

## **National Electric Power Regulatory Authority**

ISLAMIC REPUBLIC OF PAKISTAN Regional Office Consumer Affairs Office # 706, 7th Floor, Balad Trade Centre, Aalamgir Road, B.M.C.H.S., Bahadurabad, Karachi

> POK/09/45/8/2024 September 09, 2024

(Syed Taqi Abedi) Addl: Director, CAD

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 MR. MUHAMMAD JAVED KHASKHELI UNDER SECTION 39 OF THE REGULATION OF GENERATION, TRANSMISSION AND DISTRIBUTION OF ELECTRIC POWER ACT, 1997 AGAINST K-ELECTRIC LIMITED REGARDING LOAD SHEDDING

Complaint No. KElectric-KHI-36258-04-24

Please find enclosed herewith the decision of the NEPRA Regional Office Karachi dated September 09, 2024 regarding the subject matter for necessary action and compliance within thirty (30) days, positively.

Encl: As above

Copy to:

Director General, Consumer Affairs Department, NEPRA, NEPRA Tower, Attaturk Avenue (East), G-5/1, Islamabad

2) Mr. M. Imran Hussain Qureshi, Chief Regulatory Affairs & Government Relation Officer, KE Office, 56-A, Street No. 88 G-6/3 Islamabad

3) Mr. Muhammad Javed Khaskheli, President, Owners Association, North Vista Apartment, Block B, North Nazimabad, District Central, Karachi Ph: 03018229945



## MATIONAL ELECTRIC POWER REGULATORY AUTHORITY (NEPRA)

## Complaint No. K-Electric-KHI-36258-04-24

Mr. Muhammad Javed Khaskheli,

President, Owner Association, North Vista Apartment,
Block B, North Nazimabad, District Central, Karachi,
Ph: 03018229945

## Versus

K-Electric Limited (KE)

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

Date of Hearing(s):

1) June 12, 2024

2) August 20, 2024

On behalf of:

Complainant:

1) Mr. Muhammad Javed Khaskheli

Respondent:

1) Mr. Anas Lakhani (K-Electric Limited)

2) Mr. Aqeel Muhammad (K-Electric Limited)
3) Mr. M. Iqbal (K-Electric Limited)

Subject: DECISION IN THE MATTER OF COMPLAINT FILED BY MR. MUHAMMAD JAVED KHASKHELI UNDER SECTION 39 OF THE REGULATION OF GENERATION, TRANSMISSION AND DISTRIBUTION OF ELECTRIC POWER ACT, 1997 AGAINST K-ELECTRIC LIMITED REGARDING LOAD SHEDDING

This decision shall dispose of the Complaint filed by Mr. Muhammad Javed Khaskheli, President, Owner Association, North Vista Apartment, Block B, North Nazimabad, District Central, Karachi, (hereinafter referred to as the "Complainant") against K-Electric Pvt Ltd (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").

2. Brief facts of the case are that NEPRA received a complaint wherein the dispute agitated by the Complainant was that KE is conducting load shedding for approximately 10-12 hours at North Vista Apartments. The Complainant requested that KE may be directed to supply uninterrupted supply to the residents of North Vista Apartments as the residents are paying electricity bills on regular basis. The matter was taken-up with KE for submission of para-wise comments/report. In response, KE reported that electricity is supplied to North Vista Apartments from

Respondent

North Vista' feeder which falls in 'medium loss' category based on its aggregate technical and commercial losses. KE added that load shedding is carried out based on the gravity of the losses irrespective of the area or the class of people being fed from particular feeder/PMT. KE further submitted that KE's load shed policy is in line with the current National Power Policy. The report of KE was sent to the Complainant for information/comments. The Complainant raised observations over the report of KE.

- 3. In order to proceed further into the matter, several hearings were held at NEPRA Regional office Karachi, attended by the Complainant in person and representative of KE via video link. During the hearings, the Complainant informed that in the year 2016 the residents have paid amount of Rs.2.2 million for supply of electricity from load shed exempt feeder. In this regard, KE was directed vide letter dated June 14, 2024 to submit ATC of PMTs on the feeder. In response, KE vide letter dated June 27, 2024 submitted the required information for consideration.
- 4. 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:
  - (i) The instant matter pertains to load shedding by K-Electric at North Vista Apartments.
  - (ii) K-Electric is of the view that the 'North Vista' feeder falls in 'medium loss' category on the basis of Aggregate Technical and Commercial Losses (ATC) and load shedding has been carried out based on the gravity of the losses irrespective of the area or the class of people being fed from particular feeder/PMT.
  - (iii) The Complainant is of the view that the residents of North Vista Apartments have paid an amount of Rs.2.2 million for supply of electricity from load shed exempt feeder and also residents have been paying electricity bills regularly to K-Electric, therefore, KE is under an obligation to supply uninterrupted electricity to the residents of North Vista Apartments. However, the Complainant has not submitted any evidence regarding the payment made to K-Electric for the shifting of the electricity supply line to a load-shed exempt feeder.
  - (iv) The ATC data of the PMTs on the 'North Vista' feeder submitted by KE reveal that the concerned PMT i.e. M/s Chand Gul Shah, which supplies electricity to North Vista Apartments, falls under low loss category.
- 5. 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. The Authority has declared the load shedding illegal and has already imposed penalty upon K-Electric.

- б. It is also observed that the complainant is a regular payee of electricity bills of K-Electric and never defaulted since the instalment of electricity supply connection. 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. 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 nonpaying consumers of K-Electric. Being located in the same locality where other community members enjoy load shedding free electricity, it would be rather unconstitutional and discriminatory on part of K-Electric to punish the complainant on behalf of others in the shape of 10-12 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).
- 7. In consideration of the above, K-Electric is hereby directed to take appropriate measures to immediately supply uninterrupted electric power supply to the Complainant. Please ensure that a report regarding this matter is submitted within thirty (30) days, positively.

(Syed Taqi Abedi)
Additional Director (CAD)

(Abid Hussain)
Advisor (CAD)

Karachi, September 09, 2024