

## National Electric Power Regulatory Authority

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

Consumer Affairs
Department

TCD.05/5153 -2022 September 23, 2022

Chief Executive Officer, K-Electric Limited, KE House No. 39-B, Sunset Boulevard Phase-II, Defence Housing Authority, Karachi

Subject: COMPLAINT FILED BY M/S AL-TAMEER PROPERTIES UNDER SECTION 39
OF THE REGULATION OF GENERATION, TRANSMISSION AND
DISTRIBUTION OF ELECTRIC POWER ACT, 1997 AGAINST K-ELECTRIC
LIMITED REGARDING LOAD ASSESSMENT
Complaint No. KElectric-KHI-14732-08-22

Please find enclosed herewith the decision of the NEPRA Consumer Complaints Tribunal dated September 23, 2022 regarding the subject matter for necessary action, please.

Encl: As above

(Muhammad Abid)
Assistant Director (CAD)

### 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) M/s. Al Tameer Properties, Office No. M-3, Falaknaz Arcade, Opposite Airport Police Station, Main Shahra e Faisal, Karachi. Ph: 021-34696061



# BEFORE THE NATIONAL ELECTRIC POWER REGULATORY AUTHORITY (NEPRA)

## Complaint No. KHI-14732-08-22

Date of Hearing:

August 31, 2022

Defence Housing Authority, Karachi.

On behalf of

Respondent:

Mr. Asif Shajer (GM, Regulations)

(On Line)

ii) Mr. Absar

iii) Mr. Kamran

Complainant:

Mr. Fayyaz Ilyas, CEO M/s Al-Tameer Properties

(In person)

Subject:

DECISION IN THE MATTER OF COMPLAINT FILED M/S AL-TAMEER PROPERTIES UNDER SECTION 39 OF REGULATION OF GENERATION, TRANSMISSION AND DISTRIBUTION OF ELECTRIC POWER ACT, 1997 AGAINST K-ELECTRIC LIMITED REGARDING LOAD ASSESSMENT

#### **DECISION**

This decision shall dispose of the complaint filed by M/s Al-Tameer Properties (hereinafter referred to as the "Complainant" or "Al-Tameer Properties") against K-Electric Limited (hereinafter referred to as the "Respondent" or "K-Electric") 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 M/s Al-Tameer Properties Karachi wherein it was submitted that they have completed successful projects in Karachi and most of the projects are connected by chance and not by planning. K-Electric makes assessment of load of such projects in totality rather than individually which results in higher assessment of load. In this regard, the complainant mentioned case ID No. 0910900881. The complainant added that some societies have handed over plots to the

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clients at present and such societies are only 5% occupied, therefore, the housing schemes be provided partial load from nearest feeders. Moreover, the complainant raised some general issues pertaining to hiring of consultants, assessment of load on urban / rural area basis and assessment of load on Marla / Square Yard basis.

- The issue was taken up with K-Electric. Further a hearing was also conducted on August 31, 2022 at NEPRA Head Office, Islamabad which was attended by the representative of the complainant in person and KE via video link. The complainant submitted that they purchased a piece of land measuring 88.225 acres situated at Deh Malh Karachi and LOP of the same was approved by Malir Development Authority on February 01, 2007 and at that time there was no intention to develop another project. They developed the project in the name of Al-Tameer Properties, the Dreams. They purchased another piece of land measuring 38 acres 28 Ghuntas in 2007 and layout plan of the same was approved by the Malir Development Authority on April 14, 2010. They developed this project in the name of "Al-Tameer Properties, the Dreams Phase-I, Sector N. They approached K-Electric for provision of connection in the year 2019 for Al-Tameer Properties, "the Dreams" vide Case ID No. 0910900881 and K-Electric assessed the load as 13460kW. In this regard, an estimate was issued on December 17, 2019 amounting to Rs. 259.057 million. The same was not paid due to financial constraints. They applied to K-Electric for electrification of Al-Tameer Properties, the Dreams Phase-I, Sector N, vide Case ID No. 110932858 on March 16, 2021. K-Electric has considered their both projects in totality and has demanded piece of land for construction of grid station. K-Electric representative in their written / verbal arguments submitted that they are incompliant with the provisions of Consumer Service Manual (CSM) read with clarification issued by NEPRA on January 19, 2022 which provides that if there are different housing schemes having different names approved by the concerned civic agency, adjacent to each other, belonging to same owner / companies / partner; the load of such schemes is to be considered assessed in totality. In view of the said, K-Electric has considered both projects as a single and load of the project has been assessed above 10MW which requires provision of piece of land by the sponsors to K-Electric. Regarding partial load approval, K-Electric reported that the estimate is prepared in the initial stage with respect to the requirement of the scheme and the entire area master plan is prepared once, which must be followed in a uniform manner. In case of partial energization requirement, the entire cost of the scheme has to be paid in full in order to avoid any abandoned scheme cases in the future. Regarding the other issues raised by the complainant, K-Electric informed that they are following the procedure laid down in Consumer Service Manual (CSM).
- 4. The case has been examined in detail in light of the arguments advanced in the hearing, documents placed on record by both the parties and applicable law. The following has been concluded:
  - i) The sponsors purchased a piece of land measuring 88.225 acrs situated at Deh Malh Karachi and LOP of the same was approved by Malir Development Authority on February 01, 2007. The Project was developed in the name of Al-Tameer Properties, "the Dreams."
  - ii) The sponsors purchased another piece of land in the year 2007 and layout plan of the same was approved by the Malir Development Authority on April 14, 2010. They developed this project in the name of "Al-Tameer Properties, the Dreams Phase-I, Sector N.
  - The sponsor approached K-Electric for electrification in the year 2019 for Al-Tameer Properties, "the Dreams" vide Case ID No. 0910900881. In this regard, an estimate was issued on December 17, 2019 amounting to Rs. 259.057 million. The same was not paid by the sponsor.
  - iv) The sponsors applied to K-Electric for electrification of Al-Tameer Properties, the Dreams Phase-I, Sector N, vide Case ID No. 110932858 on March 16, 2021.

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- K-Electric has considered their both projects in totality and has demanded for a piece of land for construction of grid station.
- K-Electric is of the view that it is following the provisions of Consumer Service vi) Manual (CSM) read with clarification issued by NEPRA on January 19, 2022 which provides that if there are different housing schemes having different names approved by the concerned civic agency, adjacent to each other, belonging to same owner / companies / partner; the load of such schemes is to be considered in totality.
- The ground taken by K-Electric is not correct. NEPRA issued the said letter to vii) stop the sponsors from misuse of provisions of Consumer Service Manual (CSM). However, in the instant case, both pieces of land were purchased in different times and also the concerned civic agency approved the LOPs in the year 2007 and 2010. Moreover, the electrification request of Al-Tameer Properties, "The Dreams" was registered in the year 2019 and for Al-Tameer Properties, the Dreams Phase-I, Sector N; the request for electrification was registered on March 16, 2021 vide Case ID No. 11093285 much before the issuance of NEPRA's clarification dated January 19, 2022. In view of the said, the NEPRA's letter dated January 19, 2022 is not applicable in this case.
- Foregoing in view, K-Electric is directed to treat both the cases separately and issue demand notices to the sponsor for electrification as per provisions of Consumer Service Manual (CSM).

(Lashkar Khan Qambrani) Member Consumer Complaints Tribunal Director (CAD)

(Moqeem ul Hassan) Member Consumer Complaints Tribunal Assistant Legal Advisor (CAD)

NEFRA

Islamabad

CAO

(Naweed Hall)
Convener Consumer Complaints Tried
Director General (CAD)

Islamabad, September 23, 2022