

National Electric Power Regulatory Authority

ISLAMIC REPUBLIC OF PAKISTAN

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

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Consumer Affairs Department

TCD.04/5322-2025 December 03, 2025

Chief Executive Officer, Faisalabad Electric Supply Company (FESCO), Abdullah Pur, Canal Bank Road, Faisalabad.

SUBJECT: DECISION IN THE MATTER OF COMPLAINT FILED BY M/S. NOVATEX
LIMITED THROUGH MUSTAFA KAMAL ADVOCATE UNDER SECTION 39 OF
THE REGULATION OF GENERATION, TRANSMISSION AND DISTRIBUTION
OF ELECTRIC POWER ACT, 1997 AGAINST FESCO REGARDING
DETECTION BILL (REF 28 13152 5201201).
Complaint No. FESCO-NHO-47672-12-24

Please find enclosed herewith the decision of the NEPRA Complaints Resolution Committee (CRC), dated December 03, 2025 regarding the subject matter for necessary action and compliance.

Encl: As above

Copy to:

GM (Commercial & Customer Services)
 FESCO, Abdullah Pur, Canal Bank Road, Faisalabad.

2. Director Customer Services FESCO, Abdullah Pur, Canal Bank Road, Faisalabad.

Incharge NEPRA Regional office,
 1st floor, Plaza No. C-6B,
 College Hockey Stadium Road, Koh-i-Noor City, Faisalabad

For follow up please.

Assistant Diréctor (CAD

4. M/s. Novatex Limited, Plot No. 335, M-3, IC S/Wala, District Faisalabad.

5. Mr. Mustafa Kamal Advocate, 27-Edgerton Road, Ajmal House, District Lahore. Cell # <u>0333</u>-4639440.



BEFORE THE

NATIONAL ELECTRIC POWER REGULATORY AUTHORITY (NEPRA)

Complaint No. FESCO-NHQ-47672-12-24

M/S Novatex Limited
Through Mustafa Kamal Advocate
27-Edgeton Road, Ajmal House, <u>Lahore</u>.

...... Complainant

VERSUS

Faisalabad Electric Supply Company (FESCO) Abdullah Pur, Canal Bank Road, <u>Faisalabad</u>. Respondent

Date of Hearing:

February 04, 2025

On behalf of

Complainant:

Mr. Farzeen Ali Kalwar Advocate

Mr. Masood Ahmed Advocate

Respondent:

Mr. Muhammad Ameer Khan SE (Operation), FESCO

Mr. Nauman Farzand XEN (Operation), FESCO

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THE REGULATION OF GENERATION, TRANSMISSION AND DISTRIBUTION
OF ELECTRIC POWER ACT, 1997 AGAINST FESCO REGARDING DETECTION
BILL (REF # 28-13152-5201201).

DECISION

This decision shall dispose of the complaint filed by M/s Novatex Limited through Mustafa Kamal Advocate (hereinafter referred to as the "Complainant") against Faisalabad Electric Supply Company (hereinafter referred to as the "FESCO") under Section 39 of the Regulation of Generation, Transmission and Distribution of Electric Power Act, 1997 (hereinafter referred to as the "NEPRA Act").

- 2. Brief facts of the case are that NEPRA received a complaint wherein it was submitted that exorbitant detection bill amounting to Rs. 4,778,660/- was charged by FESCO during the month of October, 2024 against its industrial connection having AMI meter and despite the payment of regular monthly bills. The matter was taken up with FESCO whereby FESCO submitted that the difference of units between the billing AMI meter and back up meter to the tune of 105800 units in the form of detection bill was charged to the Complainant. In order to analyze the matter, a hearing was held at NEPRA Head Office, Islamabad in attendance of both parties wherein the matter was deliberated at length.
- 3. The case has been examined in detail in light of record made so available by parties, arguments advanced during the hearings and applicable law. Following has been observed:

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MEPRA

CRC Decision: M/s Novatex vs FESCO (SESCO-NHQ-47672-12-24)

- (i) The Complainant's industrial connection installed against a reference number (28-13152-5201201) was charged a bill of (105800) units by FESCO during the month of October, 2024 on account of the difference of units between the billing and back up meter.
- (ii) Perusal of documentary evidence reveals that the Complainant's industrial connection was provided with an AMI billing meter dated February 20, 2023 while the already installed TOU meter remained at site as backup meter. Later, upon checking, the AMI billing meter (impugned meter) was replaced with another AMI meter dated October 19, 2024 on the pretext of less number of units recorded by the AMI meter (impugned meter) in comparison with backup/TOU meter since installation and difference of (105800) units was charged to the Complainant in October, 2024.
- (iii) It is an established fact that both AMI & backup/TOU meters have genuine contrast in term of accuracy class. The accuracy class of TOU meter is 1 while AMI meter has accuracy class of 0.5. The AMI meter (impugned meter) should be recorded more units as compared to the TOU meter of accuracy class 1; but in contrary; the AMI meter recorded less consumption; this transpires that this meter was defective and was unable to record actual consumption. The record shows that the period of dispute ranges from date of installation of 1st AMI Meter (impugned meter) as until the date of replacement i.e. over the period of 18 months and during which the Complainant was charged based on the index reading of billing AMI meter (impugned meter).
- (iv) The Consumer Service Manual (CSM) read with clarification dated March 26, 2021 envisages that, if due to any reason, the charges i.e. multiplying factor, tariff differential, power factor penalty, application of correct tariff category etc., have been skipped by DISCO; difference of these charges can be raised within one year for maximum period of (6) months, retrospectively. In contrast with the above, the complete difference of units accumulated over the period of approximately (18) months was charged to the Complainant all at once, having no involvement of the Complainant whatsoever with installation & replacement of AMI meters. Moreover, the Complainant's connection involving AMI meter provides FESCO the facility of identifying any discrepancy immediately after its occurrence for consequent rectification and to avoid any nonrealistic financial burden over its consumers or financial loss to FESCO.
- (v) It can be noted with concern that FESCO lacked the standard practice to check the installed meters within regular intervals and thus, the discrepancy was not rectified by FESCO for extraordinary time period as suggested by available record, ensuing the charging of exorbitant bill at belated stages which is not warranted. This also points towards the fact the FESCO has failed to devise & implement checking mechanism of meters which could further induce financial issues for either its consumers or the National Exchequer.
- (vi) During the hearing, FESCO submitted that the AMI meters were installed for test purpose and subsequently upon noting of discrepancies; the actual consumption recorded on the TOU meter (which were also installed at site) charged to the Complainant.
- (vii) Keeping in view of the above, FESCO is only authorized to charge the difference of units upto six months prior to checking and FESCO cannot be allowed to charge difference of units for the entire period i.e. date of installation of AMI meter (impugned meter). Moreover, NEPRA has constituted an investigation committee to probe into the matter of discrepancies in AMI meter installed on industry consumers of FESCO. The period of charging beyond six months will depend upon outcome of the investigation.

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CRC Decision: M/s Novatex vs FESCO (FESCO-NHQ-47672-12-24)

- (viii) FESCO installed AMI meter at the premises of the Complainant in February, 2023 on trial basis, however, converted the same as billing meter. The old TOU meter remained at site as back-up meter. FESCO failed to check accuracy/compare consumption of both the meters for extended time period of eighteen (18) months. Moreover, M&T Department of FESCO did not carry out its checking during interval of every six months as per procedure; which caused delay in pointing out the discrepancy of less recording of consumption of AMI meter and the same remained skipped from FESCO. In view thereof, charging of difference of consumption recorded on both meters for entire period of eighteen (18) months is not justified.
- 4. Foregoing in view, FESCO is directed to revise the bill charged during the month of October, 2024 only for period of six (06) months prior to date of checking. Revised bill be issued to the Complainant within thirty (30) days. The complaint is disposed of in above terms. ·

(Lashkar Khan Qambrani)

(Muhammad Irfan ul Haq)

. Thethay

(CAD)

Member, Complaints Resolution Committee/ . Member, Complaints Resolution Committee/ Assistant Legal Advisor (CAD)

Director (CAD)

(Naweed Illahi Shaikh)

Convener, Complaints Resolution Committee

Director General (CAD)

Islamabad, December 03 , 2025