

National Electric Power Regulatory Authority

ISLAMIC REPUBLIC OF PAKISTAN NEPRA Head Office, Attaturk Avenue (East), Sector G-5/1, Islamabad. Ph: 051 2013200, Fax: 051 2600021

Consumer Affairs Department

TCD.09/ 1375-2024 March 21, 2024

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

Subject: MOTION FOR LEAVE FOR REVIEW IN THE MATTER OF COMPLAINT FILED BY MS. NOOR BANO UNDER SECTION 39 OF THE REGULATION OF GENERATION, TRANSMISSION AND DISTRIBUTION OF ELECTRIC POWER ACT, 1997 AGAINST K-ELECTRIC LIMITED (KEL) REGARDING ILLEGAL INSTALLATION OF 3-PHASE METER AND EXCESSIVE BILLING (CONSUMER No. AP-073859) Complaint No. KE-NHQ-10336-01-22

Enclosed find herewith Order of the NEPRA Consumer Complaints Tribunal for further necessary action and compliance within twenty (20) days, please.

Encl: As above

Assistant D ector (CAD) NEPRA Islamabad (CAD)

Copy to:

- Mr. Imran Hussain Qureshi, Chief Regulatory Affairs & Government Relation Officer, KE Office, 56 A, Street No. 88 G-6/3, Islamabad
- Mr. Abid Hussain, Advisor, Provincial Office Consumer Affairs, Office # 101, 1st Floor, Balad Trade Centre, Aalamgir Road, B.M.C.H.S., Bahadurabad, Karachi
- Ms. Noor Bano, W/o Mir Ahmed Ali, H# A/69, Street 12, Area 36-G, Shareef Colony, Landhi-6, Karachi. Cell: 0345-3378706



BEFORE THE NATIONAL ELECTRIC POWER REGULATORY AUTHORITY (NEPRA)

MOTION FOR LEAVE FOR REVIEW IN COMPLAINT NO. K-ELECTRIC-NHQ-10336-01-22

K-Electric Limited (KE)

Petitioner

Complainant

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

VERSUS

Mst. Noor Bano Wd/o Mir Ahmed Ali, House No. A/69, Street No. 12, Area 36-G,

Shareef Colony, Landhi No. 6, Karachi, Contact# 03453378706

Date of Hearing:

July 19, 2023

On behalf of Complainant:

Mst. Noor Bano wd/o Mir Ahmed Mir Tahir Ahmed Hassan Kamran

On behalf of Petitioner:

Ahsan Riaz Saeed Anas

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 MST. NOOR BANO WD/O MIR AHMED ALI AGAINST K-ELECTRIC LIMITED REGARDING THREE PHASE METER (CONSUMER NO. AP-073859)

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 April 19, 2023 in the matter of complaint filed by Mst. Noor Bano (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 NEPFA Act).

2. Brief facts of the case are that NEPRA received the subject complaint dated January 24, 2022 wherein it was contended that KE has illegally installed a three phase meter connection bearing consumer No. AP-073859 at her House No. A/69, Street No. 12, Area 36-G, Shareef Colony, Landhi No. 6, Karachi and claimed an amount of Rs. 129,490/- pending against that connection. The Complainant requested this office to direct KE for removal of meter and withdrawal of the illegal amount. The matter was taken-up with KE for submission of para-wise comments/report. In response, KE submitted that the outstanding dues amounting to Rs.129,490 of Complainant's account bearing consumer No. AP-073859 pertain to the period prior to the year 2013 which are accumulated owing to the non-payment of monthly electricity bills. Furthermore, minimum fix charges are being charged to the Complainant. In order to proceed further into the matter, several hearings were conducted.



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KE was informed that the claim of KE of Rs.129,490/- pending on electricity connection having consumer No. AP 073859 pertains to period prior to the year 2013 which is inconsistent with Article 181 of the Limitation Act, 1908, that restricts the period of claim to three (3) years only therefore the dues of Rs 129,490/- on electricity connection AP-073859 charged by KE to the Complainant for the period prior to the year 2013 along with Late Payment Surcharges (LPS) are unjustified and not payable by the Complainant. Further, the electricity connection bearing consumer No. AP-073859 illegally installed on Complainant's premises without the demand of Complainant be removed from the Complainant's premises. KE was directed to review the case in light of above.

3. In response, KE vide letter dated October 12, 2022 submitted that KE is willing to waive off the minimum charges as well as late payment surcharges post activation of impugned connection from 2013 to 2021, however, remaining outstanding dues of Rs.129,490/- accumulated due to non-payment of monthly electricity bills are justified and liable to be paid by the consumer. In order to discuss the matter in detail and to provide another opportunity to KE, a hearing was conducted at NEPRA Regional Office, Karachi wherein the matter was discussed in detail.

4. In light of written/verbal arguments of the parties, applicable law, KE was directed vide Consumer Complaints Tribunal decision dated April 19, 2023 as under:

- i. The claim of KE of Rs.129,490/- pending on electricity connection AP-073859 pertains to period prior to the year 2013 which is inconsistent with Article 181 of the Limitation Act, 1908, that restricts the period of claim to three (3) years only. In consideration of the facts, the dues of Rs.129,490/- on electricity connection AP-073859 charged by the KE to the Complainant for the period prior to the year 2013 along with Late Payment Surcharges (LPS) are unjustified and not payable by the Complainant.
- ii. The electricity connection bearing consumer No. AP-073859 illegally installed on Complainant's premises without the demand of Complainant be removed from the Complainant's premises.

5. Being aggrieved with the decision of NEPRA Consumer Complaints Tribunal, K-Electric filed a motion for leave for review under NEPRA (Review Procedure) Regulations, 2009. KE in its review has, inter alia submitted as under:

- i. An industrial connection bearing consumer No. AP073859 was installed at Complainant's premises in January 1991 and the said connection was in use at the premises since the date of installation and bills to the complainant were being issued as per the actual consumption recorded through electricity meter installed at the premises from January 1991 to July 1999.
- ii. The Complainant did not make any payment out of 103 bills issued to him since January 1991 owing to which dues accumulated over a period of 8 years. KE added that later on, the usage/consumption on the said connection was discontinued from August 1999 and therefore the said connection was deactivated by KE in the month of March 2002, owing to the non-usage/zero-consumption.

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- iii. KE added that during the periodic review of consumers' long pending dues by Integrated Business Center (IBC), the said connection was re-activated in order to recover the genuine dues accumulated at the premises along with the minimum/fixed charges for the entire period of inactivation. KE added that the dues of Rs. 129,490/accumulated at the Complainant's premises against connection bearing consumer No. AP-073859 are charged based on the actual consumption recorded through electricity meter installed at the premises from January 1991 to July 1999 however, the same were not paid/ cleared till date.
- iv. KE requested this office to review its decision regarding waiver off the genuine recoverable dues.



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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. KE contended that the amount accumulated due to non-payment of bills for 08 years between 1991 to 1999. As per the provisions of Consumer Service Manual (CSM); the connection was required to be disconnected within 02 months if bills were not paid and in case of default, during the third month; the equipment was required to be removed from the premises. Prior to issuance of CSM in the year 2010, the procedure for disconnection was same. If these were genuine dues of KE; then KE should have removed the meter at that point of time.
- ii. The Consumers have legitimate expectation that what is being billed to them is actual cost of electricity. The Complainant was regularly paying monthly bills, subsequently, installation of meter at the premises without demand/request of the complainant and then charging dues pertaining to the year 1999 and backwards are illogical and unjustified.
- iii. Moreover, it has been noted that two more electricity connections bearing consumer No. LC-582330 & AL-546730 were installed on the same premises before the illegal installation of the impugned meter bearing consumer No. AP-073859. KE re-installed the disputed meter in November 2021 to recover the impugned arrears without following provisions of Consumer Service Manual (CSM). If there was a genuine case of pending arrears; KE would have recovered the same at the earlier stage. KE also installed another electricity connection bearing No. LC-582330 at the said premises on October 09, 2019 and no such claim was raised by KE at the time of installation of this connection.
- iv. 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. Hence, the motion for review is dismissed and the decision of the Consumer Complaints Tribunal dated April 19, 2023 is up held.

7. Foregoing in view, it is concluded that KE failed to recover its dues in time. Two connections were available at site / premises. Another connection was also given on October 09, 2019 and even at that time, arrears against the premises were not raised. Upon default, KE should have disconnected the other connection or should have shifted the dues against the running connection, however, it was not done by KE. Therefore, issuance of bill at this belated stage is unjustified. In view of the said, KE is directed to implement the decision of NEPRA Consumer Complaints Tribunal dated April 19, 2023. A report in this regard be submitted within twenty (20) days, positively

(Lashkar Khan Qambrani) (Moqeem ul Hassan) Member Consumer Complaints Tribunal Member Consumer Complaints Tribunal Assistant Legal Advisor Director (CAD) FFAIRS (Naweed Illahi Shaikh) Convener Consumer Complaints Tribunal/PRA Director General (CAD) Ο Islamabad March 8, 2024 Islamabad: Page 3 of 3 10.30