



**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/ 249 -2024  
January 12, 2024

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

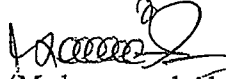
**Subject: DECISION IN THE MATTER OF WRIT PETITIONS NOS. 12090/2022: M/S COLONY TEXTILE MILLS LIMITED etc. VS FOP, MINISTRY OF ENERGY (POWER DIVISION), (A/C# 30 15138 0000100).**  
**MEPCO-NHQ-16702-09-22**

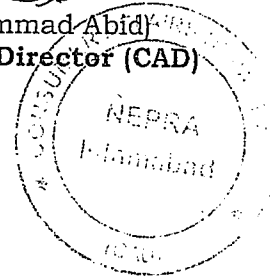
Please find enclosed herewith the decision of the NEPRA Complaints Tribunal dated January 12, 2024 regarding the subject matter for necessary action.

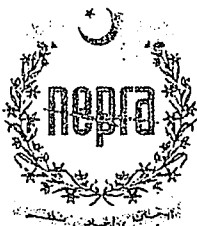
**Encl: As above**

**Copy to:**

1. Chief Engineer/Customer Services Director,  
Multan Electric Power Company (MEPCO),  
MEPCO Complex, WAPDA Colony,  
Khanewal Road, Multan.
2. Mr. Raheel Azhar, Additional Director,  
NEPRA Regional Office, 39-First Floor, Orient Mall,  
Khanewal Road, Multan.
3. M/s Colony Textile Mills Limited,  
P.O. Islamabad, Multan.
4. Mr. Muhammad Ali Siddiqui  
Advocate, 2<sup>nd</sup> Floor, Golden Heights Plaza,  
Opposite Public Gate High Court, Multan.  
0322-6103403

  
(Muhammad Abid)  
**Assistant Director (CAD)**





**BEFORE THE**  
**NATIONAL ELECTRIC POWER REGULATORY AUTHORITY (NEPRA)**  
**Complaint No. MEPCO-NHQ-16702-09-22**

**M/s Colony Textile Mills Limited**  
Through Mr. Muhammad Ali Siddiqui, Advocate  
2<sup>nd</sup> Floor, Golden Heights, Opposite High Court,  
Public Gate, Multan.  
0322-6103403

..... Complainant

**VERSUS**

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

..... Respondent

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

**On behalf of:**

**Complainant:** Mr. Muhammad Ali Siddiqui

**Respondent:**

Mr. Bilal Gillani, Director (Commercial), MEPCO  
Mr. Qamar Islam, Revenue Officer (RO), MEPCO  
Mr. Jamal Ud Din, Revenue Officer (RO), MEPCO

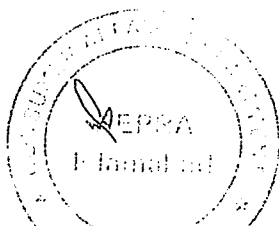
**Subject:** DECISION IN THE MATTER OF WRIT PETITION NO. 12090/2022:  
M/S COLONY TEXTILE MILLS LIMITED ETC. VS FEDERATION OF PAKISTAN,  
MINISTRY OF ENERGY (POWER DIVISION)

**DECISION**

This decision shall dispose of the case referred by the Appellate Tribunal (NEPRA), Islamabad in response to directions issued by Lahore High Court, Multan Bench vide order dated August 22, 2022 in the writ petition No. 12090/2022 filed by M/s Colony Textile Mills Limited etc. (hereinafter referred to as the "Petitioner" or the "Industry" or the "Complainant") against Multan Electric Power Company (hereinafter referred to as the "Respondent" or "MEPCO").

2. Brief facts of the case are that M/s. Colony Textile Mills Limited etc. filed a writ petition before Lahore High Court, Multan Bench. The Honorable court forwarded the same to the Appellate Tribunal (NEPRA), Islamabad for a decision. Subsequently, the Appellate Tribunal (NEPRA) transmitted the case to NEPRA vide order dated September 05, 2022 for a decision after hearing both the parties. The Complainant in the said petition submitted, inter alia, as under:

- (i) The Complainant is a Textile unit involved in the activity of spinning of Textile fibers. MEPCO in violation of the notification issued by PITC dated May 24, 2021 has not granted the relief of Incremental support package and the bill for the month of July 2022 amounting to Rs. 27691071/- payable on August 23, 2022 was issued without granting the relief of Industrial support package.
- (ii) The matter was raised with APTMA (All Pakistan Textile Mills Association) who



informed the CEO (MEPCO) and highlighted that due to the non-availability of ZRI Tariff for the month of July 2022 notification issued by PITC becomes automatically applicable to all the consumers including export-oriented Industry to the extent of Off-peak incremental units' consumption in the month of July 2022. MEPCO by not granting relief under the Incremental Support Package is in violation of Article 4, Article 8, Article 10-A, Article 18, Article 23, Article 24 and Article 25 of the Constitution of Islamic Republic of Pakistan 1973.

- (iii) The Complainant prayed that MEPCO be directed to allow the benefit of notification dated May 24, 2021 as the same benefit is being extended to the consumers of LESCO.

3. In order to proceed further a hearing was held on September 18, 2023 in attendance of both the parties whereby the matter was discussed in detail. MEPCO through its verbal and written arguments stated that the industrial consumers were allowed a support package for additional incremental consumption vide NEPRA letter No. NEPRA /R/ADG (TRF-100/XWDISCOS/43673-43675 dated December 01, 2020. The facility was withdrawn /cancelled vide NEPRA letter No. 506-517 dated January 11, 2022. The said cancellation has been challenged by various industrial consumers in Honorable Courts. A clarification was sought from the Ministry on the issue & it has been clarified vide letter No. e-4(2)/2021-Policy dated April 21, 2022 that "ECC vide decision in case No. ECC-310/2712021 dated August 16, 2021 approved that the Incremental Consumption Package will not be applicable to ZRI consumers from FY-2022. NEPRA in determination dated January 11, 2022, amongst others, approved that for zero rated industrial consumer categories, Incremental Consumption Package shall not be applicable for FY-2022. The issue was further elaborated by NEPRA in its decision issued vide No. NEPRA/R(ADG)/(TARIFF)TRF-100/7148-7150 dated May 11, 2022 that for Zero Rated Industrial (ZRI) consumer categories, the Incremental consumption Package shall not be applicable from FY-2022.

4. The case has been examined in detail in light of written/ verbal arguments of both the parties. The following has been concluded:

- (i) The Authority vide order dated December 01, 2020 approved the motion forwarded by the Federal government regarding Industrial Support Package (ISP) wherein a subsidy on incremental consumption of electricity units was to be given to the industrial consumers in off peak hours over their consumption in corresponding period i.e. March, 2019 to February, 2020. Further, a discount of 4.96/kWh was also extended to the B1, B2, B3 industrial consumers. It was also approved that rate of 12.96/kWh was applicable on all hours till April 30, 2020 initiating from November 01, 2019. The same was notified by the Federal Government in the official gazette as per Section 31(7) of the NEPRA Act.
- (ii) The Federal Government after approval from ECC and Federal Cabinet dated August 16, 2021 & August 24, 2021 respectively again approached NEPRA through its motion dated September 14, 2021 wherein it was submitted including but not limited to abolish the Industrial Support Package for zero-rated industries (ZRIs) from Fiscal Year 2022 starting from July 01, 2022. The same was approved by NEPRA after due diligence vide order dated January 11, 2022 wherein ISP was abolished for ZRIs from July 2022.
- (iii) Moreover, ECC vide its decision in case No. ECC/308/27/21 dated August 16, 2021 inter alia approved that electricity may be provided @ US (9) cents per unit all-inclusive to export-oriented sectors i.e. Textile etc. during the fiscal year 2021-22 up to June 2022. Based on the above, ZRI relief was provided to the Complainant up till June 2022 and the ISP was also abolished from July 2022 for the Complainant being a zero-rated industry.
- (iv) In conclusion, the facility of extending subsidy to electricity consumers is a sole prerogative of the Federal Government In this regard NEPRA has solicited clarification from the Ministry of Energy (Power Division) vide letter dated



August 18, 2023 to ascertain the eligibility to obtain ZRI or ISP relief during the month of July, 2022. However, no response has yet been received from the Ministry of Energy (Power Division). It is also pertinent to mention here that no alternate relief as deemed by the Complainant has been notified to date by the Federal Government. It is considered appropriate that until such clarification regarding provision of ZRI relief or ISP during July, 2022 is issued by the Ministry of Energy (Power Division), MEPCO is not obligated to provide any such relief to the Complainant.

5. The complaint is disposed of in above terms.



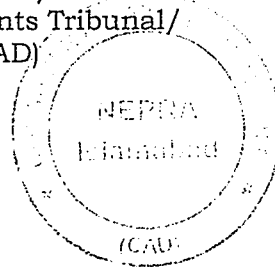
**(Lashkar Khan Qambrani)**  
Member, Consumer Complaints Tribunal/  
Director (CAD)



**(Muhammad Irfan-ul-Haq)**  
Member, Consumer Complaints Tribunal/  
Assistant Legal Advisor



**(Naweed Illahi Shaikh)**  
Convener, Consumer Complaints Tribunal/  
Director General (CAD)



Islamabad, January 12, 2024