

KE's monopoly must be abolished: Teli

KARACHI: The President of the Karachi Chamber of Commerce and Industry (KCCI), Agha Shahab Ahmed Khan, has urged K-Electric to immediately stop loadshedding and focus on improving the infrastructure, particularly power generation capacity and distribution network, which is in a terrible state.

He said that due to KE's poor performance, almost all the localities of Karachi and also the seven industrial zones had to suffer unannounced loadshedding and power failures everyday for many hours that resulted in substantial losses. "The unannounced and prolonged loadshedding by KE would prove to be the last nail in the coffin of industries and economy," he added.

The Chairman of Businessmen Group (BMG), Siraj Kassam Teli, who is a former president of the KCCI, while strongly criticizing K-Electric over excessive loadshedding and its failure to ensure uninterrupted power supply since 2005 when the KESC was privatized, said that as KE's agreement was going to expire in 2023, the next agreement had to be prudently drafted in such a manner that it put an end to the monopoly currently being enjoyed by KE.

"Under the existing agreement, K-Electric, since its privatization, has been monopolizing the entire power generation and distribution network of Karachi without any fear of competition, but it is high time that this monopoly was ended as it gives freedom to KE to fearlessly exploit the poor masses who are going through prolonged and unannounced

loadshedding several hours a day and even at night during the sizzling weather," he added.

He said that the government was also involved in negotiations between KE and Shanghai Electric China which intended to acquire 66.4 percent of KE's total issued share capital, but whether Shanghai Electric took over or the current possessors retained KE's control in future, the existing agreement with the utility service provider was unacceptable, and it had to be revisited at any cost.

"It has been a terrible experience for Karachiites after KE's privatization as the agreement with the utility service provider, which has never been publicly disclosed, contained glaring loopholes and faults. Hence, the next agreement must address all these loopholes and faults," he said.

He also said that there should be no room for monopolization. Because of KE's monopoly, the consumers had no other option but to bear exploitation by the KE, Teli said.

An end to KE's monopoly would certainly mean inducting other companies in the power generation and distribution sector which would trigger competition and give consumers the freedom to choose either KE or any other utility service provider, the chairman of Businessmen Group said.

He was of the opinion that keeping in view the huge population and size of Karachi, the entire power generation and distribution network of the city had to be divided among three to four electricity suppliers so that not only KE but other companies could also be brought into the field for fulfilling the electricity demand in different areas.

"We hope that the government pays attention to this serious issue at the earliest and takes concrete steps to minimize the hardships being suffered by the citizens and the business and industrial community of the largest city of Pakistan which continues to contribute a mammoth chunk of more than 70 percent revenue to the national exchequer despite facing a number of challenges," he added.