



National Electric Power Regulatory Authority

ISLAMIC REPUBLIC OF PAKISTAN

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

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**Consumer Affairs
Department**

TCD.04/2276-2024
May 20, 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 APPEAL FILED BY K- ELECTRIC LIMITED AGAINST THE DECISION OF NEPRA CONSUMER COMPLAINTS TRIBUNAL IN THE MATTER OF COMPLAINT OF MR. NASIR IQBAL, GENERAL SECRETARY, GARDEN CITY COMMUNITY WELFARE ASSOCIATION AGAINST K-ELECTRIC LIMITED REGARDING LOAD SHEDDING

Complaint No. KElectric-KHI-19248-01-23

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

Encl: As above


(Muhammad Abid)
Assistant 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. Nasir Iqbal, General Secretary,
Garden City Community Welfare Association,
A-74, Block B, Garden City, Scheme 45, Karachi



BEFORE THE
NATIONAL ELECTRIC POWER REGULATORY AUTHORITY
Appeal in the Complaint No. KHI-19248-01-23

K-Electric Limited (KE)

KE House No. 39-B,
Sunset Boulevard Phase-II, Defense Housing Authority
Karachi.

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Petitioner

VERSUS

Mr. Nasir Iqbal, General Secretary

Complainant

Garden City Community Welfare Association
A-74, Block B, Garden City, Scheme 45, Karachi.

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Date of Hearing(s): April 18, 2024

On behalf of

Complainant:

Mr. Nasir Iqbal

Respondent:

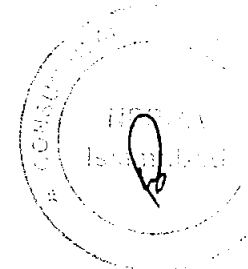
Mr. Asif Shajer (GM, Regulations)

Subject: DECISION IN THE MATTER OF APPEAL FILED BY K- ELECTRIC LIMITED AGAINST THE DECISION OF NEPRA CONSUMER COMPLAINTS TRIBUNAL IN THE MATTER OF COMPLAINT OF MR. NASIR IQBAL, GENERAL SECRETARY, GARDEN CITY COMMUNITY WELFARE ASSOCIATION AGAINST K-ELECTRIC LIMITED REGARDING LOAD SHEDDING

DECISION

In pursuance of the decision of the Appellate Tribunal (NEPRA) dated February 27, 2024, this decision shall dispose of complaint filed by Mr. Nasir Iqbal, General Secretary, Garden City Community Welfare Association, Karachi (Hereinafter referred to as "Complainant") against K-Electric (Hereinafter referred to as "KE")

2. Brief facts of the case are that NEPRA received a complaint dated January 09, 2023 wherein the dispute agitated by the Complainant was that they are residents of Garden City, Block-A where 10-12 hours of load shedding is being carried out by KE despite having an independent feeder & recovery above 90%. The Complainant requested NEPRA to intervene in the matter and instruct KE to provide an un-interrupted supply of electricity in Garden City.



3. The matter was taken-up with KE for submission of parawise comments/report. In response KE vide letter dated February 01, 2023 submitted that the electricity to the Complainant's area is supplied from "GARDEN CITY" Feeder which falls in "Very High Loss" category based on its Aggregate Technical and Commercial Losses. In order to further look into the matter, a hearing was held on July 11, 2023 at NEPRA Regional Office, Karachi. The hearing was attended by both the parties (i.e. KE and the Complainant), wherein the matter was discussed in detail.

4. A joint site inspection was conducted by NEPRA in presence of both the parties. Scrutiny of the record and arguments advanced during the hearing and joint site inspection revealed that KE has been conducting load shedding on the dedicated feeder of Garden City Scheme 45, Karachi on the basis of aggregate technical and commercial losses and has categorized the feeder as very high loss. The site inspection further revealed that 13 PMTs & 3 transformer substation on the feeder pertains to Block A of Garden City which is a properly electrified area whereas one PMT DTS ID-4410 found to be connected to Block B & C of Garden City, Karachi which are not electrified areas and KE has provided hook connections from the said PMT. Further no kunda/hook connections were found during the same joint site inspection connected at remaining 13 PMTs & 3 transformer substation of Block A.

5. Moreover, it was observed that the PMTs of block A have been partially loaded i.e. below 50% of the capacity of PMT and KE failed to provide proper reasons for losses on the PMTs of Block A. Further, two more nearby feeders i.e. Ghaniabad and Maymar are also passing nearby and the said PMT of un-electrified/hook connected blocks of Garden City i.e. Block B & C can be shifted on any of those feeders. Accordingly, NEPRA vide its decision dated August 11, 2023 directed K-Electric to re-evaluate the losses of Block A after disconnection/removal of PMT(s) of Block B & C from the existing feeder and connect them with other nearby feeders.

6. Being aggrieved with the decision of Consumer Complaints Tribunal, K-Electric filed a motion for leave for review under NEPRA (Review Procedure) Regulations, 2009 vide letter dated September 08, 2023. The motion for leave for review filed by K-Electric was considered and hearings were held on October 3, 2023 and October 12, 2023. During the hearing, K-Electric submitted the pictorial evidence essentially suggesting the presence of kunda/hook connections in Block A while the same was rebutted by the Complainant apprising that the pictorial evidence submitted by K-Electric relates to Block B & C of Garden City. After detailed deliberation, the motion for leave for review was disposed of with the remarks that 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, the review would not result in withdrawal or modification of the impugned decision. Hence, the motion for review was dismissed and the decision dated August 11, 2023 was up held vide decision dated November 16, 2023.

7. Being aggrieved with the decision of NEPRA Consumer Complaints Tribunal, K-Electric challenged the decision before the Appellate Tribunal (NEPRA). The Appellate Tribunal (NEPRA) vide its decision dated February 27, 2024 referred the appeal back to NEPRA with the observations that load shedding is a nationwide problem, NEPRA cannot be engaged into electricity operations (micro-management) and KE should have suggested acceptable alternate solution for the residents of Garden City. Further,

Appellate Tribunal (NEPRA) directed both parties to appear before NEPRA on March 14, 2024, however both parties failed to put their appearance on March 14, 2024.

8. Accordingly, another hearing opportunity was given to the parties on April 18, 2024 wherein both parties participated and submitted their respective arguments. During the hearing it was revealed that the hook connections are being used by residents in the un-electrified areas i.e Block B of the Garden city through a PMT installed at the end of the Block A. K-Electric submitted that hook connections were disconnected many times however residents of Garden City Block B reconnect them through the said PMT.

9. KE has provided hook connections to the residents of the Garden City and also assigned them reference numbers through which bills are being issued to the residents of the un-electrified area of the Garden City. There is no provision in Consumer Service Manual (CSM) regarding provision of connections through unmetered hook arrangements.

10. The case has been re-examined in detail in light of the directions of Appellate Tribunal (NEPRA), record made so available by both the parties, arguments advanced during the hearing and applicable law. Please be advised that section 21(1)(b) of the NEPRA Act, 1997 (to be read with successive amendments) stipulates that all distribution licensees shall be responsible to provide distribution service within its service territory on a non-discriminatory basis to all the consumers who meet the eligibility criteria laid down by the Authority. Additionally, NEPRA Licensing (Distribution) Regulations, 2022 impose an obligation on distribution licensees to provide safe, secure and reliable distribution of electric power on a non-discriminatory basis to all persons who meet the consumer eligibility criteria, in accordance with the applicable documents and NEPRA Consumer Eligibility Criteria (Distribution Licensees) Regulations, 2022 ("Eligibility Criteria Regulations, 2022) which also stipulate that a distribution licensee shall ensure that all applicants and consumers are treated in a non-discriminatory, fair, transparent and just manner. Moreover, Article 2 of the Distribution Licence expressly mandates that the K-Electric/Licensee shall comply with the Applicable Law (i.e. NEPRA Act and Applicable Documents) and shall be obligated to comply with the Distribution Regulations.

11. It is also pertinent to mention that the Authority also allowed capacity charges to the K-Electric in its tariff for the purpose of supplying electric power to its consumers on non-discriminatory basis and operation and maintenance of its distribution network which is then passed on to the consumers through monthly electricity bills. The consumers who regularly pay their electricity bills have a legitimate expectation of receiving uninterrupted electricity supply around the clock. It is, therefore, obligatory on the K-Electric to supply un-interrupted electric power to its consumers. Furthermore, the consumer/complainant cannot be held liable and punished on account of non-paying consumers of K-Electric. This is unconstitutional and discriminatory on part of K-Electric to punish the complainant on behalf of others in the shape of 8 – 10 hours of power-cut. The electricity is a fundamental right as guaranteed by the Constitution of

Islamic Republic of Pakistan, 1973 which is also held by the Honourable Supreme Court of Pakistan in its reported Judgement of Alleged Corruption in Rental Power Plants etc. Human Rights Case (2012 SCMR 773). The Authority has also vide decision dated April 03, 2024 has declared the load shedding illegal and has already imposed penalty upon K-Electric.

12. In consideration of all the circumstance, K-Electric is hereby directed to disconnect the impugned PMT from HT side and only legal connections of Block-A of the Garden City be shifted from that PMT to other PMTs of the Block-A of the Garden City and take all necessary actions to discourage illegal hook connections.



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



(Moqees Ul Hassan)
Member, Complaints Resolution Committee/
Assistant Legal Advisor


20/05/24

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

Islamabad, May 20, 2024