



National Electric Power Regulatory Authority

NEPRA Tower

Attaturk Avenue (East) Sector G-5/1, Islamabad.

Ph:051-2013200, Fax: 051-2600021

Consumer Affairs Department

TCD 02/1673 -2025
May 2, 2025

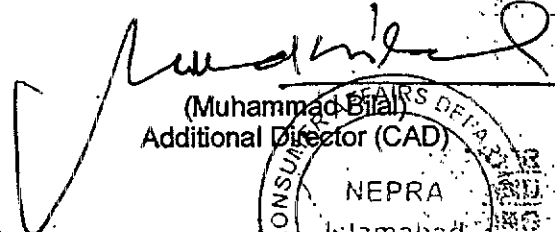
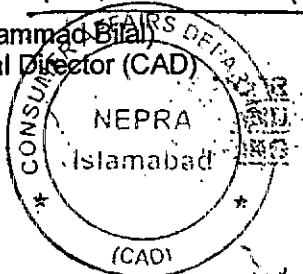
Chief Executive Officer,
Islamabad Electric Supply Company (IESCO),
Street No 40, G-7/4,
Islamabad.

Subject: **COMPLAINT FILED BY M/S RTZ PLASTICS THROUGH RASHID AHMED ALVI UNDER SECTION 39 OF THE REGULATION OF GENERATION, TRANSMISSION AND DISTRIBUTION OF ELECTRIC POWER ACT, 1997 AGAINST IESCO REGARDING EXCESSIVE MDI (AC # 28 14631 7070800)**
Complaint # IESCO-NHQ-50711-02-25

Please find enclosed herewith the decision of NEPRA Complaints Resolution Committee, dated May 02, 2025 regarding the subject matter for necessary action and compliance within thirty (30) days positively.

Copy to:

1. C.E/Customer Services Director,
Islamabad Electric Supply Company (IESCO),
Street No 40, G-7/4,
Islamabad.
2. Mr. Rashid Ahmed Alvi,
Plot No.4, Street No.N-1 E-2,
Rawat Industrial State, Rawalpindi
0304-3733551 # 0343-9689551


(Muhammad Bilal)
Additional Director (CAD)




BEFORE THE
NATIONAL ELECTRIC POWER REGULATORY AUTHORITY
(NEPRA)

Complaint No. IESCO-NHQ-50711-02-25

M/s RTZ Plastic
Through **Mr. Rashid Ahmed Alvi**
Plot No.4, Street No. N-1 E-2,
Rawat Industrial State, Rawalpindi.

.....Complainant

VERSUS

Islamabad Electric Supply Company (IESCO)
Street No 40, G-7/4, Islamabad.

.....Respondent

Date(s) of Hearing: April 8, 2025

Complainant: Mr. Rashid Ahmed Alvi on behalf of M/s RTZ Plastic

Respondent: Mr. Azeem Zardari, XEN (Opt.), IESCO

SUBJECT: COMPLAINT FILED BY M/S RTZ PLASTICS THROUGH RASHID AHMED ALVI UNDER SECTION 39 OF THE REGULATION OF GENERATION, TRANSMISSION AND DISTRIBUTION OF ELECTRIC POWER ACT, 1997 AGAINST IESCO REGARDING EXCESSIVE MDI (AC # 28 14631 7070800)

DECISION

Through this decision, the complaint filed by M/s RTZ Plastics through Mr. Rashid Ahmed Alvi (hereinafter referred to as the "Complainant") against Islamabad Electric Supply Company (hereinafter referred to as "IESCO") under Section 39 of the Regulation of Generation, Transmission and Distribution of Electric Power Act, 1997 (the "NEPRA Act") is being disposed of.

2. Brief facts of the case are that the Complainant is an industrial consumer of IESCO registered under Reference No. 28-14631-7070800-U, having a sanctioned load of 80 kW and the applicable tariff category is B2b(12)T. The Complainant was being charged incorrect monthly bills by IESCO due to the wrong multiplying factor (MF) i.e. 20 rather than 40. Subsequently, IESCO charged a detection bill of Rs.6,158,742/- to the Complainant for a period of 11 months i.e. from January 2024 to November 2024. The Complainant challenged the said disputed bill before the NEPRA on February 27, 2025.



3. The matter was taken up with IESCO for submission of the report and IESCO was also directed to issue a provisional bill to the Complainant for partial payment against the disputed arrears, immediately. In response, IESCO vide report dated 24 March 2025 submitted that the extension of load from 50 kW to 80 kW was approved by SE (Opt.) vide letter No.14801-3 IESCO/ RWP/drg. dated August 29, 2023, at the request of the Complainant. Later on, CTs of the Complainant's metering equipment were replaced from 100/5 to 200/5 ratio by the team of Circle Manager M&T of IESCO on January 24, 2024, but the case was not sent for enhancement of MF for billing purpose, due to which the MF of the Complainant has not been raised w.e.f January 2024. Later on, following verification of the security deposit amount, the SCO was entered into the computer system for correct monthly billing according to sanctioned load and CTs, and a detection bill amounting to Rs.6,159,493/- was charged to the Complainant against 133,820 units.

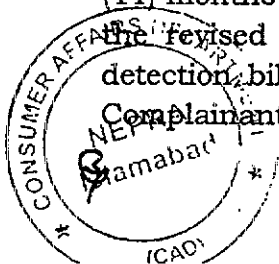
4. A hearing was also held on April 8, 2025, wherein both parties tendered their appearance. During the hearing, IESCO's representative acknowledged that the Complainant has been issued a detection bill for 133,820 units in December 2024 to recover the energy losses due to the wrong application of MF i.e. 20 instead of 40 for the period from January 2024 to November 2024. The representative of IESCO further apprised that the correct MF 40 has now been updated in the system w.e.f December 2024 and onwards. Legal Counsel for the Complainant submitted that the monthly bills were being paid regularly except for the disputed amount charged in December 2024. At present, the huge arrears of Rs.6,263,379/- are outstanding against the Complainant till March 2025, which requires to be revised on merit.

5. Moreover, it has been revealed that despite a lapse of more than 11 months, the concerned officials of the IESCO failed to enhance the MF. This reveals lack of diligence or attention to regulatory requirements. Thus, the Complainant cannot be held responsible for the payment of such an unjustified detection bill payment due to erroneous billing carried out by the IESCO for a longer period. IESCO was required to update the actual MF=40 at the time of installation of the CTs i.e. 200/5 Amp to ensure proper monthly billing from January 2024.

6. Clause-6.1 of CSM-2021 provides the mechanism of meter reading and Clause-6.2 envisages the procedure of percentage checking to ensure the accuracy of meter reading. Recording of correct meter readings is the responsibility of IESCO. Clause 6.1.4 of CSM-2021 provides that meter readers are responsible for checking irregularities/discrepancies in the metering system at the time of reading meters and report the same in the reading book/discrepancy book or through any other appropriate method as per the practice. In such cases, NEPRA has also clarified vide letter No. NEPRA/DG (CAD)/TCD-10/17187-13 dated 26.03.2021 the SOP of charging MF bill which is reproduced as under:

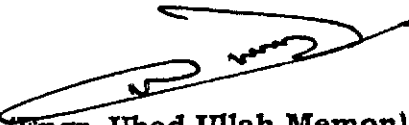
"If due to any reason, the charges i.e. MDI, fixed charges, multiplying factor, power factor penalty, tariff category, etc, have been skipped by DISCO due to any reason; the difference of these charges can be raised within one year for maximum period of six months, retrospectively."

7. In view of the above discussion, IESCO is directed to revise the detection bill from eleven (11) months to six (06) months retrospectively as per the ibid Clarification dated 26.03.2021 of the revised CSM-2021. IESCO is further directed to recover the payments of the revised detection bill from the Complainant in six easy installments and restore the supply of the Complainant's premises after receipt of the first installment against the arrears along with the




current month's bill. The billing account of the Complainant may be overhauled after the adjustment of the payment made against the above detection bill.

8. A compliance report in this regard be submitted within thirty (30) days.


(Engr. Ubed Ullah Memon)

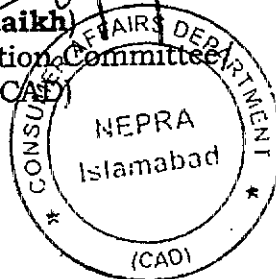
Member Complaints Resolution Committee/
Director (CAD)


(Muhammad Irfan Ul Haq)

Member Complaints Resolution Committee
/Assistant Legal Advisor


(Naweed Illahi Shaikh)

Convener Complaints Resolution Committee/
Director General (CAD)



Islamabad, May 02, 2025