

National Electric Power Regulatory Authority

ISLAMIC REPUBLIC OF PAKISTAN

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

Ph: 051-2013200 Fax: 051-2600021

Consumer Affairs  
Department

TCD.04/19178-2025  
November 10, 2025

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

**SUBJECT: DECISION IN THE MATTER OF COMPLAINT FILED BY MR. MUHAMMAD AFZAL UNDER SECTION 39 OF THE REGULATION OF GENERATION, TRANSMISSION AND DISTRIBUTION OF ELECTRIC POWER ACT, 1997 AGAINST FESCO REGARDING NET METERING.**

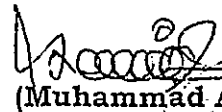
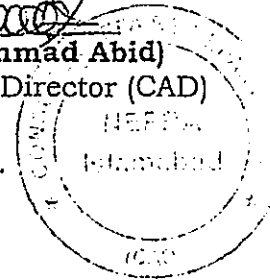
Complaint No. FESCO-NHQ-45989-10-24

Please find enclosed herewith the decision of the NEPRA Complaints Resolution Committee (CRC), dated November 10, 2025 regarding the subject matter for necessary action and compliance.

Encl: As above

Copy to:

1. GM (Commercial & Customer Services)  
FESCO, Abdullah Pur, Canal Bank Road, Faisalabad.
2. DG (Mirad), FESCO,  
Abdullah Pur, Canal Bank Road, Faisalabad.
3. Director Customer Services  
FESCO, Abdullah Pur, Canal Bank Road, Faisalabad.
4. Incharge NEPRA Regional office,  
1st floor, Plaza No. C-6B,  
College Hockey Stadium Road, Koh-i-Noor City, Faisalabad.
5. Mr. Muhammad Afzal  
House No. P-322, Street No. 08, Khayaban Gardens,  
Sargodha Road, Faisalabad.  
Cell # 0314-3043178.

  
(Muhammad Abid)  
Assistant Director (CAD)  


( For follow up please. )



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

Complaint No. FESCO-NHQ-45989-10-24

Mr. Muhammad Afzal ..... Complainant  
House No. P-322, Street No.8, Khayaban Gardens,  
Sargodha Road, District Faisalabad.

**VERSUS**

Faisalabad Electric Supply Company (FESCO) ..... Respondent  
Abdullah Pur, Canal Bank Road, Faisalabad.

Date of Hearing: February 18, 2025  
March 11, 2025

On behalf of  
Complainant: Mr. Muhammad Afzal

Respondent: Ms. Sadaf Naz DG (MIRAD), FESCO (Online)  
Mr. Iqbal Niazi Director (MIRAD), FESCO (Online)

Subject: DECISION IN THE MATTER OF COMPLAINT FILED BY MR. MUHAMMAD AFZAL UNDER SECTION 39 OF THE REGULATION OF GENERATION, TRANSMISSION AND DISTRIBUTION OF ELECTRIC POWER ACT, 1997 AGAINST FESCO REGARDING NET METERING.

**DECISION**

This decision shall dispose of the complaint filed by Mr. Muhammad Afzal (hereinafter referred to as the "Complainant") against Faisalabad Electric Supply Company (hereinafter referred to as the "Respondent" or "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 from Mr. Muhammad Afzal wherein it was submitted that he applied to FESCO for provision of net-metering connection as corresponding solar system was already installed at his residential premises having hybrid inverter. The application was rejected by FESCO on the pretext of technical incompatibility of FESCO's system with the hybrid inverter installed at the proposed site. Being aggrieved, the Complainant requested to direct FESCO for provision of net-metering connection. The matter was taken up with FESCO whereby FESCO submitted that the application was not processed as the desired net-metering connection installed with single phase hybrid inverter.

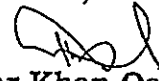
3. In order to analyze the matter, hearings were held at NEPRA Head Office, Islamabad in presence of both the parties whereby the matter was discussed in detail. During the hearing, FESCO official reiterated previous arguments, however, the Complainant while contesting the same apprised that other net-metering connections having similar scheme of arrangement have already been processed by LESCO, IESCO etc.


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

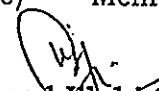
- i. The Complainant approached FESCO for provision of a net-metering connection having proposed distributed generation capacity of (08) kW against a residential connection with reference number i.e. (08-13128-0860500) located at Khayaban

Garden Colony, Faisalabad. In response, the application was rejected by FESCO due to power quality and reliability issues which may arise from the integration of single phase hybrid inverter into FESCO's balanced three phase distribution system. However, the Complainant was of the view that the technical configuration of components making up the installed solar system are essentially coherent.

- ii. The electricity connection having sanctioned load of 5 kW is currently operational at the Complainant's residential premises whereas net-metering connection applied to FESCO by the Complainant comprises of solar panels having rated capacity of 10 kW and single phase hybrid solar inverter of 08 kW. The above dispute can further be segregated into 2 distinct issues at hand i.e. capacity of the installed distributed system in relation with the sanctioned load and technical prudence of the single phase inverter within three phase existing distribution system of FESCO.
  - iii. For the first set of issue, clause 3(2) of NEPRA (Alternative and Renewable Energy) Distributed Generation and Net Metering Regulations, 2015 read with subsequent amendments provides that, 'the capacity of a proposed Distributed Generation Facility shall not exceed one and a half of the sanctioned load of the Applicant's premises'. Hence, the distributed generation system is required to be reconfigured to meet the statutory requirement as laid in above regulations, by the Complainant prior to applying for net-metering connection; which settles the instant matter.
  - iv. For the latter issue, according to regulation 2(1)(e) of ibid regulations 'Applicant' means a 3 phase 400 V or 11 kV domestic, commercial, industrial or agricultural consumer of Distribution Company, which submits an Application to interconnect its proposed Distributed Generation Facility to the Distribution System of the Distribution Company and who applies for grant of the license to operate a Distributed Generation Facility as a Distributed Generator.' The rationale of the above, in turn, also assert the requirement of 3 phase distributed generator and provides informed course whereby, prima facie, only balanced 3 phase inverters can be installed to avoid the unbalanced penetration of single phase generators, keeping in view of recent large influx of net-metering connections being integrated into the common distribution systems.
  - v. FESCO has also based its understanding on pretext that the operation of single phase solar inverter will induce unbalanced voltages which may also deteriorate the distribution system operational life & can cause financial damages. Moreover, clause 3(5) of the above Regulations stipulates that in case the proposed facility is not technically feasible, DISCO shall return the application and communicate reasons to applicant. Being a distribution license, FESCO carries responsibility to design, operate & maintain its distribution system, which also mandates FESCO to finalize agreements with the distributed generators as per the onsite technical configuration and requirements. Hence, FESCO has right to reject the application due to any technical constraints and may ask the applicant to install three phase inverter as per its requirement.
5. Foregoing in view, the instant complaint is disposed of in above terms.

  
(Lashkar Khan Qambrani)  
Member, Complaints Resolution Committee/  
Director (CAD)

  
(Muhammad Irfan ul Haq)  
Member, Complaints Resolution Committee/  
Assistant Legal Advisor (CAD)

  
(Naweed Illahi Shaikh)  
Convener, Complaints Resolution Committee/  
Director General (CAD)

Islamabad November 10, 2025

