

February 08, 2023

Subject: **Hearing in the Matter of Investment Plan and Losses Assessment for Transmission and Distribution Businesses submitted by K-Electric from FY 2023-24 to FY 2029-30**

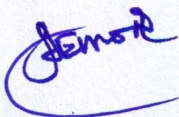
Following issues have been framed for the hearing of K-Electric on subject matter:

Transmission Business:

- i. Whether claimed cost of Rs. 140,751 Million for growth projects in transmission Segment is justified? K-Electric is required to provide detailed cost breakup for each transmission project.
- ii. What is the rationale of the 1.4% Energy (GWh) growth projections after catering captive and solar generation during next seven years of MYT?
- iii. Whether the cost for rehabilitation projects which include Rs. 1,268 Million (Growth Projects) and 24,039 Million (System Reliability) are justified?
- iv. Whether the cost of Rs. 21,952 Million for rehabilitation of transmissions lines is justified?
- v. Whether the cost of Rs. 7,604 Million claimed for augmentation at NKI grid station is justified?
- vi. Whether the cost of Rs. 568 Million claimed for IPPs metering is justified?
- vii. Whether the transmission losses of 1.3% claimed to be maintained during the MYT control period is justified?

Distribution Business:

- i. Whether claimed cost of Rs. 37,105 Million for growth projects in distribution Segment is justified?
- ii. Whether the claimed cost of Rs. 64,622 Million for energy loss reduction program is justified?
- iii. Whether the claimed cost of Rs. 19,933 Million for rehabilitation of existing LT ABC Rehabilitation is justified? What is the criteria and rationale of rehabilitation/replacement of existing LT ABC? What is the useful life of ABC cables which are being replaced/rehabilitated?
- iv. Whether the cost of Rs. 15,279 Million claimed for network rehabilitation program is justified?



- v. Whether the claimed cost of Rs. 40,496 Million for maintenance of distribution network is justified?
- vi. Whether the investment of Rs. 25,858 Million (distribution) and 3,859 Million (transmission) for Safety is justified?
- vii. Whether the distribution loss reduction of 2.3% during MYT control period i.e. from 13.8% in FY24 to 11.5% in FY30 is justified?

Others

- i. **SCADA and other Automation equipment:** whether the claimed cost Rs. 9,682 Million for SCADA upgradation is justified?
- ii. **AMR Coverage and Digitization of services:** Whether the claimed cost of Rs. 5,701 Million for AMR coverage and digitization of customer's services is justified? Whether the AMR coverage on distribution transformer (PMT) level is only for monitoring the consumption or it has control/ remote connection and disconnection features as well at PMT level?
- iii. **Smart Networks:** Whether the cost of Rs. 10,828 Million for Advanced Distribution Management System (ADMS) and Meter Data Management System (MDMS) pilot project is justified?
- iv. **IT, Cyber Security & Other Improvements:** Whether the cost of Rs. 18,514 Million for IT & Other improvement Plan is justified?

