

National Electric Power Regulatory Authority Islamic Republic of Pakistan

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OFFICE OF THE REGISTRAR

No. NEPRA/Dir.(CAD)/TCD-09/13989-90

October 07, 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 Engr. Syed Muhammad Abid Under Section 39 of the Regulation Of Generation, Transmission and Distribution of Electric Power Act, 1997 against K-Electric Limited regarding Detection Bills (Consumer # LB-004257) Complaint # KE-2091/2015

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 decision.

Encl: <u>As Above</u>

(Iftikhar Director

Copy to:

Engr. Syed Muhammad Abid House No. A-301, Sector 11-B, North Karachi



BEFORE THE NATIONAL ELECTRIC POWER REGULATORY AUTHORITY (NEPRA)

Complaint No: KE-2091-2015

Engr. Syed Muham House No. A-301, Se North <u>Karachi</u> .		 Complainant	
	Versus		
K- Electric Limited KE House, 39-B, Sur DHA, Karachi.	nset Boulevard, Phase Il	 Respondent	
Date of Hearing:	May 25, 2016		
On behalf of: Complainant:	Engr. Syed Muhammad Abid		
Respondent: ii. iii. iii. iv.	Mr. Abdul Rauf DGM (Operations) Mr. Asif Shajar DGM (Regulations)		

Date of Order: October , 2016

Subject: ORDER IN THE MATTER OF COMPLAINT FILED BY ENGR. SYED MUHAMMAD ABID UNDER SECTION 39 OF THE REGULATION OF GENERATION, TRANSMISSION AND DISTRIBUTION OF ELECTRIC POWER ACT, 1997 AGAINST K-ELECTRIC LIMITED REGARDING DETECTION BILL (CONSUMER # LB-004257)

<u>ORDER</u>

This Order shall dispose of the complaint filed by Engr. Syed Muhammad Abid (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

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(2). The Complainant in his complaint has stated that that he received unjustified electricity bill amounting to Rs.64,845/- for the month of August 2015, against meter No.SR90819, upon which he approached KE, whereby KE informed him that the arrears were charged on the basis of theft of electricity. Moreover, the Complainant stated that his premises was closed and both the meters were also disconnected from August 20, 2015. The Complainant further added that he approached KE against correction of the impugned bills but the issue remained unresolved. The Complainant prayed for redressal of his grievances.

(3). The matter was taken up with KE for submission of para-wise comments. In response, KE vide letter dated December 14, 2015 reported that a site inspection was carried out at the premises of the Complainant after serving inspection notice dated June 25, 2015 under section 20 of the Electricity Act, 1910. As per Site Inspection Report (SIR) dated June 25, 2015, discrepancy of "Hook/Direct Use" was reported and connected load was found to be 9.946 kW against sanctioned load of 5.00 kW. Thereupon, a notice dated June 25, 2015 under section 39, 39-A, 44 and 26-A of the Electricity Act, 1910 was served to the Complainant to explain the reasons of the mentioned discrepancy which the Complainant refused to acknowledge. After lapse of the stipulated time period, a detection bill amounting to Rs.65,791/- for 4187 units was processed on the basis of connected load, covering a period of six months, i.e. from December 7, 2014 to June 8, 2015. KE further added that the Complainant was involved in theft of electricity; 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 January 11, 2016 raised observations over the report of KE and stated that the consumer No.AL-714081, as stated by KE in its report, does not pertain to his premises. Accordingly, the matter was again taken up with KE in light of rejoinder of the Complainant and also some additional information/documents with respect to billing history of the premises, rationale of detection bill, copy of MCO etc. were sought from KE. In response, KE vide its letter dated February 02, 2016 submitted the required information/documents. KE further submitted 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 joint site inspection of premises in the presence of the Complainant was conducted on March 30, 2016, wherein it was observed that two single phase electricity meters were found installed outside of the boundary wall of the premises and were found disconnected from the overhead supply. Moreover, the gas supply was also found disconnected. The premises of the Complainant was found demolished bearing no electrical accessories. The Complainant also shared the documents of "Agreement of Sale" whereby it was reaffirmed that he had purchased the premises on May 20, 2015. Meanwhile, KE informed that another Site Inspection Report (SIR) was carried out on August 27, 2015 which reaffirmed the version of the Complainant that there was no use of electricity after he purchased the premises i.e. May 20, 2016

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(6). Further, a hearing in the matter was held at Karachi on May 25, 2016 which was attended by both the parties, wherein both of the parties advanced their respective arguments based on earlier submissions. In this regard, the Complainant denied the allegations leveled by KE and raised observation over the connected load as reported in SIR dated October 31, 2015, issuance of notice(s), raising of detection bill. Further, the Complainant denied the allegation of theft levelled upon him by KE. KE further submitted that the owner's name should also be changed from the old one to the new.

(7). After examining the case in light of the available record, relevant documentary evidence, arguments advanced during the hearing and applicable law, following has been observed:

i. The connection of premises is single phase, residential tariff having sanctioned load of 1 kW. As per report of KE, an inspection of the Complainant's premises was carried out on June 25, 2015 and discrepancy of "Hook/Direct Use" was found. On the basis of this discrepancy, KE assessed the consumption of the Complainant as 6233 units (1039 units per month) for the period from December 7, 2014 to June 8, 2015 and after deducting already charged 2046 units, KE raised detection bill of 4187 units amounting to Rs. 65,791/-. The Complainant has denied the allegations leveled by KE and submitted that the premises has been unoccupied since mid of May 2015 till to date.

	YEARS NUMBER OF UNITS CONSUMED								
Month									
	2012		2013		2014		2015		
	Consumer No. AL-136538	Consumer No. LB-004257	Consumer No. AL-136538	Consumer Nn. LB-004257	Consumer No. AL-136538	Consumer No. LB-004257	Consumer No. AL-136538	Consumer No LB-004257	
January	0	348	0	300	0	441	0	343	
February	0	298	0	358	0	424	0	345	
March	0	311	0	243	0	390	0	377	
April	0	366	0	378	0	753	0	430	
May	0	511	0	422	0	466	0	524	
June	0	521	0	599	0	659	0	27 (SIR)	
July	0	409	0	458	0	437	0	25	
August	0	374	0	363	0	459	0	26	
September	0	437	0	474	0	459	0	10	
October	0	433	0	329	0	403	0	0	
November	0	437	0	368	0	382	0	0	
December	0	346	0	412	0	414	0	0	

ii. The billing statement of the Complainant's account provided by KE is as under:

a. The inspection of the premises was carried out on June 25, 2015 and KE has charged detection bill for the period from December 2014 to June 2015. The above table depicts the consumption of the Complainant as under:

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- Consumption of the Complainant during the disputed period i.e. from December 2014 to June 2015 was 2019 units (Average monthly=403 units),
- Consumption of the Complainant in corresponding months of the disputed period i.e. from December 2014 to June 2014 was 3133 units (Average monthly = 522 units).
- After SIR dated June 25, 2015 the analysis of billing history of the Complainant account cannot be ascertained as the premises is demolished/not in use.
- The above billing record of the Complainant reveals that the consumption of the Complainant reveals that there is no remarkable difference in the consumption during the period for which KE has charged detection bill as compared to the consumption recorded in the corresponding months of the previous year.
- The billing month of June 2015 reafirms the version of the Complainant that there was no use of electricity after he purchased the premises i.e. May 20, 2016 and the minimum consumption recorded after site inspection i.e. June 2015 is a tethering proof of it. As such, the billing history of Complainant does not support the version of KE that the Complainant was involved in theft of electricity.
- iii. The gas consumption of premises of the Complainant reveals that minimum bill were charged by the Gas utility i.e. Sui Southern Gas Company Limited (SSGCL) since the month of April 2015.
- iv. The electricity consumption pattern reveals that the recorded consumption of electricity is also on lower side i.e., 25-30 units during June 2015 to September 2015. Since no consumption is recorded from October 2015 onwards, it is established that the premises is unoccupied since May 2015.
- v. As per report submitted by KE on December 14, 2015, the consumer number has been reported as #AL-714081 instead of the impugned consumer # LB-004257. Which is in contradiction to the report of KE dated February 2016.
- vi. During Join Site Inspection dated March 30, 2016 KE also submitted a copy of another Site Inspection Report (SIR) in the matter which was carried out on August 27, 2015 whereby MIO

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remarks are (Quote 'At the time of inspection Single Phase Meter installed outside of the premises, not in use" Unquote) thereby it is again reaffirmed the version of the Complainant.

- vii. KE has penalized that the Complainant on account of illegal abstraction of electricity i.e. hook/direct use. As per provisions of CSM FIR is mandatory in case of direct theft of electricity. If the Complainant was involved in theft of electricity by using extra phase/hook, then KE should have lodged FIR against him, but the record is silent in this case. In this regard, KE has added 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.
- viii. 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 Moreover, KE has not provided any proof from which it could be ascertained that the Complainant was involved in illegal abstraction of electricity.
- ix. The analysis of the Complainant account reveals that the Complainant purchased the premises in the month of May 2015 and KE charged detection bill to the Complainant from December 2014 to June 2015, whereby no remarkable difference in the consumption has been recorded in the said period. Moreover, there is no use of electricity at the premises of the Complainant after site inspection which proves that the Complainant version is justified.

(8). In view of foregoing, detection bill amounting Rs. 65,791/-. for 4187 units charged by KE is without any 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. In view of the said, KE is hereby directed to waive of the impugned detection bill(s), LPC and any other illegal charges levied by KE upon the Complainant during the disputed period.

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

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Islamabad, October 7, 2016