

National Electric Power Regulatory Authority ISLAMIC REPUBLIC OF PAKISTAN NEPRA Head Office, Ataturk Avenue (East), Sector G-5/1, Islamabad. Ph: 051-2013200, Fax: 051-2600021

Consumer Affairs Department

TCD.03/75 March 27, 2025

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(Muhammad Bilal) Additional Director (CAL

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Chief Executive Officer, Faisalabad Electric Supply Company Limited (FESCO) Abdullah Pur, Canal Bank Road, <u>Faisalabad.</u>

Subject: DECISION IN THE MATTER OF COMPLAINT FILED BY SPONSOR, RANTEX PVT LTD UNDER SECTION 39 OF THE REGULATION OF GENERATION, TRANSMISSION AND DISTRIBUTION OF ELECTRIC POWER ACT, 1997 AGAINST FESCO REGARDING RELIEF OF ISP-2 TO NET METERING CONNECTION. FESCO-NHQ-33683-01-24

Please find enclosed herewith the decision of the NEPRA Consumer Complaints, Tribunal dated March 27, 2025, regarding the subject matter for necessary action.

Encl: As above

Copy to:

- C.E/ Customer Services Director, FESCO, Abdullah Pur, Canal Bank Road, Faisalabad.
- 2. Director (Commercial), FESCO, Abdullah Pur, Canal Bank Road, <u>Faisalabad.</u>
- Assistant Director, NEPRA Regional Office, 1st Floor, Plaza No. C-6B, Opposite National Bank, College (Hockey Stadium) Road, Kohinoor City, <u>Faisalabad.</u>
- Mr. Khalil Ur Rehman, (Advocate), SKB Law Associate, 3rd Floor, Hameed Law Chambers, Near Al-Taj Hotel, 1-Turner Road, <u>Lahore</u>. Cell # 0321-4457240.
- M/S Rantex, Pvt Ltd, 42-KM, Sheikhupura Road, <u>Faisalabad.</u>



BEFORE THE NATIONAL ELECTRIC POWER REGULATORY AUTHORITY (NEPRA)

Complaint No. FESCO-NHQ-33683-01-24

M/s Rantex, Pvt Ltd,

.....Complainant

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42-KM, Sheikhupura Road, Faisalabad.

Versus

FESCO Electric Supply Company (FESCO) FESCO, Abdullah Pur, Canal Bank Road, Faisalabad.

...... Respondent

Date of Hearing: September 25, 2024 July 24, 2024 June 13, 2024

On behalf of: Complainant:

M/S Rantex, Pvt Ltd

Respondent:

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Mr. Zulifgar Ali, Director Commercial, FESCO Mr. Zulifgar Ali, Dy-Director Commercial, FESCO Mr. Rana Naveed, Revenue Officer (RO), FESCO

Subject: DECISION IN THE MATTER OF COMPLAINT FILED BY SPONSOR, RANTEX PVT LTD UNDER SECTION 39 OF THE REGULATION OF GENERATION, TRANSMISSION AND DISTRIBUTION OF ELECTRIC POWER ACT. 1997 ÷ AGAINST FESCO REGARDING RELIEF OF ISP-2 TO NET METERING CONNECTION

DECISION

In compliance with the judgment of Appellate Tribunal (NEPRA) in the Appeal No. 146/NT/2024 filed by Faisalabad Electric Supply Company (hereinafter referred to as the "FESCO") against M/s Rantex Pvt Ltd (hereinafter referred to as the "Complainant"), this decision shall dispose of complaint filed by the Complainant against Faisalabad Electric Supply Company (hereinafter referred to as the "FESCO").

2. NEPRA received order dated May 27, 2024 passed by the Honorable Appellate Tribunal (NEPRA), in appeal No. 146/NT/2024 whereby the Tribunal directed NEPRA that Complaint would be deemed pending before NEPRA and be decided in accordance with law/rules, after affording fair right of audience to the parties, by passing a speaking /wellreasoned order.

3. Brief facts of the case are that the Complainant was not granted the benefit of Incremental Support Package (ISP-2) from May 2023 to October 2023 whereas relief was granted to other consumers of FESCO during the same billing months. According to the Complainant they are entitled for ISP-2 relief because there is no restriction regarding the relief to net metering consumers. Similar issue of non-provision of the said relief had already been decided by NEPRA in the matter of complaint filed by M/s M.A Processing Private Limited vs LESCO (LESCO-NHQ-21923-05-23). The instant complaint was also decided in terms of above decision and a copy of the said decision was transmitted to FESCO vide letter this office letter dated TCD.04/828-2024 dated February 19, 2024. However, FESCO

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filed an appeal before Appellate Tribunal, NEPRA and the Tribunal remanded back the matter to NEPRA.

4. In compliance with the directions of Appellate Tribunal hearing was held at NEPRA Head Office, Islamabad which was attended by both the parties wherein issue was discussed in detail. The case has been examined in detail in light of the record made so available by parties, arguments advanced during the hearing and applicable documents. Following has been concluded:

- (i) NEPRA in the matter of Motion filed by the Ministry of Energy (Power Division) with respect to recommendations of Support Package for Additional Consumption and Abolishment of Time of Use Tariff Scheme for Industrial Consumers of XWDISCOs, issued decision vide No. NEPRA/R/ADG(Tariff)/ TRF-100/XWDISCOs/43673-43675 dated 01-12-2020 and approved following proposals of Ministry of Energy (Power Division) for industrial consumers of XWDISCOs:
 - a. "Rate of Rs.12.96/kWh may be charged for industrial consumer categories (B1, B2 & B3) from 1st July 2021 to 31st October 2023 for off-peak hours on incremental consumption basis over their consumption in corresponding months of the period March, 2019 to February, 2020. In this case, there is no subsidy requirement.
 - b. Discount of Rs. 4.96/kWh would be offered from the incremental marginal rate (Rs. 12.96/kWh) for industrial consumer categories (BT, B2 & B3) from 1st November, 2020 to 30th June 2021 for off-peak hours on incremental consumption basis over their consumption in corresponding months of the period March 2019 to February 2020 (the reference period is adjusted to exclude COVID months). In this case, an estimated subsidy requirement shall be approximately Rs.14 billion which shall be provided by the Finance Division from COVID Economic Stimulus Package on actual consumption basis for each month.
 - c. Rate of Rs.12.96/kWh may be charged for industrial consumer category B4 from 1st November 2020 to 31st October 2023 for off-peak hours on incremental consumption basis over their consumption in corresponding months of the period March, 2019 to February, 2020. The this case, there is no subsidy requirement.
 - d. New industrial consumers having no reference consumption available in the period of March, 2019 to February, 2020 shall be offered the same package through slab-wise consumption structure.

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- e. Impact of the Fuel Price Adjustment (FPA) shall be passed on to the industrial consumers on incremental consumption basis."
- (ii) The Complainant is a net metering consumer of FESCO. The ISP relief was not given to the Complainant by FESCO. NEPRA, in the similar nature of cases has solicited clarification regarding applicability of ISP on the net-metering consumers from the Ministry of Energy (Power Division), however, response from the Ministry is still awaited. Moreover, NEPRA has also solicited the said
- clarification from Power Information Technology Company (PITC) vide letter dated September 20, 2023, and in response PITC also requested to Ministry of Energy (Power Division) for clarification, no response from any of the parties has been received.
- (iii) Moreover, the decision of the Authority is very clear that package is applicable to all industrial consumers and no discrimination has been made between net-metering and non-net-metering consumers. Thus, we are of the view that

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the package shall be uniformly applicable to all Industrial consumers including consumers having net-metering facility. However, effect of units exported through net metering must be deducted. PITC itself framed a formula whereby Industrial Support Package was not provided to net metering consumers, however, upon enquiry by this office, the PITC management was not clear regarding non-applicability of Industrial Support Package to net metering consumers.

Foregoing in view, FESCO is directed to provide applicable relief to the Complainant 5. subject to submission of undertaking by the Complainant to the effect that relief so granted will be reversed if any clarification regarding non-applicability of support package to net metering consumers is received from the Ministry of Energy (Power Division) at any stage as the said relief involves provision for subsidy which is the prerogative of the Government of Pakistan. Please note that the relief will be applicable on the units sold by FESCO after deducting units received back through net metering. All codal formalities must be 100 1 completed. 1.1 -

The complaint is disposed of in above terms. 6.

7 July ag (Muhammad Irfan Ul Haq)

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(Lashkar Khan Qambrani) Member Complaints Resolution Committee Member Complaints Resolution Committee/ Director (Consumer Affairs)

Assistant Legal Advisor

(Naweed Mahl Shaikh Convener Complaints Resolution Committee/ Director General (CAD) 15.9 30

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