



**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**

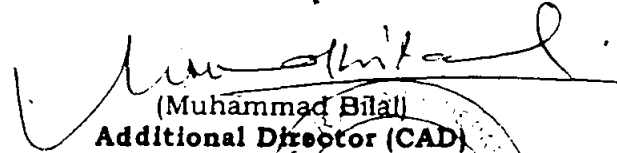
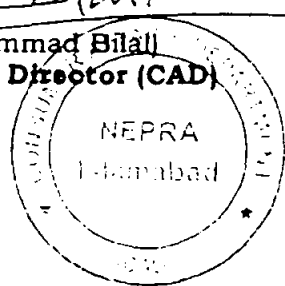
TCD.06/4855-2023  
October 20, 2023

Chief Executive Officer  
Multan Electric Power Company (MEPCO)  
MEPCO Complex, WAPDA Colony,  
Khanewal Road, Multan.

Subject: **WRIT PETITION NO. 11274-2023; ORDER DATED 20-07-2023 PASSED BY  
THE HONORABLE LAHORE HIGH COURT, MULTAN BENCH, MULTAN (A/C  
NOS. 30 15711 1346904, 30 15711 1346902, 30 15712 0637500, 30  
15723 0343101, 30 15118 0004301, 30 15118 0004304).**  
**MEPCO-NHQ-27117-08-23**

Please find enclosed herewith the decision of NEPRA Consumer Complaints Tribunal dated October 20, 2023, regarding the subject matter for necessary action and compliance within fifteen (15) days, positively.

**Encl: As above**

  
(Muhammad Bilal)  
**Additional Director (CAD)**  


Copy: -

1. C.E/ Customer Services Director, MEPCO,  
MEPCO Complex, WAPDA Colony,  
Khanewal Road, Multan.
2. Mr. Muhammad Ramzan Mushtaq,  
M/s Mahmood Textile Mills Limited,  
Mehar Manzil, Outside Lohari Gate, Multan.
3. Mr. Muammad Ali Siddiqui,  
Advocate Supreme Court of Pakistan,  
2nd Floor, Golden Heights Plaza,  
Opposite Public Gate High Court, Multan.  
0322-6103403



**BEFORE THE**  
**NATIONAL ELECTRIC POWER REGULATORY AUTHORITY**  
**(NEPRA)**

**Complaint No. MEPCO-NHQ-27117-08-23**

M/s Mahmood Textile Mills Limited  
M/s Masood Spinning Mills Limited  
through Mr. Muhammad Ramzan Mushtaq,  
Mehtar Manzil, Outside Lohari Gate, Multan.

..... **Complainants**

**Versus**

**Multan Electric Power Company (MEPCO),**  
MEPCO Complex, WAPDA Colony,  
Khanewal Road, Multan.

..... **Respondent**

**Date of Hearings:** September 18, 2023

**On behalf of  
Complainant:**

1. Mr. Muammad Ali Siddiqui, Advocate
2. Mr. Ramzan Mushtaq, Executive Legal & General Affairs

**Respondent:**

1. Mr. Bilal Gillani, Director (Commercial) MEPCO
2. Mr. Qamar Islam, Revenue Officer (MEPCO)
3. Mr. Tanveer Aslam, Revenue Officer (MEPCO)

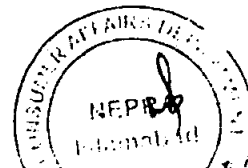
**Subject: WRIT PETITION NO. 11274-2023; ORDER DATED 20-07-2023 PASSED BY THE HONORABLE LAHORE HIGH COURT, MULTAN BENCH, MULTAN (A/C NOS. 30 15711 1346904, 30 15711 1346902, 30 15712 0637500, 30 15723 0343101, 30 15118 0004301, 30 15118 0004304, 30 15921-2533900, 30 15921 2533901)**

**DECISION**

This decision shall dispose of the complaint filed by Mr. Muhammad Ramzan Mushtaq on behalf of M/s Mahmood Textile Mills Limited and M/s Masood Spinning Mills Limited (hereinafter referred to as the "Complainants" or "Petitioners") against Multan Electric Supply Company (hereinafter referred to as the "MEPCO" or "Respondent" referred by Lahore High Court Multan bench, under Section 39 of the Regulation of Generation, Transmission and Distribution of Electric Power Act, 1997 (hereinafter referred to as the "NEPRA Act").

2. NEPRA received orders dated July 20, 2023 passed by the Honorable Lahore High Court, Multan Bench, Multan in the Writ Petition No. 11274-2023. The Honorable Court directed NEPRA to treat the petition as an application on behalf of the Petitioners and decide the grievance, after giving hearing opportunity to all concerned, through reasoned and speaking order, strictly in accordance with law and applicable policy.

3. The petitioners in their petitions submitted that in pursuance to the policy decision of Economic Coordination Committee (ECC) of the Cabinet, Incremental Support Package (ISP) for industrial consumers was approved by NEPRA on December 01, 2020. The Petitioners were granted the said ISP up till January 11, 2022. However, the petitioners being zero rated industrial



consumers were granted relief of concessionary Tariff but the same was subsequently withdrawn by the Government. According to the petitioners they are entitled for ISP relief due to withdrawal of the concessionary relief package. In this regard, the petitioners approached MEPCO, however MEPCO refused to grant relief being net-metering consumers. The Complainants added that Power Information Technology Company (PITC) at its own made categories of industrial consumers and excluded net metering consumers for grant of ISP. The petitioners prayed that MEPCO be directed to issue revised bills by providing ISP.

4. In pursuance of the said directions of Honorable Lahore High Court, Multan Bench, the matter was taken-up with MEPCO for submission of report. Accordingly, MEPCO vide its report dated August 11, 2023 submitted that the subject "Net Metering" Consumer along with other industrial consumers were being billed under ZRI tariff up to billing month of February 2023. ZRI relief got disconnected, w.e.f. 01.03.2023 as per Notification dated 28.02.2023. After that ISP-2 Relief (Relief on incremental units) is being afforded to previous ZRI consumers from billing month of March 2023. MEPCO further reported that as per instructions of Ministry of Energy (Power Division) defective, lock cases, net-metering and wheeling consumers will not be selected for the support package on incremental Consumption.

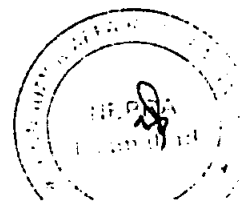
5. In order to proceed further, a hearing was scheduled for August 16, 2023 however, the same was rescheduled on request of the petitioners for September 18, 2023 at NEPRA Head Office, Islamabad. The hearing was attended by representatives of MEPCO and the Complainants. During the hearing, the issue was discussed in detail wherein the parties re-iterated their arguments based on their earlier submissions.

6. 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 vide decision 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 vide No. NEPRA/R/ADG(Tariff)/TRF-100/XWDISCOs/43673-43675 dated 01-12-2020, has approved following proposals of Ministry of Energy (Power Division) for industrial consumers of XWDISCOs:

**QUOTE**

- a) Rate of Rs.12.96/kWh may be charged for industrial consumer categories (B1, B2 & B3) from 1<sup>st</sup> July 2021 to 31<sup>st</sup> 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 (B1, B2 & B3) from 1<sup>st</sup> November, 2020 to 30<sup>th</sup> 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 1<sup>st</sup> November 2020 to 31<sup>st</sup> 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.
- 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.



- e) Impact of the Fuel Price Adjustment (FPA) shall be passed on to the industrial consumers on incremental consumption basis.


**UNQUOTE**

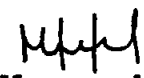
- ii) NEPRA, in the similar nature of cases has solicited clarification regarding applicability of ISP on the net-metering consumers from the Ministry of Energy (Power Division) vide letter dated August 16, 2023, followed by a reminder dated September 15, 2023, however, no response from the Ministry has yet been received. Moreover, NEPRA has also solicited the said clarification from Power Information Technology Company (PITC) vide letter dated September 20, 2023, and in response PITC has also requested to Ministry of Energy (Power Division), for clarification vide letter dated September 26, 2023, however response from any of the parties is awaited.


7. 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-metering consumers. Thus, we are of the view that 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.

8. Foregoing in view, MEPCO is directed to provide applicable relief to the petitioners subject to submission of undertakings by the petitioners 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 MEPCO after deducting units received back through net metering. It may further be noted that the relief pending for previous months (if any) will be granted / adjusted in future bills of the Complainants.

9. Compliance report be submitted within fifteen (15) days.

  
(Lashkar Khan Qambrani)  
Director (CAD)  
Member Consumer Complaints Tribunal

  
(Moqees ul Hassan)  
Assistant Legal Advisor (CAD)  
Member Consumer Complaints Tribunal

  
(Naveed Illahi Shaikh)  
Director General (CAD)  
Convener Consumer Complaints Tribunal

Islamabad, October 20, 2023

