted that in the month of March 2016 he received excessive electricity bill including arrears amounting to Rs. 55,141/-. The Complainant prayed for the intervention of the Authority and resolution of his grievances.

(3). The matter was taken up with KE for submission of para-wise comments. In response, KE vide letter dated May 04, 2016 reported that a site inspection was carried out at the premises of the Complainant after serving inspection notice dated March 08, 2016 under section 20 of the Electricity Act, 1910. As per Site Inspection Report (SIR) a discrepancy of "light direct use by hook" was reported and connected load was found as 6.962 kW against the sanctioned load of 6 kW. Thereupon a notice dated March 08, 2016 under section 39, 39-A, 44 and 26-A of the Electricity Act, 1910 was served upon the Complainant to explain his position over the reported discrepancy. After lapse of the stipulated time, a detection bill amounting to Rs.55,141/- for 2845 units covering a period of 06 six months, i.e. from August 20, 2015 to February 16, 2016 was charged to the Complainant on the basis of SIR. KE further mentioned that the Complainant was using electricity through proscribed means. 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 May 23, 2016 submitted rejoinder and raised observations over the report of KE whereby he negated that the facts mentioned regarding the connected load in the SIR. Accordingly, the matter was again taken up with KE in light of submissions of the Complainant and some additional information/documents were sought from KE with respect to billing history of the premises, rationale of detection bill, copy of FIR and any proof of discrepancy etc. In response, KE vide its letter dated June 16, 2016 submitted the required information/documents. Further KE stated 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 hearing in the matter was held at Karachi on May 27, 2016 which was attended by both the parties, wherein the Complainant denied the allegations leveled by KE and raised observations over issuance of notices and raising of detection bills. Moreover, KE passed its respective arguments based upon its earlier version submitted vide its letter dated May 04, 2016 and further submitted that the detection bill was calculated on the basis of connected load of 7.040 kW and has submitted the increasing trend of billing history after inspection.

(6). After examining the case in detail in light of the available record, relevant documentary evidence, and applicable law. Following has been observed:



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- i. The connection is single phase, under residential category (I House) Al-R, having sanctioned load of 6 kW. As per report of KE, site inspection of the premises of the Complainant was carried out on March 8, 2016 and discrepancy of "light direct use by hook" of premises was found. On the basis of this discrepancy, KE assessed the detection bill consumption of the Complainant as 3999 units (666 units per month) for the period from August 20, 2015 to February 16, 2016 and after deducting already charged 1154 units during the same period, KE charged detection bill of 2845 units amounting to Rs.55,141/- Whereas, the Complainant denied the allegations leveled by KE against him and raised objections over issuance of notices.
- ii. The billing statement of the Complainant's accounts provided by KE is as under:

Months	No of units KWh consumed		
	2014	2015	2016
January	153	129	153
February	141	132	194
March	176	135	418 (SIR)
April	164	215	360
May	182	46	272
June	176	31	264
July	211	766	212
August	240	292	126
September	192	233	
October	134	227	
November	161	198	
December	177	149	

- iii. The inspection of the premises was carried out on March 8, 2016 and KE has charged detection bill for the period from August 20, 2015 to February 16, 2016. The above table depicts the consumption of the Complainant:

- Consumption of the Complainant during the disputed period i.e. from August 20, 2015 to February 16, 2016= 1154 units (Average monthly= 192 units).
- Consumption of the Complainant in corresponding months of disputed period i.e. from August 20, 2014 to February 16, 2015= 925 units (Average monthly = 154 units).

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Signature

- The consumption of the Complainant after five (05) months of inspection i.e. from April 2016 to August 2016= 1234 units (Average monthly = 246 units).
 - The consumption of the Complainant in corresponding months of previous year i.e. April 2015 to August 2015= 1350 units (Average monthly = 270 units).
- iv. The above billing record reveals that the consumption was already on higher side during the period for which KE has charged detection bill as compared with the consumption recorded in the corresponding months of the previous years. Moreover, the consumption of the Complainant has rather decreased after site inspection as compared to the consumption recorded during the corresponding months of previous years. Furthermore, the billing history of premises of the Complainant does not support the version of KE that the Complainant was involved in theft of electricity.
- v. KE has penalized the Complainant on account of theft of electricity i.e. "light direct use by hook". In this regard, a procedure is laid down in Consumer Service Manual (CSM) as per which lodging of FIR is mandatory in case of direct theft of electricity, but in the instant case neither FIR was lodged nor the matter was reported to the concerned police station. Further, KE has not provided any proof from which it could be ascertained that the Complainant was involved in theft of electricity.
- vi. From the documents provided by KE it has not been established that the procedure laid down in the CSM for establishing illegal abstraction of electricity has been followed in true letter and spirit.

(7). In view of above arguments, the detection bill amounting to Rs. 55,141/- for 2845 units charged by KE is without legal justification. KE has failed to substantiate its case with any cogent evidence. Further, non-compliance of the procedure provided in Chapter 9 of CSM has tainted the entire proceedings. Therefore, KE is hereby ordered to:

- a) Waive the impugned detection bill including LPS and any other illegal/hidden charges levied upon the Complainant during the disputed period.
- b) Replace the impugned meter from single phase to three phase in accordance with connected load and as per the relevant procedures.

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- c) Ensure compliance with the procedure provided in CSM for all cases falling under Chapter 09 thereof.
- d) Take legal action against the responsible officials who failed to follow the applicable rules and regulations in true letter and spirit.

(8). Compliance report be submitted within thirty (30) days.

Member (Consumer Affairs)  15/11

Islamabad, November 15, 2016