PRESS RELEASE

Stakeholders Demand Accountability and Monitoring of KE for its inability to provide electricity to Karachi’s consumers, Call for Affordable Power Solutions

KARACHI: Parliamentarians, business leaders, civil society activists, and energy experts have unanimously called for breaking K-Electric's monopoly over Karachi's power supply and demanding that the government ensure affordable electricity access for low—and middle-income consumers.

The demands emerged from a multi-stakeholder meeting titled "Electricity Access & Clean Energy Transition in Karachi," organised by The Knowledge Forum (TKF) at a local hotel on Thursday. The gathering brought together representatives from various sectors to address the city's persistent electricity crisis, which affects its 3.5 crore population.

Tanveer Bari from the Karachi Chamber of Commerce and Industry (KCCI) revealed that industries are increasingly shifting to solar power, with 2,500 MW already being generated through solar installations across the city. He criticised the current system, in which a significant section of the population has to face outages due to KE’s unjust policy of extended power cuts in to areas where bill recovery is low, despite a rise in temperatures, and reprimand for the regulator, and demands from public representatives to end this practice

"Load-shedding is above the law. Not all residents in affected areas are thieves or defaulters, yet they are collectively punished," Bari stated, adding that as a part of his work at KCCI, he and the chamber are undertaking multiple actions to question and counter KE’s monopolistic and illegal actions affecting electricity supply to the industry.

MQM MPA Muhammad Daniyal, who also chairs the Standing Committee on Youth and is a member of another committee on Industries, emphasised that K-Electric maintains an "imperialist mindset" despite claims of ending its monopoly status. He highlighted how residents have become progressively poorer while the company continues to maintain bad debts without proper write-offs.

He went further, suggesting the complete dissolution of K-Electric, arguing that the company is not investing adequately in generation or renewable energy. "Their willingness to invest in renewables is not visible. We should either buy back KE or find alternative solutions," he said.

Pakistan Institute of Labour Education and Research (PILER) Joint Director Abbas Hussain highlighted the social dimension of the crisis, noting that workers earning below minimum wage return home to find no electricity, severely affecting their morale and quality of life. Due to poor wages and lack of social security, they are not in a position to invest in distributed generation such as rooftop solarisation.

Participants observed that though solarisation was desirable, such a system cannot replace grid dependency, as Karachi's infrastructure, marked by unplanned informal settlements, do not provide adequate structural space to citizens to pursue solar. Moreover, solar electricity also has its own challenges. They demanded that KE invest in clean energy and bring the price of electricity down so that citizens can afford electricity.

Zahid Farooq from the Urban Resource Centre reported that people of low-income areas are being forced to sell their homes due to inflated electricity bills, while influential customers using illegal connections (kunda system) have their bills subsidised by legitimate payers.

He said KE officials are punishing honest consumers who pay their bills on time by resorting to longer-duration power outages, despite rising temperatures and the dominance of poorly designed neighbourhoods with compromised ventilation and inadequate structural elements blocking fresh air and natural light.

An Energy Department official, Iftikhar Ahmed, defended current government policies, explaining that the 2021 electricity policy shifted circular debt mechanisms and that low-income consumers remain protected through subsidies paid by other consumers. The official noted that the federal government has paid Rs 800 billion in tariff differential subsidies to KE, as K-Electric is generating electricity at a cost of Rs 44 per unit compared to Rs 34 per unit by other GENCOs in other parts of Pakistan.

The Sindh government is reportedly installing power plants to sell electricity to K-Electric and providing solar home systems, UPS, bulbs, and fans to 130,000 on-grid and 120,000 off-grid consumers free of cost.

Climate Action Centre's head Yasir Darya suggested that while K-Electric's monopoly status has technically ended, industrialists should establish competing companies and manage specific areas to create a competitive environment. He recommended that Karachi's industrial areas own renewable energy companies.

Ahsan Qazi from Ziauddin University compared K-Electric's model to South African utilities, suggesting the need for comprehensive regulatory and legal reforms to enable equitable energy access and a just transition towards clean energy for the residents of Karachi.

Academics such as Engr. Dr. Raja Masood Larik and Engr. Nadeem Iqbal from NED University stressed the need for consumer education, conservation, and technical reforms. "We need a uniform policy and a reliable grid system. People must understand energy efficiency and stop excessive consumption," said Dr. Larik.

In her opening remarks, TKF Director Zeenia Shaukat emphasized that energy access is a constitutional right and part of the Sustainable Development Goals. She noted that Pakistan is currently undergoing solar revolution on the back of communities and private citizens who have opted for rooftop solar installations to reduce dependence on electricity supply companies and their excesses in the form of overbilling and substandard services.

“It is a classic case of citizens and industry taking power into their own hands.”

The meeting concluded with calls for renewable acceleration for the city of Karachi, both through increased integration of clean energy in the KE grid and the government’s efforts to make renewable access possible for common citizens through social protection and climate finance. Moreover, participants also called for community involvement in energy planning and priority power supply for areas where solar parks and wind farms have been built. Participants stressed the need for sustainable solutions to address Karachi's unique challenges as a working-class city while ensuring energy justice for all residents.

The chronic electricity crisis continues to affect daily life, business operations, and industrial productivity in Pakistan's economic hub. Resolving these issues is critical for the city's future development. On the occasion, a set of videos produced by The Knowledge Forum was presented, showing workers, youth, and industrialists narrating their plights due to frequent power breakdowns in the city.

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