



National Electric Power Regulatory Authority

ISLAMIC REPUBLIC OF PAKISTAN

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

Ph: 051-2013200 Fax: 051-2600021

**Consumer Affairs
Department**

TCD.04/21/000-2024
May 29, 2024

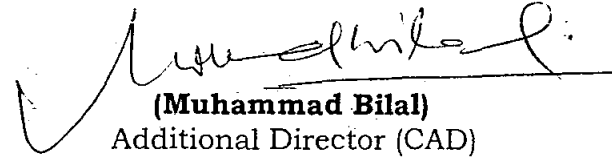
Chief Executive Officer,
K-Electric Limited, KE House No 39-B,
Sunset Boulevard Phase-II, Defence Housing Authority,
Karachi.

Subject: **DECISION IN THE MATTER OF MOTION FOR LEAVE FOR REVIEW FILED BY KE AGAINST THE DECISION OF NEPRA CONSUMER COMPLAINT TRIBUNAL IN THE MATTER OF COMPLAINT FILED BY MR. MOHAMMAD RASHID HUSSAIN UNDER SECTION 39 OF THE REGULATION OF GENERATION, TRANSMISSION AND DISTRIBUTION OF ELECTRIC POWER ACT, 1997 AGAINST K-ELECTRIC LIMITED REGARDING PROVISION OF CONNECTION (CASE ID: 558202)**

Complaint No. **KElectric-KHI-27165-08-23**

Please find enclosed herewith the decision of the NEPRA Complaints Resolution Committee (CRC), dated May 22, 2024 regarding the subject matter for necessary action and compliance within twenty (20) days.

Encl: As above


(Muhammad Bilal)
Additional Director (CAD)

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. Mohammad Rashid Hussain,
11-C, Zulfiqar Commercial Street No,
Phase 8, DHA, Karachi.
Cell # 0321-8240024



BEFORE THE
NATIONAL ELECTRIC POWER REGULATORY AUTHORITY
(NEPRA)

MOTION FOR LEAVE FOR REVIEW IN COMPLAINT NO. KElectric-KHI-27165-08-23

K-Electric Limited (KE)

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

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Petitioner

VERSUS

Mr. Mohammad Rashid Hussain,

11-C, Zulfiqar Commercial Street No. 2,
Phase 8, DHA, Karachi,
Contact# 03218240024
rashid.kedna@gmail.com

.....

Complainant

Date of Hearing:

April 03, 2024

On behalf of Complainant:

Mr. Mohammad Rashid Hussain

On behalf of Petitioner:

Ahsan Rehman (Regulatory Affairs K-Electric Limited)

Subject: **DECISION IN THE MATTER OF MOTION FOR LEAVE FOR REVIEW FILED BY K-ELECTRIC LIMITED AGAINST THE DECISION OF NEPRA CONSUMER COMPLAINTS TRIBUNAL IN THE MATTER OF COMPLAINT OF MR. MOHAMMAD RASHID HUSSAIN AGAINST K-ELECTRIC LIMITED REGARDING PROVISION OF CONNECTION (CASE ID: 558202)**

This decision shall dispose of a motion for leave for review of K-Electric Limited (hereinafter referred to as the ("KE" or "Petitioner") against the decision of NEPRA Consumer Complaints Tribunal dated January 18, 2024 in the matter of complaint filed by Mr. Muhammad Rashid Hussain (hereinafter referred to as "the Complainant") against K-Electric, 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 the subject complaint wherein the Complainant agitated dispute that KE has not processing the application for provision of connection and requested that KE be directed to provide electricity connection. The matter

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was taken-up with KE for submission of para-wise comments/report. In response, KE submitted that previously KE provided connections in this area on a share- money model but due to scattered development/demand over a huge area of land it became extremely challenging for KE to procure and place PMUs against partial recoveries of PMU cost through collection of share money charges hence, in January 2023, KE approached the area developer i.e. DHA and intimated DHA to complete the electrification scheme of the area being their responsibility as per NEPRA CSM as it is not feasible for KE to spend huge upfront amount in procurement and placement of PMU's without any definite timeline for recovery of PMU cost due to scattered development/demand and KE has been carrying a financial exposure of about Rs.2 billion. KE added that on February 21, 2023, based on the issued NOC details shared by DHA, a detailed working was shared with DHA regarding the infrastructure requirement to cater those NOC and informed DHA to reach an agreement to complete the infrastructure installation work of the remaining area by the developer however, response of the same is awaited. KE further submitted that as per the electrification master plan, premises in question is required to be energized after installation/placement of PMU # 181 however, the installation of the said PMU is awaited.

3. In order to discuss the matter in detail and to provide opportunity to KE, hearings were conducted at NEPRA Regional Office, Karachi wherein the matter was discussed in detail. A joint site inspection was also conducted on November 29, 2023 in presence of both the parties, wherein it has been observed that as per the master plan the Complainant's connection has to be provided from pillar box (PB-2) which is already installed and energized. Further, KE has already provided connection to the building at plot no 15C, adjacent to the Complainant's building, from pillar box No. (PB-2). The representative of KE informed that as per master plan the connection to the Complainant building has proposed from PB-2 and there is sufficient capacity in the same PB to provide supply to the Complainant. The representative of KE further informed that DHA has sent to KE NOC letter with list of address to allow provision of electricity connection however the same list do not possess the Complainant's premises.

4. In light of written/verbal arguments of the parties, applicable law, KE was directed vide NEPRA Regional Office Karachi order dated January 18, 2024 to proceed application for provision of electricity connection of the Complainant.

5. Being aggrieved with the decision of NEPRA Regional Office Karachi, KE filed a motion for leave for review under NEPRA (Review Procedure) Regulations, 2009. KE in its review has, inter alia submitted as under:

- i) The premises is not owned by the Complainant Mr. Rashid Hussain and the Complainant is requested to clarify in which capacity the instant complaint has been filed by him.
- ii) DHA being the sponsor/developer has the responsibility to install the electrification infrastructure as per NEPRA Consumer Eligibility Criteria as Sponsored Dedicated Distribution System (SDDS) and no further deviation is allowed by KE teams to energize new buildings including the complainant's building from PMU number 176 instead of 181 which is the original source for planned energization of these buildings as per duly agreed and finalized master plan of DHA phase VIII-A keeping in view the operational and financial challenges faced by KE teams and fully explained above which was duly communicated to the sponsors of the area in the meeting dated January 27, 2023 as the same has the installed Pillar Box-02 as per masterplan is temporary energized from PMU-176 for connection to plot 15C which will be rolled back as soon as PMU-181 will be installed to comply with master plan.
- iii) This temporary arrangement has been done before the development of understanding with DHA to not provide further any connections on temporary arrangements and to strictly abide by the Master Plan and PMU-176 is planned for provision of electric connections to 08 multistory buildings which are being/will be constructed on plot nos. 1C, 2C, 3C, 3D, 4C, 4D, 5C and 6C as mentioned in masterplan.
- iv) By providing connections to other plots with deviation proposals will result in exhausting of the PMU capacity as well as system reliability is compromised and traceability of deviated network in situations like rain emergency/excavation is a solemn safety hazard and desecration of agreed masterplan and to save the sanity/reliability of network in lieu to company safety protocols. Furthermore, if the deviation is not stopped then it will result in significant cost for rolling back of network to its original source.
- v) The core capacity issue lies with the PMU and not with the PB as PMU is allocated for the plots tagged in masterplan. It is already decided between KE and DHA that NOCs issued till 27th Jan'23 will be provided electricity through KE installed infrastructure as well DHA will consult / confirm availability of infrastructure before issuing further NOCs.

- vi) KE requested to reconsider the decision for providing new connection to complainant with the deviation as the responsibility of network development rest with the sponsors of the area.

6. The motion for leave for review filed by KE was considered and accordingly a hearing was held which was attended by both the parties. The motion for leave for review is disposed of in the following terms:

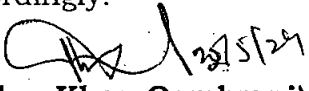
- i. The argument raised by KE has no basis that the premises is not owned by the Complainant Mr. Rashid Hussain since section 39 of NEPRA Act states that any interested person, including a Provincial Government, may file a written complaint with the Authority against a licensee for contravention of any provision of this Act or any order, rule, regulation, licence or instruction made or issued thereunder. Moreover, the complaint filed by Mr. Rashid Hussain mentions the name of the applicant i.e. Mr. Imran Shahid (the Applicant) who is owner of the premises. Further, the owner has authorized another person namely Mr. Muhammad Usman for submission of application to KE for new connection which has no relevance with filing of complaint before NEPRA, therefore, the stance of KE regarding non-eligibility of the complainant for filing of complaint is baseless. _____
- ii. KE has rejected the application for provision of connection on the basis that the sponsor/developer i.e. DHA has not laid the required electrification infrastructure i.e. PMU No.181 from where the instant connection is to be provided whereas KE itself has deviated from the master plan and provided connections in past.
- iii. KE has energized another building i.e. plot No. 15C adjacent to the Complainant's premises from PB-2 and PMU 176 in violation of the proposed plan. The building was to be energized from the PMU No. 181 which is yet to be installed. Further, the proposed Pillar Box for Applicant's premises is already energized and has sufficient capacity to cater the required load of the applicant. Therefore the argument of KE to reject the applicant's application for provision of connection has no ground.
- iv. KE is of the view that developer is responsible for development of the SDDS/provision of distribution network. During the hearing, it was revealed that KE has installed PMUs in the commercial area by itself and provided connections on share money basis. KE should have asked the sponsor / developer at the initial stages for provision of distribution network. According to KE, it has held meetings with DHA i.e. the

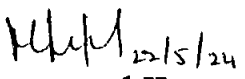
Sponsor for completion of distribution network and the sponsor is ready for completion of the electrification. The Applicant has paid development charges to DHA and has obtained NOC for obtaining connection from KE. During the hearing, it was also revealed that the Applicant's case ID 55822 was registered and thereafter no case ID has been issued to any applicant by KE. Therefore, the application of the Applicant shall not be linked with other prospective applicants.


- v. 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.

7. Foregoing in view, rejection of the instant Application for provision of connection is unjustified, therefore, the decision dated January 18, 2024 is up-held. KE is hereby directed to proceed applicant's request for provision of electricity connection from the existing pillar box No. 2 and upon installation of PMU No. 181; the said pillar box be energized from the said PMU as per the master plan. A compliance report in this regard be submitted within twenty (20) days, positively.

Note: This decision is applicable only for the instant case and shall not be considered as precedent for other similar cases. Complaints in such like cases, if received in future shall be decided accordingly.


(Lashkar Khan Qambrani)
Member Complaints Resolution Committee/
Director (CAD)


(Moqeem ul Hassan)
Member Complaints Resolution Committee/
Assistant Legal Advisor


(Naweed Illahi Shaikh)
Convener Complaints Resolution Committee /
Director General (CAD)

Islamabad: May 22, 2024