

REPORT NO. 4/2024-25

# SENATE OF PAKISTAN



## REPORT OF THE SENATE STANDING COMMITTEE ON POWER

ON

POINT OF PUBLIC IMPORTANCE REGARDING THE EXCESSIVE  
BILLING AND LOAD SHEDDING BY K ELECTRIC IN KARACHI.  
MATTER RAISED BY SENATOR MASROOR AHSAN IN THE HOUSE  
ON 29TH OCTOBER, 2024

PRESENTED BY

SENATOR MOHSIN AZIZ  
CHAIRMAN SSC ON POWER

## SENATE SECRETARIAT

I, Senator Mohsin Aziz, Chairman Senate Standing Committee on Power, have the honor to present report of the Committee on a Point of Public Importance raised by Senator Masroor Ahsan in the sitting of the Senate held on 29th October, 2024, regarding the excessive billing and load shedding by K Electric in Karachi. The matter was referred to the Senate Standing Committee on Power for consideration and report.

2. The composition of the Committee is as under: -

1. Senator Mohsin Aziz	Chairman
2. Senator Syed Shibli Faraz	Member
3. Senator Syed Kazim Ali Shah	Member
4. Senator Taj Haider	Member
5. Senator Mir Dostain Khan Domki	Member
6. Senator Rahat Jamali	Member
7. Senator Manzoor Ahmed	Member
8. Senator Haji Hidayatullah Khan	Member
9. Senator Muhammad Qasim	Member
10. Senator Muhammad Aslam Abro	Member

3. The Committee considered the matter in its meeting held on 12<sup>th</sup> December, 2024.

The meeting was attended by the following:

1. Senator Mohsin Aziz	Chairman
2. Senator Haji Hidayatullah Khan	Member
3. Senator Manzoor Ahmad	Member
4. Senator Masroor Ahsan	Mover

4. The Committee enquired about the attendance of the CEO of K-Electric to which it was informed that the CEO had to attend another meeting in Karachi so he could not be able to attend this meeting. The Committee observed that the meetings of the Parliamentary Committees should be given preference over other engagements and



directed to convey the observation to the CEO and directed that next time whenever called by the Committee the CEO shall appear in person.

5. The Mover briefed the Committee that the officials of K-Electric contacted him and explained the situation to him and shared the problems of K-Electric. They also solved the issues relating to over billing and load shedding in the area for which he had raised the issue in the House. The Mover stated that actually in the area of his constituency there is power theft issues, the burden of which has to be shared by the consumers who are paying their bills regularly which is a matter of serious concern.

6. The Committee was briefed that currently, over 70% of KE's service area is exempt from load shedding, including 100% exemption for industrial feeders. KE's Segmented Load-Shed Policy (SLS) is in line with the provisions of National Electricity Policy 2021 and was also previously endorsed by the judgment of the Honorable Supreme Court in Human Rights Cases # 14392/2013 and 790-G/2009. Since privatization, through targeted investments across the power value chain resulting in enhanced fleet efficiency, reduction in T&D losses and Aggregate Technical & Commercial (AT&C) losses, KE has been able to bring significant improvements in quality and service delivery. KE's operational improvements since privatization have been acknowledged at various local and international forums. Most recently, the World Bank has also released in its report "Pakistan Federal Public Expenditure Review 2023" that KE's privatization has saved PKR 900 billion for consumers and the government primarily driven by substantial investments, workforce optimization, and operational efficiencies. KE teams remain available round the clock to monitor the on-ground



situation for prompt rectification of any localized faults and customers registered on KE Live App receive timely intimations about load-shed in their area.

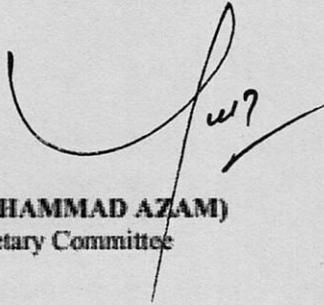
7. The Committee was briefed that KE has shown significant improvements since its privatization in the year 2005, some key areas of improvement are Generation Capacity (MW) Addition; Generation Fleet Efficiency – Gross; Grid Stations; Transmission Capacity (MVAs); Load Shed; Exempt Areas; Distribution Capacity (MVAs); Transmission & Distribution Loss and Aggregate Technical & Commercial Loss. The Committee was further informed that as of Financial Year 2024, KE has outstanding dues of over Rs. 130 Billion against HL and VHL Feeders out of which around PKR 44 Billion was accumulated during FY 2024 only.

8. The Committee enquired about the rate of billing for Industrial and commercial consumers and asked as to whether the rates are at par with other DISCOs. The Committee was briefed that KE bills its consumers as per the provisions of NEPRA approved Consumer Service Manual (CSM) and is committed to resolve any consumer complaints and has made various channels available in addition to customer care centers and IBCs such as e-mail, Call Center and KE Live Mobile App for consumers to approach KE for resolution of their issues including billing complaints. Furthermore, consumers can also approach Electric Inspector Karachi (EIK) and NEPRA for resolution of their complaints in case they are not satisfied with the response of KE. In accordance with the Uniform Tariff Policy of the Government of Pakistan, all the consumers are charged same power tariff across the country which is determined by NEPRA and notified by the Ministry of Energy (Power Division).



9. The Committee appreciated that there is 100% exemption of load shedding in industrial areas and was of the view that other DISCOs should learn from the progress and performance of KE. The Committee enquired about line losses to which it was informed that line losses is at 16% and KE is working further on this issue. The Committee observed that the picture being shown about KE here in the meeting is quite different as compared to picture being shown in media. Chairman NEPRA informed that losses of IESCO and GEPCO are in single digit as well.

10. The Mover was of the view that power lines need to be improved in order to further minimize the power theft. The Mover expressed his satisfaction over the briefing by KE and requested that the agenda may be disposed. The Committee also observed its satisfaction and disposed of the matter accordingly. The Committee also gave approval for presentation of report to the House.



**(MUHAMMAD AZAM)**  
Secretary Committee



**(SENATOR MOHSIN AZIZ)**  
Chairman Committee