# nepra 3

## National Electric Power Regulatory Authority

## Islamic Republic of Pakistan

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## OFFICE OF THE REGISTRAR

No. NEPRA/R/DCAD/TCD.09/16/08-09

December 09, 2014

Chief Executive Officer
K-Electric Limited,
(Formerly Karachi Electric Supply Company Limited)
KE House, 39-B,
Sunset Boulevard, DHA-II,
Karachi.

Subject: DECISION IN THE MATTER OF COMPLAINT FILED BY DR. MUSHTAQ NOORWALA UNDER SECTION 39 OF THE REGULATION OF GENERATION, TRANSMISSION AND DISTRIBUTION OF ELECTRIC POWER ACT, 1997 AGAINST K-ELECTRIC LIMITED REGARDING DISCONNECTION OF ELECTRICITY SUPPLY.

Complaint # KE-188/2014

Please find enclosed the decision of NEPRA in the subject matter for necessary action and compliance within 30 days of this decision.

### Encl:/As above

Iftikhar Ali Khan) Deputy Registrar

Copy to:

Dr. Mushtaq Noorwala Office 10, Sadiq Manzil, Arambagh Road, Karachi-74200



#### **BEFORE THE** NATIONAL ELECTRIC POWER REGULATORY AUTHORITY (NEPRA)

Complaint No: KE-188/2014

<b>Dr. Mushtaq Noorwala</b> Office 10, Sadiq Manzil, Arambagh Road, Karachi-74200.			Complainant
Narachi-/4200.		Versus	
K-Electric Limited.		•••••	Respondent
(Formerly Karachi E	lectric Supply Company, KESC)		•
KE House No.39-B,			
Sunset Boulevard Ph	ase-II,		
Defence Housing Au	ithority, Karachi.		
Date of Hearing:	September 5, 2014		
Date of Decision:	December <b>68</b> , 2014		

On behalf of:

Complainant:

Dr. Mushtaq Noorwala

Respondent:

- 1) Mr. Rafique Ahmed Sheikh, General Manager (Regulations)
- 2) Mr. Maroof Solangi, Deputy General Manager

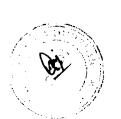
Subject:

THE MATTER OF COMPLAINT <u>UNDER</u> **GENERATION** DISTRIBUTION OF ELECTRIC POWER ACT, 1997 AGAINST LIMITED REGARDING DISCONNECTION

**ELECTRIC SUPPLY** 

#### **DECISION**

1. This decision shall dispose of the complaint dated February 18, 2014 received during the course of hearing at Karachi on April 01, 2014 from Dr. Mushtaq Noorwala (hereinafter referred to as the "Complainant") under Section 39 of the Regulation of Generation, Transmission and Distribution of Electric Power Act, 1997 against K-Electric Limited (hereinafter referred to as the "Respondent" or "KE").



- 2. The Complainant in his complaint stated that he had been regularly paying his electricity bills. On May 06, 2011, staff of KE removed his electricity meter without prior notice. The Complainant added that they requested KE for restoration of electricity supply but the electricity supply was not restored. The Complainant further stated that nothing was outstanding against them when the meter was removed and their office is without electricity till date. The Complainant further added that despite removal of meter, they continued payment of monthly bills received in their office till July 2012. Thereafter no bill was received to them. The last bill received by them was for the month of December 2013 amounting to Rs. 1,46,382/- with due date for payment as January 10, 2014 which was delivered in person by KE staff. The Complainant further stated that KE officials visited their office on February 12, 2014 and demanded for payment of the said amount and threatened for dire consequences in case of non payment of the bill. The Complainant prayed to enquire into the matter and save him from being victimized for no fault on his part and depriving him from the basic necessity of electricity which is the source of livelihood for him
- The matter was taken up with KE for submission of para-wise comments. In response, KE 3. vide letter dated April 23, 2014 reported that it refutes the consumer's claim that the meter was removed by KE. The meter was either removed by the Complainant himself or stolen from the consumer's premises. KE added that the Consumer Service Manual (CSM) clearly indicate that it's the consumer's responsibility to provide a safe and accessible location to KE for installation of metering equipment and that the consumer will be solely responsible for any loss of metering equipment belonging to KE and in use of consumer. KE further stated that the consumer is being charged minimum bills since February 2013 as his electricity supply was disconnected due to non-payment of outstanding dues and he never applied for deactivation of monthly billing and an amount of Rs.1,47,264/- is outstanding against the Complainant. KE further added that a site inspection was carried out at the premises of the consumer on July 09, 2012 and as per the Site Inspection Report (SIR), a discrepancy of "meter input and output was put out" was reported. Thereafter the meter of the Complainant was replaced on October 07, 2012 and supplementary bill of 3024 units was processed on the basis of SIR, covering a period of 6 months from April 21, 2012 to October 23, 2012 amounting to Rs.56,021/-. Subsequently another site inspection was carried out at the premises of the Complainant after serving inspection notice dated June 06, 2013 which the consumer did not acknowledge. A discrepancy of "no meter on site, direct use" was reported. Thereafter, a notice dated June 03, 2013 under section 39, 39A, 44 & 26A of the Electricity Act, 1910 was served to the consumer. After the stipulated time, a supplementary bill of 3500 units was processed on the basis of remarks of direct theft as per SIR, covering a period of 6 months from November 23, 2012 to May 25, 2013 amounting to Rs.64,951. KE further stated that supplementary bill charged is justified and is liable to be paid by the Complainant.



- The report of KE was sent to the Complainant for information / comments. In response, the Complainant vide letter May 23, 2014 submitted rejoinder and raised observations over the report of KE and stated that the meter was installed by KE itself outside the office premises at the ground floor at a safe place housed inside the gate of the building along with meters of other tenants of the same building. The Complainant denied the charges of KE with respect to removal of meter by him. The Complainant added that the meter was removed without replacing another meter and the view of KE that the meter was physically removed on October 7, 2012 is incorrect. The meter was actually removed by KE on May 06, 2011 and then no meter was installed by KE. The Complainant also stated that no survey /inspection was carried out in their presence and also no notice was served to them by KE. The Complainant also denied his involvement in theft of electricity. The Complainant further stated that despite disconnection of supply since May 06, 2011, he had been making payment of bills to KE in good faith received up to July 2012.
- 5. The matter was taken up with KE for submission of some additional information with respect to billing statement, details of detection bills, location of meter, action taken by KE for missing of meter, delay in replacement of meter, breakup of outstanding amount, copy of FIR etc. In response, KE vide its letter dated May 26, 2014 submitted the required information. With respect to lodging of FIR, KE stated that lodging of FIR or sending a letter to police station is practically not possible due to supporting documents like CNIC, bio data, etc. which are not provided by the consumers after detection of theft.
- 6. To probe further into the matter, a hearing was held on September 05, 2014 at Karachi which was attended by both the parties. During the hearing, the parties advanced arguments on the basis of their earlier versions. The Complainant emphasized that the meter was removed by KE itself on May 06, 2011 and till date no meter is installed. KE representative stated that another meter was installed at the premises on October 07, 2012. During the hearing it was confirmed by both the parties that at present there is no electricity supply at the premises.
- 7. The case has been examined in detail in light of documents provided by both the parties, arguments advanced during the hearing and applicable law. The following has been observed:
  - and discrepancy of "meter input and output was put out" was found. According to KE, the meter of the Complainant was replaced on October 07, 2012. On the basis of this discrepancy, KE assessed the consumption of the Complainant as 3090 units (515 units per month) for the period from April 21, 2012 to October 23, 2012 and after deducting already charged 66 units, KE raised 3024 units as detection bill amounting to Rs. 56,021/-. Whereas the Complainant is of the view that KE



disconnected the premises and removed the meter on May 06, 2011 and never installed another meter at the premises which is still disconnected. The billing statement of the Complainant's account shows that average/assessed bills were charged to the Complainant during the months of May 2011, June 2011 and July 2011. Thereafter, there was no consumption at the premises as the normal billing mode shows zero consumption from September 2011 to September 2012. Again in the months of August 2012 and October 2012, KE charged average bills for 60 units and 6 units respectively. This shows that there was no electricity at the premises after May 2011 and KE itself charged assessed bills during some months upto October 2012 without verification of use of electricity at the premises.

- ii) As per KE, another inspection was carried out at the premises of the Complainant after serving inspection notice dated June 06, 2013 and discrepancy of "no meter at site, direct use" was found. On the basis of the discrepancy of "direct use" of supply, KE assessed the consumption of the Complainant as 3696 units for the period from November 23, 2012 to May 25, 2013 and after deducting already charged 196 units, KE raised 3500 units as detection bill amounting to Rs. 64,951/-. As per the documents provided by KE the inspection was to be carried out after serving notice on June 06, 2014 but the inspection was carried out on June 3, 2013 i.e. prior to issuance of notice.
- As per the billing statement provided by KE, the meter was changed in November 2012. Thereafter, billing statement shows that the bills were issued on normal mode. The consumption at the premises as per the normal mode was 462 units and 194 units in the months of November 2012 and December 2012 respectively and 1 unit each in the months of January 2013 and February 2013 billed. Thereafter, the consumption was zero units on normal mode with effect from March 2013, meaning thereby that there was no consumption at the premises. KE representatives also confirmed during the hearing that there is no electricity being consumed at the premises.
- iv) KE has assessed the consumption of the Complainant as 515 units per month for issuance of 1st detection bill which is on higher side in light of the normal consumption of the premises recorded during January 2010 to April 2011 and the connected/sanctioned load. Similarly, the assessment of 462 units per month for winter and 770 units per month for summer are on higher side assessed for issuance of 2nd detection bill. Further formula for assessing detection bill on the basis of winter and summer consumption is incorrect and against the provisions of Consumer Service Manual (CSM).
- v) The discrepancy i.e. "meter in put out put, put out", as pointed out by KE is a direct theft of electricity. As per provisions of Consumer Service Manual (CSM), FIR is



mandatory in case of direct theft of electricity but the record shows that there is no FIR or any letter written by KE to police station for lodging of FIR against the Complainant.

- vi) KE is also of the view that the Complainant is responsible for any loss of metering equipment belonging to KE and is in use of consumer. Whereas, as per provisions of CSM the consumer is only liable for the damage or theft of electric supply lines, meters and/or other apparatus if they exist/are installed on consumer's premises. In the instant case, the meter was installed at a common place along with other meters of KE and ,as such, the Complainant cannot be held responsible for missing meter. Moreover, as per provisions of CSM, misplacement of meter comes under the ambit of illegal abstraction of electricity and in such case a procedure is given in CSM prior to imposition of detection bill. It has not been established from the documents provided by KE that it has followed the provisions of CSM and due process of law in this regard.
- 8. Foregoing in view, the detection bills charged by KE are unjustified. Therefore, KE is directed to:
  - i) withdraw the detection bills charged against the Complainant amounting to Rs. 56,021/ and Rs. 64,951/-,
  - ii) install another meter at the premises.
- 9. Compliance report be submitted within thirty (30) days.

(Maj (R) Haroon Rashid) Member (Consumer Affairs)

Islamabad, December 38, 2014