

National Electric Power Regulatory Authority ISLAMIC REPUBLIC OF PAKISTAN NEPRA TOWER

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

Consumer Affairs Department

TCD.09/ -2024 May 7, 2024

Chief Executive Officer K-Electric Limited, KE House No. 39-B, Sunset Boulevard Phase-II, Defense Housing Authority <u>Karachi</u>.

Subject: DECISION IN THE MATTER OF COMPLAINT FILED BY MR. GHULAM HUSSAIN UNDER SECTION 39 OF THE REGULATION OF GENERATION, TRANSMISSION AND DISTRIBUTION OF ELECTRIC POWER ACT, 1997 AGAINST K-ELECTRIC REGARDING EXCESSIVE BILLING & CHANGE OF TARIFF
No. KElectric-KHI-15367-08-22

Please find enclosed herewith the decision of the NEPRA Consumer Complaints Committee dated May 06, 2024 regarding the subject matter for necessary action and compliance within twenty (20) days positively.

Encl: As above

(Muhammad Bilat) Additional Director (CAD

Copy to:

- Mr. M. Imran Hussain Qureshi Chief Regulatory Affairs Officer & Govt. Relations Officer, K-Electric Limited Office, 56 A, Street No. 88, G-6/3, <u>Islamabad</u>.
- Mr. Ghulam Hussain S/o Allah Bachaiya House No. JB-1932, Mohalla Jalalabad, Nazimabad <u>Karachi.</u> Ph # 0306-2006619



BEFORE THE NATIONAL ELECTRIC POWER REGULATORY AUTHORITY

Complaint No. KElectric-KHI-15367-08-22

Mr. Ghulam Hussain S/o Allah Bachaiya

Complainant

House No. JB-1932, Mohallah Jalalabad, Nazimabad, Karachi, Contact# 03062006619

Versus

K-Electric Limited (KE)

Respondent

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

Date of Hearing(s): 1) January 24, 2023

2) May 10, 2023 3) May 24, 2023 4) January 22, 2024

On behalf of:

Complainant: Mr. Ghulam Hussain S/o Allah Bachaiya

Respondent: 1) Mr. Israr Ahmed (K-Electric Ltd)

2) Mr. Ahsan Abdul Reliman (K-Electric Ltd)

3) Mr. Abdur Rub (K-Electric Ltd) 4) Mr. Shamim (K-Electric Ltd)

Subject: DECISION IN THE MATTER OF COMPLAINT FILED BY MR. GHULAM HUSSAIN S/O ALLAH BACHAIYA UNDER SECTION 39 OF THE REGULATION OF GENERATION, TRANSMISSION AND DISTRIBUTION OF ELECTRIC POWER ACT, 1997 AGAINST K-ELECTRIC LIMITED REGARDING CHANGE OF TARIFF & EXCESSIVE BILLING (CONSUMER NO. LC-424944)

This decision shall dispose of the Complaint filed by Mr. Ghulam Hussain S/o Allah Bachaiya, House No. JB-1932, Mohallah Jalalabad, Nazimabad, Karachi, (hereinafter referred to as "the Complainant" against K-Electric Limited (KE) (hereinafter referred to as the "Respondent" or "KE", under Section 39 of the Regulation of Generation, Transmission and Distribution of Electric Power Act, 1997 (hereinafter referred to as the "NEPRA Act").

Brief facts of the case are that NEPRA received a complaint wherein the dispute agitated by the Complainant was that KE has charged excessive bill and requested NEPRA to intervene in the matter and direct KE to withdraw the excessive bill. The matter was taken-up with KE for submission of parawise comments/report. In response, AE vide letter dated October 27, 2022 submitted that the complainant's premises is situated at Jalalabad, Nazimabad and said area is notorious for use of illegal electricity supply for water-hydrant/water-bore business through illegal means. KE added that the accessibility of the area is very difficult due to stiff resistance from area residents and the disruptive law and order situation created by the area residents which hinders the KE teams in carrying out smooth distribution operations in the area and attempts were made in presence of Law Enforcement Agencies (LEAs) to disconnect the supply of the premises using electricity supply illegally (including complainant's premises), however, these are re-connected immediately after disconnection. KE added that the discrepancy of 'Three-Phase Illegal Connection used for Water Bore (i.e. Commercial Activity)' through an underground cable was reported by inspection team at complainant's premises and load of the premises was assessed as 48.58 kW as internal/load survey of the premises was not allowed by the complainant despite repeated requests. KE added that the tariff of the said connection was changed from residential to commercial and a detection bill of 76,537 units amounting to



- Rs. 2.5, million, approximately, for the pariod of six months from November 2021 to April 2022 has been charged to the complainant to recover the revenue loss suffered by KE. The report of KE was sent to the Complainant for information/comments. The Complainant vide letter dated June 26, 2023 raised observations over the report of KE.
- In order to proceed further into the matter, a hearing was held at NEPRA Regional office Karachi on January 24, 2023 NEPRA Regional office Karachi which was attended by the Complainant in person and representative of KE via video link. A joint site inspection was also conducted on February 08, 2023 in presence of both the parties which revealed that KE has charged detection bill amounting to Rs.2,515,691.9/- on the basis of the theft of electricity & showed pictures of cable passing inside the house of the Complainant. Further the evidence reported by KE pertaining to the Complainant premises was found removed from site during joint site inspection. Accordingly, further hearings were held on May 10, 2023, May 24, 2023 & January 22, 2023 at NEPRA Regional office Karachi which were attended by the Complainant in person and representative of KE via video link wherein the matter was discussed in detail.
- The case has been examined in detail in light of the record made so available by the parties, arguments advanced during the hearing and applicable law. The following has been observed:
 - The instant matter pertains to charging of detection bill amounting to Rs. (i) 2,515,691.9/ against the premises having a connection under residential tariff bearing consumer No. LC-424944.
 - KE has charged detection bill on the allegation / discrepancy of Three-Phase (ii) Illegal Connection used for Water Bore (i.e. Commercial Activity) through an underground cable connected directly with KE's distribution network. The bill has been charged at 48.58kW load under A2 (Commercial) Tariff.
 - (iii) The meter readers take monthly readings, however, no such discrepancy was pointed out earlier by the concerned staff. A joint lite inspection was carried out in presence of the parties wherein it revealed that the evidences earlier provided by KE were removed by the Complainant. From this, it is transpired that the Complainant was involved in illegal usage of water bore. However, the discrepancy could not be pointed out in time due to hidden method adopted by the Complainant for theft of electricity i.e. underground cable.
 - (iv) According to tariff terms and conditions, water pumps are required to be charged under A-3 tariff. KE has charged detection bill in the instant case on commercial tariff.

Foregoing in view, KE is directed to revise the detection bill from Commercial Tariff (A-2) to General Services Tariff (A-3) tariff instead of commercial tariff. A report in this regard be submitted within twenty (20) days, positively.

(Lashkar Khan Qambrani)

Member, Complaints Resolution Committee/ Director (CAD)

(Mogeem-ul-Hassan)

Member, Complaints Resolution Committee/

Assistant Legal Advisor (CAD)

(Naweed Illahi Shaikh)

Convener, Complaints Resolution Committee/

Director General (CAD)

Islamabad, May bb , 2024