



National Electric Power Regulatory Authority
Islamic Republic of Pakistan

Registrar

2nd Floor, OPF Building, G-5/2, Islamabad,
Ph: 051-9206500, 9207200, Fax: 9210215
E-mail: registrar@nepra.org.pk

No. NEPRA/R/TCD-09 *10642-44*

29-8-2013

Chief Executive Officer
Karachi Electric Supply Company Ltd.
KESC House, Punjab Chowrangi,
39 - B, Sunset Boulevard, Phase-II
Defence Housing Authority
Karachi.

Subject: Decision of Member (Consumer Affairs) In The Matter of Complaint Filed By Mr. Amir Ahmed Sethi under Section 39 of The Regulation of Generation, Transmission and Distribution of Electric Power Act, 1997 Against KESC Regarding Detection Bills
Complaint # KESC-423-2012

Please find enclosed the decision of Member (Consumer Affairs) regarding the subject matter for necessary action and compliance within 30 days of the receipt of this decision.

Encl: As Above

SA
(Syed Safer Hussain)

Copy to:

1. Syed Muhammad Taha, Director Distribution Strategy, Karachi Electric Supply Company Ltd. KESC House, Punjab Chowrangi, 39 - B, Sunset Boulevard, Phase-II, Defence Housing Authority, Karachi.
2. Mr. Amir Ahmed Sethi, 170/E, Block-3, P.E.C.H.S. Karachi.

No. NEPRA/R/TCD-09, *10645*

29-8-2013

Forwarded for information and necessary action, please.

P
Munir
Registrar

1. Director (CAD)
2. Master File [w.r.t. M (CA) D#2104 dated 27.08.2013]

CC:

1. Vice Chairman / Member (Tariff)
2. Member (M&E)
3. Member (C.A)

Consumer Affairs Division
By No. *664*
Date: *02/09/13*

02/09/13

Sr. Manager



BEFORE THE
NATIONAL ELECTRIC POWER REGULATORY AUTHORITY
(NEPRA)

Complaint No: KESC-423/2012

Mr. Amir Ahmed Sethi
170/E, Block-3, P.E.C.H.S, Karachi.

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Complainant

Versus

Karachi Electric Supply Company (KESC)
KESC House No 39-B,
Sunset Boulevard Phase-II,
Defence Housing Authority, Karachi.

.....

Respondent

Date of Decision: August 27, 2013

Date of Hearing: June 3, 2013

On behalf of:

Complainant: i) Mr. Amir Ahmed Sethi

Respondent: i) Mr. Rafique Ahmed Sheikh, General Manager (Regulatory Affairs), KESC
ii) Mir Muslehuddin Alvi, Deputy General Manager (C/A), KESC

Subject: **DECISION IN THE MATTER OF COMPLAINT FILED BY MR. AMIR AHMED SETHI UNDER SECTION 39 OF THE REGULATION OF GENERATION, TRANSMISSION AND DISTRIBUTION OF ELECTRIC POWER ACT, 1997 AGAINST KESC REGARDING DETECTION BILL**

DECISION

1. This decision shall dispose off the complaint dated November 16, 2012 filed under section 39 of the Regulation of Generation, Transmission and Distribution of Electric Power Act, 1997 by Mr. Amir Ahmed Sethi, R/o 170/E, Block 3, P.E.C.H.S, Karachi-75400 (hereinafter referred to as the

AP



“Complainant”) against Karachi Electric Supply Company (hereinafter referred to as the “Respondent” or “KESC”).

2. Precisely, the Complainant in the complaint stated that KESC has been charging him excessive bills. Upon enquiry, KESC vide its letter dated December 11, 2012 reported that site inspection was carried out on October 25, 2011 wherein shunt was found in the meter with connected load of 8.831 kW against sanctioned load of 2.5 kW. Accordingly, a supplementary bill of 6420 - 3126 units = 3294 units was processed covering a period of 6 months from April 2, 2011 to October 3, 2011 amounting to Rs.50,023/-. The meter was replaced on October 27, 2011. KESC further informed that the Complainant was involved in illegal abstraction of electricity, therefore the supplementary bill charged is justified and liable to be paid. Also the Complainant has filed a complaint with Wafaqi Mohtasib.
3. The report of KESC was sent to the Complainant vide letter dated December 17, 2012. The Complainant raised his observations on the report of KESC vide his letter dated December 21, 2012. The Complainant was informed vide the letter dated January 15, 2013 that NEPRA cannot intervene in the matter under NEPRA Complainant Handling and Dispute Resolution (Procedure), 2011 if it is pending before any other forum. The Complainant vide his letter dated February 24, 2013 approached NEPRA and stated that his case is not pending with Wafaqi Mohtasib and later on provided an affidavit dated March 22, 2013 wherein he stated that no application against KESC is pending at any other forum except NEPRA.
4. The case was taken up with KESC vide letter dated April 17, 2013 and KESC was asked to submit comments on rejoinder of the Complainant and provide a copy of MCO and updated billing statement of the Complainant account for last 3 years. In response, KESC vide its letter dated May 2, 2013 submitted partial information.
5. To probe further into the matter, a hearing was also held on June 3, 2013 at Karachi; which was attended by both the parties. During the hearing, KESC representative(s) informed that already 30% allowance has been given to the Complainant and the issue be treated as resolved. The matter was taken up with the Complainant vide this office letter dated June 10, 2013 with respect to his consent on the allowance given by KESC. In response, the Complainant vide his letter dated June 22, 2013 requested to resolve the issue as per the provisions of Consumer Service Manual.
6. The matter was again taken up with KESC vide this office letter dated July 01, 2013 for provision of some information with respect to billing statement and MDI of the connection after replacement of meter i.e. October 27, 2011. In response, KESC vide its letter dated July 5, 2013 submitted the billing statement but MDI was provided only for two months i.e. June and July 2013 as per which the load of the Complainant is 1.88 kW.
7. The case has been analyzed in detail in light of documents provided by both the parties and arguments advanced during the hearing. The premises was inspected by KESC on October 25, 2011 and the meter



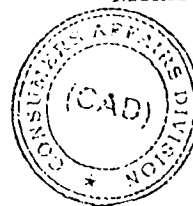
was replaced on October 27, 2011. A detection bill was raised for the period from April 2, 2011 to October 3, 2011 on account of shunt in the meter. KESC assessed total consumption of the Complainant as 6420 units during this period and after deducting already charged 3126 units, the net 6420-3126=3294 units were raised as detection bill. The Consumption of the Complainant for 11 months after replacement of meter i.e. from November 2011 to September 2012 is 5470 units with an average of 497 units per month. The Consumption of the Complainant for 11 months for the corresponding months in the previous years i.e. November 2010 to September 2011 is 5134 units with an average of 466 units per month. There is minor change in consumption pattern of the Complainant.

8. A procedure is laid down in Consumer Service Manual (CSM) regarding establishing illegal abstraction of electricity by the consumers which provides for securing the existing meter in presence of the consumer or his representative, installation of check meter, involving local representatives, issuance of notice and examining the reply of the consumer. Once illegal abstraction is confirmed, then detection bill is to be restricted to three billing cycles and up to six months with the approval of CEO or his authorized committee. Also in such case action is required to be taken against officer incharge for not being vigilant enough. In the instant case detection bill has been raised by KESC for six months but record is silent about any disciplinary action against the officer incharge as required under CSM. Moreover, from the documents provided by KESC it has not been established that the procedure laid down in the CSM for establishing illegal abstraction of electricity has been followed by it. The consumption of the Complainant after replacement of meter has slightly increased as compared with the correspondence months of the previous years. There is justification in charging detection bill but the quantum of units assessed by KESC are on the higher side.
9. Foregoing in view, KESC is directed to revise the detection bill charged to the Complainant from 6 months to 3 months as per the following formula and submit compliance report within 30 days:

$$\begin{aligned}
 \text{Detection units to be charged} &= \frac{\text{Detection units already charged} \times 3 \text{ months}}{\text{Number of months}} \\
 &= \frac{3294 \text{ units} \times 3 \text{ months}}{6 \text{ months}} \\
 &= 1647 \text{ units}
 \end{aligned}$$



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



Islamabad, August 27, 2013