



National Electric Power Regulatory Authority
Islamic Republic of Pakistan

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Registrar

No. NEPRA TCD/09/10973-75

17-12-2012

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

Subject: **Decision of Member (Consumer Affairs) in the matter of Complaint filed by Mr. Muhammad Ameen under Section 39 of the Regulation of Generation, Transmission and Distribution of Electric Power Act, 1997 against KESC regarding Detection Bill (Consumer No. LA-316069)**

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

Incl: As above


(Syed Safer Hussain)

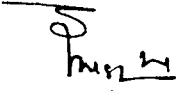
Copy:

1. Mr. Rafique Sheikh
Deputy General Manager (Regulatory Affairs)
Karachi Electric Supply Company Ltd.
Punjab Chowrangi, KESC House,
39 - B, Sunset Boulevard, Phase-II
Defence Housing Authority
Karachi.
2. Mr. Muhammad Ameen
D-110, Block-4,
Gulshan-e-Iqbal
Karachi

No. NEPRA TCD/09/10976

2012

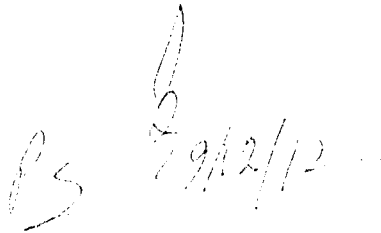
Forwarded for information, please.


Registrar

Senior Advisor (CAD)

Master File [w.r.t. Dy. No. 1339 dated 14.12.2012]
C.O. # 3111 dt 17.12.12

- CC:
1. Chairman
 2. Member (Licensing)
 3. Member (Tariff)
 4. Member (C.A)


BS 29/12/12

Member (A)
Dy. No. 18-12-12
Date...



**BEFORE THE
NATIONAL ELECTRIC POWER REGULATORY AUTHORITY
NEPRA**

Complaint No. KESC-254-2012

Mr. Mohammad Ameen **Complainant**
R/o D 110, Block-I, Gulshan e Iqbal
Karachi

Versus

Karachi Electric Supply Company Ltd **Respondent**
KESC House No 39-B
Sunset Boulevard Phase-II
Defence Housing Authority
Karachi

Date of Decision: December 11, 2012

Date of Hearing: October 16, 2012

On behalf of:

Complainant: None

Respondent: Mr. Amer Zia, Director (Strategy, Planning and Compliances)

Subject: DECISION IN THE MATTER OF COMPLAINT FILED BY MR. MOHAMMAD AMEEN UNDER SECTION 39 OF THE REGULATION OF GENERATION, TRANSMISSION AND DISTRIBUTION OF ELECTRIC POWER ACT, 1997 AGAINST KESC REGARDING DETECTION BILL (CONSUMER NO: LA-316069)

Decision

1. This decision shall dispose of the complaint dated July 02, 2012 filed by Mr. Mohammad Ameen r/o D110, Block-I, Gulshan e-Iqbal Karachi (hereinafter referred to as "the Complainant") against Karachi Electric Supply Company (hereinafter referred to as "the Respondent" or "KESC").

2. The Complainant in his complaint stated that KESFC charged him a detection bill of Rs.338,834/- which is unjustified as he had been paying his monthly electricity bills regularly. The Complainant requested for correction of his electricity bill.
3. To proceed with the matter, the complaint was referred to the KESFC vide letter dated July 05, 2012 for submission of para wise reply. In response, KESFC vide its letter dated July 16, 2012 stated that the connected load of the Complainant is 23.23 kW against sanctioned load of 1.746 kW. A site inspection was carried out at the premises of the Complainant after serving the inspection notice dated May 15, 2012. As per site inspection report, meter terminal strip found reopened, meter found slow on blue phase due to shunt. A notice under section 39, 39A, 41 & 26A of the Electricity Act, 1910 dated May 15, 2012 was served upon the consumer in order to give him a fair opportunity to explain the reason of discrepancy but no response was received within the stipulated time. A reminder as final notice was sent in June 2012. Consequently, a detection bill of 18955 units was processed on the basis of Site Inspection Report (SIR) covering the period from November 18, 2011 to May 21, 2012 amounting to Rs.309,204/-. KESFC further submitted that the Complainant is involved in illegal abstraction of electricity; therefore the detection bill is justified and liable to be paid by the Complainant.
4. The report of KESFC was communicated to the Complainant for his information/rejoinder. In response, the Complainant vide letter dated August 12, 2012 made his observations over the report of KESFC and informed that the allegation of KESFC regarding connected load of 23.23kW was baseless and moreover no notice was served upon him. The Complainant also denied the allegation of KESFC regarding presence of shunt in the meter. He submitted that the impugned meter was replaced by KESFC and a digital meter was installed and after replacement of the meter there had been no difference in consumption and his consumption was between 1300 to 1400 units per month despite having standby generator and 6 hours load shedding.
5. The matter was again taken up with KESFC vide letter dated September 04, 2012 in light of observations of the Complainant and some information regarding billing history of the premises, breakup of detection bill, assessment of load, etc. was sought from KESFC which was submitted by KESFC vide letter dated September 07, 2012.
6. To further explore the matter, a hearing was held on October 16, 2012 at Consumer Affairs Division which was attended only by KESFC whereas the Complainant informed that he is diabetic and could not travel from Karachi to Islamabad. During the hearing, KESFC's representative argued the case on the basis of earlier points and further submitted that the Complainant was involved in theft of electricity and after replacement of meter, the consumption of the Complainant had increased. KESFC representative informed that the connected load of the Complainant is 24.5 kW.
7. The case has been examined in light of documents provided by both the parties and arguments advanced by the Respondent during the hearing. If the Complainant extended his load then KESFC was required to take action and issued notice to the complainant as per the provisions of Consumer Service Manual but there is no such action or notice by KESFC. Moreover, as per provisions of Consumer Service Manual, there is a procedure for establishing illegal abstraction of electricity which provides 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 bills is to be restricted to three billing cycles and maximum up to six months with the approval of CEO and in such case action is also required by DISCO against the officer incharge for not being vigilant enough. The premises of the Complainant was inspected on May 15, 2012 and as per KESFC the meter terminal found reopened and meter was slow on blue phase due to shunt. Detection bill of 18955 units for the period from November 18, 2011 to May 21, 2012 amounting to Rs. 309,204/- was prepared. The KESFC assessed total consumption of the Complainant as 21634 units during the said period and after deducting 5679 units already charged the net

chargeable units as detection bill are 18955 units. The record submitted by KESFC does not establish that the procedure laid down in Consumer Service Manual was followed.

8. A gist of the billing data provided by KESFC in respect of the Complainant's premises for the years 2010, 2011 and 2012 is as under:

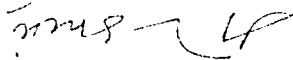
Months	2010	2011	2012
January	418	616	712
February	412	487	650
March	751	757	813
April	887	851	1155
May	879	1021	1329
June	934	1072	1339
July	1000	981	1124
August	1064	964	2315
September	1161	843	1729
October	946	751	-
November	603	885	-
December	482	720	-

The premises of the Complainant was checked on May 15, 2012 and the meter was replaced in June 2012. KESFC has not followed the complete procedure for establishing illegal abstraction of electricity as envisaged in Consumer Service Manual. The consumption pattern in the above table shows that the consumption of the Complainant after replacement of meter has increased as compared to the corresponding months of the previous two years. There is justification in changing difference of units but the quantum of units charged by KESFC is on the higher side. Moreover, it will be appropriate to work out the consumption for the disputed period of November 18, 2011 to May 21, 2012 (6 months) on the basis of average consumption recorded during the months from June 2012 to September 2012 after replacement of defective meter.

9. Forgoing in view, KESFC is directed to revise the detection bill of the Complainant as per following formula:

$$\begin{aligned} & \text{Units to be charged during the period November 18, 2011 to May 21, 2012} \\ & = (\text{Average monthly consumption (units) for June 2012 to September 2012}) \times 6 - (\text{Units already charged by KESFC during November 18, 2011 to May 21, 2012}) \\ & = (13394/12) + (2315/12) \times 6 - 5679 = 4081 \text{ units} \end{aligned}$$

Member (Consumer Affairs)



Islamabad, December 11, 2012