



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.04/3723-2024
August 27, 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 COMPLAINT FILED BY HONORARY
SECRETARY SINDH GOVERNMENT EMPLOYEES COOPERATIVE
HOUSING SOCIETY LIMITED UNDER SECTION 39 OF THE
REGULATION OF GENERATION, TRANSMISSION AND DISTRIBUTION
OF ELECTRIC POWER ACT, 1997 AGAINST K-ELECTRIC REGARDING
RESTORATION OF ELECTRIC SUPPLY/PROVISION OF ELECTRICITY
METER**

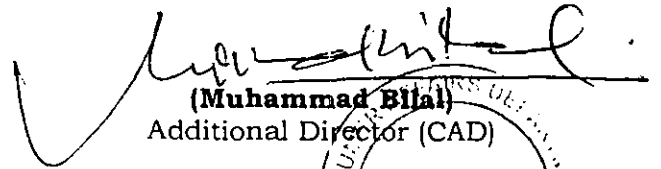
Complaint No. **KElectric-KHI-6174-07-21**

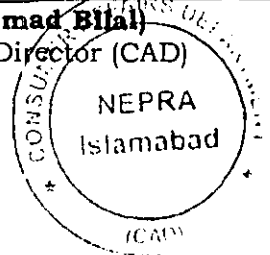
Please find enclosed herewith the decision of the NEPRA Complaints Resolution Committee (CRC), dated August 26, 2024 regarding the subject matter for necessary action and compliance within thirty (30) days.

Encl: As above

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. Honorary Secretary,
Sindh Government Employees Co-Operative
Housing Society Ltd.,
Syed Muzamil Hussain, 558-A,
Block 5, Gulshan-e-Iqbal, Karachi
Ph: 0333-3230768, 34986183


(Muhammad Bilal)
Additional Director (CAD)





BEFORE THE
NATIONAL ELECTRIC POWER REGULATORY AUTHORITY
(NEPRA)

Complaint No. Kelectric-KHI-6174-07-21

Honorary Secretary

Sindh Government Employees Cooperative Housing Society
558-A, Block-5, Gulshn-e-Iqbal, Karachi.

..... **Complainant**

VERSUS

K-Electric Limited (KE)

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

..... **Respondent**

Date of Hearing:

February 16, 2022

February 28, 2023

June 20, 2023

January 17, 2024

On behalf of

Complainant:

- 1) Mr. Imran Shahid
- 2) Mr. Zulfiqar Ali
- 3) Mr. Taufiq-ud-Din
- 4) Syed Muzzamil

Respondent:

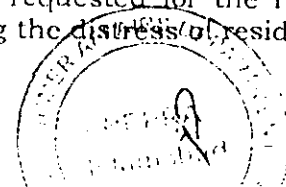
- 1) Mr. Asif Shajar, KE
- 2) Mr. Israr, KE
- 3) Mr. Fayyaz, New Connections, KE
- 4) Mr. Shafqat Lakhani, KE

SUBJECT: DECISION IN THE MATTER OF COMPLAINT FILED BY HONORARY SECRETARY SINDH GOVERNMENT EMPLOYEES COOPERATIVE HOUSING SOCIETY LIMITED UNDER SECTION 39 OF THE REGULATION OF GENERATION, TRANSMISSION AND DISTRIBUTION OF ELECTRIC POWER ACT, 1997 AGAINST K-ELECTRIC REGARDING RESTORATION OF ELECTRIC SUPPLY/PROVISION OF ELECTRICITY METER

DECISION

This decision shall dispose of the complaint filed by the Honorary Secretary, Sindh Government Employees Cooperative Housing Society Limited (hereinafter referred to as the "Complainant" or "SGECHS" or "the Society") 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 (hereinafter referred to as the "NEPRA Act").

2. Brief facts of the case are that NEPRA received a complaint from Honorary Secretary, Sindh Government Employees Cooperative Housing Society (SGECHS) Karachi wherein the issue agitated by the Complainant was that (2) Nos. PMTs installed at SGECHS Scheme-33 supplying electricity within the same society were disconnected by KE without any prior notice. Being aggrieved with the disconnection of PMTs, the Complainant requested for the restoration of electricity supply and provision of new connections considering the distress of residents without electricity supply.



3. The matter was taken up with KE and a hearing was held on February 16, 2022 whereby the matter was discussed in detail. In furtherance to hearing, KE vide letter dated March 11, 2022 submitted that the entire electrification of the society remained pending due to non-cooperation of the sponsor i.e. the Complainant following the initial installation of two Nos. of PMTs at the society. KE further committed to provide individual electricity connections after completion of electrification work. After detailed analysis of the matter, KE was directed vide letter dated April 01, 2022 to energize the already installed PMTs in the society and restore electricity supply of metered electricity connections after taking firm commitment from the Complainant/sponsor regarding electrification of the remaining area of society. In response, KE vide letter dated April 14, 2022 quoted a meeting held with the Complainant in the wake of NEPRA's directions and reiterated the requirement of necessary documents i.e. NOC, layout plan of the Civic Agency etc. before restoration of electricity supply. KE vide letter dated May 11, 2022 was once again directed to restore the already installed connections from the existing PMTs only after taking commitment from the sponsor of which submission was claimed by the Complainant vide letter dated April 22, 2022, however, the same was again not complied by KE citing previously reiterated reasons.

4. The issue of non-energization of disconnected PMTs and conflicting statements from both parties regarding the required documents for society electrification remained unresolved. A subsequent hearing was held at NEPRA Head Office, Islamabad, on February 28, 2023. Following this, KE was directed on March 6, 2023, to clarify its documentation requirements and explain its inconsistent behavior in keeping a standalone PMT energized while others in the same society were disconnected. In response, KE outlined its revised requirements in a letter dated March 30, 2023, but failed to justify the discriminatory treatment towards the non-energized PMTs.

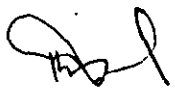
5. The Complainant contested the non-energization and raised concerns about possible bias by KE against the society. To further investigate, another hearing was conducted on June 20, 2023, where KE was asked to explain the operational status of the PMT in question and provide details on the number of regular connections from all PMTs in the society. However, KE's response on August 29, 2023, did not provide sufficient justification for the operational PMT nor the requested connection details. In order to resolve the matter, a final hearing was held on January 17, 2024, with both parties present. On July 11, 2024, the Complainant was requested to provide details on the disconnected connections, pending applications for new connections, and measures to prevent electricity theft from the PMTs, as KE had raised concerns about this issue. In response, the Complainant informed on July 25, 2024, that 15 connections had been disconnected, 20 new applications had been submitted, and the society management would take responsibility for preventing electricity theft through its security staff.

6. The case has been examined in detail in light of the record made so available by both the parties, arguments advanced during the hearings and applicable law. Following has been observed:

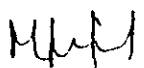
- i. The electrification work of Sindh Government Employees Cooperative Housing Society (SGECHS)-Scheme 33 was approved during the year 2005 on self-finance basis. The partial electrification of the society was completed by KE during year 2009 through installation of (3) Nos. of PMTs. Later, (2) Nos. of PMTs were disconnected by KE during the year 2016 on the pretext of incomplete electrification of the society for extended period of time, however, the Complainant was of the view that the same have been disconnected unilaterally by KE without any justification/notice.
- ii. Perusal of the documentary evidence submitted by the Complainant and KE reveals that the disconnected PMTs having DTS IDs 6638 & 1765 with capacity of 250 kVA & 150 kVA respectively were providing electricity to the local residents of the society without any metering while the remaining PMT was catering the dedicated load of Gulshan-e-Mehran Institute i.e. educational premises through a metered connection which is currently operational.
- iii. It has been established that the application for electrification of the society was filed by the Complainant with KE during the year 2022 vide new connection case ID: 914817308 which remained inconclusive due to a property dispute raised between the Complainant and other relevant stakeholders pertaining to the society's land ensuing further requirement by KE for revised layout plan and fresh NOC from Malir Development Authority (MDA) etc. Hence, the application was not processed in default of the submission of necessary documents as required by KE.

- iv. During the hearing, it revealed that the case remained a subject of civil litigation before the Sindh High Court and the society is currently devoid of electricity following the disconnection of both the PMTs during the year 2016. The status of disputed land i.e. 128 acres out of 550 acres of the society is still under adjudication before the High Court which apparently hampered the Complainant to proffer the requisite documents expeditiously. However, perusal of the record transpires the fact that undisputed part of society is not currently subject to any stay order of the High Court for provision of electricity connection. This furnishes eligibility to provide electricity connections after external electrification of the Complainant's society based on revised layout & NOC as & when submitted by the Complainant excluding the disputed land. However, depriving the residents of society from reliable electricity supply from already installed PMTs is not warranted.
- v. An electricity connection i.e. Gulshan-e-Mehran Institute located in the same society is active at present. This has created discrimination towards the other residents which were connected to the remaining two PMTs located in the same society (Now disconnected). According to National Electric Power Regulatory Authority Consumer Eligibility Criteria (Distribution Licensees) Regulations, 2022, "a distribution licensee shall ensure that all applicants and consumers are treated in a non-discriminatory, fair, transparent and just manner."
- vi. 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). Moreover, Article 2 of the Distribution License 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 vide decision dated April 03, 2024 has declared the load shedding illegal and has already imposed penalty upon K-Electric. Furthermore, provision of electricity is a Fundamental Right for all citizens under Article 9 and 14 of Constitution of Islamic Republic of Pakistan. Non supply of electricity to a citizen, tantamount to deprivation of this Fundamental Right as well as violation of Article 8 of the Constitution which says that any law, custom or usage having the force of law that is inconsistent or abridges a Fundamental Right is void and inoperable.


7. Forgoing in view, KE is directed to energize the (2) numbers of installed PMTs having DTS IDs 6638 & 1765 located in Sindh Government Employees Cooperative Housing Society Limited after obtaining a bank guarantee, from the sponsor equivalent to 25% of electrification cost of the Society along with a written undertaking from the Complainant/sponsor to the effect that the formalities for complete electrification of the Society shall be completed and that the society shall also undertake to control theft of electricity from that PMTs at its own, failure to which KE shall disconnect the electricity supply till completion of electrification work of the society by the sponsor. Compliance report be submitted within thirty (30) days.


(Lashkar Khan Qambrani)

Member, Complaints Resolution Committee/
Director (CAD)


(Moqees-ul-Hassan)

Member, Complaints Resolution Committee/
Assistant Legal Advisor (CAD)


(Naveed Mahi Shaikh)
Convener, Complaints Resolution Committee/
Director General (CAD)

Islamabad, August 26, 2024