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.05/ 3695 -2026
September 28, 2026

Chief Executive Officer,
Lahore Electric Supply Company (LESCO),
22-A, Queen's Road, Lahore.

SUBJECT: DECISION IN THE MATTER OF ORDER OF HONORABLE LAHORE HIGH COURT, LAHORE IN WRIT PETITIONS NO. 23093/2026 (KHURRAM IQBAL VS BISMILLAH ENERGY PVT LTD), 38026/2026 (SAGHEER AHMED VS FOP ETC) & 52083/2026 (SAGHEER AHMED VS NEPRA).
Complaint No. **LESCO-NHQ-73159-05-26 & LESCO-NHQ-75884-07-26**

Please find enclosed herewith the decision of the NEPRA Complaints Resolution Committee (CRC), dated September 28, 2026 regarding the subject matter for necessary action and compliance.

Encl: As above

(Muhammad Abid)
Deputy Director (CAD)

With reference to Writ petition No. 23093-26 dated April 20, 2026, 38026-26 dated June 23, 2026 & 52083-26 dated September 14, 2026

Copy to:

1. Assistant/Deputy Registrar (Judicial), Lahore High Court, Lahore.
2. Chief Engineer/Customer Service Director, LESCO, 22-A, Queen's Road, Lahore.
3. Incharge NEPRA Regional office, 54-B, Link Arcade, GECH Society, Phase-3, Link Road, Model Town, Lahore.
4. Incharge Central Complaint Cell, LESCO Focal Person To NEPRA, LESCO, 22-A, Queen's Road, Lahore. Cell # 0370-4990220.
5. Mr. Sagheer Ahmed 720 K, Al Rehman Garden, Phase II, Lahore. Cell: 0306-4073620
6. M/s. Bismillah Energy Pvt Ltd Street 413, Block H-7, Al Rehman Garden, Phase II, Tehsil Ferozwala, District Sheikhupura.
7. Mr. Abdul Razzaq Chadhar Advocate High Court, Basement Alhamd Building, 13 Fane Road, Lahore. Cell: 0300-8851593.
8. Mr. Khurram Iqbal S/o Muhammad Iqbal House No. 569, Block J, Muhalla Al Rehman Garden, Phase II, Sharaqpur Road, Lahore.
9. Mr. Muhammad Ameer Hamza Advocate High Court, Lahore. Cell: 0300-1777492.

BEFORE THE
NATIONAL ELECTRIC POWER REGULATORY AUTHORITY
(NEPRA)
Complaint No. LESCO-NHQ-75884-07-26 & LESCO-NHQ-73159-05-26

Mr. Khurram Iqbal S/o M. Iqbal, ...**Petitioner/Complainant No. 1**
569, Block-J, Mohallah Al-Rehman Garden,
Phase-II, Sharaqpur Road, Lahore.
&
Mr. Sagheer Ahmed, ... **Petitioner/Complainant. 2**
720-K, Al-Rehman Garden, Phase-II, Lahore.
Cell: 0306-4073620

VS.

Lahore Electric Supply Company (LESCO), ... **Respondent No. 1**
22-A, Queen's Road Lahore.
&
Bismillah Energy Pvt Ltd, ...**Respondent No. 2**
Street 413, Block-H-7, Al-Rehman Garden, Phase-II,
Tehsil Ferozwala, District Sheikhupura.

Hearing(s):	July 23, 2026 August 27, 2026, September 10, 2026
On Behalf of the Complainant:	Mr. Sagheer Ahmed Mr. Jahangir Ahmed Mr. Usama Khalid Mr. Hammad Khan
On Behalf of the Respondents:	Mr. Waseem Iqbal, Director LESCO Mian Asghar Ali, Advocate Supreme Court, BEPL

Subject: **DECISION IN THE MATTER OF ORDERS OF HONORABLE LAHORE HIGH COURT, LAHORE IN WIRT PETITIONS NOS. 23093/2026 (KHURRAM IQBAL VS. BISMILLAH ENERGY PVT. LTD.), 38026/2026 (MR. SAGHEER AHMED VS. FOP ETC.) & 52083/2026 (MR. SAGHEER AHMED VS NEPRA)**

Decision

In pursuance to the Order of Honorable Lahore High Court, Lahore dated September 14, 2026 in Writ Petitions Nos. 38026/2026, 23093/2026 and 52083/2026 (contempt petition); this decision shall dispose of the complaints filed by Mr. Khurram Iqbal S/o M. Iqbal, # 569, Block-J, Mohallah Al-Rehman Garden, Phase-II, Sharaqpur Road, Lahore & Mr. Sagheer Ahmed, 720-K, Al-Rehman Garden, Phase-II, Lahore (hereinafter referred to as the "Complainants" or "Petitioners") against M/s Bismillah Energy (Pvt.) Ltd and Lahore Electric Supply Company Limited (LESCO) and (hereinafter referred to as the "Respondents") 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 complaints from the residents of Al-Rehman Garden Housing Scheme (Phase-II), Tehsil Ferozwala, District Sheikhupura, regarding the electricity tariff being charged by Bismillah Energy (Private) Limited (BEPL), holder of Generation Licence No. SGC/118/2016. The Complainants primarily relate to BEPL's alleged distribution activities without a Distribution Licence, charging of allegedly unapproved

tariffs, use of HFO as fuel, and alleged non-compliance with the terms and conditions of its Generation Licence.

3. The Complainants have made the following submissions in their complaints:

(i) **Mr. Khurram Iqbal, W.P No. 52083/2026 - Complainant No. 1**. The Complainant No. 1 allege that Bismillah Energy (Private) Limited (BEPL) is operating an internal distribution network and collecting electricity charges without holding a NEPRA Distribution Licence, while charging unauthorized domestic and commercial tariffs significantly higher than approved LESCO rates. They asserted that BEPL violated its Generation Licence by running exclusively on High Sulfur Furnace Oil (HFO) rather than its primary Biomass/Municipal Solid Waste fuel thereby inflating generation costs passed to consumers and failed to meet environmental standards. Citing precedents involving Bahria Town and Cooperative Model Town Society, the complainants affirm NEPRA's jurisdiction and request regulatory action against BEPL, tariff protection, enforcement of compliance, refund/adjustment of excess charges, and the facilitation of a distribution network takeover by LESCO.

(ii) **Mr. Sagheer Ahmed, W.P No. 23093/2026 - Complainant No. 2**. The Complainant submitted that Bismillah Energy (Private) Limited (BEPL), which holds NEPRA Generation Licence No. SGC/118/2016 for a 6.00 MW thermal facility in Al-Rehman Garden Housing Scheme (Phase-II), is accused of operating exclusively on High Sulfur Furnace Oil (HFO) since commencement instead of its approved primary fuel (Bio-Mass/MSW) without seeking mandatory licence modifications. The complainant asserts that this unauthorized fuel switch and failure to provide required bi-annual environmental compliance certificates have severely inflated generation costs and raised serious environmental concerns. Consequently, BEPL has allegedly passed these costs onto residents by imposing unapproved, excessive electricity tariffs Rs. 85-120/kWh for domestic and Rs. 150-160/kWh for commercial consumers well above standard LESCO rates in violation of NEPRA rules. To remedy these longstanding financial burdens, the complainant requests that NEPRA investigate BEPL, enforce lawful tariffs, order refunds with interest for overcharges since 2016, mandate environmental inspections, impose penalties, and suspend or revoke the licence if non-compliance continues.

4. The matter was taken up with LESCO as well as with M/s Bismillah Energy (Pvt) Limited and hearings were also conducted at NEPRA Head Office, Islamabad which were attended by all concerned. The case has been examined in detail in light of the arguments advanced by the parties, documents placed on record and applicable law. Following has been observed:

(i) The Complainants are residents of Al-Rehman Garden Housing Scheme (Phase-II) and have raised concerns over operating the power generation plant(s) M/s Bismillah Energy (Private) Limited (BEPL) exclusively on High Sulfur Furnace Oil (HFO). Resulting the charging of high tariff, Fuel Price Adjustments (FPA) as well as taxes; to the residents without any distribution license duly issued by NEPRA.

(ii) LESCO apprised that only Block A, B & C of Al-Rehman Garden Phase-II are electrified which are being billed according to NEPRA/Government of Pakistan approved tariff; hence there is no high charging of tariff to the residents of these blocks i.e. Block A, B & C. However, all other blocks of Al-Rehman Garden Phase-II including extension of A, B & C Blocks are not electrified and Al-Rehman Garden Phase-II supply electricity in these blocks by their own power houses.

(iii) BEPL did not participate in the hearings held on July 23, 2026 and August 27, 2026, however, participated in the hearing held on September 10, 2026 wherein the representative of BEPL apprised that BEPL is providing electricity to the residents of Al-Rehman Garden Phase-II through its own power generators which is resulting high tariff due to high generation cost. However, could not provide valid reasoning for charging of Fuel Price Adjustments (FPA) whereas it was

(iv) In view of omission of the "Exclusivity" under the NEPRA (Amendment) Act 2018 and the issuance of a non-exclusive distribution license to LESCO; M/s Al-Rehman Garden Phase-II was directed vide this office decision dated July 04, 2023 (in the matter of Complaint No. LESCO-NHQ-5055/21) to apply for its own distribution license under Sections 20 and 21 of the NEPRA Act with direction to LESCO to act as Supplier of Last Resort (SoLR), managing electric power supply, billing, and revenue collection for the society's residents. Upon receiving its license; M/s Al-Rehman Garden Phase-II was also to approach NEPRA for determination of Distribution Margin (DM). Subsequently, M/s Al-Rehman Garden Phase-II intimated to handover the distribution network to LESCO. Therefore, NEPRA directed LESCO to take over the distribution network of the society. However, M/s Al-Rehman Garden Phase-II vide letter dated July 27, 2026 has intimated for obtaining distribution license, however, the same was found not in accordance with the applicable rules and regulations and M/s Al-Rehman Garden Phase-II is required to apply for supply and distribution license with NEPRA as per approved regulatory framework. Thereafter, upon issuance of the distribution & supply license; residents of M/s Al-Rehman Garden Phase-II will be charged against the approved tariff.

(v) In view of the above, it is concluded that M/s Al-Rehman Garden Phase-II vis-a-vis M/s Bismillah Energy (Private) Limited (BEPL) are required to provide electricity supply to the residents on no-profit no-loss basis till the issuance of required licenses. Further, it may also be ensured that collected taxes are properly deposited to the Government treasury. Moreover, the residents through their authorized representatives be taken on board regarding the charging/ reconciliation of Fuel Price Adjustment (FPA) and cost of electricity.

5. Foregoing in view it is directed as under:

(i) M/s Al-Rehman Garden Phase-II to immediately apply for supply & distribution license with NEPRA as per the approved regulatory framework and in accordance with the applicable rules & regulations.

(ii) M/s Al-Rehman Garden Phase-II and M/s Bismillah Energy (Private) Limited (BEPL) shall formally involve the residents through their authorized representatives; to keep them on board regarding the calculation, charging, and reconciliation of the Fuel Price Adjustment (FPA) and per unit cost of electricity to avoid electricity is as a tool for making profit.

(iii) M/s Al-Rehman Garden Phase-II and BEPL are hereby directed to provide electricity supply to the residents strictly on "no-profit, no-loss" basis until the process of distribution and supply license vis-à-vis tariff is approved for M/s Al-Rehman Garden Phase-II.

(iv) M/s Al-Rehman Garden Phase-II and BEPL shall ensure that all taxes collected from the residents be deposited into the Government treasury.

(v) In case, the applications for supply and distribution license are rejected by the Authority due to any reason whatsoever, the distribution system of M/s Al-Rehman Garden Phase-II must be handed over to LESCO after completion of all the codal formalities for its operation, maintenance, billing etc.

6. The Complaints are disposed of in above terms.

(Lashkar Khan Qambrani)
Member, Complaints Resolution Committee
Director (Consumer Affairs)

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

(Naweed Illahi Shaikh)
Convener, Complaints Resolution Committee
Director General (Consumer Affairs)

Islamabad, September 28, 2026