

### National Electric Power Regulatory Authority .

Islamic Republic of Pakistan

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## OFFICE OF THE REGISTRAR

No. NEPRA/R/D(CAD)/TCD.09/ **568-69** 

January 16, 2015

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

Subject: DECISION IN THE MATTER OF COMPLIANT FILED BY MR. MUHAMMAD NASEER VOHRA UNDER SECTION 39 OF THE REGULATION OF GENERATION, TRANSMISSION AND DISTRIBUTION OF ELECTRIC POWER ACT, 1997 AGAINST K-ELECTRIC LIMITED CHANGE OF NAME/TARIFF AND EXCESSIVE BILLING

Complaint # KE-367/2013

Please find enclosed the decision of NEPRA in the subject matter for necessary action and compliance within thirty (30) days of receipt of this letter.

#### Encl:/As above

(Kikhar Ali Khan) Deputy Registrar

Copy to:

Mr. Muhammad Naseer Vohra
Office Secretary
Chiniot Sheikh Society®, F-76, Block F,
North Nazimabad, (near Fateh Park, Behind Gulab Mehal)
Karachi



# BEFORE THE NATIONAL ELECTRIC POWER REGULATORY AUTHORITY (NEPRA)

Complaint No: KE-367-2013

Mr. Muhammad Naseer Vohra,

Complainant

Office Secretary, Chiniot Sheikh Society, F-76, Block F, North Nazimabad (Near Fatch Park, Behind Ghulab Mehal) Karachi

Versus

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K-Electric Limited

Defence Housing Authority,

Respondent

(Formerly, Karachi Electric Supply Company (KESC)) KE House No.39-B, Sunset Boulevard Phase-II,

Karachi.

Date of Hearing:

September 04, 2014

Date of Decision:

January 14, 2015

On behalf of:

Complainant

- 1) Mr. Muhammad Naseer Vohra
- 2) Mr. Shaukat H. Vohra

Respondent:

- 1) Mr. Rafique Ahmed Sheikh, General Manager (Regulations)
- 2) Mr. Jehanzeb Ahmed Farooq, Incharge IBC North Nazimabad

Subject:

DECISION IN THE MATTER OF COMPLAINT FILED BY MR. MUHAMMAD NASEER VOHRA UNDER SECTION 39 OF THE REGULATION OF GENERATION, TRANSMISSION AND DISTRIBUTION OF ELECTRIC POWER ACT, 1997 AGAINST K-ELECTRIC REGARDING CHANGE OF NAME/TARIFF AND EXCESSIVE BILLING

#### **DECISION**

1. This decision shall dispose of the complaint dated September 11, 2013 filed under Section 39 of the Regulation of Generation, Transmission and Distribution of Electric Power Act, 1997 by Mr. Muhammad Naseer Vohra, Office Secretary, Chiniot Sheikh Society, Karachi (hereinafter referred to as the "Complainant") against K-Electric Limited (hereinafter referred to as the "Respondent" or "KE").

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- The Complainant in his complaint stated that Chinot Rafe-e-Aam Shafakhana is a subsidiary of Chiniot Sheikh Society (the Society) and is a non-profitable welfare organization. About 25 years back, Mr. Javed Iqbal, an employee of the Society applied for electricity connection for the Society in his own name. The Complainant added that since their activities are non profitable, therefore, certain exemptions apply to them. On March 26, 2012, they applied to KE for change of name from Javed Iqbal to Chiniot Rafe-e-Aam Shafakhana and submitted necessary documents but the same is still pending. The Complainant further stated that the meter was changed by KE in November 2012 and final reading on the meter at the time of replacement was 60584 units, whereas they have paid bills upto 70450 units, hence, about 10000 units were billed in excess by KE which were paid by them. The Complainant requested for refund of the excessively paid bills.
- 3. The matter was taken up with KE for submission of para-wise comments. In response, KE vide its letter dated October 21, 2013 reported that the consumer was billed on average mode for the reason that the meter was installed inside the premises and reading was not allowed by the consumer. Thereafter, the normal meter reading was started once the consumer allowed for meter reading. The meter was shifted outside the premises on December 14, 2012 and since then the billing is continuously being charged on normal mode as per actual reading. KE further reported that the consumer was given a form for change of name for filing but the same was not submitted back and process of change of name will be started as soon as the consumer fulfills the required procedure. KE added that updated tax exemption certificate is required in order to proceed with the request for change of tariff as the consumer provided an outdated tax exemption certificate which is no more valid.
- 4. The report of KE was sent to the Complainant for information/comments. In response, the Complainant vide letter dated August 07, 2014 raised his observations over the report of KE. The Complainant denied allegation of KE regarding disallowing the Meter Reader for taking reading. The Complainant added that all necessary documents have already been submitted to KE for change of name and the tax exemption certificate is valid until revoked.
- 5. To probe further into the matter, a hearing was held on September 4, 2014 at Karachi, which was attended by both the parties. The parties advanced their arguments based on their earlier versions. KE representatives stated that certain documents are required from the Complainant which will be intimated to NEPRA. Subsequently, KE vide its letter dated September 25, 2014 intimated about documents i.e. Mutation documents in the name of Chiniot Shaikh Society, power of attorney, and updated tax exemption certificate. Accordingly, the Complainant was advised vide this office letter dated October 15, 2014 to provide the required documents to KE. KE was also asked vide this office letter dated

October 15, 2014 to submit its comments with respect to charging average bills. In response KE vide letter dated October 27, 2014 reported that the consumer was charged average bills because the meter was installed inside the premises and theft through joint before incoming was suspected. KE tried to shift the meter outside the premises but the same was not allowed by the consumer.

- 6. The case has been examined in detail in light of available record, arguments advanced during the hearing, relevant documentary evidence and applicable law. Following has been observed:
  - i. The connection for Chiniot Rafe-e-Aam Shafakhana was obtained in the name of Mr. Javed Iqbal, an employee of the Chiniot Sheikh Society, Karachi. The connection is being billed under Commercial tariff. The Complainant applied to KE for change of name and change of tariff. The applicable tariff to the Complainant (charitable institutions) is residential tariff i.e A-1. For change of tariff and change of name certain documents are yet to be provided to KE by the Complainant.
  - ii. As per provisions of Consumer Service Manual (CSM), average bills can only be raised where metering equipment becomes defective and the maximum period of charging average bills is two billing cycles. After shifting of meter outside the premises and installation of new meter, the normal consumption of the premises is on lower side, this shows that previously KE charged average bills on higher side.
  - iii. KE charged average bills to the Complainant with the plea that the meter was installed inside the premises and the consumer did not allow KE for taking meter reading. The Complainant has categorically denied this allegation of KE. KE charged average bills to the Complainant from February 2010 to December 2012. The meter of the Complainant was shifted outside the premises in December 2012 and the previous meter was replaced. As per the copy of MCO provided by KE, final reading of the removed meter was 60584 units whereas KE charged the Complainant up to 70450 units as such KE has charged 9866 units in excess of the actual consumption.
  - iv. NEPRA vide letter dated October 15, 2014 directed KE to submit its comments with respect to adjustments of 9866 units charged in excess. In response, KE vide letter dated October 27, 2014 blamed that there was a joint before the incoming and suspected that the consumer was involved in theft of electricity. Whereas, no such allegation was leveled against the Complainant in earlier reports. This shows that KE has leveled this allegation to save its skin on charging average bills without any justification. Further, no documentary evidence has been placed on record by KE in support of its contention i.e. notice to the Complainant for involvement in theft of electricity, etc.



- Foregoing in view, KE is hereby directed to:
  - i) adjust excessively charged 9866 units in the future bills of the Complainant,
  - ii) proceed with change of name and change of tariff subject to fulfillment of codal formalities.
- 8. Compliance report be submitted within thirty (30) days.

Islamabad, January /4, 2015

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

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