



**National Electric Power Regulatory Authority**

ISLAMIC REPUBLIC OF PAKISTAN

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

Ph: 051-2013200, Fax: 051-2600021

**Consumer Affairs  
Department**

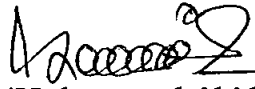
TCD.01/ 1056 -2024  
March 4, 2024

Chief Executive Officer, PESCO,  
WAPDA House, Sakhi Chashma Shami Road,  
Peshawar.

Subject: **DECISION IN THE MATTER OF COMPLAINT FILED BY MR. ABRAR-UL-HAQ,  
ADVOCATE HIGH COURT, UNDER SECTION 39 OF THE REGULATION OF  
GENERATION, TRANSMISSION AND DISTRIBUTION OF ELECTRIC POWER  
ACT, 1997 AGAINST PESCO REGARDING FIXED CHARGES.  
PESCO-NHQ-32972-12-23**

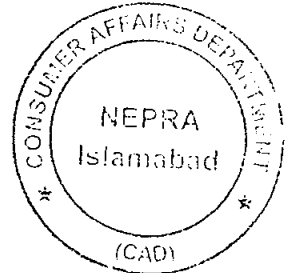
Please find enclosed herewith the Order of NEPRA Consumer Complaints Tribunal dated March 4, 2024, regarding the subject matter for necessary action and compliance.

Encl: **As above**

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

Copy to:

- i. Chief Commercial Officer, PESCO,  
WAPDA House, Sakhi Chashma Shami Road,  
Peshawar.
- ii. Incharge Complaint Cell, PESCO,  
WAPDA House, Sakhi Chashma Shami Road,  
Peshawar.
- iii. Mr. Abrar-ul-Haq, Advocate High Court,  
Shalimar Tower, Near Zabeel Palace Hotel,  
Main G.T Road, Peshawar. 03339313919
- iv. M/s MB CNG, Peshawar Road, Tehsil & District Charsadda,
- v. M/s Green Power CNG, Tangi Road, Tehsil & District Charsadda,
- vi. M/s Allied CNG, Peshawar Road, Tehsil & District Charsadda,
- vii. M/s Akhwan CNG, Peshawar Road, Tehsil & District Charsadda,
- viii. M/s Charsadda CNG, Mardan Road, Tehsil & District Charsadda,
- ix. M/s M.M CNG, Tangi Road, Tehsil & District Charsadda,
- x. M/s Utmanzai CNG, Tangi Road, Tehsil & District Charsadda,
- xi. M/s Mushtarika Sarhad Punjab Flour Mills,  
RajjarBy-pass, Tehsil & District Charsadda.





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

**Complaint No. PESCO-NHQ-32972-12-23**

**Mr. Abrar-ul-Haq, Advocate High Court,**  
Shalimar Tower, Near Zabeel Palace Hotel,  
Main G.T Road, Peshawar.  
03339313919

**... Complainant**

**Versus**

**Peshawar Electric Supply Company (PESCO),**  
WAPDA House, Sakhi Chashma Shami Road,  
Peshawar.

**..... Respondent**

Subject: **DECISION IN THE MATTER OF COMPLAINT FILED BY MR. ABRAR-UL-HAQ, ADVOCATE HIGH COURT, UNDER SECTION 39 OF THE REGULATION OF GENERATION, TRANSMISSION AND DISTRIBUTION OF ELECTRIC POWER ACT, 1997 AGAINST PESCO REGARDING FIXED CHARGES.**

**DECISION**

NEPRA is in receipt of complaints from following consumers of PESCO through their legal Counsel Mr. Abrar-ul-Haq, Advocate High Court, Shalimar Tower, Near Zabeel Palace Hotel, Main G.T Road, Peshawar.

- i. M/s MB CNG,
- ii. M/s Green Power CNG,
- iii. M/s Allied CNG,
- iv. M/s Akhwan CNG,
- v. M/s Charsadda CNG,
- vi. M/s M.M CNG,
- vii. M/s Utmanzai CNG,
- viii. M/s Mushtarika Sarhad Punjab Flour Mills,

2. The Complainants have raised the issue regarding imposition of fixed charges in electricity bills despite the load shedding of electricity. In this regard, please note that as per the existing notified Terms & Conditions of tariff; "Fixed Charge" means the part of sale rate in a two-part tariff to be recovered on the basis of "Billing Demand" in kilowatt on monthly basis. Billing Demand- means the 50% of the sanction load or actual maximum demand recorded in a month, whichever is higher, except in the case of agriculture tariff D2 where "Billing Demand" shall mean the sanctioned load. In light of the notified tariff terms & conditions, fixed charges are to be charged based on 50% of sanctioned load or actual MDI in the month, whichever is higher.

3. It is also pertinent to mention that in case of non-utilization of the sanctioned load by the consumers, distribution companies (DISCOs) still have to maintain the distribution network and preserve the power for any emergent or planed demand of the consumers.


4. As far as the decision of the Honorable Supreme Court as quoted in the aforesaid Complaint, it is important to clarify that consumer-end tariff design is volumetric whereby around 95% of total cost is recovered on consumption basis i.e. per kWh and only 5% is recovered on MDI basis. Thus, consumers are already being

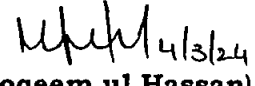



allowed the benefit at a much higher rate vis a vis the orders of the Honorable Supreme Court of Pakistan. Moreover, there is no provision regarding proportional charging of fixed charges based on number of hours.

5. A similar nature of complaint i.e. M/s Frontier Foundary Steel (FF Steel) vs. PESCO (Complaint No. PESCO-NHQ-13639-06-22) has already been decided by this office vide decision dated May 24, 2023. A copy of the same is **enclosed** for ready reference.

6. The instant matter/ complaint is hereby disposed of in the term of decision of the aforementioned complaint.

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

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

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

Islamabad, March 04, 2024

