



**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/ *4636* -2024  
October 18, 2024

Chief Executive Officer, MEPCO,  
MEPCO Complex, WAPDA Colony,  
Khanewal Road, Multan.

**COURT CASE**

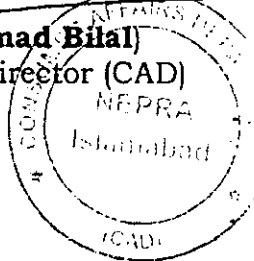
Subject: **ORDER DATED May 02, 2024 IN WRIT PETITION NO. 5208/2024: M/S ZAFAR COTTON INDUSTRIES VS FOP ETC., PASSED BY THE HONORABLE LAHORE HIGH COURT, MULTAN BENCH, MULTAN (A/C NO. 27 15743 1095500).**  
**MEPCO-NHQ-42661-08-24**

Please find enclosed herewith the decision of the NEPRA Complaints Resolution Committee (CRC), dated October 18, 2024 regarding the subject matter for necessary action and compliance within fifteen (15) days.

Encl: As above

Copy: -

1. C.E/ Customer Services Director, MEPCO,  
MEPCO Complex, WAPDA Colony,  
Khanewal Road, Multan.
2. Director (Commercial), MEPCO,  
MEPCO Complex, WAPDA Colony,  
Khanewal Road, Multan.
3. Mr. Waqar Zafar Rao S/o -  
Rao Muhammad Zafar Ahmad,  
M/s Zafar Cotton Industries, Damarwala Road,  
Jatoi, District Muzaffargarh

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




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

**Complaint No. MEPCO-NHQ-42661-08-24**

Mr. Waqar Zafar Rao S/o -  
Rao Muhammad Zafar Ahmad,  
M/s Zafar Cotton Industries, Damarwala Road,  
Jatoi, District Muzaffargarh

Complainant

Versus

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

Respondent

**Date of Hearings:** September 23, 2024

**On behalf of**  
**Complainant:** 1. Mr. Waqar Zaffar Rao

**Respondent:** 1. Mr. Asad Hammad, Director (Commercial) MEPCO  
2. Mr. Syed Jawad Mansoor Ahmad, CSD (MEPCO)

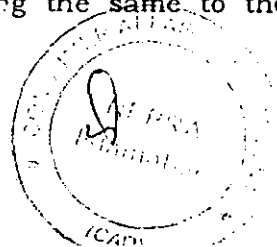
**Subject:** ORDER DATED May 02, 2024 IN WRIT PETITION NO. 5208/2024: M/S ZAFAR COTTON INDUSTRIES VS FOP ETC., PASSED BY THE HONORABLE LAHORE HIGH COURT, MULTAN BENCH, MULTAN (A/C NO. 27 15743 1095500). MEPCO-NHQ-42661-08-24

**DECISION**

This decision shall dispose of the complaint filed by Mr. Waqar Zaffar Rao on behalf of M/s Zaffar Cotton industries (hereinafter referred to as "the Complainant" or 'Petitioner') against Multan Electric Power 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 May 02, 2024 passed by the Honorable Lahore High Court, Multan Bench, Multan in the Writ Petition No. 5208/2024. The Honorable Court directed NEPRA to treat the petition as an application on behalf of the Petitioner 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 Petitioner in their petition submitted that they have availed net metering facility at their industrial connection because of which Incremental Support Package (ISP) is not being provided by MEPCO on account of letter issued by Power Information Technology Company. The Petitioner argued that NEPRA has recently passed a decision wherein it was held that ISP is applicable to all industrial consumers and no discrimination has been made in the notification issued by Ministry of Energy (Power Division) between net metering and other industrial connections. The Petitioner further submitted that MEPCO is not applying the referred decision to all the industrial connections with net metering facility but instead is only implementing the same to the extent of the



Complainant involved in the referred decision which is discriminatory in nature. The Petitioner therefore requested to issue orders to MEPCO to implement the referred decision passed by NEPRA in favor of the Petitioner.

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 September 20, 2024 submitted that the subject consumer wants to be eligible for incremental consumption relief in monthly electricity bills after converting normal billing status to net metering. The consumer got converted normal billing status to net metering billing in 03/2021. The consumer was availing ISP relief package under normal billing status till 02/2021 and ISP relief facility was discontinued from 03/2021 billing month after net metering billing status as per SOP. The consumer was briefed all the details and modus operandi regarding billing against net metering connection.

5. In order to proceed further, a hearing was held on September 23, 2024 at NEPRA Head Office, Islamabad. The hearing was attended by representatives of MEPCO and the Complainant. During the hearing, the issue was discussed in detail wherein the parties re-iterated their arguments based on their earlier submissions.

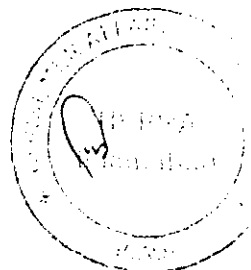
6. The case has been examined in detail in light of the record made so available by parties, arguments advanced during the hearing and applicable documents. Following has been concluded:

- 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 18, 2023, followed by reminders dated September 15, 2023 and May 17, 2024, 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 other 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 petitioner subject to submission of undertakings by the petitioner 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 Complainant.

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

10. مندرجہ بالا کے پیش نظر، MEPCO کو ہدایت کی جاتی ہے کہ درخواست گزار کو قابل اطلاق رعایت فراہم کرے بشرطیکہ درخواست گزار کی جانب سے یہ تحریری ضمانتیں جمع کروانی جائیں کہ اگر کسی بھی مرحلے پر وزارت توانائی (پاور ڈویژن) سے نیٹ میٹرنگ صارفین کے لیے سپورٹ پیکیج کی عدم اطلاق کے حوالے سے کوئی وضاحت موصول ہوتی ہے تو دی گئی رعایت واپس لے لی جائے گی، کیونکہ یہ رعایت سبسڈی کی فراہمی سے متعلق ہے، جو کہ حکومت پاکستان کا استحقاق ہے۔ یہ رعایت نیٹ میٹرنگ کے ذریعے وصول کردہ یونٹس کو منہا کرنے کے بعد MEPCO کی جانب سے فروخت شدہ یونٹوں پر لاگو ہوگی۔ مزید برآں پچھلے مہینوں کے زیر التوا رعایات (اگر کوئی ہے تو) درخواست گزار کے آئندہ بلوں میں فراہم / ایڈجسٹ کی جائے گی۔ عمل درآمد کی رپورٹ پندرہ (15) دنوں کے اندر جمع کروانی جائے۔

(Lashkar Khan Qambrani)

Director (CAD)

Member Complaints Redressal Committee

(Moqeen ul Hassan)

Assistant Legal Advisor (CAD)

Member Complaints Redressal Committee

(Naweed Illahi Shaikh)

Director General (CAD)

Convener Consumer Complaints Tribunal

Islamabad, October 18, 2024

