



National Electric Power Regulatory Authority

ISLAMIC REPUBLIC OF PAKISTAN

NEPRA Head Office,

Attaturk Avenue (East) Sector G-5/1, Islamabad.

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**Consumer Affairs
Department**

TCD.04/1299-2025
March 27, 2025

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 REVIEW MOTION FILED BY K-ELECTRIC AGAINST THE ORDER OF NEPRA IN THE MATTER OF COMPLAINT FILED BY MR. SHAHID IQBAL, UNDER SECTION 39 OF THE REGULATION OF GENERATION, TRANSMISSION AND DISTRIBUTION OF ELECTRIC POWER ACT, 1997 AGAINST K-ELECTRIC LIMITED REGARDING DISCONNECTION OF SUPPLY (ACCOUNT NO. 0400038484255, 0400039590137).**
KElectric-KHI-49154-01-25

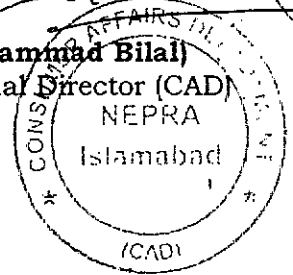
Please find enclosed herewith the decision of the NEPRA Complaints Resolution Committee (CRC), dated March 27, 2025, regarding the subject matter for necessary action and compliance within fifteen (15) days.

Encl: As above

Copy to:

1. Mr. M. Imran Hussain Qureshi
Chief Regulatory Affairs Officer & Govt. Relations Officer,
K-Electric Limited Office, 56 A, Street No. 88, G-6/3,
Islamabad.
2. Mr. Abid Hussain, Advisor,
Provincial Office Consumer Affairs,
Office # 101, 1st Floor, Balad Trade Centre,
Aalamgir Road, B.M.C.H.S., Bahadurabad,
Karachi.
3. Mr. Shahid Iqbal,
The Residents of Diamond City, Gadap Town, Karachi.
0303-0354450

(Muhammad Bilal)
Additional Director (CAD)



[For follow-up, please]



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

**MOTION FOR LEAVE FOR REVIEW
IN
Complaint No. KElectric-KHI-49154-01-25**

K-Electric Limited (KE)

KE House No.39B, Sunset Boulevard
Defence Housing Authority, Karachi.

.....Petitioner

Versus

Mr. Shahid Iqbal,

The Residents of Diamond City, Gadap Town.
Contact# 03030354450

.....Complainant

Date of Hearing(s): March 11, 2025

On behalf of:

Complainant: Mr. Shahid Iqbal

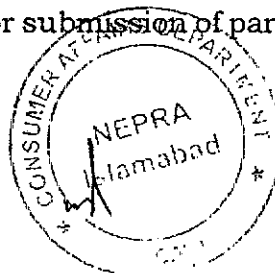
Respondent:

- 1) Mr. Khurram Abdullah (K-Electric Limited)
- 2) Mr. Jameel Ahmed (K-Electric Limited)
- 3) Mr. Asif Shajer (K-Electric Limited)

Subject: DECISION IN THE MATTER OF REVIEW MOTION FILED BY K-ELECTRIC AGAINST THE ORDER OF NEPRA IN THE MATTER OF COMPLAINT FILED BY MR. SHAHID IQBAL FILED UNDER SECTION 39 OF THE REGULATION OF GENERATION, TRANSMISSION AND DISTRIBUTION OF ELECTRIC POWER ACT, 1997 AGAINST K-ELECTRIC LIMITED REGARDING DISCONNECTION OF SUPPLY (ACCOUNT NO. 0400038484255, 0400039590137)

This decision shall dispose of the Review Motion filed by K-Electric Ltd (hereinafter referred to as the "Petitioner" or "KE") against the decision of NEPRA in the matter of Complaint of Mr. Shahid Iqbal (hereinafter referred to as the "Complainant") under Section 39 of the Regulation of Generation, Transmission and Distribution of Electric Power Act, 1997 (hereinafter referred to as the "NEPRA Act").

2. Brief facts of the case are that NEPRA received a complaint wherein the dispute agitated by the Complainant was that KE has disconnected electricity supply of Diamond City, Gadap Town, Karachi and requested that KE be directed to resolve the matter. The matter was taken-up with KE for submission of para-wise comments/report.



In response, KE reported that project in question i.e. "Diamond City" is a boundary wall project situated in the area of Gadap Town Karachi having area of approximately 13 acres. KE added that the street lights inside the entire project have been illuminated through illegal hook connections and despite repeated disconnections the residents do not apply for metered connections for street lights and restore supply soon after disconnection through the LT network available in the said society/project and as a last resort consumer has been charged with bills on estimate basis according to actual connected load of the street lights which have not been paid; as such this has resulted in accumulation of dues to the tune of approximately Rs. Three (03) million. In addition to the said outstanding dues there are many other individual connections against which dues are piled up to the extent of approximately Rs. 17.8 million in totality. KE added that KE engages the residents and representatives of the Society for effective resolution of this issue and has made many recovery efforts such as arrangement of recovery camps and facilitating consumers at their doorstep by offering various payment/rebate schemes for recovery of outstanding bills. However, despite repetitive efforts, consumers did not turn up for payment of outstanding dues. KE added that the supply of the project/society was disconnected on January 22, 2025 as a last resort and simultaneously engagements were tried to be done by KE teams with Society representatives for agreement on settlement of outstanding dues and as a result of these engagements the representatives of the society finally paid a token amount of Rs. 600,000/- on January 23, 2025 with further firm commitment that they will not only apply for metered connection for street light but also pay bills regularly without any default. Based on this firm commitment and submission of undertaking, electricity supply has been restored after payment of the above token amount.

3. The Consumer was of the view that KE disconnected the 11kV feeder in violation of Consumer Service Manual (CSM) which caused disturbance and mental torture to the families of more than 1000 paying consumers.

4. In order to proceed further into the matter, hearings were held at NEPRA Regional office Karachi on January 24, 2023 and January 31, 2025 which were attended by both the parties i.e. (KE and the Complainant) in person wherein the matter was discussed in detail. K-Electric disconnected electricity supply of the society from 11kV feeder instead of disconnection of individual defaulters which caused agony and stress to the families of regular paying consumers. Foregoing in view, KE was directed as follows:

- a. KE should conduct an inquiry through its Chief Internal Auditor to determine who authorized the illegal disconnection of the 11 kV feeder at Diamond City, Gadap Town, Karachi, over non-payment for the street light connection, rather than disconnecting the street light itself. Responsibility should be fixed accordingly. The report shall be submitted in NEPRA within thirty (30) days.
- b. KE must strictly follow CSM procedures for disconnecting electricity due to non-payment and ensure that 11kV supply to paying consumers is not disrupted for individual connection dues. Any future violations will result in legal action against KE.



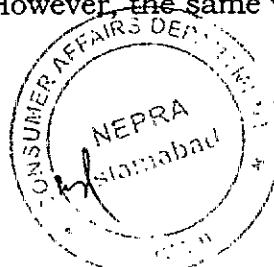
- c. KE should negotiate with Diamond City, Gadap Town, Karachi, representatives to arrange an easy instalment plan for the outstanding street light connection dues.
- d. KE should issue an apology letter to the complainant, expressing regret for the illegal disconnection of the 11kV supply, which cause distress to law-abiding,, paying consumers.
- e. An acknowledgment of this letter must be submitted within seven (07) days, with a compliance report to follow within thirty (30) days.

5. Being aggrieved with the above decision, KE has filed motion for leave for review. KE in its review motion has submitted as under:

- i. KE is of the view that paying of bills of streetlights of the diamond city housing society/project, being a common amenity, is the shared responsibility of all the residents of the society/project. The shared responsibility cannot be fulfilled if the residents of the society pay their individual bills without making any contribution towards payment of electricity bills of streetlights which is being used jointly by the residents in the larger interest of all the society residents.
- ii. The electricity supply defaulters as well as streetlights connections had been disconnected multiple times by KE but the same was illegally restored by the residents each time. Furthermore, the residents did not pay any heed to the repeated efforts of KE to convince them to pay bills of streetlight despite regular engagements which lead to temporary disconnection of supply of the society as a last resort after exhausting all available avenues.
- iii. The Clause 2.8.2 of NEPRA Consumer Service Manual (CSM) allows disconnection of electricity supply in cases where more than one connection is installed in name of a single owner.
- iv. Disconnection of individual amenity connections in such cases is not very effective as the residents of the project resorted to use of supply after illegal reconnection of the said connection from the supply of other connections available in the project. Thus, the disconnection of electricity supply in the instant cannot be construed as being non-compliant of the provisions of the CSM considering the fact that payment of amenity connection is the shared responsibility of all society residents.
- v. KE has inter-alia prayed that Motion for Review may be accepted and that the decision dated February 11, 2025 requiring an inquiry through KE's Chief Internal Auditor be set aside.

6. The Motion for Leave for Review filed by KE has been considered and a hearing in this regard was held on March 11, 2025 wherein the issue was discussed in detail. During the hearing, KE submitted that the Administration of the Society approached KE after disconnection and has started payment of the outstanding dues in installments.

7. The case has been examined in detail. KE in its review motion has not submitted any new ground. During the hearing, KE informed that the street lights have duly been Allocated Consumer No. (HC) and were being billed as per the load. The electricity supply and distribution network exist in the society; therefore KE should have provided proper metered connections against the street lights. However, the same was not done by KE.




As per Clause 8.1 of Consumer Service Manual (CSM), a premises is liable to be disconnected if the consumer is a defaulter in making payments of the electricity bill(s). During the hearing it was revealed that more than one thousand (1000) consumers paid their bills but instead of disconnecting the electricity supply of defaulters; KE disconnected the supply of the society from the 11kV feeder in violation of the said provisions of Consumer Service Manual (CSM) which has caused mental stress to the good paying consumers. The Clause 2.8.2 of NEPRA Consumer Service Manual (CSM) allows disconnection of electricity supply in cases where more than one connection is installed in name of a single owner. This is misinterpretation of the said clause by KE. The Clause 8.2.8 of the CSM is reproduced as follows:

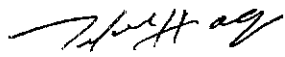
"8.2.8 If more than one connection exists in the name of single owner and any of the connections defaults, and the DISCO allots permanent disconnection code as per procedure, in such a case the DISCO may transfer the outstanding dues of the defaulting connection to the other running connection(s) of the same owner for recovery purposes."

The above Clause pertains to a single premises / building where many connections are installed in the name of a single owner. In the instant case, owners of the connections are different. Moreover, it is not a single premises, rather a housing society where every consumer is responsible for his own dues. Further, the Clause 8.2.7 of CSM provides that a premises where more than one connection exists in different names in different portions, and any of the consumer defaults in making payments, the other connections shall not be disconnected. In view thereof, action of KE is unjustified

8. A motion seeking review of any order is competent only upon the discovery of new and important matter of evidence or on account of some mistake or error apparent on the face of record. The perusal of the decision sought to be reviewed clearly indicates that all material facts and representations made were examined in detail and there is neither any occasion to amend the impugned decision nor any error inviting indulgence, as admissible in law, has been pointed out. Therefore, we are convinced that the review would not result in withdrawal or modification of the impugned decision; therefore, there is no ground to modify the decision dated February 11, 2025. As such the said decision is upheld. Therefore, KE is directed to implement the decision and submit compliance report within fifteen (15) days.


(Lashkar Khan Qambrani)

Member, Complaints Resolution Committee/
Director (CAD)


(Muhammad Irfan Ul Haq)

Member, Complaints Resolution Committee/
Assistant Legal Advisor (CAD)


(Naveed Illahi Shah)

Convener, Complaints Resolution Committee/
Director General (CAD)

Islamabad, March 27, 2025