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**HAZARA ELECTRIC SUPPLY COMPANY LIMITED**

PETITION FOR GRANT OF LICENSE FOR  
SUPPLY OF ELECTRIC POWER

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**HAZECO**

**Hazara Electric Supply Company Limited**

HAZECO Head Office

Gullistan Colony, Abbottabad

T +92 992 921 404

F +92 992 921 405

No. HAZECO/CEO/

Date: \_\_\_\_/10/2024

The Registrar  
National Electric Power Regulatory Authority  
NEPRA Tower, Ataturk Avenue (East)  
Sector G-5/1, Islamabad.

**Subject: Application for Grant of Electric Power Supply License for the Hazara Electric Supply Company Limited**

1. I, **Basharat Ali**, being the Chief Executive Officer and duly authorized representative of Hazara Electric Supply Company Limited (**HAZECO**) by virtue of a resolution passed in the 6<sup>th</sup> meeting of HAZECO's Board of Directors held on 24<sup>th</sup> August 2024 hereby apply to the National Electric Power Regulatory Authority for the grant of an **Electric Power Supply License** to HAZECO pursuant to Section 23E of the National Regulation of Generation, Transmission and Distribution of Electric Power Act, 1997.

2. I hereby certify that the documents-in-support attached with this petition are prepared and submitted in conformity with the provisions of the National Electric Power Regulatory Authority Licensing (Application Modification, Extension, and Cancellation) Procedure Regulations, 2021 and the Eligibility Criteria (Electric Power Supplier Licenses) Rules, 2023 and undertake to abide by the terms and provisions of the above-said regulations and rules. I further undertake and confirm that the information provided in the attached documents-in-support is true and correct to the best of my knowledge and belief.

3. A bank draft in the sum of **Rs. 3,701,531/-** (after deduction of tax), being the non-refundable license application fee calculated in accordance with Schedule-II of the National Electric Power Regulatory Authority Licensing (Application Modification, Extension, and Cancellation) Procedure Regulations, 2021, is also attached herewith.

**Basharat Ali**

Chief Executive Officer / Authorized Representative

**HAZARA ELECTRIC  
SUPPLY COMPANY  
LIMITED**

## BEFORE THE NATIONAL ELECTRIC POWER REGULATORY AUTHORITY

PETITION BY THE HAZARA ELECTRIC SUPPLY COMPANY LIMITED (HAZEKO) FOR GRANT OF LICENSE FOR SUPPLY OF ELECTRIC POWER UNDER SECTION 23E OF THE REGULATION OF GENERATION TRANSMISSION & DISTRIBUTION OF ELECTRIC POWER ACT, 1997, READ WITH REGULATION 3 OF THE NATIONAL ELECTRIC POWER REGULATORY AUTHORITY LICENSING (APPLICATION MODIFICATION, EXTENSION, AND CANCELLATION) PROCEDURE REGULATIONS, 2021

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for the Petitioner / Hazara Electric Supply Company Limited:

  
Basharat Ali

Chief Executive Officer

Hazara Electric Supply Company Limited (**HAZECO**)

Gulistan Colony (Opp. Govt. Post-Graduate College No. 1)

Abbottabad

Tel: 0992 - 921404

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**HAZARA ELECTRIC  
SUPPLY COMPANY  
LIMITED**



**A. General Information of the Petitioner**

Name of Petitioner: Hazara Electric Supply Company Limited

Registered Address: Room 209, 2<sup>nd</sup> Floor, A Block, Pak Secretariat, Islamabad.

Business Address: HAZECO Head Office, Gulistan Colony (Opp. Govt. Post-Graduate College No. 1, Abbottabad

Proposed Service Territory: The districts of:

1. Abbottabad;
2. Haripur;
3. Mansehra;
4. Battagram; and
5. Torghar.

in the Province of Khyber Pakhtunkhwa

**("Proposed Service Territory")**

No. of Consumers: Approximately 776,805

**B. Background**

1. In 1998, the Federal Government, as part of its plan to restructure the power sector in Pakistan, decided to unbundle the Power Wing of the Water & Power Development Authority ("**WAPDA**"). This decision was taken in pursuance of a strategic plan, which was approved by the Council of Common Interests in the year 1993. Under this strategic plan, WAPDA's Power Wing was to be 'unbundled', so that the power generation (thermal), transmission, and distribution businesses could be carved out of WAPDA's Power Wing and entrusted to newly formed companies.
2. In pursuance of this strategic plan, in 1998, the Federal Government incorporated a number of companies and subsequently, WAPDA transferred a number of its asset-blocks to the newly created

companies, which included power distribution companies or "**DISCOs**". Initially, eight (08) DISCOs were formed, one of which was the Peshawar Electric Supply Company Limited ("**PESCO**").

3. Shareholding in all DISCOs is fully owned/controlled by the Federal Government. The DISCOs are accordingly "state-owned enterprises" as defined in Section 2(o) of the State-Owned Enterprises (Governance & Operations) Act, 2023.
4. PESCO was granted a distribution license (Distribution License No. DL/07/2002) by NEPRA on 30<sup>th</sup> April 2002. Initially, this license allowed PESCO to distribute and sell electricity all over the province of Khyber Pakhtunkhwa ("**KPK**") (formerly N.W.F.P.) as well as the former Federally Administrated Tribal Areas ("**FATA**"). Moreover, PESCO also owned the complete power distribution network in FATA.
5. In 2007, the Federal Government took a policy decision to bifurcate PESCO by creating a separate distribution company to supply power to the areas falling under the erstwhile FATA. This new company, Tribal Areas Electric Supply Company ("**TESCO**"), was operationalized in 2007 and subsequently, PESCO's distribution assets and network in the former FATA was transferred to TESCO.
6. TESCO was granted a distribution license by the Authority on 12<sup>th</sup> August 2013, and on the same date, NEPRA approved Modification No. 1 to PESCO's old distribution license by removing the areas falling in the erstwhile FATA from PESCO's Service Territory.
7. On 14<sup>th</sup> January 2022, PESCO applied to the Authority for renewal/extension of the Distribution License No. DL/07/2002. The Authority however, on 9<sup>th</sup> May 2023, granted PESCO a fresh distribution license (License No. DL/07/2023) for distribution of electric power in its Service Territory on a "non-exclusive basis", for a term extending up to 8<sup>th</sup> May 2043.

8. In 2018, when the Regulation of Generation, Transmission and Distribution of Electric Power Act, 1997 was amended, the power distribution and supply functions were separated, with a requirement for a separate license for each activity. Under the *provisio* of Section 23E(1), the existing DISCOs were deemed to possess a license to supply electric power for a period of five (05) years from the date of commencement of the 2018 amendment.
9. PESCO submitted an application for grant of a license for supply of electric power, and to act as a "supplier of last resort" ("**SOLR**") before the Authority on 17 March 2023, and the Authority was pleased to grant the said license (License No. SOLR/07/2023) to PESCO on 27<sup>th</sup> December 2023. The license was effective from 27<sup>th</sup> April 2023 until 26<sup>th</sup> April 2043.

**C. Proposal for Bifurcation of PESCO**

10. The idea of bifurcating PESCO for a host of technical, commercial, and managerial reasons has been under consideration for many years now. When PESCO applied for extension/renewal of its existing distribution license in 2022, the Authority framed the following issue to specifically address this matter:

*(f) The service area of all the DISCOs is relatively large and will it not be prudent to consider bifurcating these into small units to bring more efficiency?*

11. During the hearing on PESCO's application on 21<sup>st</sup> April 2022, the following submissions were made by PESCO on this issue, as recorded in para-11 of the Authority's decision:

*(11). About bifurcating the service area of DISCO(s) into smaller units, PESCO was of the view that PESCO has already working on bifurcation of the Company into small DISCOs to improve its efficiency and for provision of*

*better services to its consumers. The case has been submitted to General Manager (Technical Services), Power Planning & Monitoring Company (Pvt) Limited, Islamabad for further consideration.*

12. The issue of bifurcation of large DISCOs, such as PESCO, QESCO, and MEPCO was taken up in a meeting of the Federal Cabinet held on 21<sup>st</sup> December 2022, which directed the Ministry of Energy (Power Division) to review the matter and to determine the viability of bifurcating large DISCOs including PESCO. The Power Division accordingly constituted a committee headed by the then Federal Minister for Power Division to review this issue. The said committee thereafter referred the matter for a detailed technical, administrative, and commercial evaluation to Power Planning & Monitoring Company ("PPMC"), which asked a number of large DISCOs, including PESCO to carry out a detailed review of the proposal.

13. In compliance with PPMC's directives, CEO PESCO constituted a committee on 11<sup>th</sup> March 2022 to comprehensively review the proposal to bifurcate PESCO and to give a proposal regarding the proposed bifurcation. This committee consisted of the following members:

(i)	Chief Engineer (P&E)	Convenor
(ii)	Chief Commercial Officer	Member
(iii)	Chief Engineer (O&M) T&G	Member
(iv)	Director General (HR)	Member
(v)	Finance Director	Member
(vi)	Project Director (GSC)	Member
(vii)	Manager (MIRAD)	Member

14. Salient features of the review carried out by the aforementioned committee are as follows:

- (i) PESCO was supplying power under its license to twenty-eight (28) districts in the province of KPK, with an area of 78,088 sq. km,

with 3.849 million consumers (as of June 2021).

- (ii) Areas under PESCO's license had gone through a difficult situation since 2001 due to factors including militancy and terrorism. There was extreme poverty in many areas and due to a host of factors, the recovery of arrears had not been possible and electricity theft was on the rise.
- (iii) Since its creation, the number of consumers in PESCO's administrative units had increased many times over, which made these units unmanageable.
- (iv) PESCO's present organizational structure was unable to support integration of new technology, such as AMR, GIS, mobile meter reading, and IT Based interventions.
- (v) PESCO also faced problems due to an acute shortage of technical and non-technical field staff;
- (vi) Bifurcation of PESCO would improve the efficiency and control of operational functions by increasing revenue realization, reduction in T&D losses, improving continuity issues like quality of service and reliable supply of power.
- (vii) Bifurcation would allow for better management of surveillance, operation, vigilance, and customer service. Many issues cannot be managed from Peshawar due to long distances between the circles and the present headquarter.
- (viii) After bifurcation, the employees would be adjusted to the DISCO that is relevant to their districts of domicile, helping the employees to perform better and to have better familiarity with their area of posting.

15. The committee accordingly recommended that:

*The bifurcation will be beneficial provided that both human and financial resources are made available as per latest yardstick and it will further improve the following:*

- o *Better monitoring and control with economical utilization of resources.*
- o *More focused investment and non-compliant areas can be monitored more closely.*
- o *Management size of consumers as well as transmission and distribution system.*
- o *Reduction in line losses and improvement in recovery.*
- o *Ensuring stable/uninterrupted power supply to consumers by timely rectification of faults due to manageable distances.*
- o *Prompt redressal of consumer complaints.*

16. PESCO has continued over the years to suffer from significant losses resulting in its current financial crisis. The increasing demand of uninterrupted power consumption and interests of commercial and industrial clients has led to a situation, where managing the expanse of the whole province of KPK has become unmanageable by PESCO. It has thus become inevitable to bifurcate PESCO and carve a part of its service territory for better technical, commercial, and administrative performance.

17. The areas comprising of the present Hazara-I and Hazara-II Circles of PESCO, being geographically and commercially heterogeneous as compared to the rest of the province of Khyber Pakhtunkhwa, are therefore ideal to start the process of breaking down PESCO into more manageable units. These areas cover the following districts on the province of Khyber Pakhtunkhwa:

- (i) Abbottabad;
- (ii) Haripur;
- (iii) Mansehra;
- (iv) Battagram; and
- (v) Torgar.

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**("Proposed Service Territory")**

18. It was accordingly proposed that PESCO should be bifurcated by carving out the HAZECO's Proposed Service Territory from PESCO's existing Service Territory and for HAZECO to obtain a license from the Authority to distribute and sell electric power in the Proposed Service Territory.

**D. Approval of the Federal Government for bifurcation of PESCO and establishment of HAZECO**

19. On 13<sup>th</sup> July 2023, the Ministry of Energy (Power Division) submitted a summary to the Federal Cabinet, with the following proposal at para-5:

*5. In view of the foregoing, the Federal Government's approval is solicited for:*

*(i) Creation of a new power distribution company by the name of Hazara Electric Supply Company (HAZECO) to take over PESCO's power distribution business in the present Hazara-I and Hazara-II circles, and to commence business subject to all legal and regulatory requirements;*

*(ii) Authorization to the Power Division to take all steps to affect the incorporation of HAZECO, to formulate and implement the bifurcation plan for PESCO, and for the following officials to act as the initial 'promoters' of HAZECO:*

- ☐ Secretary, Power Division;
- ☐ Additional Secretary – I, Power Division;
- ☐ Sr. Joint Secretary (CAD), Power Division.

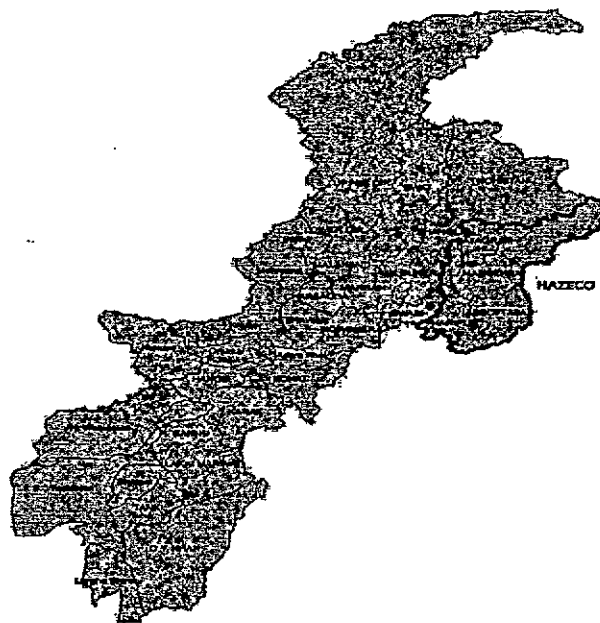
*(iii) Reorganization / Restructuring of PESCO by dividing its business and assets between PESCO and HAZECO as per all legal and regulatory approvals.*

20. The summary submitted by the Ministry of Energy (Power Division) was approved by the Federal Cabinet on 20<sup>th</sup> July 2023, and HAZECO was formally incorporated as a public limited company on 31<sup>st</sup> October 2023. Shareholding in HAZECO is also wholly owned by the Federal Government.

**E. Approval for Bifurcation of PESCO's Distribution Area by PESCO's Board of Directors**

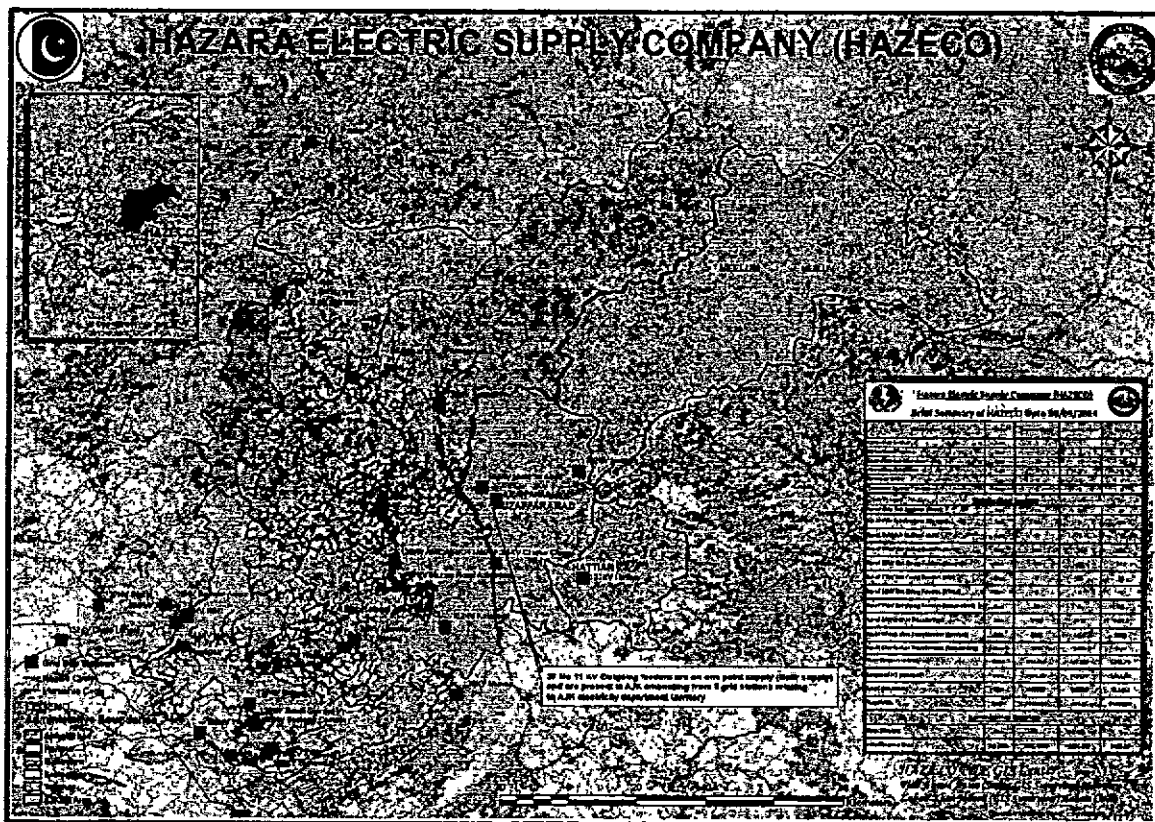
21. The comprehensive technical and commercial proposal for bifurcation of PESCO's existing service territory by excluding the areas that presently consist of Hazara-I and Hazara-II Circles of PESCO was presented before the 195<sup>th</sup> meeting of PESCO's Board of Directors held on 29<sup>th</sup> December 2023 and was duly approved.
22. The scheme for bifurcation, approved by PESCO's Board of Directors includes details on division of human resource, technical resources and distribution network, financial resources including debts and liabilities, division of legal cases, and all other matters related to the proposed bifurcation of PESCO's distribution territory and to carve out HAZECO's distribution territory.
23. PESCO's Board of Directors further resolved to file a license modification petition before the Authority to seek the deletion of HAZECO's Proposed Distribution and Sale Territory from PESCO's supply license.
24. Similarly, HAZECO's Board of Directors, in its 6<sup>th</sup> meeting held on 24<sup>th</sup> August 2024 resolved that HAZECO should file the instant application for obtaining a license for supply of electric power in HAZECO's Proposed Service Territory.
25. The Petitioner furthermore understands that PESCO has also filed a licensee proposed modification to its Supply License No. SOLR/07/2023 to remove HAZECO's Proposed Service Territory from its own service territory for supply of electric power.
26. As per the scheme approved by PESCO's Board of Directors, as well as HAZECO's Board of Directors, HAZECO's Proposed Service Territory, within PESCO's existing service territory is depicted in the map below:





**Figure 1:** HAZECO's Proposed Service Territory within PESCO's Existing Service Territory

27. A more detailed map of HAZECO's proposed Service Area is as follows:



**Figure 2:** HAZECO's Proposed Service Territory

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**F. Requirements under the Eligibility Criteria (Electric Power Supply Licenses) Rules, 2023**

28. As aforementioned, PESCO was granted an electric power supply license on 27<sup>th</sup> December 2023 (License No. SOLR/07/2023). As a successor to PESCO's power supply business in the Proposed Service Territory, HAZECO fulfills the eligibility criteria laid down in Rule 3 of the Eligibility Criteria (Electric Power Supply Licenses) Rules, 2023. In particular;

- (i) HAZECO is duly registered as a company with the Securities & Exchange Commission of Pakistan, and does not fall within the provisio of Rules 3(1) of the Rules, *ibid*;
- (ii) As per Rule 3(1)(b) read with Schedule-I, HAZECO, as a successor to an existing distribution licensee should be deemed to fulfill the minimum solvency requirements;
- (iii) The relevant plans, as per Rule 3(1)(c) is attached as **Annex-N11** with this petition;
- (iv) Systems are already in place to ensure compliance with all the requirements under Rule 3(1)(d) read with Schedule-II, and the relevant documents are annexed herewith to show that HAZECO has the required technical, administrative, manpower, and IT resources in place to effectively manage and operate the power distribution system in its Proposed Service Territory.

29. An affidavit is also attached herewith to the effect that HAZECO fulfills all the requirements under the Eligibility Criteria (Power Supply Licenses) Rules, 2023, and the undersigned remains available to furnish any further documents to this effect in support of the instant application.

**G. Conclusion & Prayer**

30. Based on the feasibility studies and bifurcation plan approved by the

Federal Government on 20<sup>th</sup> July 2023, as well as PESCO's Board of Directors in its 195<sup>th</sup> meeting held on 29<sup>th</sup> December 2023, and HAZECO's Board of Directors in its 6<sup>th</sup> meeting held on 24<sup>th</sup> August 2024, and on the basis of the documents annexed with this petition from **Annexures N1 to N13**, the petitioner seeks issuance of a license by the Authority for the supply of electric power as a SOLR in the **Proposed Service Territory** under Section 23E of the Regulation of Generation Transmission and Distribution of Electric Power Act, 1997.

31. The Petitioner has duly complied with all requirements under the provisions of National Electric Power Regulatory Authority Licensing (Application Modification, Extension, and Cancellation) Procedure Regulations, 2021, the National Electric Power Regulatory Authority Licensing (Electric Power Supplier) Regulations, 2022, and undertakes to fulfill any other requirements in this regard prescribed by the Authority, and undertakes to fulfill any other requirements in this regard prescribed by the Authority.

**F. Prayer**

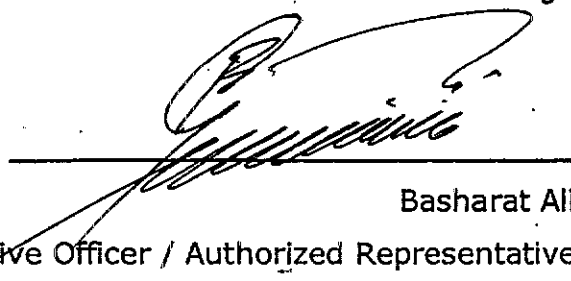
32. In view of the foregoing, it is prayed that the Authority may be pleased to grant a license to the Petitioner for supply of electric power as a **supplier of last resort** in the Proposed Service Territory, for a period of **twenty (20)** years from the date of grant of license:

Islamabad,     October 2024

*Petitioner/Hazara Electric Supply Company Limited*

through

HAZARA ELECTRIC  
SUPPLY COMPANY  
LIMITED

  
Basharat Ali  
Chief Executive Officer / Authorized Representative

## HAZARA ELECTRIC SUPPLY COMPANY LIMITED

Tel# 0992-920211  
Fax# 0992-921405  
Email:- ceo.hazeco@gmail.com



Office of the  
Chief Executive Officer  
HAZECO H/Q, 426/A, PMA Link  
Road, Jinnahabad, Abbottabad

No. 395 /CEO/2025

Dated. 23/01/2025


**The Registrar,**  
National Electric Power Regulatory Authority (NEPRA),  
NEPRA Tower Attaturk Avenue (East), Sector G-5/1,  
Islamabad.

Subject:- **APPLICATION FOR GRANT OF DISTRIBUTION AND SUPPLY LICENCE(S) FOR THE HAZARA ELECTRIC SUPPLY COMPANY LIMITED.**

This is with reference to the two (02) separate applications for the grant of Distribution and Supply License(s) that HAZECO submitted for the consideration of the Authority. In this regard, it is observed that the main part of our applications does not include the districts of Upper Kohistan, Lower Kohistan and Kolai Pallas, whereas in the prospectus, the same has been mentioned/included.

In this regard, it is submitted that the Ministry of Energy (Power Division), vide its Notification no. 12/(24)/2024-CA-I on 07/01/2025 has confirmed that the districts mentioned above will also form part of the service territory of HAZECO. In order to remove any doubt/confusion at a belated stage, through this letter, an addendum is submitted to consider the services territory of HAZECO as follows: (i) Abbottabad, (ii) Haripur, (iii) Mansehra, (iv) Battagram, (v) Torgar, (vi) Upper Kohistan, (vii) Lower Kohistan and (viii) Kolai Pallas.

Further to the above, it is submitted that HAZECO must assume the responsibilities of providing distribution and supply of electric power services in the above-mentioned districts of the Province of Khyber Pakhtunkhwa. In order to continue its operation, the Company/HAZECO requests the Authority to allow applying for an interim tariff on the same terms and conditions that are currently applicable to PESCO subject to any adjustment subsequently.

  
Chief Executive Officer  
HAZECO, Abbottabad

**GOVERNMENT OF PAKISTAN  
MINISTRY OF ENERGY  
(POWER DIVISION)**



Islamabad, the January 07<sup>th</sup>, 2025

**NOTIFICATION**

**No. 12(24)/2024-CA-I.** In pursuance of the approval granted by the Federal Cabinet in Case No. 379/ 41/ 2024 dated 17-12-2024, it is hereby notified that Hazara Electric Supply Company (HAZECO) is authorized to take over the power distribution and supply business of Peshawar Electric Supply Company (PESCO) in the present districts of Kohistan Lower, Kohistan Upper, and Kolai Pallas.

2. HAZECO shall commence its business operations in the aforementioned districts subject to compliance with all applicable legal and regulatory requirements.
3. All concerned authorities and stakeholders are directed to facilitate the smooth transition and operationalization of HAZECO in accordance with the law.



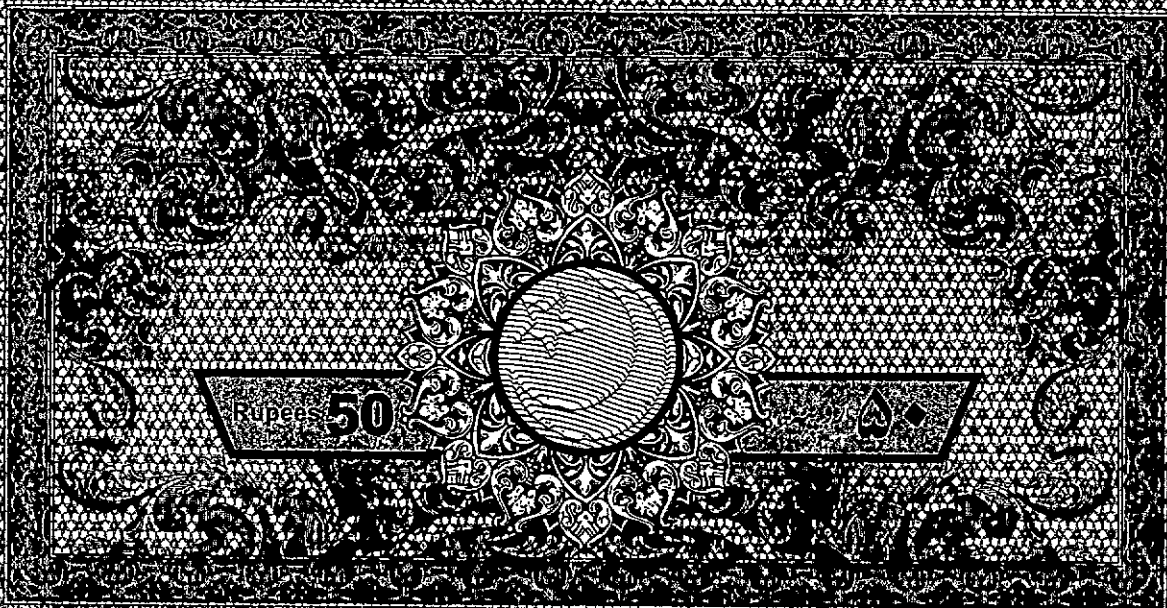
(Qudrat Ali Khan)

Section Officer (Corporate Affairs-I)  
Ph: 051-9209119

**The Manager,  
Printing Corporation of Pakistan Press, University Road,  
Karachi.**

**Copy to:**

1. The DG to the Minister for Energy (Power Division), Islamabad.
2. The PS to Secretary, Ministry of Energy (Power Division), Islamabad.
3. The Chairman, National Electric Power Regulatory Authority (NEPRA), Islamabad.
4. The CEO, Peshawar Electric Supply Company (PESCO), Peshawar.
5. The CEO, Hazara Electric Supply Company (HAZECO), Abbottabad.
6. Office File



-12-

**Affidavit**

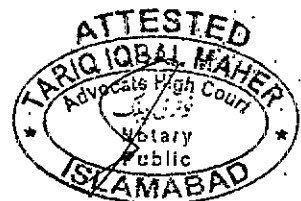
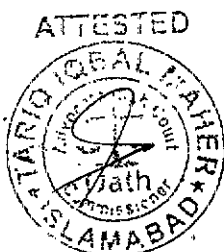
[Rule 3(4)(g) and (7) of the NEPRA Licensing (Application, Modification, Extension and Cancellation) Procedure Regulations, 2021]

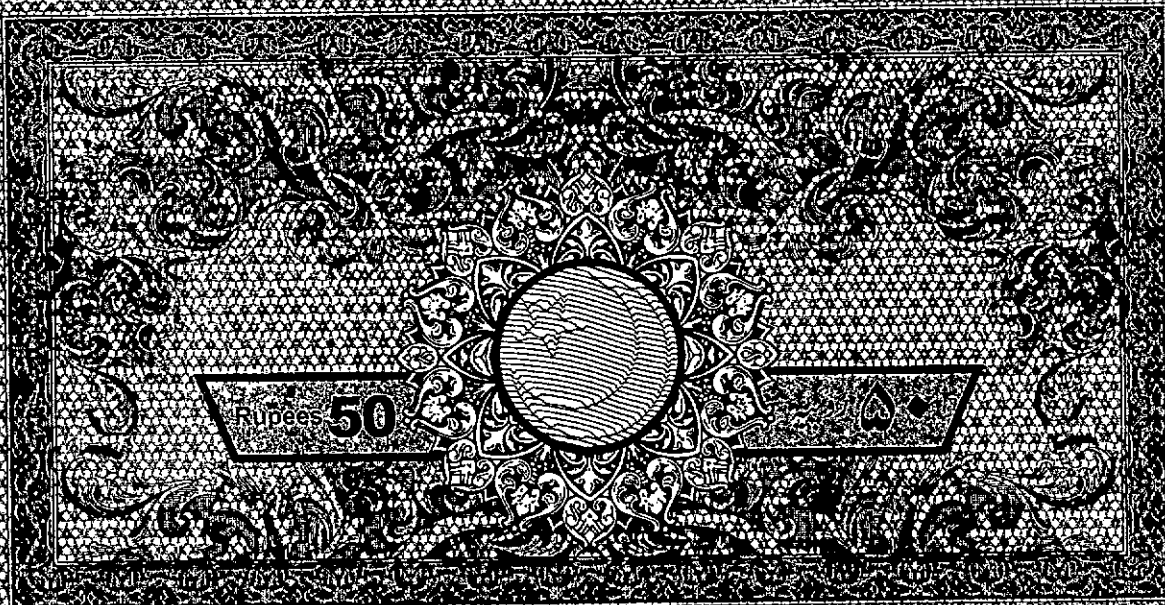
I, **Basharat Ali** son of Inayat Ullah, resident of Phase 8, DHA, House No. 39/1-C, Street No. 8, Lahore Cantt, Lahore, CNIC No. 35201-3615917-7, being Chief Executive Officer and authorised representative of Hazara Electric Supply Company Limited (**HAZECO**) do hereby state on solemn affirmation that:

1. I am the duly authorized representative of HAZECO by virtue of resolution of HAZECO's Board of Directors passed in its 6<sup>th</sup> Meeting held on 26<sup>th</sup> August 2024;
2. HAZECO has filed an application before NEPRA for grant of a license for supply of electric power under Section 23E of the Regulation of Generation, Transmission and Distribution of Electric Power Act, 1997;
3. HAZECO does not currently possess any license from NEPRA issued under the Regulation of Generation, Transmission and Distribution of Electric Power Act, 1997;
4. The contents of HAZECO's petition and the annexures thereof are correct, authentic, and accurate to the best of my knowledge and belief and nothing material has been concealed.

That, whatever has been stated above is true and correct to the best of my knowledge and belief and nothing material has been concealed.

DEPONENT  
12<sup>th</sup> October 2024





-13-

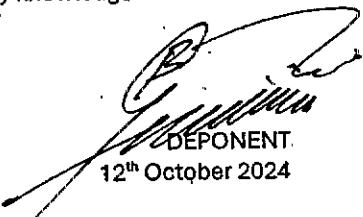
**Affidavit**

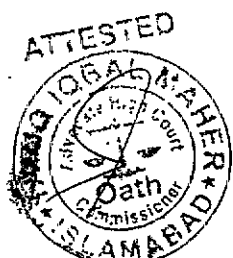
[Rule 3(e) of the Eligibility Criteria (Power Supplier Licenses) Rules, 2023]

I, **Basharat Ali** son of Inayat Ullah, resident of Phase 8, DHA, House No. 39/1-C, Street No. 8, Lahore Cantt, Lahore, CNIC No. 35201-3615917-7, being Chief Executive Officer and authorised representative of Hazara Electric Supply Company Limited (**HAZECO**) do hereby state on solemn affirmation that:

1. I am the duly authorized representative of HAZECO by virtue of resolution of HAZECO's Board of Directors passed in its 6<sup>th</sup> Meeting held on 26<sup>th</sup> August 2024;
2. HAZECO has filed an application before NEPRA for grant of a license for distribution of electric power under Section 20 of the Regulation of Generation, Transmission and Distribution of Electric Power Act, 1997;
3. HAZECO fulfills all requirements for grant of a license for distribution of electric power under Eligibility Criteria (Power Supplier Licenses) Rules, 2023; and
4. HAZECO undertakes to fulfill all obligations under National Electricity Policy and National Electricity Plan, framed under Section 14A, and all other sections of the Regulation of Generation, Transmission and Distribution of Electric Power Act, 1997 and the NEPRA Licensing (Distribution) Regulations, 2022.

That, whatever has been stated above is true and correct to the best of my knowledge and belief and nothing material has been concealed.

  
DEPONENT.  
12<sup>th</sup> October 2024



# HAZARA ELECTRIC SUPPLY COMPANY LIMITED

Room No.209, 2<sup>nd</sup> Floor, Block-A, Pak Secretariat, Islamabad

No. 129-35 HAZECO/BoD/6<sup>th</sup>/Item-7

dated: 20<sup>th</sup> September 2024

Chief Executive Officer  
HAZECO.

Subject: APPROVAL FOR FILING OF PETITION BEFORE NEPRA FOR GRANT OF DISTRIBUTION LICENSE FOR HAZECO AND BEFORE PESHAWAR HIGH COURT FOR RECONSTRUCTION OF PESCO.

1. Mr. Rizwan Faiz Muhammad, the consultant, presented the agenda to the Board of Directors of HAZECO in its 6<sup>th</sup> Meeting held on 24<sup>th</sup> August 2024 and provided an overview of the current Hazara-I and Hazara-II Circles of PESCO. These are considered well-suited for the initial phase of restructuring PESCO into more manageable units. The eight districts under consideration in Khyber Pakhtunkhwa are:

1. Abbottabad
2. Haripur
3. Mansehra
4. Battagram
5. Upper Kohistan
6. Lower Kohistan
7. Torghar
8. Kolai Palas

2. It was informed that PESCO has been bifurcated by delineating HAZECO's proposed service territory from PESCO's existing service area, and that HAZECO be granted a license by the Authority to distribute and sell electric power within this proposed service territory.

3. The Board was requested to approve the bifurcation scheme and authorize the CEO to submit petitions to NEPRA for the issuance of a distribution license to HAZECO. Additionally, authorization was sought for the payment of the requisite fee to NEPRA for the distribution license and for filing a petition with the Peshawar High Court regarding the restructuring of PESCO.

4. The CEO pointed out that as per para 2(b) of the Ministry of Energy, Power Division's Notification No. 12(24)/2020-DISCO-II dated January 18, 2023 "HAZECO shall consist of 02 Circles namely Hazara-I and Hazara-II Circles with the new Company's Headquarters at Abbottabad". As such, at the moment, the districts of Kohistan are not part of HAZECO.

## RESOLUTION OF BOD

5. Agreeing with the CEO's clarification, the Board directed the consultant to revise the petition and confine it only to Hazara-I and Hazara-II Circles, as per Ministry of Energy, Power Division's Notification No. 12(24)/2020-DISCO-II dated January 18, 2023. The Board resolved as under:

*[Signature]*



# HAZARA ELECTRIC SUPPLY COMPANY LIMITED

Room No.209, 2<sup>nd</sup> Floor, Block-A, Pak Secretariat, Islamabad

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**1. Approval of Bifurcation Scheme:**

The Board approved the Scheme of Bifurcation for PESCO's assets, business, manpower, and liabilities as previously sanctioned by PESCO's Board of Directors.

**2. Petition Filing for Reorganization:**

Approval was granted for the filing of a petition, in conjunction with PESCO, before the Peshawar High Court under the relevant provisions of the Companies Act, 2017. This petition seeks the reorganization of PESCO in accordance with the Scheme of Bifurcation approved by the Boards of both companies.

**3. Petition for Distribution License:**

The Board approved the filing of a petition with NEPRA to obtain a distribution license for HAZECO.

**4. Petition for Power Supply License:**

Approval was given for filing a petition with NEPRA to obtain a license for the supply of electric power for HAZECO.

**5. Approval of Fees and Incidental Expenses:**

The Board authorized the payment of all necessary fees to NEPRA, the Peshawar High Court, SECP, and any incidental expenses associated with the filing of the aforementioned petitions.

**6. Authorization to CEO:**

The CEO was authorized to sign all necessary documents, including petitions, affidavits, and vakalatnama, on behalf of HAZECO.

6. This is issued in accordance with the approval of HAZECO Board.

*Naifullah 26/9*  
Company Secretary HAZECO

**Distribution:**

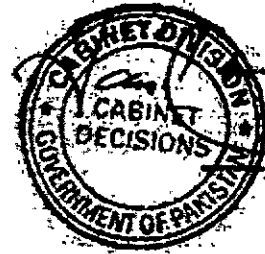
1. All Board Members.

Case No. 421/Rule-19/2023 Dated: 20.07.2023	<b>BIFURCATION REORGANIZATION OF PESCO AND FORMATION OF HAZARA ELECTRIC SUPPLY COMPANY (HAZECO)</b>
Presented by: <b>Power Division</b>	

**DECISION**

The Cabinet considered the summary dated 13<sup>th</sup> July, 2023 submitted by the **Power Division**, which was circulated in terms of rule 17(1)(b) read with rule 19(1) of the Rules of Business, 1973 for '**Bifurcation / Reorganization of PESCO and Formation of Hazara Electric Supply Company (HAZECO)**' and approved the proposal at Para 5 of the summary.

\*\*\*



NO. 12(24)/2019-DISCOs/CA-I  
GOVERNMENT OF PAKISTAN  
MINISTRY OF ENERGY  
(POWER DIVISION)

\*\*\*\*\*

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**SUMMARY FOR THE CABINET**

**Subject: BIFURCATION / REGORGANIZATION OF PESCO AND FORMATION OF HAZARA ELECTRIC SUPPLY COMPANY (HAZECO)**

In 1998, pursuant to the Strategic Plan for WAPDA, approved by the Council of Common Interest in 1993, WAPDA's Power Wing was restructured by creating independent power generation, transmission, and distribution companies. In 1998, initially eight (08) distribution companies were created of which, the Peshawar Electric Supply Company ("PESCO") was tasked with carrying out the power distribution business all over the province of Khyber Pakhtunkhwa as well as the former Federally Administrated Tribal Areas ("FATA"). Later on, two more companies namely Sukkur Electric Supply Company (2010) and Tribal Area Electric Supply Company (2013) were created.

2. The proposal to bifurcate DISCOs covering very large geographical areas, such as PESCO, Quetta Electric Supply Company ("QESCO") and Multan Electric Power Company ("MEPCO") have been under consideration for some time. In this regard, the Prime Minister was pleased to approve the proposal of this Division moved through a summary dated 30.12.2022 (Annex-I) to bifurcate PESCO into PESCO and HAZECO (DISCO for Hazara-I and Hazara-II circles) which was notified by this Division on 18-01-2023 (Annex-II). In the meantime, a Writ Petition No. 674-P/2023 has been filed in Peshawar High Court, whereby the petitioner has raised objections that the approval of Cabinet and CCI was required for establishment of HAZECO. The Court has granted status quo in the matter. It may be mentioned that the Cabinet has approved appointment of first Independent Directors of HAZECO vide Case No. 362/Rule-19/2023 dated 24.06.2023 (Annex-III).


3. Under the Strategic Plan for WAPDA, the corporate entities such as the DISCOs are to be owned by the Federal Government until such time that sector is eventually privatized. Thus, the shareholding in all DISCOs is presently owned/controlled by the Federal Government, which is managed by the Power Division as per entry at Sr. No. 2 (matters relating to electric utilities) in Part 31B of Schedule 2 of the Rules of Business, 1973. Accordingly, shareholding in HAZECO shall also be fully owned by the Federal Government and as per the requirements of the SOEs (Governance and Operations) Act, 2023 and Companies Act, 2017, the Federal Government's approval will be required to create a new Government-owned company.

4. Furthermore, under the Companies Act, 2017, any scheme to divide a company and to transfer its assets to two or more companies requires the approval, *inter alia*, of its shareholder(s). Since shareholding in PESCO is also fully owned/controlled by the Federal Government, its approval shall also be required in this respect.

5. In view of the foregoing, the Federal Government's approval is solicited for: -

- (i) Creation of a new power distribution company by the name of Hazara Electric Supply Company (HAZEKO) to take over PESCO's power distribution/ supply business in the present Hazara-I and Hazara-II circles, and to commence business subject to all legal and regulatory requirements.
- (ii) Authorization to the Power Division to take all steps to affect the incorporation of HAZEKO, to formulate and implement the bifurcation plan for PESCO, and for the following officials to act as the initial 'promoters' of HAZEKO:
  - Secretary, Power Division.
  - Additional Secretary - I, Power Division.
  - Sr. Joint Secretary (CAD), Power Division.
- (iii) Reorganization / Restructuring of PESCO by dividing its business and assets between PESCO and HAZEKO as per all legal and regulatory approvals.

6. The Minister for Power Division has seen and authorized the submission of this Summary to the Cabinet.

  
(Shakeel Qadir Khan)  
Additional Secretary

Islamabad, the 13<sup>th</sup> July, 2023.



## **PESHAWAR ELECTRIC SUPPLY COMPANY**

Phone No. 091-9210226  
Fax No. 091-9223136  
Email: sec.pesco@gmail.com

Office of the  
Company Secretary PESCO  
Room No.158 Wapda House,  
Shami Road, Peshawar

No. **2510** /196<sup>th</sup> BOD

Dated **29/12/2023**

Finance Director,  
PESCO, HQ.

Subject: - **Decision of the 196<sup>th</sup> Meeting of Board of Directors, PESCO.**

PESCO Board of Directors in its 196<sup>th</sup> Board meeting held on 27-12-2023, deliberated the following agenda point. The discussion and the decision of the Board are as under: -

### **Agenda Point # 3**

**Approval for Bifurcation of Assets & Liabilities and the Accounts of HAZECO & Remaining PESCO.**

In light of the directions issued by the Board of Directors, PESCO in its 195<sup>th</sup> meeting held on 19-12-2023, the management presented the detailed analysis regarding the allocation of share of accumulated losses to HAZECO as well as the feasibility of allocation of A&K Receivables to remaining PESCO. All possible aspects regarding allocation of losses to HAZECO along with other critical points were thoroughly deliberated. After detailed discussion, it was decided to allocate accumulated losses to HAZECO amounting to Rs. 21.814 Billion in the ratio of HAZECO Non-current Assets to total Assets of PESCO i.e. 5% approx. Accordingly, the revised identified basis of allocation and revised segregated Financials Statements are given as under: -

### **Basis for Segregation:-**

<b>Financial Statement component</b>	<b>Identified Basis</b>
<b>Operating fixed assets</b>	
Land, Building Distributable equipment's	Geographical presence.
Vehicles	Physical possession at balance sheet date.
Other equipment's	Physical possession at balance sheet date.
Capital Work in Process	Geographical presence of work in process at balance sheet date.
Long term loans	Bifurcation is made on employee wise falls under respective territory of HAZECO and PESCO.
Stores, spare parts and loose tools	Bifurcation is made on Geographical presence as well as share of work in process under the territory of respective companies.
Trade debts	Actual receivable from customers in jurisdiction of each company.
Loans, advances and other receivable	

20-

Duties and other taxes	On the basis of actual existing customer in respective territory.
General sales tax	Actual payable of customer of each company.
Accrued liabilities	Actual accrual pertaining to territory of each company.
Capital contribution awaiting connections	On the basis of actual existing customer in respective territory.
Accrued markup	On the basis of utilization of loan in respective territory of each company.
Provision for taxation	All provision is allocated to PESCO due to NTN.
Revenue	Actual amount billed to the customers that exists in territory of respective company.
Amortization of deferred credits	According to segregation of deferred credits.
Cost of electricity	Calculated on the basis of actual unit consumed.
Administrative and General expenses	Allocated on the basis of each XEN / RO trial of each company and proportionate expenditure of Headquarter and centralized units.
Depreciation	On asset allocation basis.
Other income	Actual income generated by the division/ RO forming part of each company plus the income generated by common business units on the basis of actual allocation of division and RO's income for the same source.
Financial charges	
Markup	In proportion to the long-term loan allocated to each company.
Foreign currency fluctuation	In proportion to the long-term loan allocated to each company.
Bank charges	On charges incurred for services provided by banks of each company.
HR Committees Constituted to operationalize HAZECO	Reports are prepared on the basis of actual as well as on need base.
Technical and Commercial Committees Constituted to operationalize HAZECO	Reports are prepared on actual basis of jurisdiction.
Allocation of Vehicles	The 130 No. of vehicles with a book value of Rs. 75,517,099 have been transferred to HAZECO.
Allocation of Grid stations	The 23 Grid stations out of 2 are under construction are allocated to HAZECO.
Segregation of Plots	The 36 plots are allocated to HAZECO.

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Advance to supplier	Actual as per trial balance of each area.
Advance taxes	Taxes are allocated to PESCO as HAZECO has no NTN due to newly incorporation.
Advances for expenses	Advance given for expense for each area as per trial balance.
Due from WAPDA	Allocated on actual basis i.e. supply of electricity and for receivable against WAPDA Welfare Fund Employee wise basis is used working in territory of each company.
Cash and bank balances	Actual cash held at bank by the offices of each company as well as share of deposits against capital expenditure.
Liabilities against government investment	Total amount allocated to PESCO due to losses incurred by PESCO territory.
Accumulated losses	Accumulated losses amounting to Rs. 21,814 million has been transferred to HAZECO at 5% (Ratio of Non-current Assets of HAZECO to total Assets of PESCO) net off adjustment of Rs. 5,641 million against share of equity injection with the approval of BoD.
Long term loans	Allocated on the basis of utilization of loan in respect territory. However, ERRA Loan has been allocated to PESCO considering the at source adjustment of various loans against receivable from GoAJK, resulting in over-adjustment of Rs. 1,420 million, against HAZECO.
Staff retirement benefits	Allocated on the number of employees working in territory of respective company.
Deferred credit	The area and purpose for which the development funds were received on proportionate basis.
Consumers' security deposits	Actual deposits received from customers falling in the territory of each company.
Trade and other payables	Amount is allocated on actual basis with adjustment of Rs. 1,420 million of loan and Rs. 5,274 million of Subsidy receivable against CPPA-G payables.
Associated undertakings	All amount is allocated to PESCO and HAZECO on actual basis and by considering the nature of transaction fully allocated to PESCO under various heads.
Trade and other payable	
Receipt against deposit work	Actual receipts against works in the territory of respective company.

**ANNEX "N1"****Annex - N5**

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**Financial Statements including details of  
HR Report containing details of Financial  
and Technical Resources**

<b>Annex - N5</b>	Evidence of HAZECO's Financial and Technical resources for carrying out the Distribution and Sale activities, including:
<b>Annex - N5 / 1</b>	Cash Balances with Bank Certificates
<b>Annex - N5 / 2</b>	Charges / encumbrances on assets
<b>Annex - N5 / 3</b>	Last Audited Financial Statements
<b>Annex - N5 / 4</b>	Eol to provide financing to HAZECO
<b>Annex - N5 / 5</b>	Net Worth and Equity Debt Ratio of HAZECO



**PESCO AND HAZECO**  
**SEGREGATED FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED 30 JUNE 2023**

**INDEPENDENT PRACTITIONER'S ASSURANCE REPORT ON BIFURCATION OF PESCO  
FINANCIAL STATEMENTS AND ESTABLISHMENT OF HAZECO**

**To Board of Directors**

We have completed our assurance engagement to report on the compilation of pro forma financial information of Peshawar Electric Supply Company Limited ("PESCO", "the Company"). The pro forma financial information consists of segregated statement of financial position as at 30 June 2023, the segregated statement of profit or loss and comprehensive income for the year ended 30 June 2023, the segregated statement of changes in equity and related notes. The applicable criteria on the basis of which management has compiled the 'pro forma financial information are identified basis of segregation. The pro forma financial information has been compiled by management of the Company to illustrate the impact of the Demerger of Hazara Electric Supply Company Limited ("HAZECO", "the Company") from PESCO on the Company's financial position as at 30 June 2023 and the Company's financial performance for the year ended 30 June 2023. As part of this process, information about the Company's segregated statement of financial position, the segregated statement of profit or loss and comprehensive income and the segregated statement of changes in equity has been extracted by management from the Company's financial statements for the year ended 30 June 2023, on which an audit report has been published.

Our report is solely for the purpose of assisting Peshawar Electric Supply Company Limited in identification and measurement of financial record and related data regarding bifurcation of PESCO and establishment of HAZECO.

**Responsibility for the Pro Forma Financial Information**

Management of the Company is responsible for compiling the pro forma financial information on the basis defined in basis for segregation section of our report.

**Practitioner's Responsibility**

Our responsibility is to express an opinion about whether the pro forma financial information has been compiled, in all material respects, by the management on the basis defined in basis for segregation section of our report.

We conducted our engagement in accordance with International Standard on Assurance Engagements (ISAE) 3420, Assurance Engagements to Report on the Compilation of Pro Forma Financial Information Included in a Prospectus, issued by the International Auditing and Assurance Standards Board. This standard requires that the practitioner comply with ethical requirements and plan and perform procedures to obtain reasonable assurance about whether management has compiled, in all material respects, the pro forma financial information on the basis of the applicable criteria.

For purposes of this engagement, we are not responsible for updating or reissuing any reports or opinions on any historical financial information used in compiling the pro forma financial information, nor have we, in the course of this engagement, performed an audit or review of the financial information used in compiling the pro forma financial information.

A reasonable assurance engagement to report on whether the pro forma financial information has been compiled, in all material respects, on the basis of the applicable criteria involves performing procedures to assess whether the applicable criteria used by the management in the compilation of the pro forma financial information provide a reasonable basis for presenting the significant effects directly attributable to the event or transaction, and to obtain sufficient appropriate evidence about whether:

AHW

A7HW

The related pro forma adjustments give appropriate effect to those criteria;

and

The pro forma financial information reflects the proper application of those adjustments to the unadjusted financial information.

The procedures selected depend on the practitioner's judgment, having regard to the practitioner's understanding of the nature of the Company, the event or transaction in respect of which the pro forma financial information has been compiled, and other relevant engagement circumstances.

The engagement also involves evaluating the overall presentation of the pro forma financial information. We believe that the evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

### Basis for Segregation

The management of Company has identified following basis with approval of Board of Directors for the segregation of audited financial statement into HAZECO and PESCO;

Financial Statement component	Identified Basis
<b>Operating fixed assets</b>	
Land, Building Distributable equipment's	Geographical presence.
Vehicles	Physical possession at balance sheet date.
Other equipment's	Physical possession at balance sheet date.
<b>Capital Work in Process</b>	Geographical presence of work in process at balance sheet date.
<b>Long term loans</b>	Bifurcation is made on employee wise falls under respective territory of HAZECO and PESCO.
<b>Stores, spare parts and loose tools</b>	Bifurcation is made on Geographical presence as well as share of work in process under the territory of respective companies.
<b>Trade debts</b>	Actual receivable from customers in jurisdiction of each Company.
<b>Loans, advances and other receivable</b>	
Advance to supplier	Actual as per trial balance of each area.
Advance taxes	Taxes are allocated to PESCO as HAZECO has no NTN due to newly incorporation.
Advances for expenses	Advance given for expense for each area. As per trial balance.
Due from WAPDA	Allocated on actual basis i.e. supply of electricity and for receivable against WAPDA welfare Fund employee wise basis is used working in territory of each Company.
<b>Cash and bank balances</b>	Actual cash held at bank by the offices of each Company as well as share of deposits against capital expenditure.
<b>Liabilities against government investment</b>	Total amount allocated to PESCO due to losses incurred by PESCO territory.

Financial Statement component	Identified Basis
Accumulated Losses	Accumulated losses amounting to Rs. 5,489 million has been transferred to HAZECO net off adjustment of Rs. 5,641 million against share of equity injection with approval of BOD.
Long term loans	Approval on the basis of utilization of loan in respect territory. However, ERRA Loan has been allocated to PESCO considering the source adjustment of various loans against receivable from GoAJK, resulting in over-adjustment of Rs. 1,420 million, against HAZECO.
Staff retirement benefits	Allocated on the number of employees working in territory of respective Company.
Deferred credit	The area and purpose for which the development funds were received on proportionate basis.
Consumers' security deposits	Actual deposits received from customers falling in the territory of each Company.
Trade and other payables	
Associated undertakings	Amount is allocated on actual basis with adjustment of Rs. 1,420 million loan and Rs. 5,274 million of Subsidy receivable against CPPA-G payable.
Trade and other payable	All amount is allocated to PESCO and HAZECO on actual basis and by considering the nature of transaction fully allocated to PESCO under various heads.
Receipt against deposit work	Actual receipts against works in the territory of respective Company.
Duties and other taxes	On the basis of actual existing customer in respective territory.
General sales tax	Actual payable of customer of each Company.
Accrued liabilities	Actual accrual pertaining to territory of each Company.
Capital contribution awaiting connections	On the basis of actual existing customer in respective territory.
Accrued markup	On the basis of utilization of loan in respective territory of each Company.
Provision for taxation	All provision is allocated to PESCO due to NTN.
Revenue	Actual amount billed to the customers that exists in territory of respective Company.
Amortization of deferred credits	According to segregation of deferred credits.
Cost of electricity	Calculated on the basis of actual unit consumed.
Administrative and General expenses	Allocated on the basis of each XEN / RO trial of each Company and proportionate expenditure of Headquarter and centralized units.
Depreciation	On asset allocation basis.

Financial Statement component	Identified Basis
Other income	Actual income generated by the division / RO forming part of each Company plus the income generated by common business units on the basis of actual allocation of division and RO's income for the same source.
Financial charges	
Markup	In proportion to the long-term loan allocated to each Company.
Foreign currency fluctuation	In proportion to the long-term loan allocated to each Company.
Bank charges	On charges incurred for services provided by banks of each Company
HR Committees Constituted to operationalize HAZECO	Reports are prepared on the basis of actual as well as on need base.
Technical and Commercial Committees Constituted to operationalize HAZECO	Reports are prepared on actual basis of jurisdiction.
Allocation of Vehicles	The 130 No. of vehicles with a book value of Rs. 75,517,099 have been transferred to HAZECO (Annex-A).
Allocation of Grid stations	The 23 Grid stations out of 2 are under construction are allocated to HAZECO (Annex-B).
Segregation of Plots	The 36 plots are allocated to HAZECO Ref (Annex-C).

### Opinion

In our opinion, the pro forma financial information has been compiled, in all material respects, on the basis of the applicable criteria.

A.H.W. N.S.O.

A.H.W. & Co. Chartered Accountants

Date: 03 APR 2024  
Islamabad

**PESHAWAR ELECTRIC SUPPLY COMPANY LIMITED**  
**RAZARVA ELECTRIC SUPPLY COMPANY LIMITED**  
**SEGREGATED STATEMENT OF FINANCIAL POSITION**  
**FOR THE YEAR ENDED 30 JUNE 2023**

	Note	PESCO (Audited) 30 June 2023 Rupees	HAZARVA (Management) 30 June 2023 Rupees	Remaining PESCO (Management) 30 June 2023 Rupees
<b>EQUITY AND LIABILITIES</b>				
Share capital and reserves				
Authorized share capital:				
500,000,000 (10,000) ordinary shares of Rupees 10 each		50,000,000,000	50,000,000,000	50,000,000,000
Issued, subscribed and paid up capital	1	10,000	10,000	10,000
Deposits for issue of share capital	2	130,867,728,553	128,045,648,563	128,045,648,563
Accumulated losses		(548,912,627,559)	(543,423,501,284)	(543,423,501,284)
<b>TOTAL EQUITY</b>		<b>(418,044,889,006)</b>	<b>(415,377,842,721)</b>	<b>(415,377,842,721)</b>
<b>Non-current liabilities</b>				
Liabilities against government investment	3	50,187,189,539	50,187,189,539	50,187,189,539
Long term loans - secured	4	8,061,124,905	7,118,885,905	7,118,885,905
Staff retirement benefits	5	148,528,485,046	127,427,834,842	127,427,834,842
Deferred credit	6	43,715,376,868	38,371,933,267	38,371,933,267
Consumers' security deposits	7	6,793,519,936	5,397,948,646	5,397,948,646
		257,285,696,294	228,503,791,999	228,503,791,999
<b>Current liabilities</b>				
Trade and other payables	8	512,133,192,562	504,015,738,115	504,015,738,115
Accrued markup	9	3,791,062,735	3,784,566,035	3,784,566,035
Current maturity of long term loans	4	3,556,618,533	3,556,618,533	3,556,618,533
Provision for taxation		3,145,518,170	3,145,518,170	3,145,518,170
		522,626,392,000	514,502,440,853	514,502,440,853
<b>TOTAL LIABILITIES</b>		<b>779,912,088,294</b>	<b>743,006,232,853</b>	<b>743,006,232,853</b>
Contingencies and commitments	10	-	-	-
		361,867,199,288	327,628,390,132	327,628,390,132
<b>ASSETS</b>				
<b>Non-current assets</b>				
Property, plant and equipment	11	116,012,851,449	97,913,385,845	97,913,385,845
Long term loans - considered good	12	709,333	701,426	701,426
		116,013,560,782	97,914,087,271	97,914,087,271
<b>Current assets</b>				
Stores, spare parts and loose tools	13	11,247,241,103	9,984,695,756	9,984,695,756
Trade debts	14	97,620,337,566	84,435,568,052	84,435,568,052
Loans and advances - considered good	15	3,732,288,648	3,726,936,653	3,726,936,653
Other receivables	16	96,905,868,230	96,647,901,323	96,647,901,323
Receivable from government of Pakistan (Ministry of Finance)	17	26,091,064,330	26,091,064,330	26,091,064,330
Cash and bank balances	18	10,256,838,629	8,828,136,747	8,828,136,747
		245,853,638,506	229,714,302,861	229,714,302,861
		361,867,199,288	327,628,390,132	327,628,390,132

The annexed notes form an integral part of these financial statements.

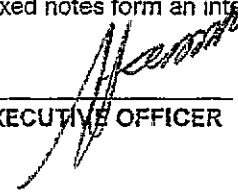
CHIEF EXECUTIVE OFFICER

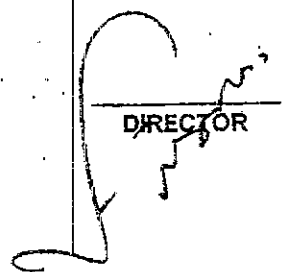
DIRECTOR

**PESHAWAR ELECTRIC SUPPLY COMPANY LIMITED**  
**RAZARA ELECTRIC SUPPLY COMPANY LIMITED**  
**SEPARATED STATEMENT OF PROFIT OR LOSS**  
**FOR THE YEAR ENDED 30 JUNE 2023**

	Nota	PESCO (Audited) 30 June 2023 Rupees	PESCO (Management) 30 June 2023 Rupees	Remaining PESCO (Management) 30 June 2023 Rupees
Sale of electricity	19	240,223,816,812	240,223,816,812	182,401,813,268
Subsidy from GoP	19	39,271,580,895	39,271,580,895	30,347,593,703
		279,495,397,707	279,495,397,707	212,749,406,971
Cost of electricity	20	(322,563,824,475)	(322,563,824,475)	(264,672,835,741)
Gross profit		(43,068,426,768)	(43,068,426,768)	(51,923,428,770)
Amortization of deferred credit	6	2,308,964,609	2,308,964,609	2,015,423,586
		(40,759,462,159)	(40,759,462,159)	(49,908,005,185)
<b>OPERATING COST</b>				
Other operating cost excluding depreciation	21	(41,579,990,507)	(41,579,990,507)	(35,997,798,919)
Depreciation on property, plant and equipment		(4,210,463,101)	(4,210,463,101)	(3,556,372,687)
		(45,790,453,608)	(45,790,453,608)	(39,554,171,606)
Operating (loss)/Income		(86,549,915,767)	(86,549,915,767)	(89,462,176,799)
<b>Other income</b>				
Rental and service income	22	52,485,906	52,485,906	41,476,944
Other income	23	10,121,705,368	10,121,705,368	9,480,603,447
		10,174,191,274	10,174,191,274	9,522,080,391
Financial expense	24	(1,065,899,814)	(1,065,899,814)	(1,065,751,253)
Net gain / loss before taxation		(77,441,624,307)	(77,441,624,307)	(81,005,847,652)
Taxation	25	(3,153,184,278)	(3,153,184,278)	(3,153,184,278)
Net gain / loss after taxation		(80,594,808,585)	(80,594,808,585)	(84,159,031,930)
<b>Other Comprehensive Income:</b>				
Actuarial loss on remeasurement of post retirement benefits		(16,155,526,751)	(16,155,526,751)	(13,687,914,828)
<b>Total comprehensive loss for the year</b>		<b>(96,750,335,336)</b>	<b>(96,750,335,336)</b>	<b>(97,846,946,758)</b>

The annexed notes form an integral part of these financial statements.

  
**CHIEF EXECUTIVE OFFICER**

  
**DIRECTOR**

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**PESHAWAR ELECTRIC SUPPLY COMPANY LIMITED**  
**HAZARA ELECTRIC SUPPLY COMPANY LIMITED**  
**SEPARATED STATEMENT OF CHANGES IN EQUITY**  
**FOR THE YEAR ENDED 30 JUNE 2023**

Description	Consolidated PESCO			
	Issued, subscribed and paid up share capital	Deposit for issue of shares	Accumulated Loss	TOTAL
Rupees				
Balance as on 01 July 2022	10,000	92,855,405,071	(452,222,342,099)	(359,366,927,028)
Total comprehensive loss for the year				
Loss for the year			(80,594,808,585)	(80,594,808,585)
Actuarial loss on remeasurement of post retirement benefits			(16,155,526,751)	(16,155,526,751)
			(96,750,335,336)	(96,750,335,336)
GoP Equity Injection		38,012,323,482		38,012,323,482
Prior year Adjustment (Subsidy)			60,049,876	60,049,876
Balance as on 30 June 2023	10,000	130,867,728,553	(548,912,627,559)	(418,044,889,006)

Description	HAZARA PESCO			
	Issued, subscribed and paid up share capital	Deposit for issue of shares	Accumulated Loss	TOTAL
Rupees				
Balance as on 01 July 2022			(6,585,737,697)	(6,585,737,697)
Total comprehensive income for the year				
Income for the year			1,096,611,422	1,096,611,422
Actuarial loss on remeasurement of post retirement benefits				
GOP equity Injection		2,822,079,990		2,822,079,990
Balance as on 30 June 2023		2,822,079,990	(5,489,126,275)	(2,667,046,285)

Description	Remaining PESCO			
	Issued, subscribed and paid up share capital	Deposit for issue of shares	Accumulated Loss	TOTAL
Rupees				
Balance as on 01 July 2022	10,000	92,855,405,071	(445,636,604,402)	(352,781,189,331)
Total comprehensive loss for the year				
Loss for the year			(81,691,420,007)	(81,691,420,007)
Actuarial loss on remeasurement of post retirement benefits			(16,155,526,751)	(16,155,526,751)
			(97,846,946,758)	(97,846,946,758)
GoP Equity Injection		35,190,243,492		35,190,243,492
Prior year Adjustment (Subsidy)			60,049,876	60,049,876
Balance as on 30 June 2023	10,000	128,045,648,563	(543,423,501,284)	(415,377,842,721)

The annexed notes form an integral part of these financial statements.

CHIEF EXECUTIVE OFFICER

DIRECTOR



	Note	PESCO (Audited) 30 June 2023 Rupees	HAZECO (Management) 30 June 2023 Rupees	Remaining PESCO (Management) 30 June 2023 Rupees
<b>1 ISSUED, SUBSCRIBED AND PAID UP SHARE CAPITAL</b>				
Ordinary shares of Rs.10 each, issued as fully paid up		10,000		10,000
<b>2 DEPOSITS FOR ISSUE OF SHARE CAPITAL</b>				
Incorporation expenses incurred by WAPDA		5,042,575		5,042,575
Incorporation expense incurred by Ministry				
Allocation of net worth transferred by WAPDA	2.1	8,885,483,927	8,885,483,927	6,063,403,937
		8,890,526,502	8,890,526,502	6,068,446,512
Adjustment of other loans and assets		7,620,265,187		7,620,265,187
Adjustment of net assets on transfer of FATA business to		1,571,234,102		1,571,234,102
		18,082,025,791	18,082,025,791	15,259,945,801
Equity injection against mark-up		2,094,239,584		2,094,239,584
Equity injection against supplemental charges		879,673,400		879,673,400
Equity injection against accounts receivables		27,773,678,000		27,773,678,000
GoP Equity injection		5,236,221,196		5,236,221,196
GoP Equity injection		20,142,046,300		20,142,046,300
GoP Equity injection		15,292,224,200		15,292,224,200
GoP Equity injection		3,355,296,600		3,355,296,600
GoP Equity injection		38,012,323,482		38,012,323,482
		130,867,728,553	130,867,728,553	128,045,648,563

2.1 It represents the net amount of assets and liabilities which is adjusted against WAPDA deposits for issuance of shares.

### 3 LIABILITIES AGAINST GOVERNMENT INVESTMENT

Federal Government Investment (Circular Debt Settlement)	50,187,189,539		50,187,189,539
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	Note	PESCO (Audited) 30 June 2023 Rupees	HAZECO (Management) 30 June 2023 Rupees	Remaining PESCO (Management) 30 June 2023 Rupees
<b>4 LONG TERM LOANS - secured</b>				
Loan from Government of Pakistan		125,284,795		125,284,795
Asian Development bank -Trench 1 (2438-PK)		847,267,493		847,267,493
Asian Development bank -Trench II (2727-PK)		955,422,626		955,422,626
Asian Development bank -Trench III (2972-PK)		1,976,630,025		1,976,630,025
Asian Development bank -Trench IV (3096-PK)		1,668,205,374		1,668,205,374
Earthquake Reconstruction and Rehabilitation Authority		2,083,217,020		2,083,217,020
Electrification work at Chitral (Federal PSDP) CCPR- 3129		594,653,000		594,653,000
132 KV Grid system Chitral (Federal PSDP) CCPR-3130		148,522,590		148,522,590
Evaction of Power from Swabi (Federal PSDP) CCPR		477,771,000		477,771,000
Supply of Power to Rasahki E.Zone( Federal PSDP) CCPR-7018.		1,798,530,515		1,798,530,515
Supply of Power to Haftar E.Zone( Federal PSDP) CCPR-7019.		942,239,000		
		11,617,743,438		10,675,504,438
Less: current maturity		(3,556,618,533)		(3,556,618,533)
		8,061,124,905		7,118,885,905

**5 STAFF RETIREMENT BENEFITS - Consolidated**

Four types of defined benefit plans are offered by the Company namely, pension, medical, free electricity and compensated absences.

Description	Pension obligations	Free electricity	Medical benefits	Compensated absences	Total
	30 June 2023	30 June 2023	30 June 2023	30 June 2023	30 June 2023
	Rupees				
Present value of defined benefit obligation	128,935,840,619	6,690,179,884	9,113,901,338	3,788,563,205	148,528,485,046

**5.1 Amount recognized in balance sheet is as follows:**

Net liability at beginning of the year	109,458,241,759	4,738,365,842	8,618,513,658	3,605,990,342	126,421,111,601
Charge for the year	12,712,925,750	697,313,665	1,237,776,531	399,049,909	15,047,065,855
Re-measurement of liability	15,411,390,781	1,477,038,053	(732,902,083)		16,155,526,751
Benefits paid during the year	(8,646,717,671)	(222,537,676)	(9,486,768)	(216,477,046)	(9,095,219,161)
	128,935,840,619	6,690,179,884	9,113,901,338	3,788,563,205	148,528,485,046

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5.2 Salaries wages and benefits include the following in respect of defined benefits plans:

Current service cost	1,019,716,555	72,655,569	74,917,544	72,174,590	1,239,464,258
Interest cost	11,693,209,195	624,658,096	1,162,858,987	326,875,319	13,807,601,597
Re-measurement of liability	15,411,390,781	1,477,038,053	(732,902,083)	-	16,155,526,751
	28,124,316,531	2,174,351,718	504,874,448	399,049,909	31,202,592,606

STAFF RETIREMENT BENEFITS - HAZERO					
Description	Pension obligations	Free life annuity	Medical benefits	Compensated absences	Total
	30 June 2024	30 June 2023	30 June 2024	30 June 2023	30 June 2023
					Rupees

Reconciliation of payable to defined benefit plan

Charged till date (Progressive)	10,564,782,160	874,080,093	374,247,602	539,276,519	12,352,386,374
Re-measurement of liability (Progressive)	14,493,203,549	177,051,100	872,142,496	83,901,910	15,624,398,655
Benefits paid till date (Progressive)	(6,674,088,364)	(133,814,307)	(17,374,687)	(52,757,667)	(7,048,035,025)
Present value of defined benefit obligation	18,383,897,345	917,316,886	1,229,015,411	570,420,762	21,100,650,404

Amount recognized in balance sheet is as follows:

Net liability at beginning of the year	15,376,142,947	666,551,381	1,150,757,555	516,736,597	17,650,188,480
Charge for the year	1,523,233,497	89,100,437	156,317,906	89,196,184	1,858,848,024
Re-measurement of liability	2,349,192,668	195,874,742	(77,455,482)	-	2,667,511,928
Benefits paid during the year	(864,671,767)	(34,209,674)	(604,568)	(35,512,019)	(934,993,028)
	18,383,897,345	917,316,886	1,229,015,411	570,420,762	21,100,650,404

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Salaries wages and benefits include the following in respect of defined benefits plans:

Current service cost	129,046,762	10,071,193	9,626,791	1,127,116	149,871,862
Interest cost	1,394,186,735	79,029,244	146,691,115	88,069,068	1,707,976,162
Re-measurement of liability	2,349,192,668	195,874,742	(77,455,482)		2,667,611,928
	<b>3,872,426,165</b>	<b>284,975,179</b>	<b>78,862,424</b>	<b>89,196,184</b>	<b>4,325,459,952</b>

**STAFF RETIREMENT BENEFITS - Remaining PESCO**

Description	Pension obligations	Free electricity	Medical benefits	Compensated absences	Total
	30 June 2023	30 June 2023	30 June 2023	30 June 2023	30 June 2023
	Rupees				

Present value of defined benefit obligation	110,551,943,274	5,772,862,998	7,884,885,927	3,218,142,443	127,427,834,642
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Amount recognized in balance sheet is as follows:

Net liability at beginning of the year	94,082,098,812	4,071,814,461	7,467,756,103	3,089,253,745	108,710,923,120
Charge for the year	11,189,692,253	608,213,228	1,081,458,625	309,853,725	13,189,217,831
Re-measurement of liability	13,062,198,113	1,281,163,311	(655,446,601)		13,687,914,823
Benefits paid during the year	(7,782,045,904)	(188,328,002)	(8,882,200)	(180,965,027)	(8,160,221,133)
	<b>110,551,943,274</b>	<b>5,772,862,998</b>	<b>7,884,885,927</b>	<b>3,218,142,443</b>	<b>127,427,834,642</b>

Salaries wages and benefits include the following in respect of defined benefits plans:

Current service cost	890,669,793	62,584,376	65,290,753	71,047,474	1,089,592,396
Interest cost	10,299,022,460	545,628,852	1,016,167,872	238,806,251	12,099,625,435
Re-measurement of liability	13,062,198,113	1,281,163,311	(655,446,601)		13,687,914,823
	<b>24,251,890,366</b>	<b>1,889,376,539</b>	<b>426,012,024</b>	<b>309,853,725</b>	<b>26,877,132,654</b>

	Notes	PESCO 30 June 2023 Rupees	HAZECO 30 June 2023 Rupees	Remaining PESCO 30 June 2023 Rupees
<b>6 DEFERRED CREDIT</b>				
Deposits by Consumers :				
Balance brought forward		57,758,648,874	49,739,686,852	
Additions during the year		6,802,360,711	6,434,436,348	
		64,561,009,585	56,174,123,200	
Amortization				
- Balance brought forward		(18,536,668,108)	(15,786,766,347)	
- For the year		(2,308,964,609)	(2,015,423,586)	
		(20,845,632,717)	(17,802,189,933)	
		43,715,376,868	38,371,933,267	

6.1 This represents amount received from customers for new connections/construction works. The amount is initially recorded under Trade Payable and transferred to this head once task is completed. The amount is amortized over the life of fixed assets.

	Notes	PESCO 30 June 2023 Rupees	HAZECO 30 June 2023 Rupees	Remaining PESCO 30 June 2023 Rupees
<b>7 CONSUMERS' SECURITY DEPOSITS</b>				
Consumers' security deposits	7.1	6,793,519,936	5,397,948,646	
		6,793,519,936	5,397,948,646	

7.1 These represent security deposits received from consumers at the time of electricity connection and are refundable / adjustable on disconnection of electricity supply. This amount has been kept in a separate bank account.

	Notes	PESCO 30 June 2023 Rupees	HAZECO 30 June 2023 Rupees	Remaining PESCO 30 June 2023 Rupees
<b>8 TRADE AND OTHER PAYABLES</b>				
Associated undertakings - unsecured	8.1	449,848,408,370	449,633,487,735	
Trade creditors payable		5,943,087,759	5,943,087,759	
		455,791,496,129	455,576,575,494	
Receipt against deposit work		27,461,559,119	24,243,685,166	
Realized :				
Electricity duty		116,489,005	116,489,005	
Professional Tax		454,650	454,650	
Income tax withheld		691,058,323	691,058,323	
TV License fee payable		49,588,170	35,949,274	
Neelum Jhelum surcharge Payable		876,600,465	705,394,581	
Equalization surcharge payable		779,668,867	535,944,629	
Finance Cost surcharge Payable		2,046,273,842	1,533,288,803	
UOS/Tariff Rationalization Surcharge Payable		1,020,886,105	702,992,987	
General sales tax		468,782,630	468,782,630	
		6,049,802,057	4,790,354,882	

	Notes	PESCO 30 June 2023 Rupees	HAZECO 30 June 2022 Rupees	Remaining PESCO 30 June 2023 Rupees
<b>Un - Realized</b>				
Electricity duty		1,847,365,004	1,775,463,630	
Income tax		1,546,549,826	1,440,479,711	
TV license fee		1,340,835,194	1,277,115,332	
Neelum Jhelum surcharge		1,299,466,427	988,545,602	
Equalization surcharge		225,319,515	163,275,666	
Extra Tax		73,930,373	68,643,900	
Further Tax		40,512,811	39,327,464	
Sales Tax 2014		23,107,277	20,475,066	
Tax under 235-A		97,440,043	85,820,042	
Finance Cost surcharge		6,431,643,659	4,487,888,379	
U.O.S/Tariff Rationalization		222,310,384	147,922,626	
Surcharge		4,424,892,705	4,012,793,380	
General sales tax		17,573,373,218	14,487,750,798	

#### Other Liabilities and Retentions :

Employees shares in fund	9,461,941	8,887,746
Accrued liabilities	2,385,418,408	2,342,872,336
Retention money - contractors / suppliers	651,225,334	651,225,334
Capital contribution awaiting connections	2,083,998,614	1,787,528,617
Other liabilities	126,857,742	126,857,742
	5,256,962,039	4,917,371,775
	512,133,192,562	504,015,738,115

#### 8.1 Creditors - associated undertakings

Central Power Purchasing Agency	449,380,274,013	449,165,353,378
FESCO	-	-
National Trans: & Despatch Company	-	-
MEPCO	455,930,995	455,930,995
Pakistan Electric Power Company	12,203,362	12,203,362
	449,848,408,370	449,633,487,735

#### 9 ACCRUED MARKUP

Markup on ADB loans	3,522,447,097	3,522,447,097
ERRA	198,122,738	198,122,738
Electrification work at Chitral	12,930,000	12,930,000
132 KV Grid system Chitral	23,087,800	23,087,800
Evaction of Power from Swabi	8,986,000	8,986,000
Supply of Power to Rasahki	18,992,400	18,992,400
Supply of Power to Hattar	6,496,700	-
	3,791,062,735	3,784,566,035

#### 10 CONTINGENCIES AND COMMITMENTS

There is no material contingencies as at the end of the period and as at June 30, 2023.(2022: Nil)

petty, plant and equipment  
rating fixed assets  
total work in progress

Notes	PESCO 30 June 2023 Rupees	Remaining PESCO. 30 June 2023 Rupees
11.1	78,828,588,381	66,601,236,718
	37,384,268,088	31,312,149,127
	116,012,851,449	97,913,385,845

ST	Balance as at 30.06.2022	Balance as at 30.06.2023	Balance as at 30.06.2022	Balance as at 30.06.2023	Balance as at 30.06.2022	Balance as at 30.06.2023	Balance as at 30.06.2022	Balance as at 30.06.2023	Balance as at 30.06.2022	Balance as at 30.06.2023
Balance as at 30.06.2022	1,115,579,303	878,400	3,838,237,285	99,618,583,729	759,515,330	53,235,232	1,176,661,335	922,158,014	107,484,848,628	
Balance as at 30.06.2023	243,904,110	-	232,867,017	13,567,712,172	47,198,124	6,227,444	140,082,797	227,832,527	665,345,002	13,800,579,189
Balance as at 30.06.2022	1,359,483,413	878,400	4,071,104,302	113,186,295,901	806,713,454	59,462,676	1,316,744,132	1,150,090,541	121,950,772,819	
Balance as at 30.06.2023	214,920,635	-	936,782,012	36,433,945,197	443,604,695	41,116,397	733,596,780	522,676,276	39,326,641,992	
Balance as at 30.06.2022	-	-	84,323,229	3,866,651,999	64,577,588	7,465,070	72,013,462	115,431,752	4,210,463,100	
Balance as at 30.06.2023	-	-	1,021,105,241	40,300,597,196	508,182,283	48,581,467	805,610,242	638,108,028	43,537,105,092	
Balance as at 30.06.2023	1,359,483,413	878,400	3,049,999,061	72,885,898,705	298,531,171	10,881,209	511,133,890	511,882,513	78,413,667,727	

ST	Balance as at 30.06.2022	Balance as at 30.06.2023	Balance as at 30.06.2022	Balance as at 30.06.2023	Balance as at 30.06.2022	Balance as at 30.06.2023	Balance as at 30.06.2022	Balance as at 30.06.2023	Balance as at 30.06.2022	Balance as at 30.06.2023
Balance as at 30.06.2022	130,872,166	-	743,230,022	16,343,167,681	36,912,201	6,558,807	169,343,007	64,112,495	107,484,848,628	
Balance as at 30.06.2023	127,258,807	-	39,589,704	1,733,331,577	5,782,000		12,457,172	23,313,540	665,345,002	13,800,579,189
Balance as at 30.06.2022	258,130,973	-	782,819,726	18,076,499,258	42,694,201	6,558,807	181,800,179	87,426,035	121,950,772,819	
Balance as at 30.06.2023	-	-	172,306,714	6,435,610,032	20,998,908	4,354,115	94,181,941	27,035,412	39,326,641,992	
Balance as at 30.06.2022	-	-	16,200,235	614,812,465	3,691,220	391,755	12,101,139	7,893,600	4,210,463,100	
Balance as at 30.06.2023	-	-	187,506,948	7,050,422,497	24,690,128	4,745,871	106,283,080	34,920,012	43,537,105,092	
Balance as at 30.06.2023	258,130,973	-	595,312,777	11,026,076,761	18,004,073	1,812,936	76,517,099	62,497,023	78,413,667,727	

ST	Balance as at 30.06.2022	Balance as at 30.06.2023	Balance as at 30.06.2022	Balance as at 30.06.2023	Balance as at 30.06.2022	Balance as at 30.06.2023	Balance as at 30.06.2022	Balance as at 30.06.2023	Balance as at 30.06.2022	Balance as at 30.06.2023
Balance as at 30.06.2022	984,707,137	878,400	3,095,007,263	83,275,416,048	722,603,129	46,678,425	1,007,318,328	858,045,519	89,990,652,249	
Balance as at 30.06.2023	116,845,303	-	(39,589,704)	(1,733,331,577)	41,416,124	6,227,444	127,625,625	204,618,987	(1,276,387,797)	13,800,579,189
Balance as at 30.06.2022	1,101,352,440	878,400	3,288,284,576	95,109,796,643	764,019,253	52,903,869	1,134,943,953	1,062,664,506	102,514,843,640	
Balance as at 30.06.2023	214,920,635	-	764,476,298	29,998,335,165	422,605,787	36,762,262	639,414,839	495,840,864	32,572,154,870	
Balance as at 30.06.2022	-	-	69,122,994	3,251,839,534	60,885,368	7,073,315	59,912,323	107,538,152	3,556,372,686	
Balance as at 30.06.2023	-	-	833,598,293	33,250,174,699	483,492,155	43,835,595	699,327,162	603,179,016	36,128,527,556	
Balance as at 30.06.2023	1,101,352,440	878,400	2,454,686,284	61,859,621,944	280,527,088	9,088,273	435,616,791	459,485,490	66,386,316,084	

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	Notes	PESCO 30 June 2023 Rupees	HAZECO 30 June 2023 Rupees	Remaining PESCO 30 June 2023 Rupees
<b>12 LONG TERM LOANS - considered good</b>				
House Building Advance		1,011,385		994,930.00
Purchase of Plot		29,580		28,128
		1,040,965		1,023,058
Current maturity of long term loans		(331,632)		(321,632)
		709,333		701,426

**13 STORES, SPARE PARTS AND LOOSE TOOLS**

Stores		11,252,209,586		9,989,664,239
Provision for obsolete stores		(4,968,483)		(4,968,483)
		11,247,241,103		9,984,695,756

**14 TRADE DEBTS**

Sale of electricity	14.1	58,604,101,410		49,239,441,730
Government levies and other charges	14.2	39,016,236,156		35,196,126,322
Secured and considered good		97,620,337,566		84,435,568,052
Considered doubtful		102,952,001,380		101,139,523,378
		200,572,338,946		185,575,091,430
Less: Provision for doubtful debts		(102,952,001,380)		(101,139,523,378)
		97,620,337,566		84,435,568,052

14.1 Trade debts are secured to the extent of corresponding consumers' security deposits against electricity connection.

	Notes	PESCO 30 June 2023 Rupees	HAZECO 30 June 2023 Rupees	Remaining PESCO 30 June 2023 Rupees
<b>14.2 Trade debts - Government levies and other charges</b>				
Electricity Duty Receivable-E/Bills		1,847,365,004		1,775,463,630
Income Tax Recivable-E/Bills		1,546,549,826		1,440,479,711
G.S.T Recivable		25,337,238,893		24,265,503,248
T.V Fee Recivable		1,340,835,194		1,277,115,332
Neelum Jehlum S/c Receivable		1,299,466,427		968,545,602
Equalization S/c Receivable		225,319,515		163,275,666
Extra Tax Receivable		373,411,646		331,851,427
Further Tax Receivable		186,902,695		151,579,065
Sales Tax 2014 Receivable		107,568,766		100,497,490
Tax under 235-A Receivable		95,849,462		84,726,391
Tax under 235-B Receivable		1,590,581		1,093,651
FC Surcharge Receivable		6,431,643,659		4,487,888,379
U.O.S/Tariff Rationalization				
Surcharge Receivable		222,310,384		147,922,626
Additional tax		184,104		184,104
		39,016,236,156		35,196,126,322



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	Notes	PESCO 30 June 2023 Rupees	HAZECO 30 June 2023 Rupees	Remaining PESCO 30 June 2023 Rupees
<b>15 LOANS AND ADVANCES - considered good</b>				
Current portion of long term loans - considered good		331,632	331,632	321,632
Advance to supplier - considered good		256,091,464	256,091,464	255,832,381
Advance income tax		2,714,320,774	2,714,320,774	2,714,320,774
Advance Sales tax		50,000,000	50,000,000	50,000,000
Advance general sales tax spillover		616,458,341	616,458,341	616,458,341
Advance extra tax spillover		27,508,740	27,508,740	27,508,740
Advance further tax spillover		10,456,340	10,456,340	10,456,340
Withholding Taxes at-source				
Advances for expenses	15.1	57,121,357	57,121,357	52,038,445
		<u>3,732,288,648</u>	<u>3,732,288,648</u>	<u>3,726,936,653</u>

**15.1 Advances for expenses**

Advance for Travelling Expenses	9,365,822	8,622,542
Advance against Other Expenses	47,755,535	43,415,903
	<u>57,121,357</u>	<u>52,038,445</u>

**16 OTHER RECEIVABLES - considered good**

Due from WAPDA and associated undertakings-net	16.1	49,981,168,816	49,723,210,248
Sales tax receivable - net		43,182,161,128	43,182,152,789
Pension receivable from associated undertakings		3,735,248,779	3,735,248,779
Others receivables net		7,289,507	7,289,507
		<u>96,905,868,230</u>	<u>96,647,901,323</u>

**16.1 Due from WAPDA and associated undertakings - net**

WAPDA Welfare Fund	695,245,070	598,366,091
WAPDA	944,119,146	783,039,557
GENCO-1	882,477	882,477
GENCO-2	6,538,699	6,538,699
GENCO-3	8,157,053	8,157,053
GENCO-4	1,678,430	1,678,430
NTDC	764,145,957	764,145,957
LESCO	10,893,487	10,893,487
FESCO	16,576,302	16,576,302
QESCO	84,068,245	84,068,245
GEPCO	11,319,697	11,319,697
IESCO	486,872,291	486,872,291
HESCO	4,726,208	4,726,208
TESCO	46,943,948,099	46,943,948,099
SEPCO	1,997,655	1,997,655
	<u>49,981,168,816</u>	<u>49,723,210,248</u>

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16.1.1 Due from WAPDA and associated undertakings are unsecured and do not carry interest.

# 17 Receivable from Government of Pakistan (Ministry of Finance)

This represents subsidy receivable from Ministry of Finance as per detail below:

	PESCO	Remaining PESCO
Notes	30 June 2023 Rupees	30 June 2023 Rupees
Opening balance as at 1 July	42,901,199,260	38,291,195,337
Tariff differential subsidy recognized during the year	32,833,116,356	32,833,116,356
Industrial Support Package		
Zero Rated Claims	818,214,607	818,214,607
Kissan Package Subsidy	23,008,879	23,008,879
Credit note adjusted	(50,484,474,772)	(45,874,470,849)
	<u>26,091,064,330</u>	<u>26,091,064,330</u>

# 18 BANK BALANCES

Cash at bank	10,256,838,629	8,828,136,747
	<u>10,256,838,629</u>	<u>8,828,136,747</u>

	PESCO	Remaining PESCO
Notes	30 June 2023 Rupees	30 June 2023 Rupees
19 SALE OF ELECTRICITY		
Sale of electricity	272,160,112,275	214,338,108,731
Tariff Differential Subsidy		
Less: Sales tax	(31,936,295,463)	(31,936,295,463)
Net sale of electricity	<u>240,223,816,812</u>	<u>182,401,813,268</u>
Subsidy from the Government of Pakistan (GoP) on sale of electricity	39,271,580,895	30,347,593,703
	<u>279,495,397,707</u>	<u>212,749,406,971</u>

# 20 COST OF ELECTRICITY:

Central Power Purchase Agency	317,624,007,678	259,733,018,944
Market Operations Agency Fee	121,253,663	121,253,663
Inadmissible Sales Tax on Supplies	4,818,563,134	4,818,563,134
	<u>322,563,824,475</u>	<u>264,672,835,741</u>

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	PESCO 30 June 2023 Notes Rupees	HAZECO 30 June 2023 Rupees	Remaining PESCO 30 June 2023 Rupees
<b>21 OTHER OPERATING COST EXCLUDING DEPRECIATION</b>			
Salaries, wages and other benefits	27,686,971,304		22,891,789,879
Repairs and maintenance	1,018,027,862		862,409,699
Rent, rates and taxes	85,163,645		73,016,443
Power, light and water	87,286,082		75,161,320
Postage and telephone	43,615,571		36,935,769
Office supplies and other expenses	625,584,932		560,544,627
Travelling Allowance	324,358,902		266,555,260
Transportation Expenses	272,188,060		206,297,523
Insurance expense	27,460,000		24,714,000
Electricity bill collection charges	216,420,351		192,625,811
Legal and professional charges	58,802,222		53,597,261
NEPRA fee and charges	98,074,471		88,267,024
PITC Charges	81,281,755		73,153,580
Auditor's remuneration	950,000		855,000
Advertisement and publicity	5,640,238		4,286,807
Provision for doubtful debts	10,913,946,930		10,558,163,929
Directors fee	14,923,427		13,431,084
Miscellaneous expenses	19,294,755		15,993,906
	<u>41,579,990,507</u>		<u>35,997,798,919</u>
<b>22 RENTAL AND SERVICE INCOME</b>			
Meter rent	38,661,805		30,273,323
Public lighting	1,538,866		1,277,990
Service rent	1,440,513		1,189,868
Connection / Reconnection fees	10,844,722		8,735,763
	<u>52,485,906</u>		<u>41,476,944</u>
<b>23 OTHER INCOME</b>			
Profit on bank deposits	1,503,380,463		1,503,380,463
Sale of scrap	139,627,036		139,627,036
Late payment surcharge	5,363,891,540		4,781,877,535
Wheeling charges from TESCO	2,098,487,876		2,098,487,876
Miscellaneous	1,016,318,453		957,230,537
	<u>10,121,705,368</u>		<u>9,480,603,447</u>
<b>24 FINANCE COST</b>			
Markup on ADB Loans	584,697,755		584,697,755
ERRA	18,002,472		18,002,472
Bank charges	3,488,434		3,339,870
Exchange Loss	459,711,153		459,711,153
	<u>1,065,899,814</u>		<u>1,065,751,250</u>
<b>25 TAXATION</b>			
Current Tax	3,145,518,170		3,145,518,170
Prior year	7,666,108		7,666,108
	<u>3,153,184,278</u>		<u>3,153,184,278</u>

CHIEF EXECUTIVE OFFICER

DIRECTOR

## **Annex – I**

# **REPORT OF HR COMMITTEE CONSTITUTED FOR OPERATIONALIZATION OF HAZECO**

## REPORT OF HR COMMITTEE CONSTITUTED FOR OPERATIONALIZATIONAL OF HAZECO

### INTRODUCTION

A committee comprising of the following officers was constituted by the competent authority in accordance with minutes of meeting of the committee held on 17<sup>th</sup> November, 2023 at PPMC, Islamabad for effective and efficient manpower transition from PESCO to HAZECO:

- |   |          |
|---|----------|
| a. Mr. Saghir Ahmad,<br>GM HR PPMC        | Convener |
| b. Mr. Sardar Sajid Nawaz,<br>DG HR PESCO | Member   |
| c. Mr. Siab Ahmad,<br>Manager (HR), PESCO | Member   |

### TERM OF REFERENCE

The Terms of Reference (TOR) of the above referred HR Committee were as under:

- i) Development of Organogram of HAZECO
- ii) Manpower Transition from PESCO to HAZECO including;
  - a. Identification of employees for allocation to HAZECO
  - b. Complete plan of allocation of employees to HAZECO
  - c. Development of offer of appointment to be issued to allocated employees to HAZECO
- iii) Plan for distribution of resources, including vehicles, physical assets etc.
- iv) Preparation of draft HR policies
- v) Plan for transfer of all record relating to HR, including personal files, inquiry files etc.
- vi) Transfer of all record relating to vehicles and physical assets
- vii) Mechanism for transfer of pension liabilities

## BACKGROUND AND PROCEEDINGS

Ministry of Energy (Power Division) vide notification No. 12(24)/202019-DISCO-II dated 18/01/2023 has conveyed approval of the Prime Minister for establishment of HAZECO and bifurcation of PESCO for its better management and increase in operational efficiency.

Accordingly, Ministry of Energy (Power Division) vide office order No.12 (24)/2018-DISCO-I dated 03/02/2023 has constituted a committee for finalization of matters related to bifurcation of PESCO and incorporation of HAZECO.

The Committee in its meeting held on 17<sup>th</sup> November, 2023, deliberated the process of establishment of HAZECO and steps required for commencement of its operations. Further, the said committee finalized various recommendations to complete the transition process efficiently & effectively. Accordingly, the HR Committee conducted two meetings in the office of the convener to discuss and examine the existing as well as future requirements of Human Resources, vehicles, preparation of HR Policies as per TORs. The committee deliberated the points referred in TOR at length, which is reflected below:

### i) Development of Organogram of HAZECO

The Committee has developed the organogram for various functions & departments of HAZECO, which is annexed per detail given below:

- a. Organogram for HAZECO HQ (Annexure-A)
- b. Organogram for Technical Directorate (Annexure-A/1)
- c. Organogram for Operation Directorate (Annexure-A/2)
- d. Organogram for Customer Services Directorate (Annexure-A/3)
- e. Organogram for MIRAD (Annexure-A/4)
- f. Organogram for HR & Admin Directorate (Annexure-A/5)
- g. Organogram for Finance Directorate (Annexure-A/6)
- h. Organogram for Internal Audit Department (Annexure-A/6)

In the first stage, proposed positions of C level officers will be as under:

Name of Position	No. of Positions	Status	Remuneration
Chief Executive Officer	1	On contract	Market based salary
Chief Financial Officer	1	On contract	Market based salary
Chief Commercial Officer	1	On contract	Market based salary

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Chief Human Resource	1	On contract	Market based salary
Chief Technical Officer	1	On contract	Market based salary
Chief Operating Officer	1	On contract	Market based salary
Company Secretary	1	On contract	Market based salary

The remaining organization structure will be considered and approved by BoD HAZECO at second stage.

The committee propose that after bifurcation of PESCO into HAZECO by Ministry of Energy vide letter referred above, and subsequent posting orders of employees issued by PESCO from time to time till formal operationalization of HAZECO, the employees of PESCO posted within the territorial limits/ jurisdiction of (newly created company) HAZECO, shall deemed to be transferred to HAZECO, for all service intents and purposes.

#### Human Resources Status

The current/existing formation wise status of employees working in HAZECO is as under:

Circle	Sanctioned	Working	Vacant
SE Opr Hazara I Circle	2205	985	1220
SE Opr Hazara II Circle	1304	562	742
DM MIS PESCO Computer Centre Abbottabad	45	24	21
AM Field Store Abbottabad, Haripur, Mansehra	72	24	48
XEN Construction Division Abbottabad	198	47	151
XEN SS&TL Abbottabad	503	224	279
SDO Grid Construction S/Div Abbottabad	75	13	62
XEN M&T Abbottabad	28	6	22
Incharge Circle Training Centre Abbottabad	10	3	7
Total	4440	1888	2552

Existing manpower status (category wise) of employees under operational jurisdiction of HAZECO is as under:

Sr#	Nomenclature of Post/Design	BPS	Sanctioned	Working	Vacant
1	S.E. ( Op:)	19	2	2	0
2	Dy: Dir Tech:	18	2	2	0
3	Dy: Manager M&T	18	1	1	0
4	Dy: Manager MIS	18	1	1	0

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49	Junior Store Keeper	14	3	3	1	0
50	L.S.-II	14	138		58	80
51	Lab Assistant	14	4		1	3
52	LPM-II	14	4		7	-3
53	MRS-I	14	11		2	9
54	PC Operator	14	9		0	9
55	SSO-II	14	29		19	10
56	Steno Grade-II	14	15		0	15
57	Sub Engineer	14	1		2	-1
58	Test Asstt:	14	3		1	2
59	A.D.M	13	2		2	0
60	Cable Joiner	13	1		0	1
61	Filter-I	11	4		2	2
62	L.M.I	11	348		293	55
63	MRS-II	11	28		13	15
64	Senior Clerk	11	49		14	35
65	Store Clerk	11	6		0	6
66	Work Supervisor	11	1		0	1
67	Winder	10	0		1	-1
68	Electrician-II	9	1		0	1
69	Filter-II	9	17		2	15
70	J.Clerk W/S:	9	113		23	90
71	J/Clerk Comli	9	22		2	20
72	L.M.-II	9	355		233	122
73	Meter Mechanic	9	4		0	4
74	Meter Reader	9	435		260	175
75	SSA	9	24		13	11
76	Surveyor	9	1		1	0
77	Tracer	9	22		0	22
78	Security Sergeant	8	14		7	7
79	ALM	7	1052		449	603
80	ASSA	7	71		59	12
81	Auditor	7	26		0	26
82	Bill Distributor	7	224		29	195
83	Driver	7	112		50	62
84	Electrician	7	1		0	1
85	Gate Clerk	7	3		2	1
86	Helper	7	7		2	5
87	Legal Clerk	7	4		0	4
88	Security Guard	6	247		58	189
89	Blacksmith	5	2		0	2
90	Meter Helper	5	6		0	6
91	T.W.O	5	4		2	2
92	Turner	5	0		1	-1



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93	Welder	5	1	0	1
94	Daftari	4	8	0	8
95	Cleaner	3	17	2	15
96	Store Helper	3	15	4	11
97	Bearer	2	0	1	-1
98	Khalasi	2	5	0	5
99	Chowkidar	1	46	2	44
100	Bhalmed	1	2	0	2
101	Mali	1	37	8	29
102	Naib Qasid	1	129	42	87
103	Sweeper	1	80	15	65
Grand Total			4440	1888	2552

### Employment Status

Summary of employment status of employees working in HAZECO is as under:

S.No	Service Status	Total Number of Employees
1	Regular	1444
2	Lump Sum	385
3	Contractual	33
4	Part Time Workers	23
5	Deputationists	02
6	Daily Wage	01

### Hazara Division Domiciled Employees

Hazara Division Domiciled employees working in HAZECO as well as PESCO is as under:

Domicile	HAZARA Division Domiciled Employee working in HAZECO	HAZARA Domiciled Employee working in PESCO	Total
Abbottabad	619	10	629
Battagram	40	3	43
Ghazi	1	0	1
Haripur	401	4	405
Havelian	1	0	1
Kohistan	6	19	25
Mansehra	558	4	562
Torghar	3	0	3
Total	1629	40	1669

# Overall Domiciled Wise Data of Employees in HAZECO

Overall summary of domicile wise data of employees working in HAZECO is as under:

S.No	Domicile	Number of Employees
1	Abbottabad	619
2	AJK	4
3	Attock	14
4	Bagh (AJK)	1
5	Bahawal Nagar	1
6	Bahawalpur	1
7	Bannu	13
8	Battagram	40
9	Bhimber (AJK)	1
10	Chakwal	2
11	Charsadda	27
12	D.I.Khan	4
13	Diamir	1
14	Dir	3
15	Faisalabad	2
16	Fateh	2
17	Fateh Jhang	1
18	Federal	1
19	Ghazi	1
20	Gilgit	1
21	Gujranwala	3
22	Hafizabad	1
23	Hangu	2
24	Haripur	401
25	Havelian	1
26	Hyderabad	1
27	Islamabad	1
28	Jhang	2
29	JHELUM	1
30	Karachi	1
31	Karak	9
32	Kasur	1
33	Khanawal Punjab	1
34	KHYBER AGENCY	1
35	Kohat	10
36	Kohistan	6
37	Kurram	1
38	Lahore	4
39	Lakki Marwat	10
40	Lower Dir	2
41	Majekand	3

After approval of organogram and finalization of category wise sanctioned strength of employees, the management of HAZECO may seek option from the employees, whose seniority is being maintained at PBSOCO level, for their posting in HAZECO. After submission of their option, seniority such employees shall be maintained and

### Option-I

operandi:

a) Complete plan of allocation of employees in HAZECO. The exact requirement of staffing in HAZECO shall be determined after finalization of organogram and sanctioned strength of staff by the Ministry of Energy (Power Division) or PPMC Islamabad. However, the management of HAZECO may adopt following modus

of HAZECO.

This transition process shall be started and completed immediately after operationalization

Keeping in view the above, it is recommended that after establishment/ functioning of HAZECO, new company offer of employment shall be issued to all employees working in jurisdiction of HAZECO. If an employee fails to accept the offer of employment up to the specific deadline, then he/she be transferred back to PBSOCO.

Total		1888
42	Mahkand Ag	1
43	Manshara	558
44	Mardan	38
45	Mian Wali	1
46	Mirpur Khass	1
47	Muzaffarabad (AJK)	4
48	Mankana	1
49	Noroyal	1
50	Nowshera	22
51	Nowshera Feroz Sindh	1
52	Peshawar	21
53	Quetta	2
54	Rahim Yar Khan	1
55	Rawalpindi	7
56	Sindh Rural	1
57	Swabi	22
58	Swat	2
59	Torghar	3

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reckoned at HAZECO as per their original seniority of PESCO. It will provide an opportunity to the officers, who are senior on their cadre and seniority list to be considered for promotion.

**Option-2**

Based on the requirement and availability of vacant positions, the management of HAZECO may fill the vacant position by opening and allowing "Local Deputation to employees of other Distribution Companies"

**Option-3**

In case, the above were not fruitful, then critical vacancies may be filled in from open market through advertisement. Similarly, the competent authority may also outsource non-core business like janitorial services, security services, naib gasids, etc subject to completion of all codal formalities as required under the law.

**b) Development of offer of appointment HAZECO**

Company Employment Offer has been drafted, and appended as Annexure-B

**iii) Plan for distribution of resources, including vehicles, physical assets etc.**

Summary of vehicles including on-road and off road vehicles under the jurisdiction of HAZECO is as under:

S.No.	Formation	Authorized	On Road	Off Road
1	Hazara Circle-I	70	41	12
2	Hazara Circle-II	58	31	3
3	SS&TL Division A/Abad	10	8	2
4	XEN GSC A/Abad	4	4	-
5	XEN (Construction) Hazara	22	22	-
6	M&T Hazara	1	1	-
7	Stores A/Abad, Haripur, & Mansehra	6	6	-
	<b>Total</b>	<b>171</b>	<b>113</b>	<b>17</b>

Office wise details along with make/type, registration No, and Model number is as under:

S.No.	Attached with	Make/Type	Regist: No	Model	Status
1	DCM	Suzuki Van	BD-1914	2014	On Road
2	S.E.	Toyota D/Door	A-1549	2011	On Road
3	City Division.	Toyota Hilux STD 520	0182-4	2014	On Road
4	City-I S/Division	Shah Zore	B-4890	2003	On Road
5	City-II S/Div	Suzuki pick up	D-4801	2013	On Road
6	City S/Division	Toyota Pick Up	B-4805	2006	On Road
7	Havelian-I	Pothar Jeep	B-4746	2005	On Road
8	Havelian-II	Suzuki Jeep	MA-8283	1990	On Road
9	Lora Chowk	Shah Zore	B-3715	1992	On Road
10	City S/Division.	Mazda School Van	ADA-1110	1993	On Road
11	F.I.U	M/Cycle Honda CD-70	CEP-2941	2013	On Road
12	PCC A/Abad	Pothar Jeep	B-1576	2004	On Road
13	Havelian-II	Toyota Pick Up	AB-3439	2020	On road
14	Lora Chowk	Toyota Pick Up	AB-3446	2020	On road
15	Havelian-I	ShahZore	AB-4824	2022	On road
16	Havelian-I	Master Truck	D-2966	2002	Off Road
17	Lora Chowk	Mitsubishi	B-5597	1997	Off road
18	Lora Chowk	Suzuki Pick Up	B-4460	2002	Off road
19	Lora Chowk	Suzuki Pick Jeep	ADA-1026	1990	Off road
20	Shimla Hill	Motor Cycle	ADA-4648	1992	Off road
21	City-I A/Abad	Motor Cycle	ADA-4649	1996	Off road
22	S/Hill S/Div	Shah Zore	B-4571	2002	Off Road
23	XEN	Kia Sportage Jeep	A-1401	2005	On Road
24	XEN	Hino Truck	B-5327	1987	On Road
25	SDO J/Abad-II	Suzuki Pickup	B-4603	2004	On Road
26	SDO J/Abad-II	Toyota Pickup	AB-3486	2020	On Road
27	SDO J/Abad-I	Toyota Pickup	A-1615	2015	On Road
28	SDO (P) Dhamtour	Hyundai Shahzore	B-4329	2002	Off Road
29	SDO (P) Lora.	Toyota Pickup	B-4673	2005	On Road
30	SDO (P) N/Sher	Suzuki Pick-up	B-4127	2002	On Road
31	SDO (P) N/Gali	Suzuki Pick-up	D-4784	2013	On Road
32	SDO Jinnah abad-II	RHD ISUZU Truck Bucket Crane	GAA-551	2022	On Road
33	SDO N/Sher	Hyundai	AB-4828	2021	On Road
34	SDO Nathia gali	Hyundai	AB-4871	2021	On Road
35	Divisional Office	Toyota Pick Up	AB-3467	2020	On Road
36	SDO KTS	Suzuki Jeep	R-5082	2005	on Road
37	SDO TIP	Toyota Pick Up	B-3086	2014	On Road
38	SDO TIP	Toyota Pick Up	B-1537	1995	On Road
39	SDO City	Toyota Pick Up	ADA-8408	1986	On Road
40	SDO City	Toyota Pick Up	AB-3451	2020	On Road
41	SDO Khanpur	Suzuki Pick Up	B-3099	2014	On Road

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42	SDO Khanpur	Hyundai/Pik-up	B-1381	2002	On Road
43	SDO Khanpur	Toyota Pick Up	AB-3475	2020	On Road
44	SDO SNK	Toyota single cabin	A-0004	2008	On Road
45	SDO Mang	Toyota Pick Up	AB-3459	2020	On Road
46	TIP S/Division	Mistu: Mini Truck	B-1355	1997	Off Road
47	SDO TIP	Nissan Pick-up	ADB-1669	1986	Off Road
48	Ghazi	Toyota Pick Up	AB-3448	2020	On Road
49	Hattar	Shehzore	AB-4836	2020	On Road
50	KTS	Shahzore	B-1380	2002	On Road
51	Hattar	Toyota Pick Up	0050	2016	On Road
52	Ghazi	Shahzore	HRB-1843	2006	On Road
53	Divisional Office	Toyota Hilux	A-1195	2014	On Road
54	S.E.	Toyota Hi-Lux D/Cabin	BD-4965	2016	On Road
55	Dy: Director Technical	Suzuki Jeep	B-1450	2004	On Road
56	Dy: Commercial Manager	Suzuki Van	BD-1943	2014	On Road
57	XEN	Toyota Hilux	B-4791	2014	On Road
58	XEN	Bucket Mounted Vehicle	GAA-748	2022	On Road
59	XEN	Bedford Truck	ADA-2278	1980	On Road
60	SDO City S/Div: Mansehra	Shehzor Hyundai	B-1974	2001	On Road
61	SDO City S/Div: Mansehra	Hyundai Pick-Up	AB-4725	2022	On Road
62	SDO Khaki	Toyota Pickup	B-2138	2005	On Road
63	SDO Khaki	Hyundai Pickup	AB-4812	2022	On Road
64	SDO Balakot	Mitsubishi Pickup	B-3709	2007	On Road
65	SDO Ghari Habib Ullah	Suzuki Ravi Pickup	3283	2015	On Road
66	SDO Ghari Habib Ullah	Hyundai Pickup	AB-4827	2022	On Road
67	SDO Ghazikot	Toyota Hilux Pickup 4x2	MAB-5032	2015	On Road
68	SDO Ghazikot	Suzuki Pickup	B-2294	2004	On Road
69	XEN	Toyota Hilux Pickup 4x2	BD-4963	2016	On Road
70	SDO Rural S/Div: Mansehra	Hyundai Pickup	AB-4833	2022	On Road
71	SDO Oghi-II S/Divn:	Suzuki Pickup	B-4784	2013	On Road
72	SDO Oghi-II S/Divn:	Toyota Hilux Pickup	AB-3477	2020	On Road
73	SDO Rural S/Div: Mansehra	Suzuki Pickup	MA-B-5087	2014	On Road

74	SDO Oghi-I S/Divn:	Toyota Hi-Ace	BNB-3117	2008	On Road
75	XEN	Mitsubishi D/Cabin Pickup	A-1268	2007	On Road
76	Division Office	Master Truck	B-4554	2007	On Road
77	SDO Shinkari	Toyota Pickup	ADB-4945	1995	On Road
78	SDO Shinkari	Hyundai Pickup	AB-4838	2022	On Road
79	SDO Siran Valley	Suzuki Pickup	MA-4781	2013	On Road
80	SDO Siran Valley	Hyundai Pickup	AB-4830	2022	On Road
81	SDO Baffa	Hyundai Pickup	MAB-1940	2002	On Road
82	SDO Baffa	Suzuki Pickup	B-3284	2013	On Road
83	SDO Battagram	Suzuki Pickup	B-1156	2014	On Road
84	SDO Battagram	Mitsubishi Pickup	SWB-645	1996	On Road
85	SDO Baffa	Hyundai Shahzor	BD-2359	2004	Off Road
86	SDO Siran Valley	Mini Truck	0018	2007	Off Road
87	Rural Sub Division	Toyota Pickup	B-3646	2005	Off Road
88	XEN	Toyota P/UP	A-1584	2011	Repairable
89	XEN	Man Crane Mounted truck	APF-0017	2015	do
90	XEN	Master Truck	D-2803	2008	On Road
91	AET Abbottabad	Toyota P/UP	AB-3454	2020	do
92	AET Abbottabad	Mazda D/Cab P/UP	ADB-4121	1993	Off Road
93	AET Haripur	Mazda P/UP	A-2359	1995	Repairable
94	AET Haripur	Master Mini Truck	B-2272	2007	On Road
95	AET Haripur	Hyundai P/UP	AB-4834	2022	On Road
96	AEM Abbottabad	Toyota Land Cruiser Jeep	IDA-5614	1984	Repairable
97	AEM Abbottabad	Suzuki Bolan	BD-1911	2014	Repairable
98	GC S/D GSC A/Abad	Suzuki Jimny Jeep	BE-1632	2009	On Road
99	GC S/D GSC A/Abad	Nissan P/Up	A-3105	1988	On Road
100	GC S/D GSC A/Abad	Nissan P/Up	A-2342	1986	On Road
101	GC S/D GSC A/Abad	Toyota P/Up	A-2907	1987	On Road
102	XEN Construction Division A/Abad	TOTYOTA PICK-UP (HILUX)	D-5260	2014	ON ROAD
103	SDO A/Abad	SUZUKI JEEP	D-4275	1992	ON ROAD
104	SDO A/Abad	BED FORD TRUCK	MRB-1281	1976	ON ROAD
105	SDO A/Abad	TRUCK CRANE	B-3868	1988	ON ROAD
106	SDO A/Abad	MITSUBISHI MINI TRUCK	B-1948	1998	ON ROAD
107	SDO A/Abad	SUZUKI P/UP	3414	2014	ON ROAD
108	SDO A/Abad	BED FORD TRUCK	A-1263	1985	ON ROAD
109	SDO HARIPUR	Master Truck	1022	2007	ON ROAD

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110	SDO HARIPUR	SUZUKI JEEP	A-1156	1992	ON ROAD
111	SDO HARIPUR	Totota P/Up	R-3901	2005	ON ROAD
112	SDO HARIPUR	Mazda P/UP	2464	1994	ON ROAD
113	SDO HARIPUR	Hundai Shahzoor	2494	2002	ON ROAD
114	SDO MANSEHRA	SUZUKI JEEP	PRA-2682	1984	ON ROAD
115	SDO MANSEHRA	BED FORD TRUCK	AD-453	1985	ON ROAD
116	SDO MANSEHRA	TOYOTA PICK-UP	PRH-3384	1992	ON ROAD
117	SDO MANSEHRA	TOYOTA PICK-UP	M-4487	1979	ON ROAD
118	SDO MANSEHRA	SHAHZORE PICK-UP	NR-0043	2004	ON ROAD
119	SDO MANSEHRA	BED FORD TRUCK	MRB-4724	1976	ON ROAD
120	SDO MANSEHRA	MITSUBISHI MINI TRUCK	SWB-644	1986	ON ROAD
121	SDO MANSEHRA	SUZUKI JEEP	A-1235	1990	ON ROAD
122	SDO MANSEHRA	BED FORD TRUCK	MRB-7453	1967	ON ROAD
123	SDO MANSEHRA	KIA VAN	A-5589	1990	ON ROAD
124	DM Abbottabad	Mazda P/UP	A-1643	2016	On Road
125	Field Store Abbottabad	Mazda Cargo Truck	ADD-3542	2002	On Road
126	Field Store Abbottabad	P/up	ADB-1675	1989	On Road
127	Field Store Abbottabad	Lifter	ADB-1676	1989	On Road
128	Field Store Abbottabad	Mini Truck	AB-4771	2022	On Road
129	Field Store Mansehra	Cargo Truck	B-7141	1998	On Road
130	Field Store Mansehra	Toyotat P/UP	MA-4820	1987	On Road

#### LANDED PROPERTY UNDER JURISDICTION OF HAZECO

The list of land assets in HAZECO is attached as annexures mentioned against each:

- Abstract / summary of total land assets under Hazara-I & Hazara- Circles (Annexure-C)
- Detail of sites / land assets under Hazara-I and Hazara-II Circle (Annexure-C/1)
- List of land assets in Hazara-I & II Circles already transferred in the name of PESCO. (Annexure C/2)
- List of land under process of transfer from ex-owners to PESCO in Hazara-I & II Circles (Annexure-C/3)
- List of court cases pertaining to lands / properties in Hazara-I & Hazara-II Circles (Annexure C/4)



- f. List of leased land assets in possession of PESCO in Khyber Pakhtunkhwa (Hazara-I and II Circles) (Annexure C/5)
- g. List of Pre-WAPDA Land Assets to be transferred To PESCO but pending for approval of Government of Khyber Pakhtunkhwa in Hazara Circle-I & II (Annexure-C/6)
- h. List of Non-Transferable Land Assets in possession of PESCO in Hazara-I & II circles (Annexure-C/7)

For effective and efficient transfer of land assets, HAZECO may engage a Legal Counsel / Property Management Firm for transfer of all landed Assets to the company.

#### **Grid Stations**

Grid stations under the jurisdiction of HAZECO shall be provided by the Technical Committee as per their TORs.

#### **iv) Preparation of Draft HR Policies**

Following draft HR policies have been framed, which is appended herewith per annexures mentioned against each:

- i) Service Regulations of HAZECO-2023 (Annexure-D)
- ii) Schedule-I (Cadre Wise Job specifications) (Annexure-D/1)
- iii) Schedule-II (Promotion Policy) (Annexure-D/2)
- iv) Schedule-III (Code of Conduct) (Annexure-D/3)
- v) Schedule-IV (Leave Rules) (Annexure-D/4)
- vi) Anti-Harassment Policy (Annexure-E)
- vii) Disciplinary Policy (Annexure-F)
- viii) Compensation & Benefits Policy (Annexure-G)
- ix) Employment Policy (Annexure-H)
- x) Health Policy (Annexure-I)
- xi) Learning & Development Policy (Annexure-J)
- xii) Vehicle Management Policy (Annexure-K)
- xiii) Transfer Posting Policy (Annexure-L)
- xiv) HRIS Automated Office Notification Policy (Annexure-M)
- xv) HRIS Profile Locking System (Annexure-N)

- xvi) House Allocation Policy (Annexure-O)
- xvii) Deputation Policy (Annexure-P)
- xviii) Collaborative Office Management System (Annexure-Q)
- xix) Online Attendance Management System (Annexure-R)
- xx) Travel Management Policy (Annexure-S)

- v) Plan for transfer of all record relating to HR, including personal files, inquiry files etc.

The record including, personal files, PERs, seniorities, inquiries, audit record etc. all officers / staff, shall be immediately transferred to HAZECO after operationalization of the company.

- vi) Transfer of all record relating to vehicles and physical assets  
All record relating to vehicles to be handed over to HAZECO immediately after operationalization of HAZECO.

- vii) Mechanism for transfer of pension liabilities

Summary of pensioners drawing pension from HAZECO is as under:

Sr. No	Company	Total Pensioners
1	PESCO	2090
2	IESCO	18
3	CRRK WAPDA	1
4	FESCO	4
5	GEPCO	4
6	HESCO	1
7	LESCO	6
8	PD NEELUM	9
9	TDP WAPDA	72
	Total	2205

### FINDINGS

After detailed deliberations, and keeping in view the future requirements of the company, initial draft has been finalized, subject to final review and revision by the auditors later on, if any.

### CONCLUSION

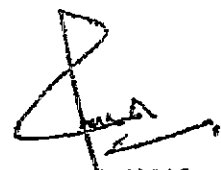
The committee has reached to the conclusion that in compliance of the Terms of Reference (TORs), the assigned tasks has been completed. The main tasks completed include; development of organogram, manpower transition plan, distribution of resources, preparation of the HR policies, transfer of record relating to HR, including personal files, inquiry files etc., and mechanism for transfer of pension liabilities.



Siab Ahmad  
Manager (HR)  
PESCO (Member)

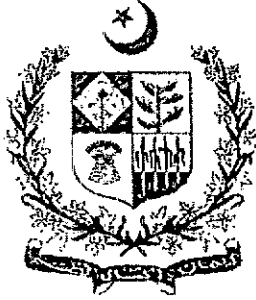


Saghir Ahmad  
General Manager (HR)  
PPMC, Islamabad  
(Convener)



Sardar Sajid Nawaz  
Director General (HR)  
PESCO (Member)

# PROPOSAL FOR BIFURCATION OF PESCO



❖ PESHAWAR ELECTRIC SUPPLY COMPANY (PESCO)

❖ PROPOSED HAZECO

## References:

- Section Officer (ELECTRIC SUPPLY COMPANYS-II) Ministry of Energy (Power Division) Islamabad Letter No. 12 (01) / 2018-ELECTRIC SUPPLY COMPANYS-II dated 09.03.2022
- General Manager (Technical Services) PPMC Islamabad Letter No. 1214-18 dated 10.03.2022
- Addl; Director General (HR) Office Order No. 17833-40 dated: 11.03.2022 regarding constitution of committee.
- Prime Minister office Islamabad Record Note dated: 30.05.2022
- General Manager (Technical Services) PPMC Islamabad Letter No. 1925-27 dated 02.06.2022
- Minutes of Meeting (Held on 17-11-2023 on Bifurcation of PESCO and Establishment of HAZECO )

# PROPOSAL FOR BIFURCATION OF PESCO

## PESHAWAR ELECTRIC SUPPLY COMPANY LIMITED

Phone# 091-9212230  
Fax # 091-9212024

Office of the Chief Executive  
Wapda House, Peshawar

No. 17833-4/Bifurcation of DISCOs

Date: 11/03/2022

### OFFICE ORDER

Subject: DECISION TAKEN IN THE CABINET MEETING HELD ON TUESDAY 21<sup>ST</sup> DECEMBER 2021- BIFURCATION OF LARGE DISCOs

In pursuance of Section Officer (DISCOs-II) Ministry of Energy (Power Division) GoP Islamabad Letter No. 12(01)/2018-DISCOs-II dated 09.03.2022 and General Manager (Technical Services)PPMC Islamabad Letter No. 1214-18 dated 10.03.2022, Chief Executive Officer PESCO Peshawar is pleased to constitute the committee comprising of the following officers for submission of visible proposal for Bifurcation of PESCO.

- |                                       |          |
|---------------------------------------|----------|
| 1. Chief Engineer (P&E) PESCO H/Q     | Convener |
| 2. Chief Commercial Officer PESCO H/Q | Member   |
| 3. Chief Engineer (O&M)T&G PESCO H/Q  | Member   |
| 4. Director General (HR) PESCO H/Q    | Member   |
| 5. Finance Director PESCO H/Q         | Member   |
| ✓ 6. PD GSC PESCO Peshawar            | Member   |
| 7. Manager (MIRAD) PESCO H/Q          | Member   |

  
Addl. Director General (HR)  
PESCO H/Q Peshawar

#### Copy to:

1. Chief Engineer (P&E) PESCO H/Q
2. Chief Commercial Officer PESCO H/Q
3. Chief Engineer (O&M)T&G PESCO H/Q
4. Director General (HR) PESCO H/Q
5. Finance Director PESCO H/Q
6. PD GSC PESCO Peshawar
7. Manager (MIRAD) PESCO H/Q
8. Circulation File.

Alongwith relevant copies of the order and procedure /steps required for the Bifurcation of DISCOs

## PROCEDURES & STEPS REQUIRED FOR BIFURCATION OF DISCO

### 1) Preparation of Working Paper

DISCOs will prepare a comprehensive working paper but not limited to the following activities:

- i) Study of existing of electrical networks of the company viz-a-viz:
  - a. Area of Jurisdiction
  - b. Customer profile
  - c. No. of Employees
  - d. HT/LT networks (Feeders, Average length of feeders, Distribution transformers
  - e. Grid Stations and transmission lines etc
  - f. Commercial parameters like losses, receivables
  - g. Quality of service
- ii) Study of proposed networks after bifurcation
- iii) Study of the CDPs, power sources from where proposed companies can import power
- iv) Load flow studies for ascertaining the stability of proposed networks
- v) Justification of bifurcation
  - a. Loss reduction
  - b. Improvement in recovery
  - c. Reduction in damage rate of distribution of transformers
  - d. Increase in sale of power etc.,
- vi) Benefit cost analysis
- vii) HR setup for the proposed companies
- viii) Man power transition.
- ix) Distribution of assets and liabilities
- x) Proposed location of Headquarters
- xi) Proposed budget approval
- xii) Arrangement for posting of manpower in new companies
- xiii) Allocation of Stores & Assets

### 2) Permission from the Privatization Commission

Permission from the Privatization Commission is required as they plan and implement the transaction for private-sector participation in the management of DISCOs using a concession or management contract model.

# PROPOSAL FOR BIFURCATION OF PESCO

No. 12(01)/2018-DISCOs-II  
GOVERNMENT OF PAKISTAN  
MINISTRY OF ENERGY  
(POWER DIVISION)

GM/TS/PPMC  
11/2  
DATE: 09-03-2022



General Manager  
(Technical Services)

POWER PLANNING AND MONITORING COMPANY (PVT.) LIMITED  
Office # 112, 1<sup>st</sup> Floor, Erasme Trust Complex, Agha Khan Road, Islamabad  
001-9211362, Fax: 001-2726915, Email: gm@ppmc@gmail.com

12/4-18  
10-03-2022

The Managing Director,  
PPMC,  
Islamabad.

09 MAR 2022  
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Islamabad the March 09, 2022

Subject - DECISION TAKEN IN THE CABINET MEETING HELD ON TUESDAY THE 21<sup>ST</sup> DECEMBER, 2021

In pursuance of Cabinet Decision's in case No. 1236/ 42/ 2021 dated 21-12-2022 (Annex-A), this Division notified a Committee vide Notification of even number dated 05-01-2022 (Annex-B) for firming-up and recommending on the viability of bifurcation of large DISCOs, including MEPCO, QESCO, and PESCO. The composition of the Committee is as under: -

- Minister for Energy (Convener)
- Minister for Planning, Development and Special Initiatives
- Minister for Industries & Production
- Minister for Science & Technology
- Advisor to the Prime Minister on Finance & Revenue

2. In order to proceed further, Managing Director, PPMC is requested to constitute a Committee comprising member of MEPCO, QESCO and PESCO for necessary working covering all areas of concerns and suggesting way forward to this Division latest by 31-03-2022 enabling the above Committee to firm-up recommendations regarding the bifurcation of MEPCO, QESCO and PESCO.

Encl: As above

(Naveed Ahmad)  
Section Officer (DISCOs-II)

Copy to:

- DG to the Minister for Energy, Power Division Islamabad.
- SO, to the Secretary, Power Division Islamabad.
- PS to the Additional Secretary-I, Power Division, Islamabad.
- PS to the Sr. Joint Secretary (B&D), Power Division, Islamabad.

- Chief Executive Officer, MEPCO, Multan.
- Chief Executive Officer, PESCO, Peshawar.
- Chief Executive Officer, QESCO, Quetta.

Subject: DECISION TAKEN IN THE CABINET MEETING HELD ON TUESDAY THE 21<sup>ST</sup> DECEMBER 2021 - BIFURCATION OF LARGE DISCOs

Ref: Ministry of Energy (Power Division) letter No.12(01)/2018-DISCOs-II dated March 9, 2022 (copy attached).

1. Section Officer (DISCOs-II) has notified a Committee vide above referred letter in pursuance of Cabinet Decision's case No.1236/42/2021 dated 21.12.2021 for firming-up and recommending on the viability of bifurcation of large DISCOs, including MEPCO, QESCO and PESCO.

2. Further in compliance of above referred letter, a Committee is also being constituted with the approval of MD PPMC comprising of the CEOs of respective DISCOs, all GMs of PPMC, CEO PITC under the convensorship of MD PPMC enabling the main Committee constituted vide above referred letter to firm-up recommendations regarding bifurcation of MEPCO, QESCO and PESCO.

3. In this regard, It is requested to please submit comprehensive proposal / case of bifurcation of your DISCO keeping in view of large geographical spread, customer base, operational complexities etc. as per Procedure and Steps attached with this letter, for processing / scrutiny of the case by the above proposed Committee as mentioned in Para-2 above, for further submission to Ministry of Energy (Power Division) / main Committee.

Encl: As above  
cc:

- Mr. Naveed Ahmad, SO (DISCOs-II), Ministry of Energy (Power Division), Islamabad.
- SO to MD PPMC, Islamabad.

# PROPOSAL FOR BIFURCATION OF PESCO



General Manager  
(Technical Services)

POWER PLANNING AND MONITORING COMPANY (PVT) LIMITED  
Office # 11, 1<sup>st</sup> Floor, Kharan Road Complex, Agha Khan Road, Islamabad  
951-7211002, Fax: 951-7226910, Email: gm@ppmc.com

No. 1945-27 / GM/PSY  
Dated 22.06.2022

Chief Executive Officer,  
PESCO, Peshawar.

Sub: BIFURCATION OF LARGE DISCOs.

Ref: This office letter No.1214-18 dated 10.3.2022, your letter No.CEO/PESCO/162-66/CEP&E dated 30.3.2022 and telephonic discussion dated 01.06.2022.

The proposal received in this office vide your above referred letter has thoroughly been examined and discussed by the committee constituted at PPMC level. It has been desired by the convener of the committee that alternate simulations be also carried out to arrive at most appropriate and viable proposal.

The subject case may please be expedited and additional proposal(s) in light of committee's directions be submitted at the earliest possible to proceed further.

(Engr. Arman Raza Mir)  
General Manager (Technical Services)  
PPMC

cc:

1. GM (HR) PPMC Islamabad.
2. SO to MD PPMC Islamabad.



ODMR  
AMERS / PD (GSC)  
PD  
M

2/0

CE (P&E) / D/H/18/0  
PD 45C  
For kind attention  
11/6/2022

PRIME MINISTER'S OFFICE (PUBLIC)  
ISLAMABAD

SECRET

RECORD NOTE

30<sup>th</sup> May, 2022

Subject: PRIME MINISTER'S VISIT TO MANDEHRA ON 29<sup>TH</sup> MAY, 2022

Prime Minister of Pakistan visited Mandehra on 29<sup>th</sup> May, 2022 and was pleased to make the following announcements.

S. #	Request/Issue	Action by
I.	Establishment of Medical College at Mandehra	> Secretary, M/o National Health Services Regulations and Coordination > Chief Secretary, KPK
II.	Development package worth one billion rupees for the Hazara region	Secretary, M/o Finance Secretary, M/o Planning Development and Special Initiatives
III.	Establishment of Hazara Electric Supply Company	Secretary, M/o Energy (Power Division)

2. All concerned Ministries / Divisions / Departments are requested to take further necessary action for implementation of the above directives as per rules / policy under intimation to this Office at the earliest.

(Nadeem Aslam Chaudhary)  
Additional Secretary-III

- i. Secretary, M/o National Health Services Regulations and Coordination, Islamabad
  - ii. Secretary, M/o Energy (Power Division), Islamabad
  - iii. Secretary, Ministry of Finance, Islamabad
  - iv. Secretary, M/o Planning Development and Special Initiatives, Islamabad
- PM's Office u.o. No. 114/Via/Mandehra/2022/PAU-III/KP dated 30.05.2022

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# PROPOSAL FOR BIFURCATION OF PESCO



## POWER PLANNING AND MONITORING COMPANY

Office # 112, Evacuee Trust Complex, Agha Khan Road, Islamabad  
Tele: 051-9211301, 051-9211302, Fax: 051-2726916, E-mail: gmcspenco@gmail.com

### MINUTES OF MEETING HELD ON 17.11.2023 ON BIFURCATION OF PESCO AND ESTABLISHMENT OF HAZECCO

A meeting was held on 17.11.2023 at 10.00 AM in PPMC Committee Room to formulate a strategic plan aimed at facilitating HAZECCO in initiating its operations as an independent DISCO. The meeting was attended by the following:

- (1) Director BoD HAZECCO
- (2) CEO HAZECCO
- (3) General Manager (R&CO) PPMC
- (4) General Manager (TS) PPMC
- (5) General Manager (HR) PPMC
- (6) CFO PPMC
- (7) Director General (Law) PPMC
- (8) Technical Director/GM (Technical) PESCO
- (9) CFO PESCO
- (10) DG (HR) PESCO
- (11) Mr. Rizwan Faiz, Advocate
- (12) Company Secretary PPMC

The meeting deliberated necessary steps required for the bifurcation of PESCO and the seamless initiation of HAZECCO's operations. The consensus among the participants was that the bifurcation of PESCO and the establishment of HAZECCO should adhere to high professional standards, encompassing all essential legal, administrative, and regulatory prerequisites.

It was informed by reps of PESCO that the data required for bifurcation of PESCO is already completed. It was emphasized that the data necessitates updating upto October 2023. To ensure credibility and mitigate potential conflicts or objections from stakeholders in the future, it was suggested to authenticate this data through a third-party audit firm.

It was further informed that PESCO requires to file a spinning-off petition with the National Electric Power Regulatory Authority (NEPRA) and the Securities and Exchange Commission of Pakistan (SECP). Simultaneously, HAZECCO will apply for a distribution license and submit a tariff petition to NEPRA.

The Committee expressed that the entire process should be meticulously planned to enable HAZECCO to submit its application for the grant of a distribution license to NEPRA well before end of December 2023 and before that all prerequisites be completed.

To ensure the efficiency of the transition process, the Committee put forth the following recommendations:

- a. A comprehensive work plan will be developed, with detailed outline of all activities, along with clearly defined timelines.



## POWER PLANNING AND MONITORING COMPANY

Office # 112, Evacuee Trust Complex, Agha Khan Road, Islamabad  
Tele: 051-9211301, 051-9211302, Fax: 051-2726916, E-mail: gmcspenco@gmail.com

- b. PESCO to update all existing financial, commercial, technical, and human resource data upto October 2023.

- c. An independent audit firm be hired by CEO PESCO to authenticate the data prepared, contributing to the credibility and thoroughness of the data within two weeks.

- d. Following three committees were recommended to oversee and facilitate a smooth transition in the process:

#### 1. Technical/Commercial Committee

- Mr. Adnan Mir, GM (Technical Services) PPMC-Convenor
- Mr. Tahir Moeen, Technical Director PESCO - Member
- Mr. Habib-ur-Rehman, SE Khyber Circle PESCO-Member
- Mr. Muhammad Tufail, Manager Commercial PESCO-Member

#### 2. Finance Committee

- Mr. Basharat Ali, CFO PPMC-Convenor
- Mr. Yasir Naseem, CFO PESCO-Member
- Mr. Shahzad Hameed, Manager Finance CPC PESCO-Member

#### 3. HR Committee

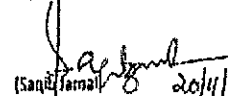
- Mr. Saghir Ahmad, GM (HR) PPMC-Convenor
- Sardar Sajid Hawar, DG HR PESCO-Member
- Mr. Saib Ahmad, Manager (HR) PESCO-Member

- e. The above Committees will submit their reports on or before Monday, 27<sup>th</sup> November 2023.

- f. The Terms of Reference of the Committees are annexed.

- g. A WhatsApp group consisting of all relevant officers will be formed.

- h. Mr. Rizwan Faiz will prepare draft legal documents required for the bifurcation of PESCO and establishment of HAZECCO

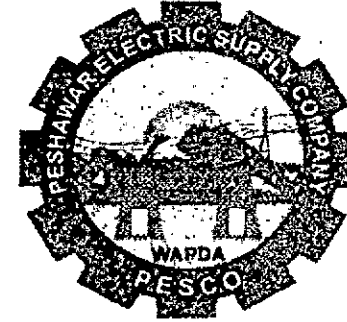
  
(Sanjiv Jaiswal) 20/11/23  
General Manager (R&CO) PPMC/  
Convenor of the Committee

E.C.

1. Additional Secretary-I, Power Division, Islamabad.
2. CEO HAZECCO, Islamabad.
3. CEO PESCO, Peshawar.
4. All Members of Committees.



# **PROPOSAL FOR BIFURCATION OF PESCO**



## **Agenda Point #(i)**

### **❖ STUDY OF EXISTING ELECTRICAL NETWORKS OF THE COMPANY**

#### **VIZ-A-VIZ**

# PROPOSAL FOR BIFURCATION OF PESCO

## Agenda Point #(i) a.

### EXISTING AREA OF JURISDICTION

- Peshawar Electric Supply Company (PESCO) was established as Public Limited Company on April 1998
- PESCO was granted license by NEPRA for distribution of electricity to 28 administrative districts of Khyber Pakhtunkhwa province.

1) Peshawar  
2) Charsadda  
3) Nowshera  
4) Mardan  
5) Tank  
6) Bannu  
7) D.I.Khan  
8) Karak  
9) Lakki Marwat

10) Hangu  
11) Kohat  
12) Swat  
13) Swabi  
14) Buner  
15) Dir (Upper)  
16) Dir (Lower)  
17) Shangla  
18) Chitral Upper

19) Chitral Lower  
20) Kohistan Upper  
21) Kohistan Lower  
22) Kolai Palas  
23) Abbottabad  
24) Haripur  
25) Mansehra  
26) Battagram  
27) Torgar  
28) Malakand

# **PROPOSAL FOR BIFURCATION OF PESCO**

## **Agenda Point #(i) a.**

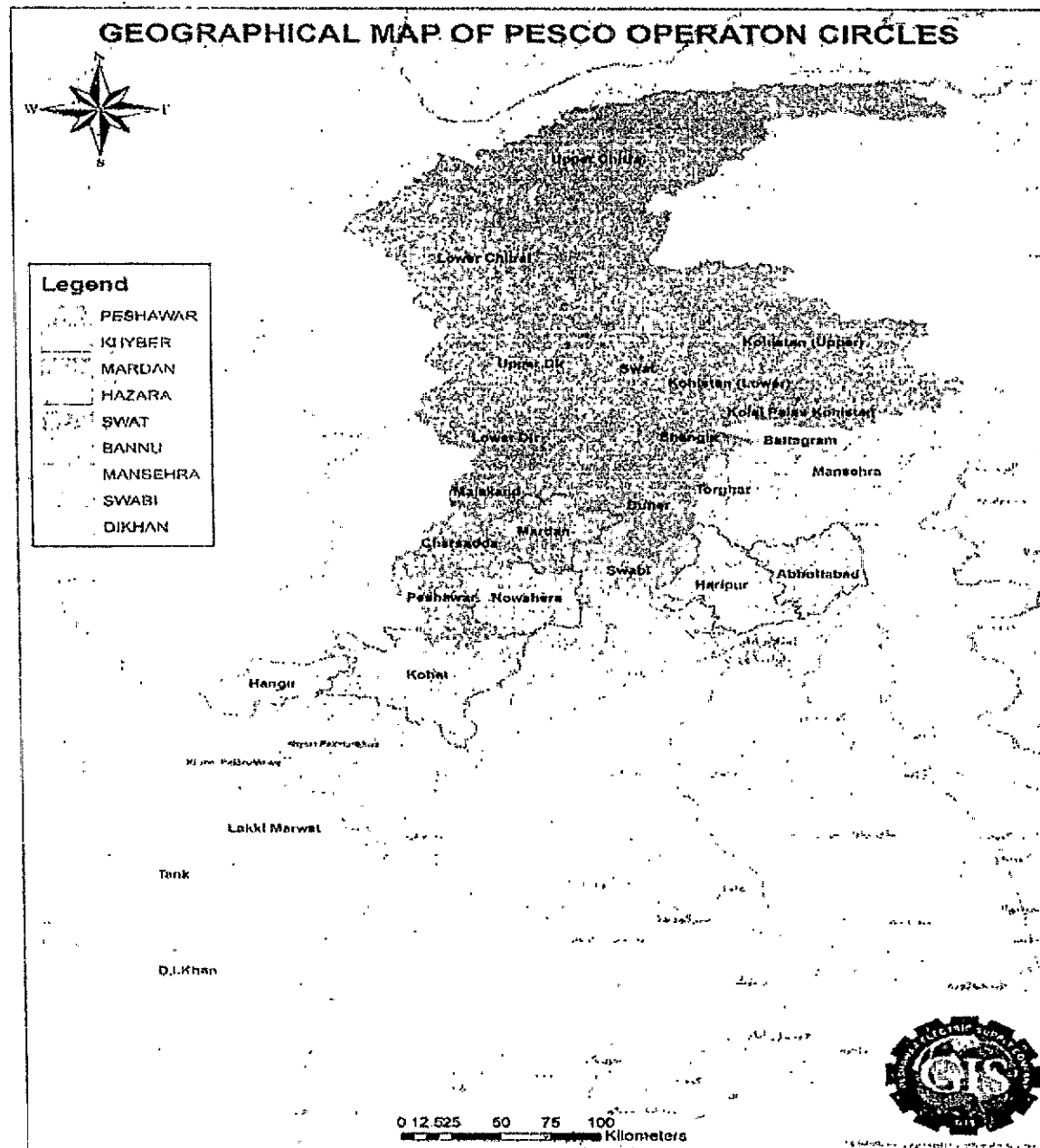
### **Remaining PESCO**

- 1) Peshawar
- 2) Charsadda
- 3) Nowshera
- 4) Kohat
- 5) Hangu
- 6) Karak
- 7) Bannu
- 8) Lakki Marwat
- 9) D.I.Khan
- 10) Tank
- 11) Mardan
- 12) Swabi
- 13) Swat
- 14) Malakand
- 15) Buner
- 16) Shangla
- 17) Dir (Upper)
- 18) Dir (Lower)
- 19) Chitral Upper
- 20) Chitral Lower

### **Proposed HAZECO**

- 1) Abbottabad
- 2) Haripur
- 3) Mansehra
- 4) Battagram
- 5) Torghar

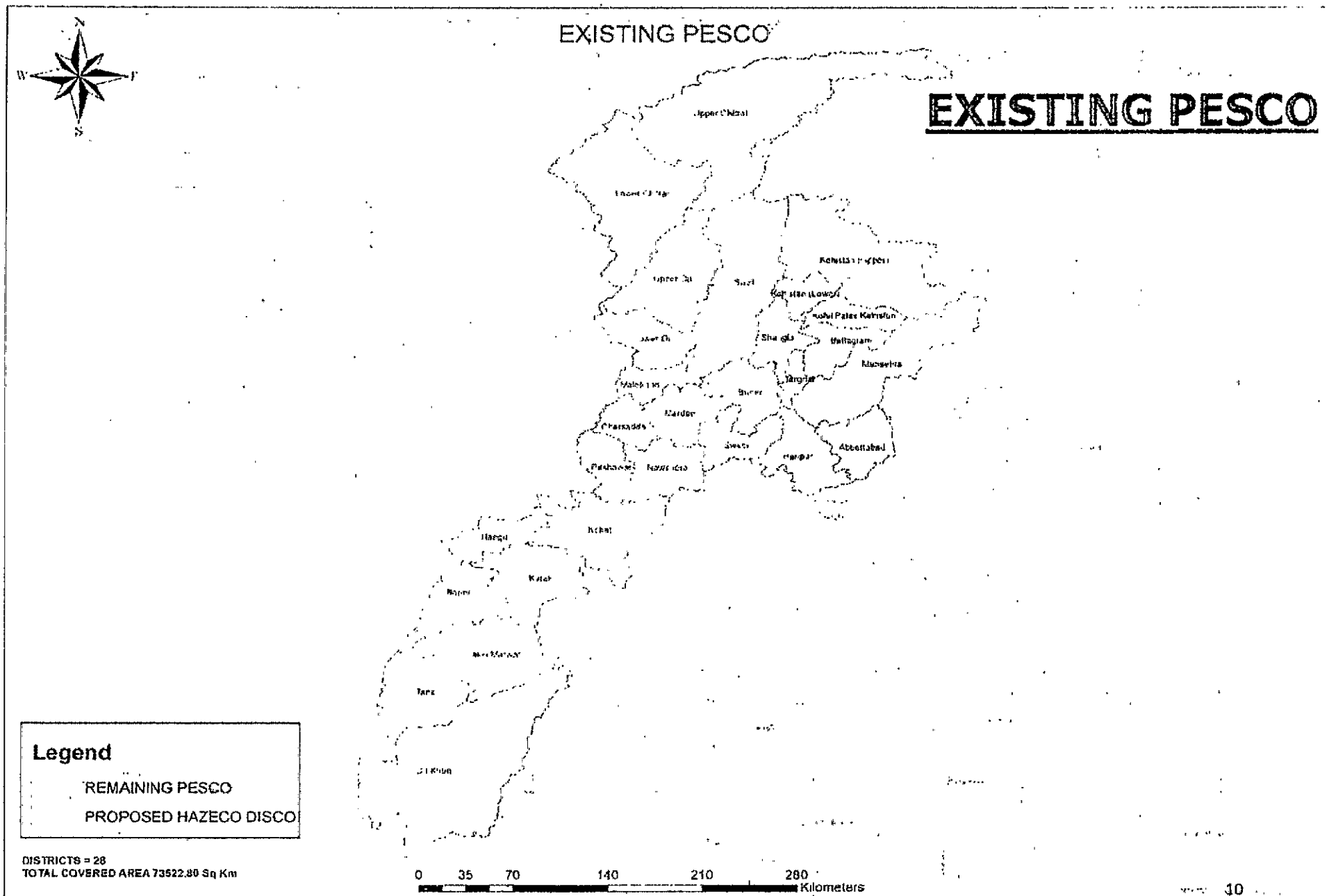
# PESCO JURISDICTION



**Districts:** 28 No.  
**Covered Area:** 74,521 Sq Km  
**Population:** 35.53 Million  
**Circle:** 08 No  
**Division:** 39 No  
**Sub Divn:** 191 NO

Circle	Consumers in Million
Peshawar	0.712
Khyber	0.619
Mardan	0.365
Hazara-I	0.447
Swat	0.815
Bannu	0.215
Hazara-II	0.280
Swabi	0.289
D.I. Khan	0.362
PESCO	4.2

**Agenda Point #(i) a. PROPOSAL FOR BIFURCATION OF PESCO**



# PROPOSAL FOR BIFURCATION OF PESCO

68-



## Agenda Point #(i) a.

REMAINING PESCO

**REMAINING PESCO**

### CIRCLES

Peshawar  
Khyber  
Mardan  
Swat  
Bannu  
Swabi  
D.I. KHAN

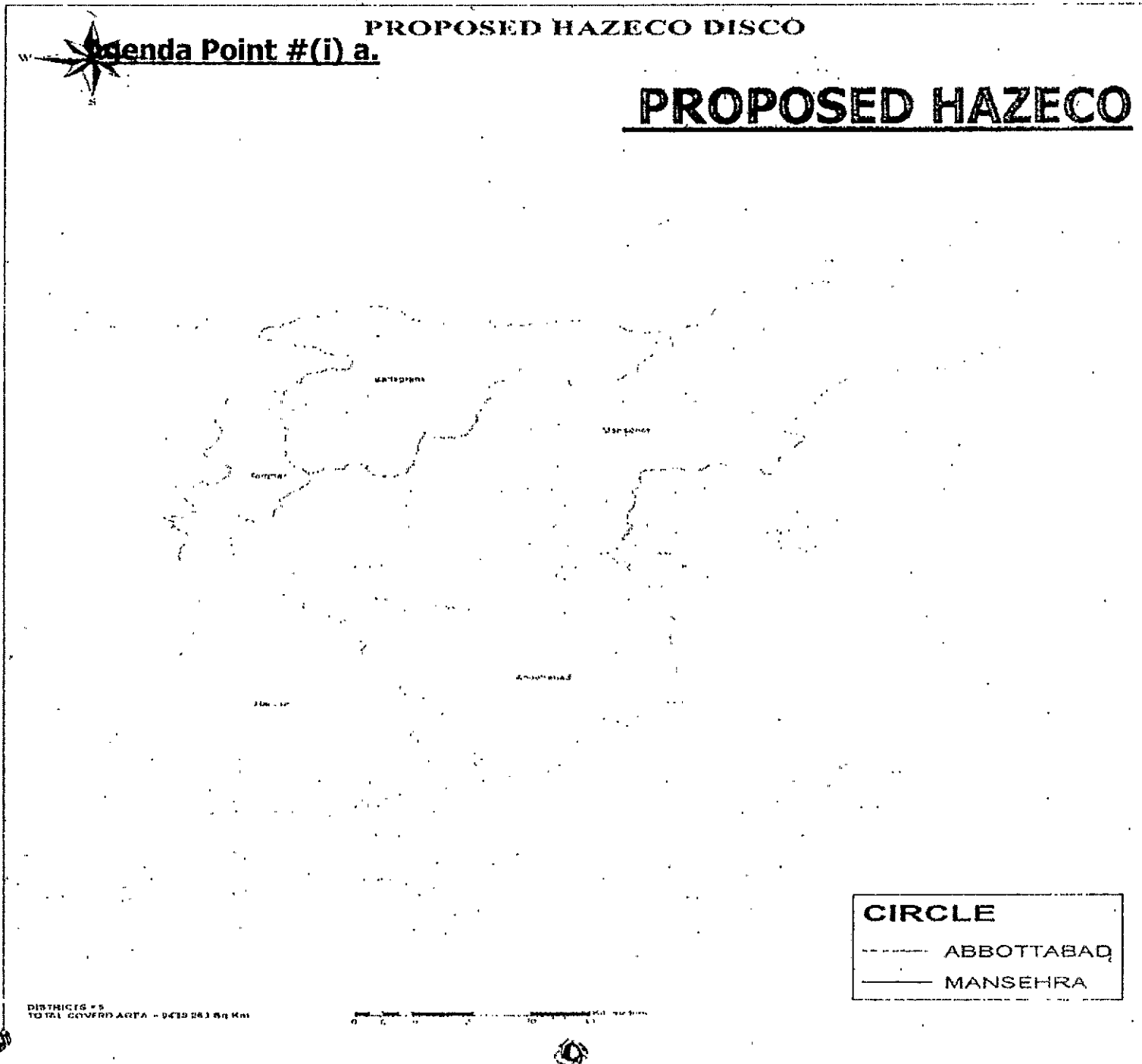
DISTRICTS = 23  
TOTAL COVERED AREA 64087.52 Sq Km

0 30 60 120 180 240 Kilometers

OpenStreetMap (and) contributors CC-BY-SA

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# PROPOSAL FOR BIFURCATION OF PESCO



701-

## PROPOSAL FOR BIFURCATION OF PESCO

### Agenda Point #(i) b. CONSUMER'S PROFILE

ELECTRIC SUPPLY COMPANY		Domestic	Commercial	Industrial	Bulk	Tube Wells	General Services	Other	Total
PESCO (Existing)	No.	3,735,839	411,378	28,595	901	23,147	1,241	45,781	4,246,882
	%age	87.97	9.69	0.67	0.02	0.55	0.03	1.08	100
PESCO (Remaining)	No.	3,040,906	341,915	25,062	719	22,473	1,047	37,955	3,470,077
	%age	87.63	9.85	0.72	0.02	0.65	0.03	1.09	81.71
Proposed HAZECO	No.	694,933	69,463	3,533	182	674	194	7,826	776,805
	%age	89.46	8.94	0.45	0.02	0.09	0.02	1.01	18.29



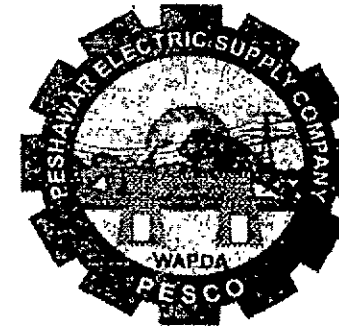
# PROPOSAL FOR BIFURCATION OF PESCO

## Agenda Point #(i) b. CONSUMER'S PROFILE

ELECTRIC SUPPLY COMPANY		Domestic	Commercial	Industrial	Bulk	Tube Wells	General Services	Other	Total
PESCO (Existing)	No.	3,735,839	411,378	28,595	901	23,147	1,241	45,781	4,246,882
	%age	88.0	9.7	0.7	0.0	0.6	0.0	1.1	100
PESCO (Remaining)	No.	3,040,906	341,915	25,062	719	22,473	1,047	37,955	3,470,077
	%age	81.4	83.1	87.6	79.8	97.1	84.4	82.9	82
Proposed HAZECO	No.	694,933	69,463	3,533	182	674	194	7,826	776,805
	%age	18.6	16.9	12.4	20.2	2.9	15.6	17.1	18

72-

## PROPOSAL FOR BIFURCATION OF PESCO



### Agenda Point #(i) d.

#### ❖ HT/LT NETWORKS

(FEEDERS, AVERAGE LENGTH OF FEEDERS), DISTRIBUTION TRANSFORMERS.

# PROPOSAL FOR BIFURCATION OF PESCO

## Agenda Point #(i) d

### EXISTING PESCO HT / LT NETWORKS

S.No	Circle	Feeders		HT Lines (Km)	LT Lines (Km)	Distribution T/Fs	
		No.	Average Length (Km)			No.	MVA
1	Peshawar	258	14.27	3682.16	3680.64	20591	1,887.54
2	Khyber	251	25.82	6481.47	5762.92	18376	1,617.63
3	Mardan	89	26.81	2385.96	2526.56	9787	771.23
4	Hazara I	138	27.88	3847.708	7074.530	7715	825.005
5	Swat	185	41.83	7738.01	10445.89	17667	1,385.70
6	Bannu	108	51.64	5577.02	5021.37	13671	820.495
7	Hazara II	72	44.57	3209.32	6793.43	5942	418.86
8	Swabi	95	26.49	2516.23	2366.76	7067	580.755
9	DI Khan	80	38.26	3060.77	2379.70	7720	531.76
<b>Total</b>		<b>1276</b>	<b>30.17</b>	<b>38498.7</b>	<b>46051.82</b>	<b>108536</b>	<b>8838.97</b>

# PROPOSAL FOR BIFURCATION OF PESCO

## Agenda Point #(i) d.

### REMAINING PESCO HT / LT NETWORKS

S.No	Circle	Feeders		HT Lines (Km)	LT Lines (Km)	Distribution T/Fs	
		No.	Average Length (Km)			No.	MVA
1	Peshawar	258	14.27	3682.17	3680.64	20591	1,887.54
2	Khyber	251	25.82	6481.47	5762.92	18376	1,617.63
3	Mardan	89	26.81	2385.97	2526.57	9787	771.23
4	Swat	185	41.83	7738.01	10445.90	17667	1,385.70
5	Bannu	108	51.64	5577.03	5021.37	13671	820.495
6	Swabi	95	26.49	2516.24	2366.76	7067	580.755
7	DI Khan	80	38.26	3060.77	2379.70	7720	531.76
<b>Total</b>		<b>1066</b>	<b>29.49</b>	<b>31441.65</b>	<b>32183.86</b>	<b>94879</b>	<b>7595.11</b>

# PROPOSAL FOR BIFURCATION OF PESCO

## Agenda Point #(i) d.

### PROPOSED HAZECO HT / LT NETWORKS

S.No	Circle	Feeders		HT Lines (Km)	LT Lines (Km)	Distribution T/Fs	
		No.	Average Length (Km)			No.	MVA
1	Hazara-I	138	27.88	3847.71	7074.53	7715	825.005
2	Hazara-II	72	44.57	3209.32	6793.43	5942	418.86
<b>Total</b>		<b>210</b>	<b>33.60</b>	<b>7057.02</b>	<b>13867.96</b>	<b>13657</b>	<b>1243.87</b>

❖ 132 KV Right Bank Tarbela GSS Sahre MIX:

- 11 KV Baitgally Feeder (15 to 20 % PESCO area while 80 % of HAZECO
- 11 KV Utla Feeder (80 to 85 % PESCO Area while 10 to 15 % HAZECO

❖ 33 KV Thakot GSS Sahre MIX:

- 11 KV Chakisar Feeder is being emanating from 33 KV Thakot GSS but feeding the remaining PESCO

**PROPOSAL FOR BIFURCATION OF PESCO**

**Agenda Point #(i) e.**

**GRID STATIONS & TRANSMISSION LINES**

Circle	Grid Stations (KV)								Transmission Lines (Km)				
	500	220	132	66	33	Consumer Grid (132)	Total	MVA		132KV	66KV	33KV	Total
PESCO (Existing)	01	07	94	10	02	11	125	7706.75	Line wise	3092.976	414.460	75.0	3582.436
									Circuit wise	4570.923	427.590	75.0	5073.513

# PROPOSAL FOR BIFURCATION OF PESCO

## Agenda Point #(i) e.

### GRID STATIONS & TRANSMISSION LINES

22

Circle	Grid Stations (KV)								Transmission Lines (Km)				
	500	220	132	66	33	Consumer Grid (132)	Total	MVA	Description	132KV	66KV	33KV	Total
PESCO (Remaining)	01	06	76	08	1	07	99	6452.45	Line wise	2516.677	338.26	-	2854.937
									Circuit wise	3822.789	351.390	-	4174.179
Proposed HAZECO	-	01	18	2	1	04	26	1254.30	Line wise	576.299	76.20	75.0	727.499
									Circuit wise	748.134	76.2	75.0	899.334

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## **PROPOSAL FOR BIFURCATION OF PESCO**

### **Agenda Point #(i) e.**

Circle	Grid Stations						
	500KV	220KV	132KV	66KV	33KV	132KV Consumer Grid	Total
Peshawar	-	1	17	-	-	-	18
Khyber	1	1	16	3	-	5	26
Mardan	-	1	6	-	-	1	8
Hazara-I	-	-	12	2	-	4	18
Swat	-	1	17	1	-	-	19
Bannu	-	1	7	2	-	-	10
Hazara-II	-	1	7	-	2	-	10
Swabi	-	-	5	-	-	1	6
D.I.Khan	-	1	7	2	-	-	10
Total	01	07	94	10	2	11	125

❖ 2 x 220KV Grid Station Kohat & Swabi are proposed by NTDC under Remaining PESCO

❖ 1 x 220KV Grid Stations Haripur is proposed by NTDC under Proposed HAZCO



# PROPOSAL FOR BIFURCATION OF PESCO

## Agenda Point #(i) e.

<b>Remaining PESCO</b>	<b>Circle</b>	<b>Grid Stations</b>						
		<b>500KV</b>	<b>220KV</b>	<b>132KV</b>	<b>66KV</b>	<b>33KV</b>	<b>132KV Consumer Grids</b>	<b>Total</b>
	Peshawar	-	1	17	-	-	-	18
	Khyber	1	1	16	3	-	5	26
	Mardan	-	1	6	-	-	1	8
	Swat	-	1	18	1	1	-	21
	Bannu	-	1	7	2	-	-	10
	Swabi	-	-	5	-	-	1	6
	D.I.Khan	-	1	7	2	-	-	10
	<b>Total</b>	<b>01</b>	<b>06</b>	<b>76</b>	<b>08</b>	<b>1</b>	<b>07</b>	<b>99</b>

<b>Proposed HAZEKO</b>	<b>Circle</b>	<b>Grid Stations</b>						
		<b>500KV</b>	<b>220KV</b>	<b>132KV</b>	<b>66KV</b>	<b>33KV</b>	<b>132KV Consumer Grids</b>	<b>Total</b>
	Hazara-I	-	-	12	02	-	04	18
	Hazara-II	-	01	06	-	01	-	8
	<b>Total</b>	<b>-</b>	<b>01</b>	<b>18</b>	<b>02</b>	<b>01</b>	<b>04</b>	<b>26</b>

## PROPOSAL FOR BIFURCATION OF PESCO (Existing)

SR: NO.	NAME OF GRID STATION	SR: NO.	NAME OF GRID STATION	SR: NO.	NAME OF GRID STATION
1	132KV Abbottabad	21	132KV Gumbat	41	132KV Kohat
2	132KV AMC - Abbottabad	22	132KV Gurguri	42	132KV Kotal Town Kohat
3	132KV Balakot	23	132KV Hangu	43	132KV Kulachi
4	132KV Barikot	24	132KV Haripur	44	132KV Lachi
5	132KV Bannu	25	132KV Hussai	45	132KV Lal Qilla Maidan
6	132KV Battal	26	132KV Hattar-1	46	132KV Madyan
7	132KV Batkhela	27	132KV Hattar-2	47	132KV Mansehra
8	132KV Besham	28	132KV Hattar Economic Zone	48	132KV Mardan-2
9	132KV Chakdara	29	132KV Hattian (AJK)	49	132KV Mardan-3
10	132KV Charsadda	30	132KV Havellian	50	132KV Marble City
11	132KV D.I.Khan	31	132KV Hayatabad	51	132KV Mattani
12	132KV Dalazak	32	132KV Jalala	52	132KV Matta
13	132KV Daggar	33	132KV Jamrud	53	132KV Munda Jandol
14	132KV Dir Chukiyatan	34	132KV Jehangira	54	132KV Musazai (Badaber)
15	132KV Drosh (Chitral)	35	132KV Jutilasht (Chitral)	55	132KV Muzaffarabad (AJK)
16	132KV Draban	36	132KV Karak	56	132KV Nathia Gali
17	132KV Dargai	37	132KV Kernal Sher Khan	57	132KV Nishat Tarbela
18	132KV Dohbian	38	132KV Katlang	58	132KV Nizampur
19	132KV Gadoon Amazai	39	132KV Khanpur	59	132KV Noseri (AJK)
20	132KV Gomai Unity DIKhan	40	132KV Khwaza Khela	60	132KV Nowshera City

## **PROPOSAL FOR BIFURCATION OF PESCO (Existing)**

SR: NO.	NAME OF GRID STATION	SR: NO.	NAME OF GRID STATION	SR: NO.	NAME OF GRID STATION
61	132KV Nowshera Industrial	81	132KV Shahibagh	101	66KV Kurram Garhi
62	132KV Oghi	82	132KV Shangla Par	102	66KV Tajazai (No Load)
63	132KV Pabbi	83	132KV Siraj Baba	103	66KV Tank (No Load)
64	132KV Panyala (Abdul Khel)	84	132KV Swabi	104	66KV Timergara
65	132KV Pezu	85	132KV Swat	105	33KV Pattan
66	132KV Peshawar Cantt	86	132KV Tall	106	33KV Thakot
67	132KV Peshawar City	87	132KV Tangi	<b>Existing NTDC Grid Stations</b>	
68	132KV Peshawar Fort	88	132KV Taru Jabba		
69	132KV Pesh Industrial	89	132KV Tank		
70	132KV Pesh University	90	132KV Tajazai	1	500KV GSS Sheikh Mohammadi Peshawar
71	132KV Prova	91	132KV Timergara	2	220KV GSS D.I.Khan
72	132KV Rampura (AJK)	92	132KV Warsak	3	220KV GSS Domail (Bannu)
73	132KV Rajjar	93	132KV Wapda House Peshawar	4	220KV GSS Shahibagh Peshawar
74	132KV Regi Model Town	94	132KV Wari	5	220KV GSS Nowshera
75	132KV Rehman Baba	95	66KV Badaber	6	220KV GSS Mardan
76	132KV Right Bank Tarbela	96	66KV Band Kurai	7	220KV GSS Chakdara
77	132KV Sabirabad	97	66KV Haripur	8	220KV GSS Mansehra
78	132KV Sakhi Chashma	98	66KV Havelian	<b>Consumer Grids (132KV) 11 Nos</b>	
79	132KV Serai Nourang	99	66KV Kheshti		
80	132KV Shabqadar	100	66KV Kohat		

## **PROPOSAL FOR BIFURCATION OF PESCO (Remaining)**

NTDC GSS		PESCO GSS					
S.#	Grid Station	S.#	Grid Station	S.#	Grid Station	S.#	Grid Station
1	500KV Sheikh Muhammadi	15	132KV Taru Jabba	39	132KV Mardan-2	63	132KV Dhobian
2	220KV Shahi Bagh	16	132KV Warsak	40	132KV Mardan-3	64	132KV Barikot
3	220KV Mardan	17	132KV Wapda House	41	132KV Bannu	65	132KV Batkhela
4	220KV Domel Bannu	18	132KV Gumbat	42	132KV D.I.Khan	66	132KV Chakdara
5	220KV D.I.Khan	19	132KV Hangu	43	132KV Gomal Uni DIK	67	132KV Marble City
6	220KV Nowshera	20	132KV Hayatabad	44	132KV Panyala	68	132KV Daggarr
7	220KV Chakdara	21	132KV Musazai	45	132KV Karak	69	132KV Drosh (Chitral)
		22	132KV Jamrud	46	132KV Kulachi	70	132KV Dargai
		23	132KV Jehangira	47	132KV Pezu	71	132KV Jutilasht (Chitral)
		24	132KV Kohat	48	132KV Prova	72	132KV Khwaza Khela
1	132KV Charsadda	25	132KV Kotal Town	49	132KV Gurguri	73	132KV Lal Qilla
2	132KV Dalazak	26	132KV Lachi	50	132KV Serai Nourang	74	132KV Madyan
3	132KV Pabbi	27	132KV Mattani	51	132KV Siraj Baba	75	132KV Matta
4	132KV Peshawar Cantt	28	132KV Nizampur	52	132KV Tank	76	132KV Munda Jandol
5	132KV Peshawar City	29	132KV RMT	53	132KV Tajazai	77	132KV Shangla Par
6	132KV Peshawar Fort	30	132KV Nowshera City	54	132KV Sabirabad	78	132KV Swat
7	132KV Pesh Industrial	31	132KV Nowshera Indl	55	66KV Band Kurai	79	132KV Timergara
8	132KV Pesh University	32	132KV Tall	56	132KV Draban	80	132KV Wari
9	132KV Rajjar	33	66KV Badaber	57	66KV Kurram Garhi	81	132KV Dir
10	132KV Rehman Baba	34	66KV Kohat	58	66KV Tajazai	82	132KV Kamal Sher Khan
11	132KV Sakhi Chashma	35	66KV Kheshki	59	66KV Tank	83	132KV Besham
12	132KV Shabqadar	36	132KV Hussai	60	132KV Swabi	84	66KV Timergara
13	132KV Shahibagh	37	132KV Jalala	61	132KV G/Amazai	85	33KV Pattan
14	132KV Tangi	38	132KV Katlang	62	132KV R.B.Tarbela	Consumer Grids (132KV) 07 Nos	

# PROPOSAL FOR BIFURCATION OF PROPOSED HAZECO

NTDC		PROPOSED HAZECO			
S.#	Grid Station	S.#	Grid Station	S.#	Grid Station
1	220KV Manshera	1	132KV Abbottabad	13	132KV Hattar Economic Zone
Consumer Grids (132KV) 04 Nos		2	132KV AMC A/Abad	14	132KV Mansehra
		3	132KV Haripur	15	132KV M/Abad (AJK)
		4	132KV Hattar-1	16	132KV Noseri (AJK)
		5	132KV Hattar-2	17	132KV Oghi
		6	132KV Havellian	18	132KV Rampura (AJK)
		7	132KV Khanpur	19	66KV Haripur
		8	132KV Nathia Gali	20	66KV Havelian
		9	132KV Nishat Tarbela	21	33KV Thakot
		10	132KV Balakot		
		11	132KV Battal		
		12	132KV Hattian (AJK)		

**PROPOSAL FOR BIFURCATION OF PESCO**

**Agenda Point #(i) f.**

**COMMERCIAL PARAMETERS (DISTRIBUTION LOSSES)**

**Figures in Million**

<b>ELECTRIC SUPPLY COMPANY</b>	<b>Fiscal Year 2023-24</b>			
	<b>Unit Received</b>	<b>Unit Billed</b>	<b>Unit Lost</b>	<b>%age Loss</b>
PESCO (Existing)	5875.39	3814.24	2061.14	<b>35.08</b>
PESCO (Remaining)	4913.98	2986.27	1927.70	<b>39.23</b>
Proposed HAZECO	961.41	827.97	133.44	<b>13.88</b>

# PROPOSAL FOR BIFURCATION OF PESCO

## Agenda Point #(i) f.

### ❖ COMMERCIAL PARAMETERS (BILLING & COLLECTION)

Figures in Million

DISCO	Fiscal Year 2023-24								
	Billing			Collection			%Age Collection		
	Govt;	Private	Total	Govt;	Private	Total	Govt;	Private	Total
PESCO (Existing)	19456.83	135099.71	154556.54	13859.66	117612.29	131471.95	71.23	87.06	85.06
PESCO (Remaining)	11635.6	110707.4	122343	10474.4	94336.45	104810.9	90.0	85.2	85.7
Proposed HAZECO	7821.2	24392.34	32213.54	3385.25	23275.84	26661.07	43.3	95.4	82.8

**PROPOSAL FOR BIFURCATION OF PESCO**  
**Agenda Point #(i) f.**  
**COMMERCIAL PARAMETERS (RECEIVABLES)**

**With Subsidy**

**Figures in Rs: Billion**

DISCO	Fiscal Year 2023-24		
	Govt;	Private	Total
PESCO (Existing)	21.08	198.44	219.52
% Age	100	100	100
PESCO(Remaining)	8.17	190.64	198.81
% Age	38.76	96.07	90.57
Proposed HAZECO	12.91	7.8	20.71
% Age	61.24	3.93	9.43

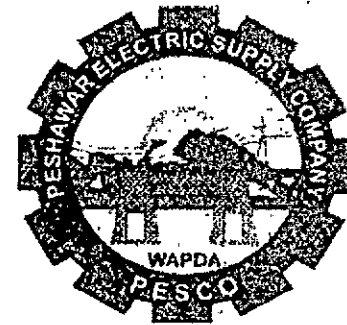
**Without Subsidy**

DISCO	Fiscal Year 2023-24		
	Govt;	Private	Total
PESCO (Existing)	20.82	194.2	215.02
% Age	100	100	100
PESCO(Remaining)	8.03	187.3	195.3
% Age	38.57	96.42	90.82
Proposed HAZECO	12.79	6.94	19.74
% Age	61.43	3.57	9.18



# PROPOSAL FOR BIFURCATION OF PESCO

87

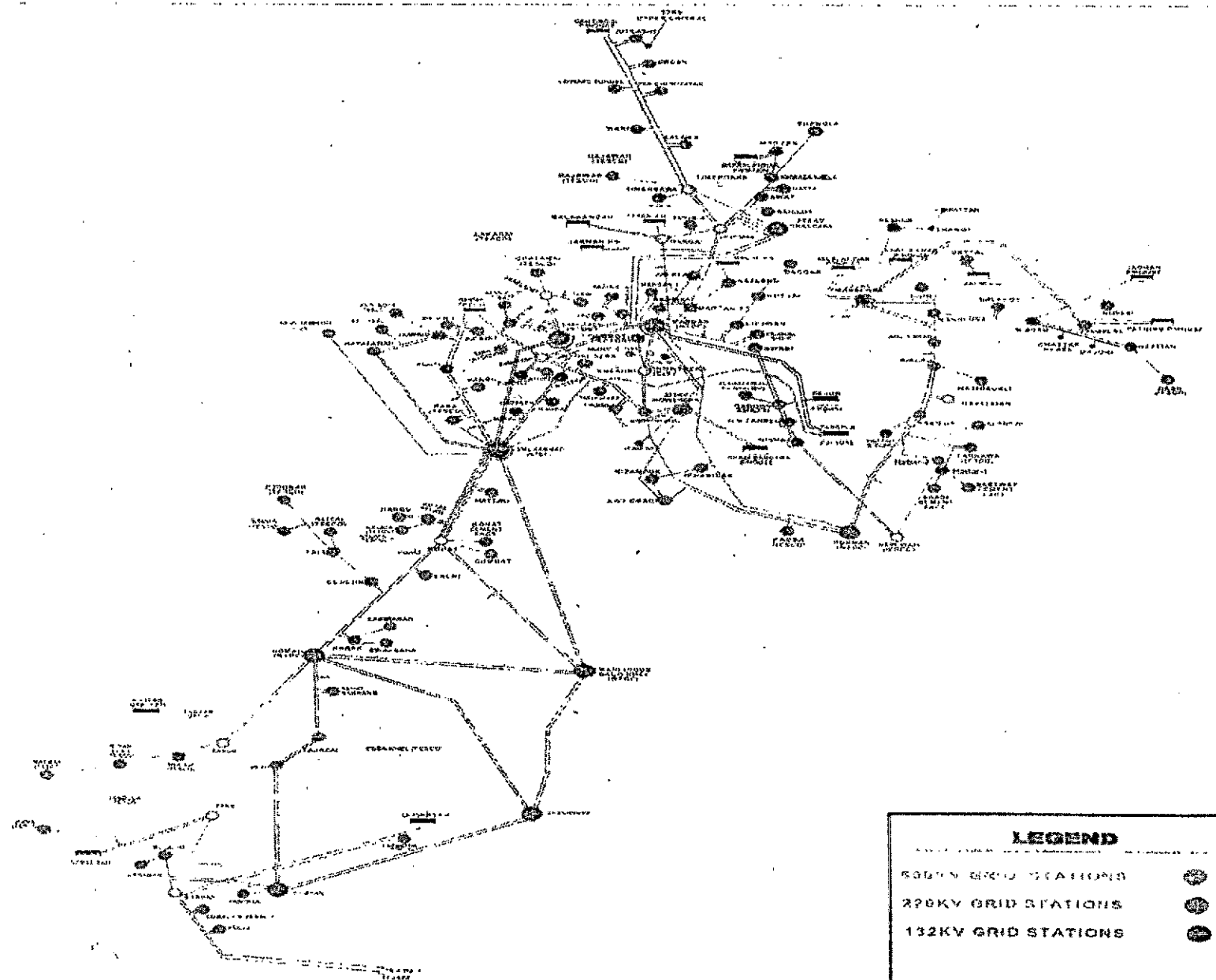


## Agenda Point #(ii).

### STUDY OF PROPOSED NETWORKS AFTER BIFURCATION

88

# **GEOGRAPHICAL MAP OF PESCO**



**LEGEND**

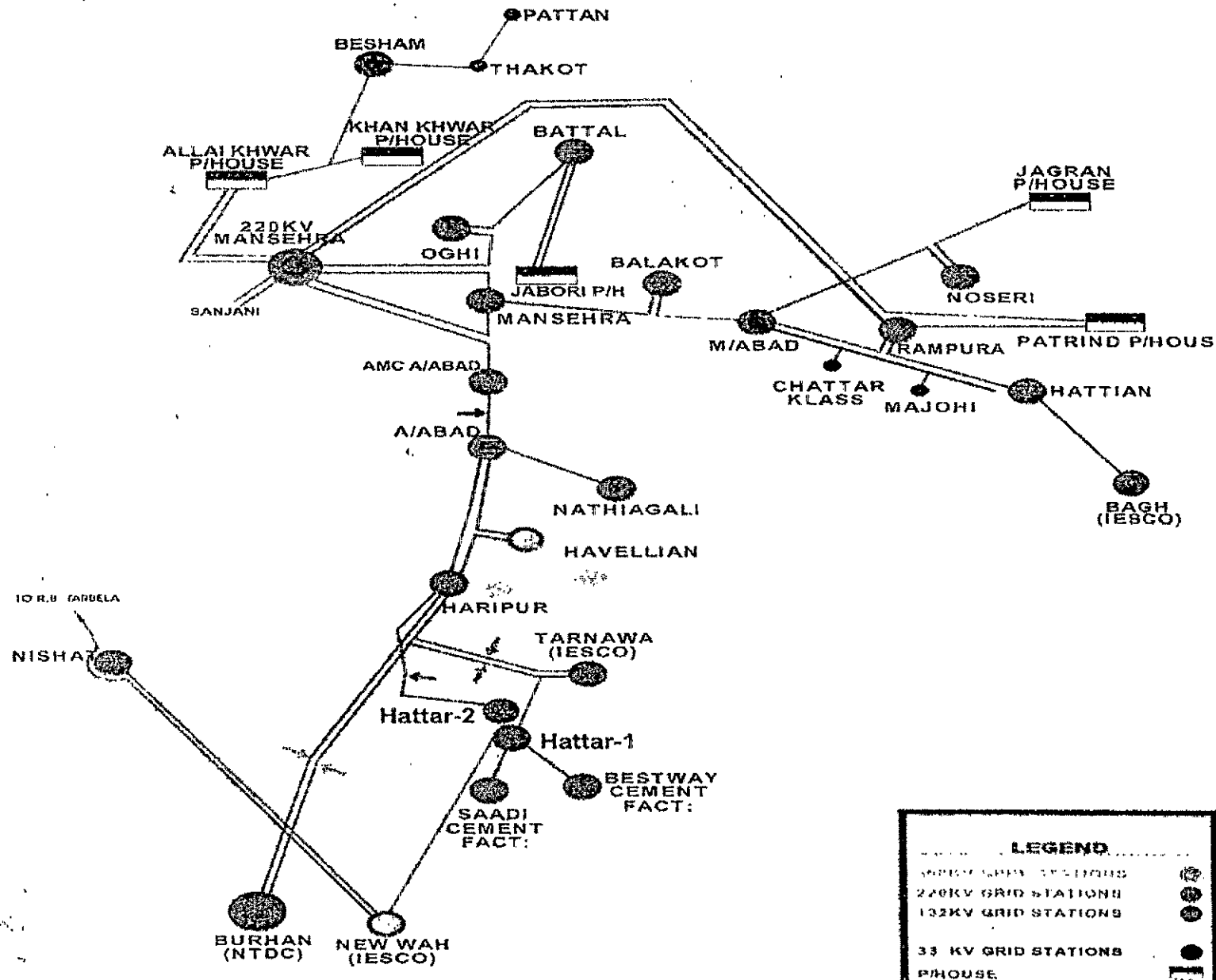
500KV GRID STATIONS	●
220KV GRID STATIONS	●
132KV GRID STATIONS	●
33 KV GRID STATIONS	●
P/HOUSE	—

OCT-2023

179-

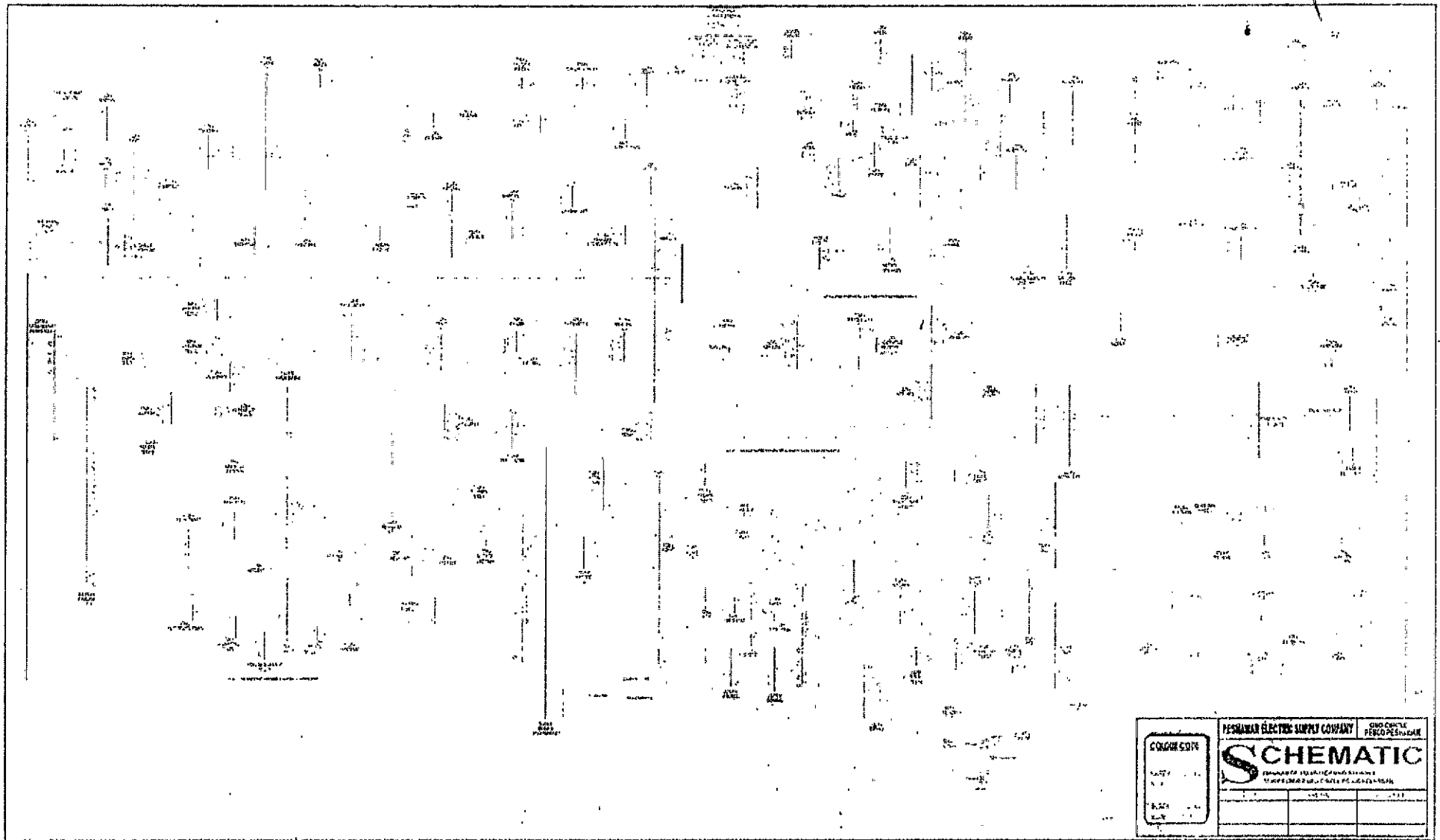


# GEOGRAPHICAL MAP OF PROPOSED HAZECO



# SYSTEM NETWORK DIAGRAM OF PESCO

16



# SYSTEM DIAGRAM - REMAINING PESCO

23-

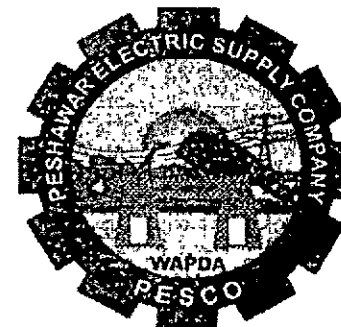


COLOUR CODE

GREEN	22 KV
RED	13 KV
BLACK	30 KV
BLUE	11 KV

94-

## PROPOSAL FOR BIFURCATION OF PESCO



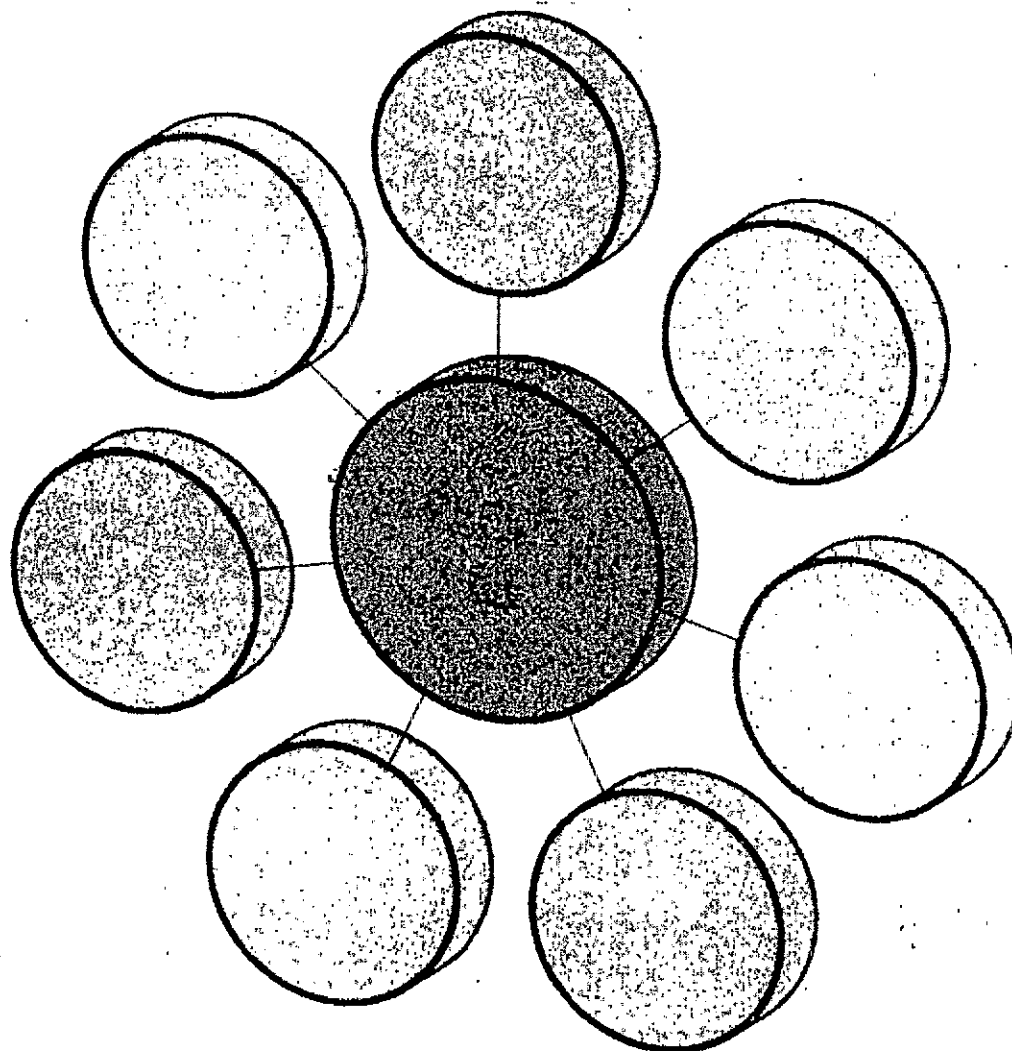
### Agenda Point #(iii).

### STUDY OF CDPs POWER SOURCES FROM WHERE PROPOSED COMPANIES CAN IMPORT POWER



## COMMON DISTRIBUTION POINTS (PESCO & OTHER COMPANIES)

-95-

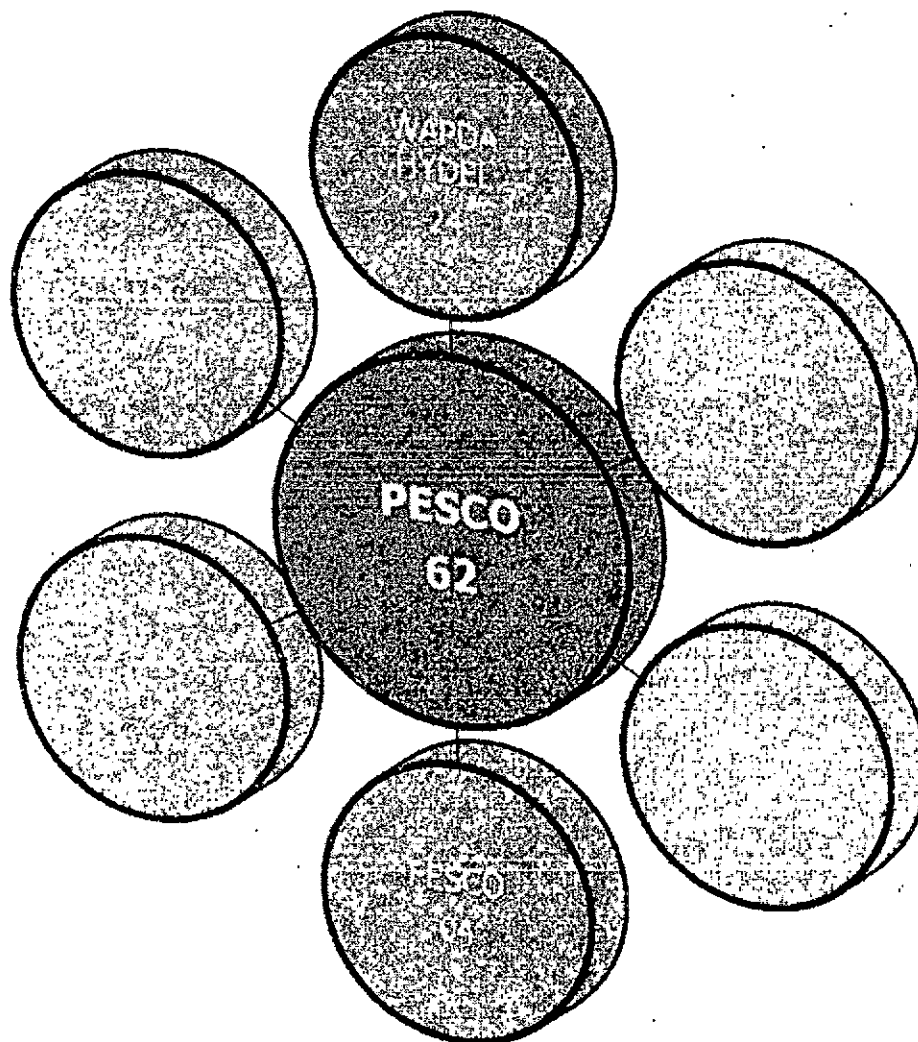


### PESCO

132KV	:	58
66KV	:	02
11KV	:	21

96-

## COMMON DISTRIBUTION POINTS (REMAINING PESCO & OTHER COMPANIES)



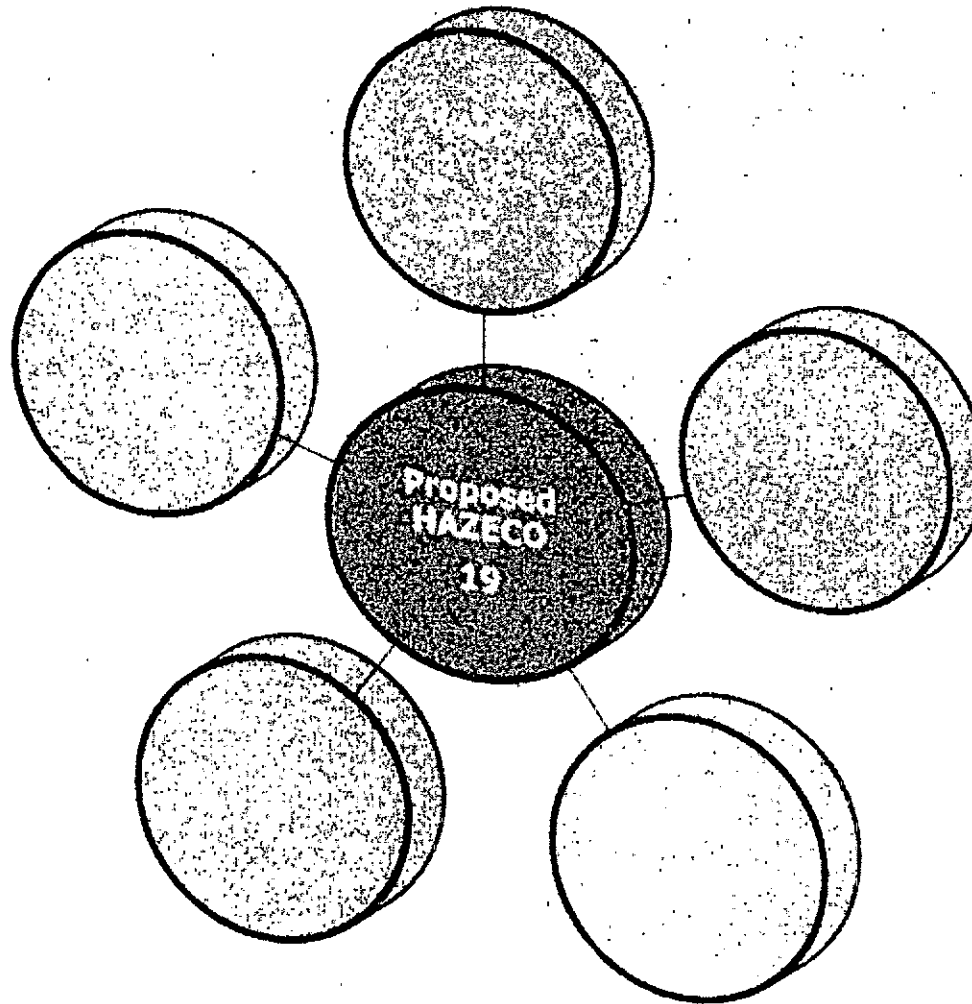
### REMAINING PESCO

132KV	:	43
66KV	:	01
11KV	:	18

# COMMON DISTRIBUTION POINTS EXISTING (PROPOSED HAZECO WITH OTHER COMPANIES)

97-46

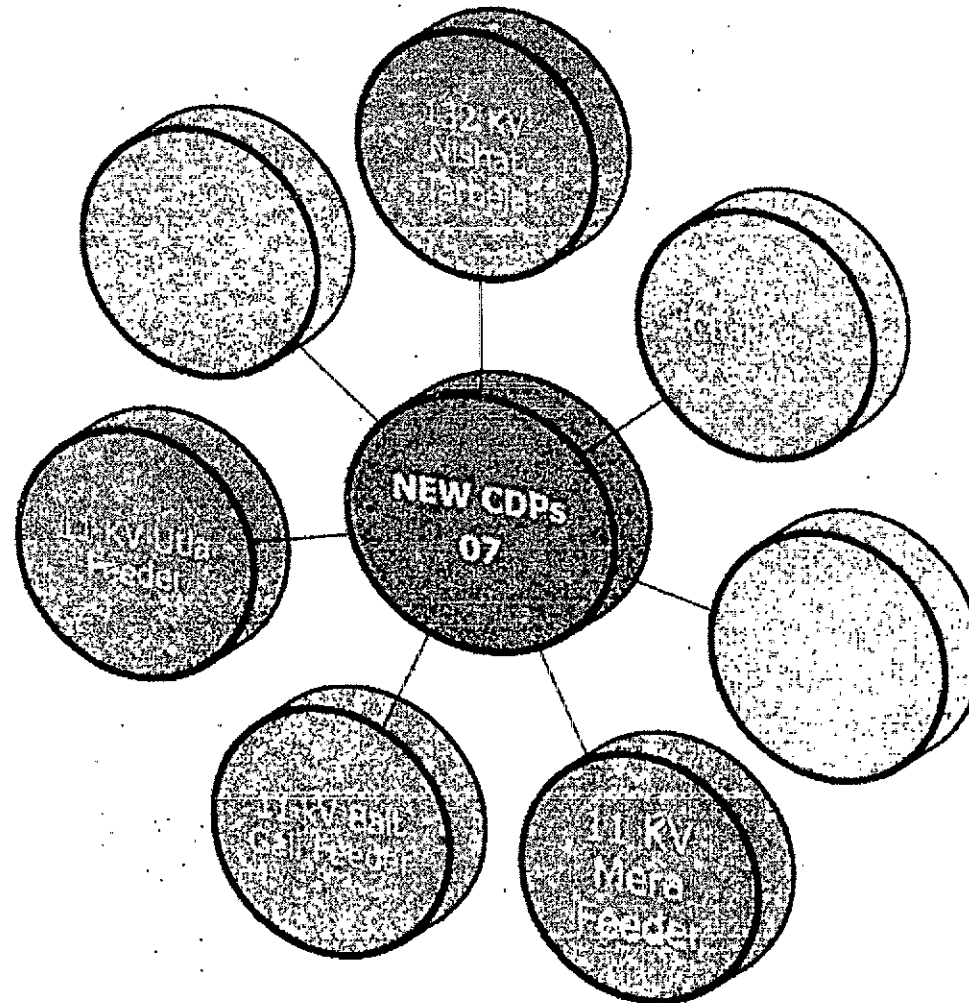
132KV: 15  
66KV : 01  
11KV : 03



98-85

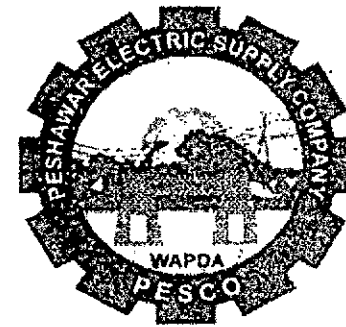
**COMMON DISTRIBUTION POINTS**  
**(NEW CDPS TO BE CREATED BETWEEN PESCO & HAZECO AFTER**  
**BIFURCATION)**

132KV: 01  
11KV : 06



# PROPOSAL FOR BIFURCATION OF PESCO

165



## Agenda Point #(iv).

### LOAD FLOW STUDIES FOR ASCERTAINING THE STABILITY OF PROPOSED NETWORKS.

100-

## PROPOSAL FOR BIFURCATION OF PESCO

### Agenda Point #(iv).

#### ❖ TECHNICAL LOSS

Company	Total Demand (MW) as per study	Demand (MW)	Power Loss	%age Technical Loss As per Study
PESCO (Existing)	2787.6	2712.8	74.8	2.68
PESCO (Remaining)	2251.8	2195.3	56.5	2.51
Proposed HAZECO	535.9	517.5	18.4	3.43

Agenda Point #(iv).

101

**PESCO - HAZECO LOAD FLOW STUDIES BASE CASE 2023-24**

PTI INTERACTIVE POWER SYSTEM SIMULATOR--PSS(R)E

MON, NOV 27 2023 13:44

PESCO - HAZECO LOAD FLOW STUDIES

AREA TOTALS

BASE CASE-2023-24

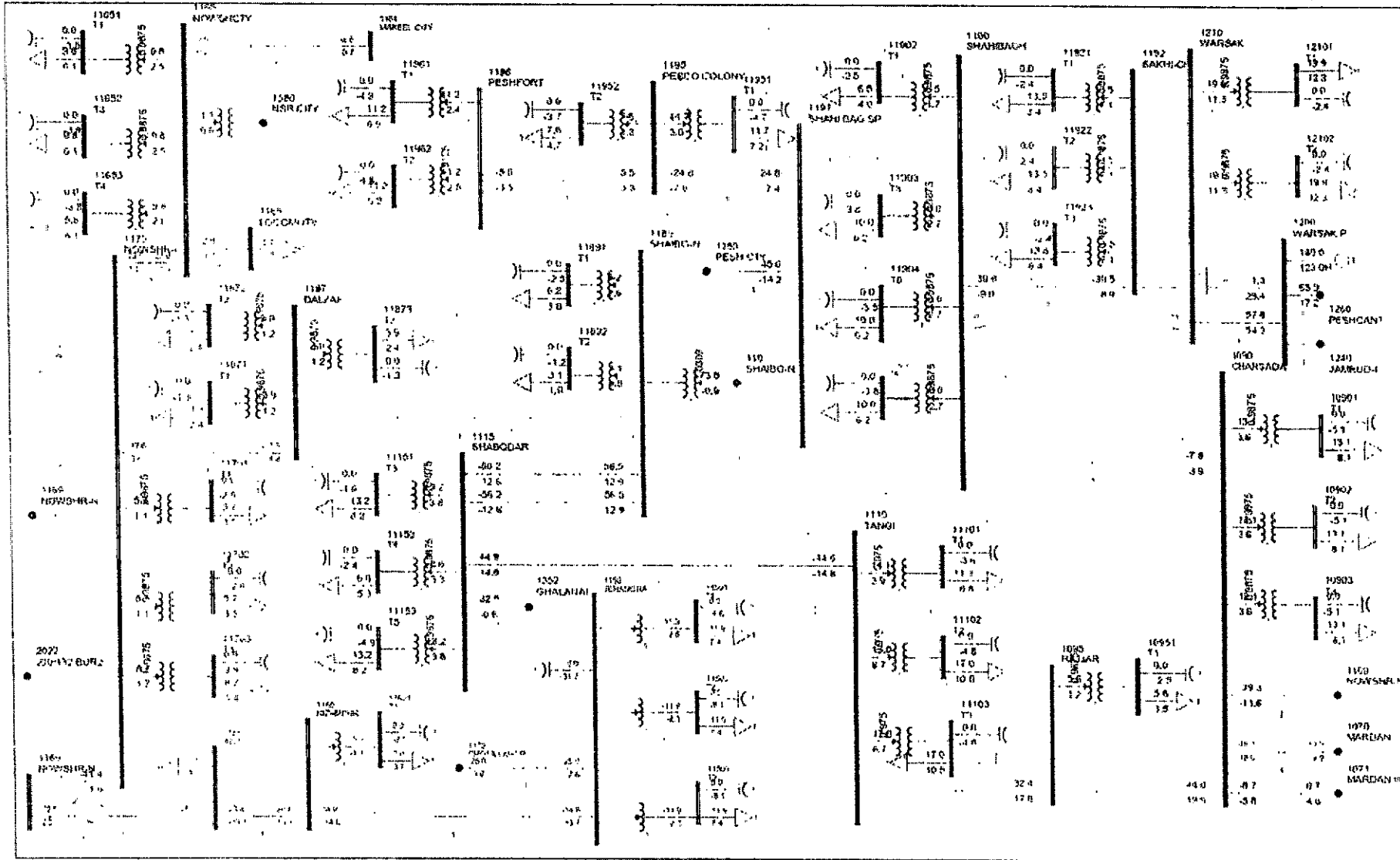
IN MW/MVAR

		FROM ---ASSIGNED TO THE AREA---					TO		-NET INTERCHANGE-				
		GENE-	FROM IND	TO IND	TO	TO BUS	GENE BUS	TO LINE	FROM	TO	TO TIE	TO TIES	DESIRED
X-- AREA --X	INT	RATION	GENERATN	MOTORS	LOAD	SHUNT	DEVICES	SHUNT	CHARGING	LOSSES	LINES	+ LOADS	NET
1		648.6	0.0	0.0	2195.3	0.0	0.0	0.0	0.0	56.5	-2043.5	-1603.1	0.0
PESCO		186.6	0.0	0.0	1266.9	-1124.1	0.0	-0.0	207.9	251.2	-466.9	-199.6	
11		455.7	0.0	0.0	517.5	0.0	0.0	1.1	0.0	18.4	272.8	-81.3	0.0
HAZECO		-14.8	0.0	0.0	267.5	-20.1	0.0	-0.0	42.6	74.5	-80.3	-294.0	
COLUMN		1104.3	0.0	0.0	2712.8	0.0	0.0	1.1	0.0	74.8	-1770.7	-1684.4	0.0
TOTALS		171.8	0.0	0.0	1534.4	-1144.2	0.0	0.0	250.6	525.7	-547.2	-493.6	

# **Agenda Point #(iv). (REMAINING PESCO)**

**PESCO LOAD FLOW STUDY  
YEAR 2023-24: BASE CASE**

Exhibit-1

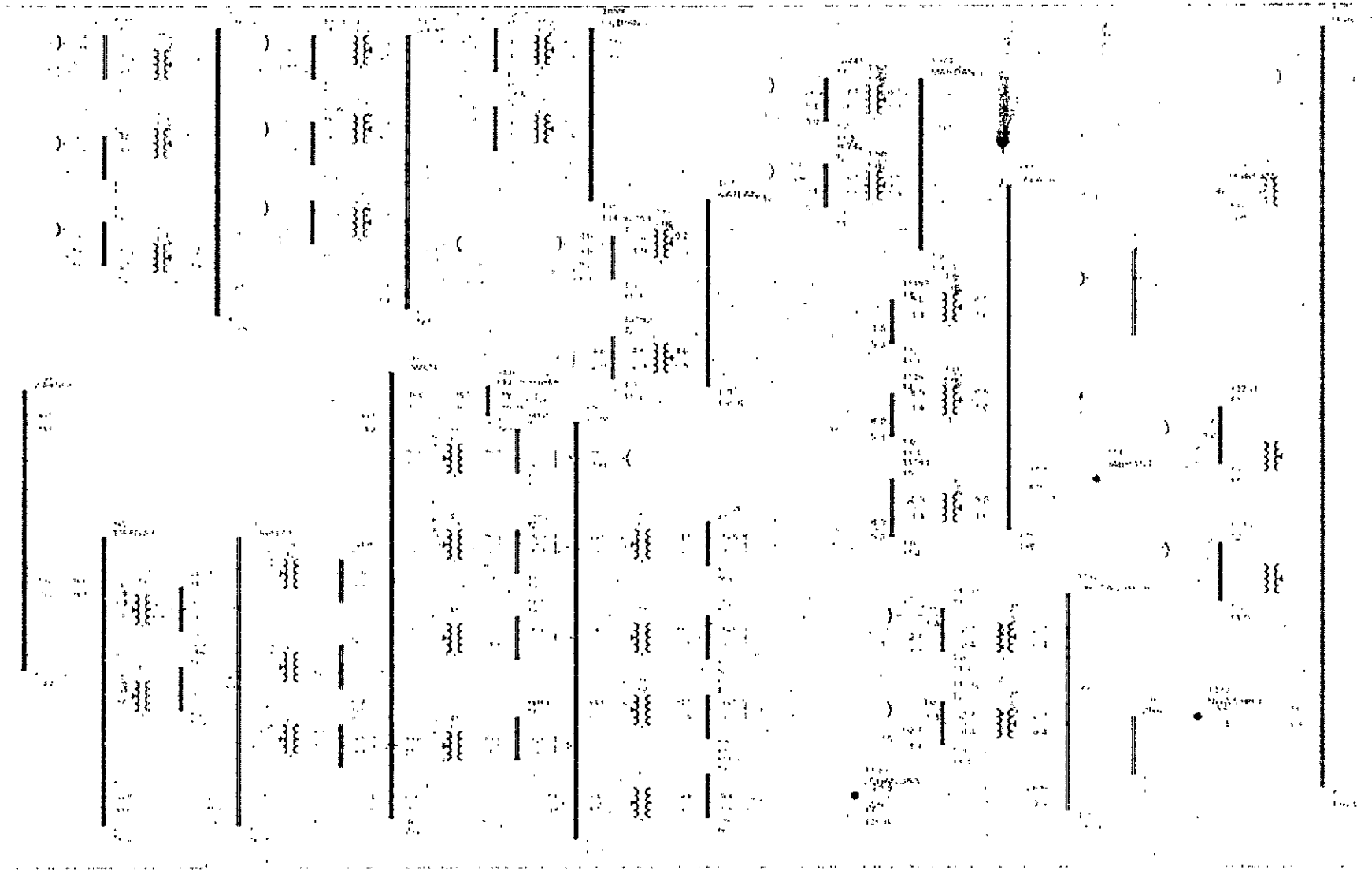




**Agenda Point #(iv).**  
**(REMAINING PESCO)**

**YEAR 2023-24: BASE CASE**

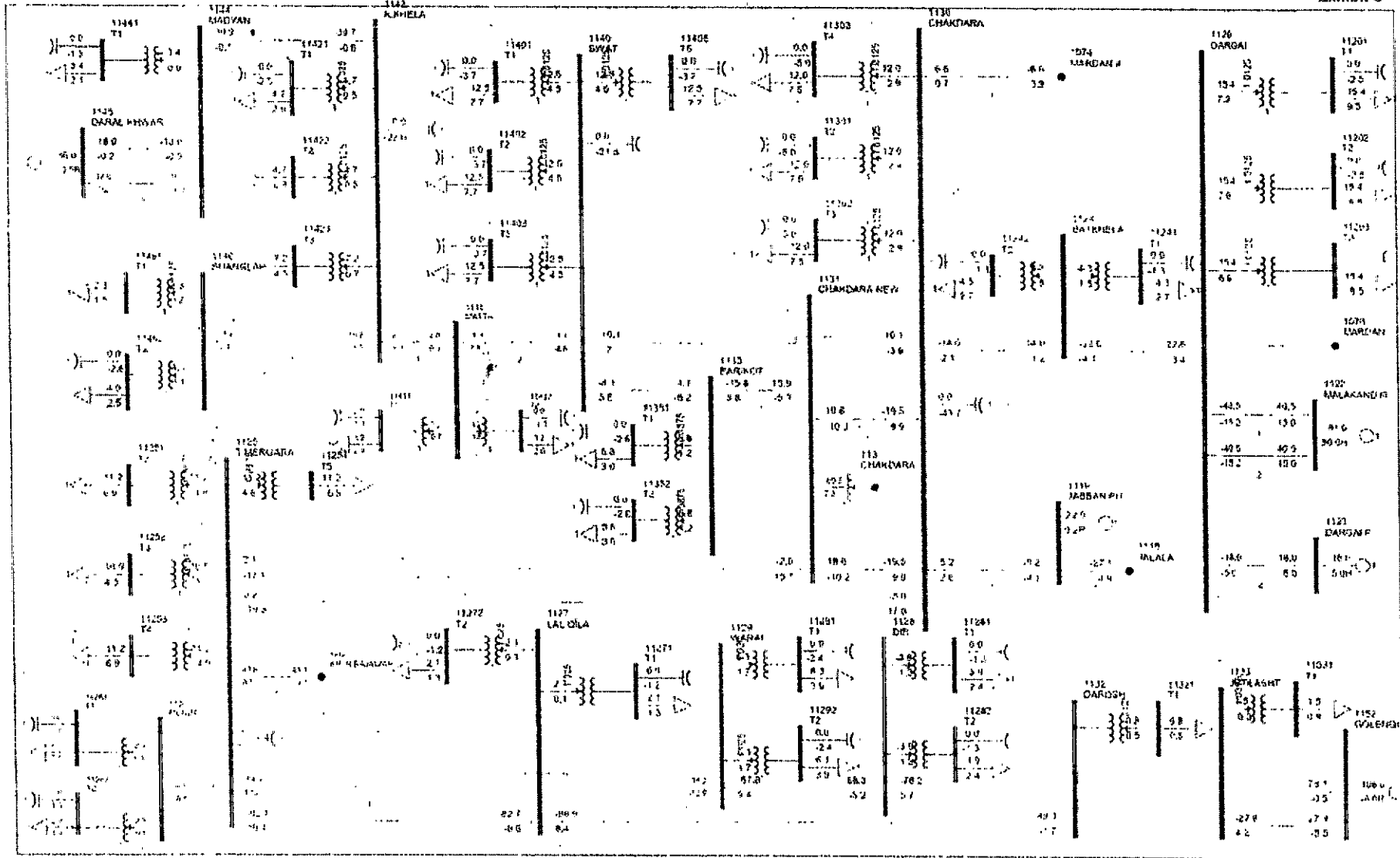
Exhibit-2



# **Agenda Point #(iv). (REMAINING PESCO)**

## **PESCO LOAD FLOW STUDY YEAR 2023-24: BASE CASE**

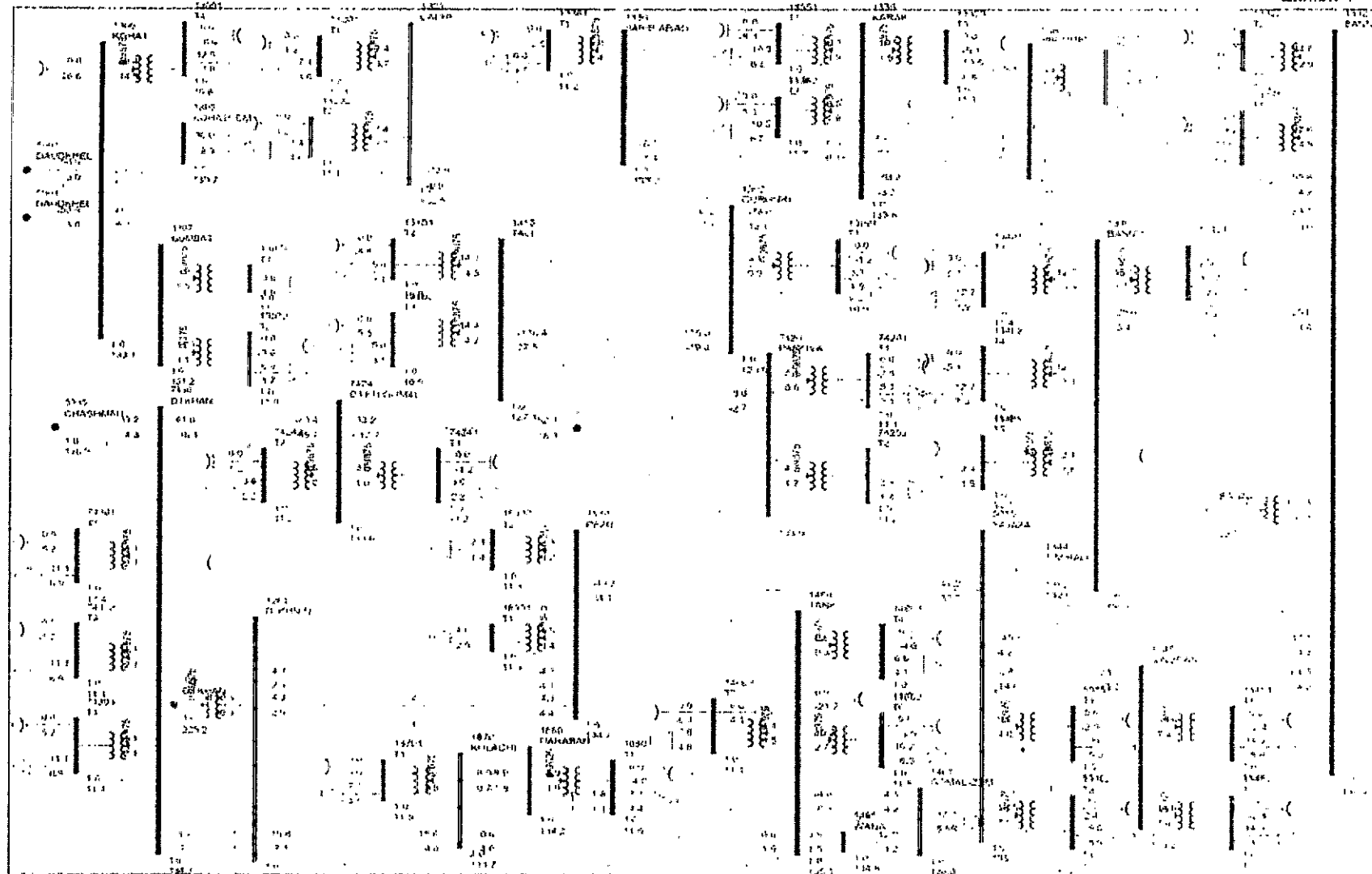
Exhibit-3



# **Agenda Point #(iv). (REMAINING PESCO)**

## **PESCO LOAD FLOW STUDY YEAR 2023-24: BASE CASE**

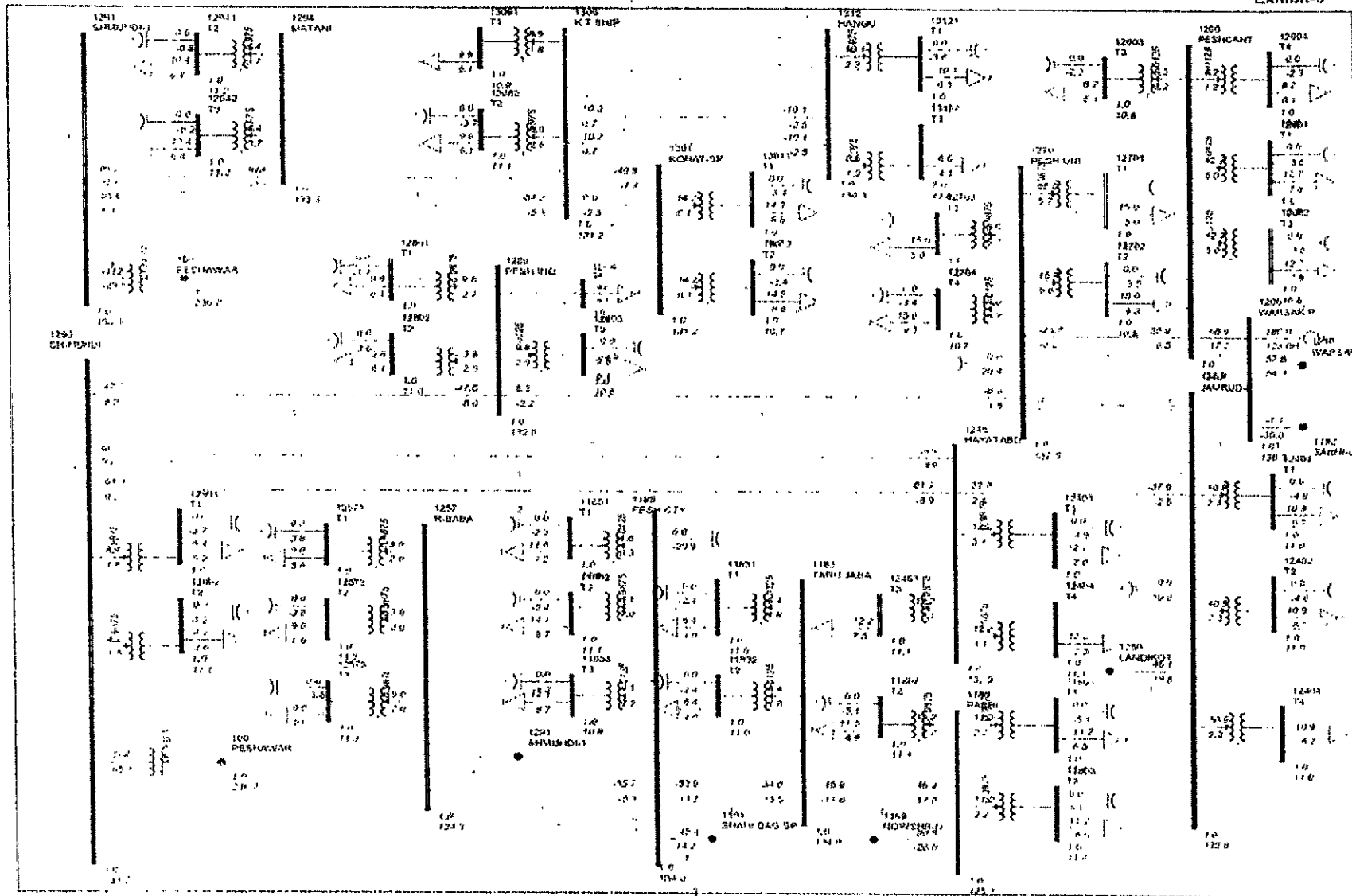
Exhibit-4



# **Agenda Point #(iv). (REMAINING PESCO)**

## **PESCO LOAD FLOW STUDY YEAR 2023-24: BASE CASE**

Exhibit-5



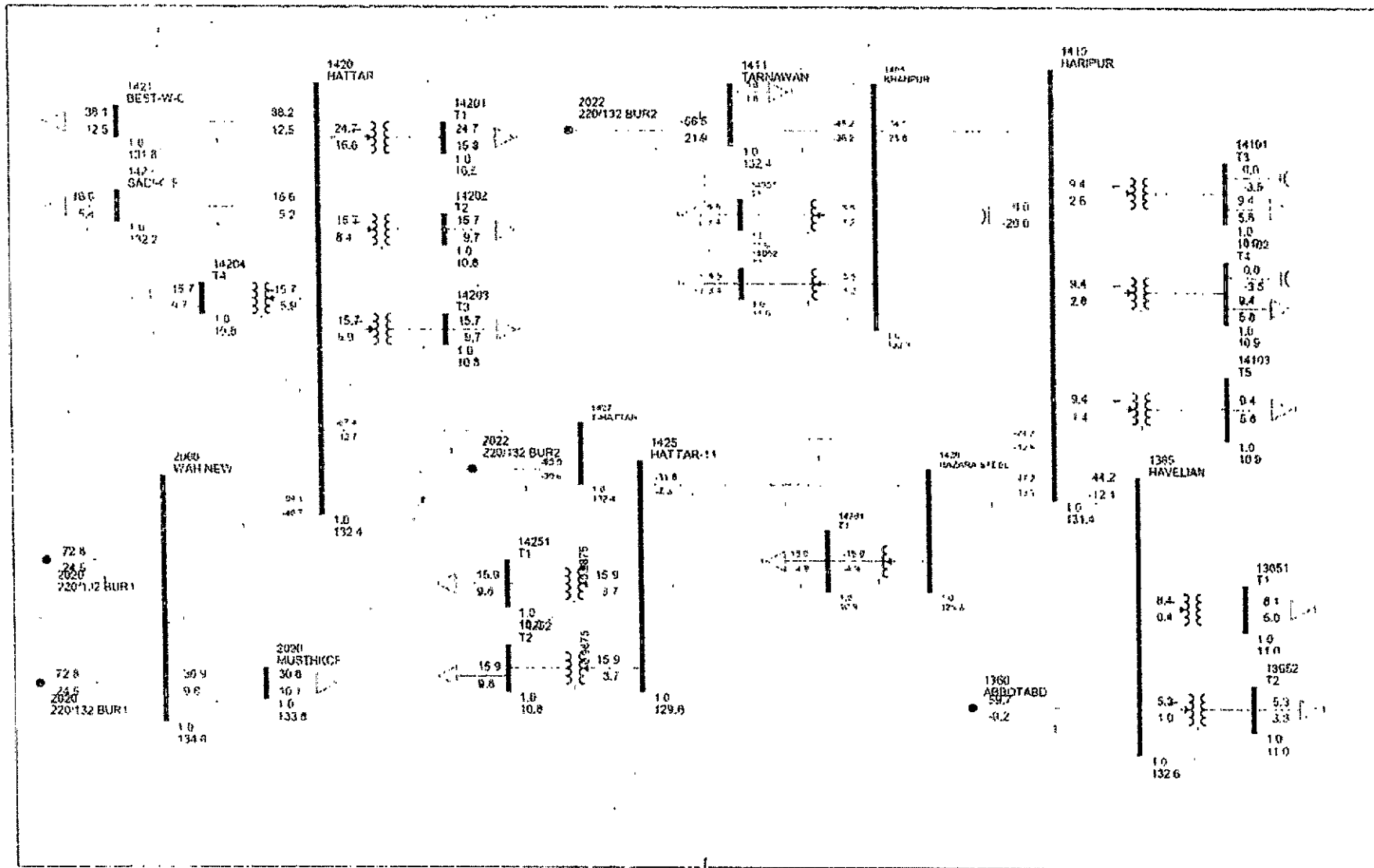


108-

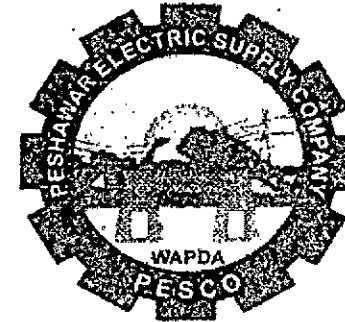
# **Agenda Point #(iv).** **(PROPOSED HAZECO)**

## **HAZECO LOAD FLOW STUDY** **YEAR 2023-24: BASE CASE**

Exhibit-2



# **PROPOSAL FOR BIFURCATION OF PESCO**



## **Agenda Point #(v).**

### **❖ Allocation of Stores & Assest to HAZECO**

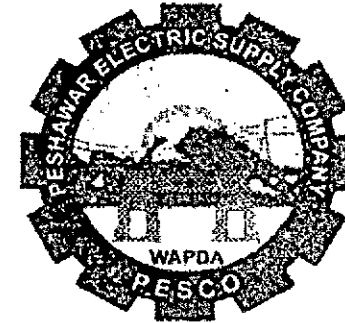
116-  
**PROPOSAL FOR BIFURCATION OF PESCO**

**Agenda Point #(v).**

❖ **ALLOCATION OF STORES & ASSEST TO HAZECO**



## **PROPOSAL FOR BIFURCATION OF PESCO**



### **Agenda Point #(vi) b.**

- ❖ **Complete Information regarding receivables from consumers related to HAZECO as well as subsidy receivables**

-112-

**PROPOSAL FOR BIFURCATION OF PESCO**  
**Agenda Point #(vi) b.**  
**COMMERCIAL PARAMETERS (RECEIVABLES)**

**With Subsidy**

**Figures in Rs: Billion**

DISCO	Fiscal Year 2023-24		
	Govt;	Private	Total
PESCO (Existing)	21.08	198.44	219.52
PESCO(Remaining)	8.17	190.64	198.81
Proposed HAZECO	12.91	7.80	20.71

**Without Subsidy**

DISCO	Fiscal Year 2023-24		
	Govt;	Private	Total
PESCO (Existing)	20.82	194.20	215.02
PESCO(Remaining)	8.03	187.25	195.28
Proposed HAZECO	12.79	6.94	19.74

113

# PROPOSAL FOR BIFURCATION OF PESCO

Agenda Point #(xiii).

## ALLOCATION OF STORES & ASSESTS

1215

## **SETUP OF (MM) STORES REMAINING PESCO**

### **Regional Stores :**

- 1) Regional Store Peshawar
- 2) Regional Store Nowshera
- 3) Regional Store Bannu
- 4) Regional Store Chakdara

### **Field Storesu :**

- 1) Field Store Charsadda
- 2) Field Store Mardan
- 3) Field Store Kohat
- 4) Field Store Hangu
- 5) Field Store D.I.Khan
- 6) Field Store Swat
- 7) Field Store Swabi

## **SETUP OF (MM) STORES PROPOSED HAZECO**

### **1) Regional Stores :**

- 1) Regional Store Abbotabad

### **1) Field Stores :**

- 1) Field Store Haripur
- 2) Field Store Mansehra

# **EXISTING SETUP OF (MM) STORES OF PESCO**

-115

## **Regional Stores**


- 1) Regional Store Peshawar
- 2) Regional Store Nowshera
- 3) Regional Store Bannu
- 4) Regional Store Abbotabad
- 5) Regional Store Chakdara

## **Field Stores**

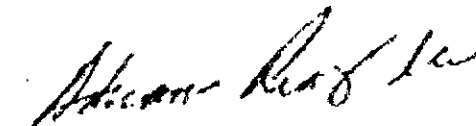
- 1) Field Store Charsadda
- 2) Field Store Mardan
- 3) Field Store Kohat
- 4) Field Store Hangu
- 5) Field Store D.I.Khan
- 6) Field Store Swabi
- 7) Field Store Swat
- 8) Field Store Haripur
- 9) Field Store Mansehra

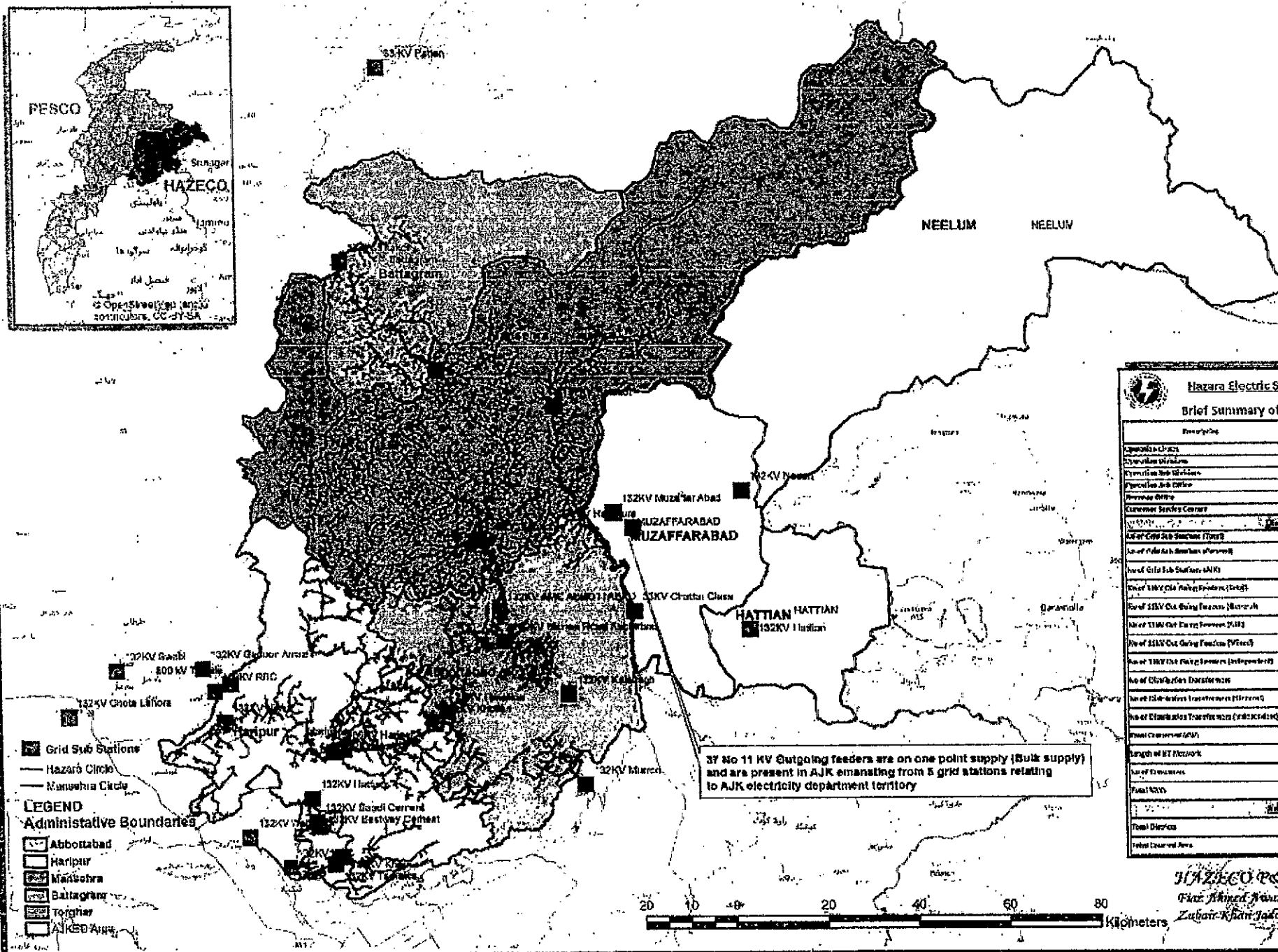
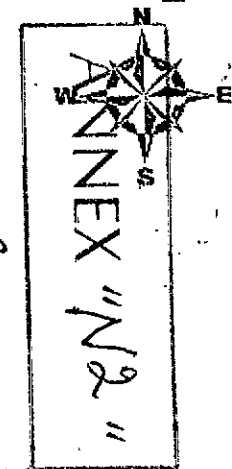
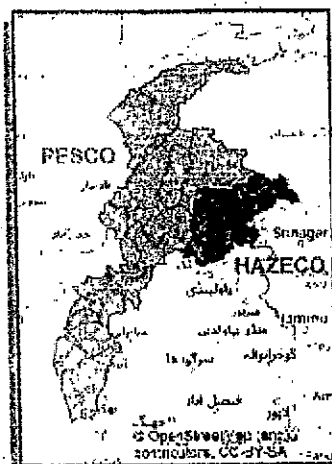
116-  
PROPOSAL FOR BIFURCATION OF PESCO

  
Mr. Tahir Muhammad  
Manager Commercial  
PESCO

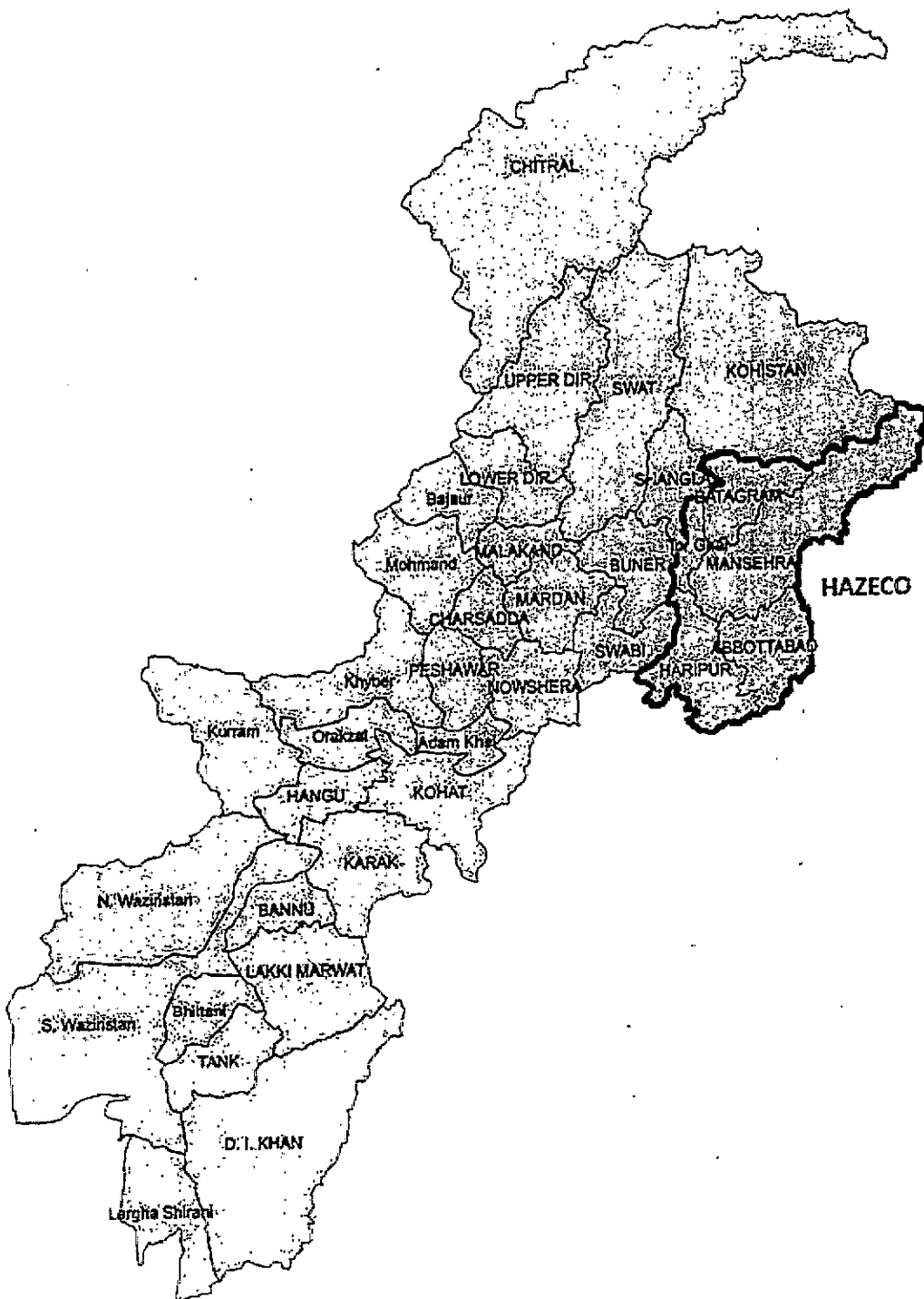
  
Engr. Habib Ur Rehman  
SE Khyber Circle  
PESCO

  
Engr. Tahir Moeen  
CE (Tech)/T.D  
PESCO

  
Engr. Adnan Riaz Mir  
GM (Technical Services) PPMC

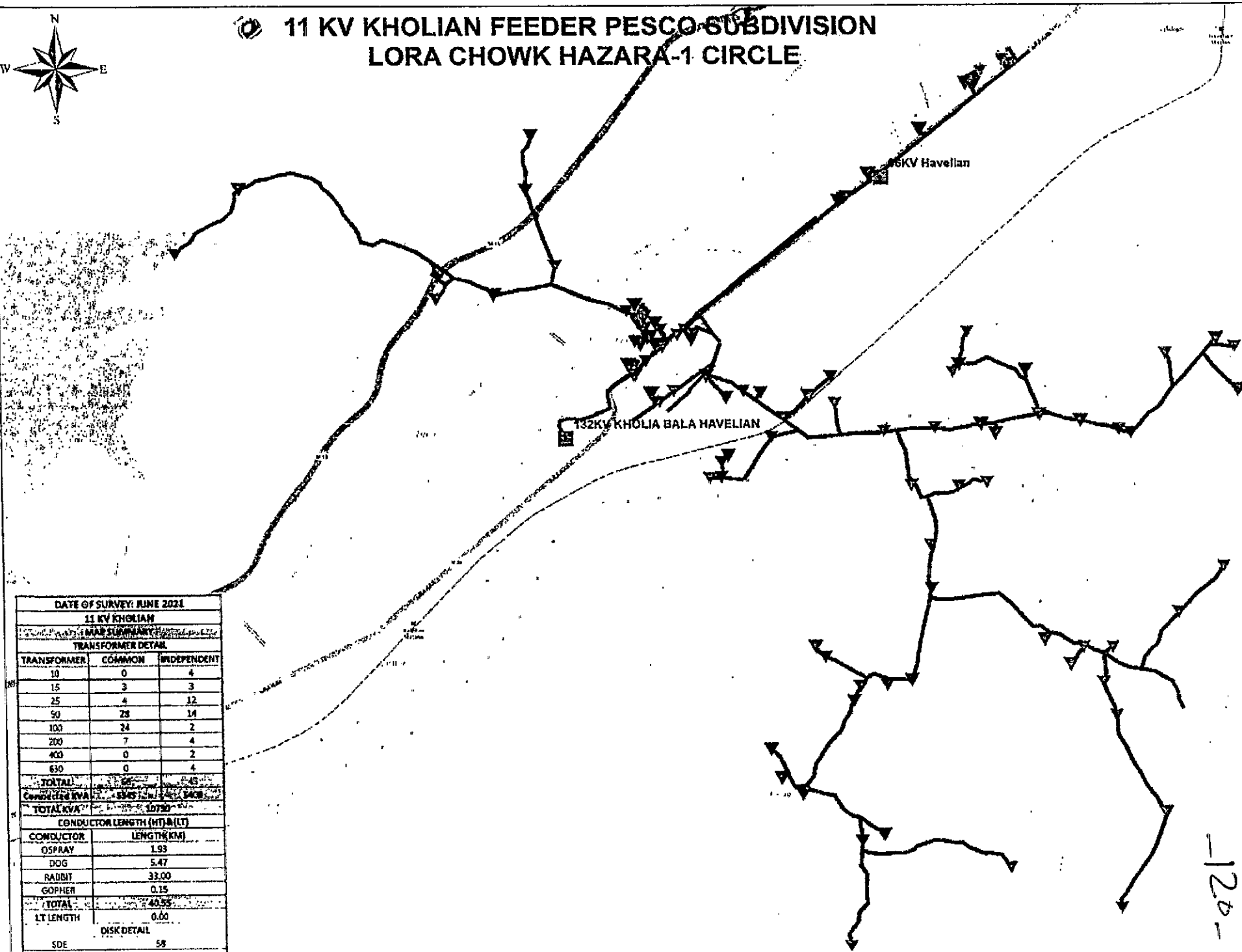
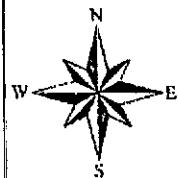
[illegible]

**HAZARD PPE GIS Center**  
 Fazl Ahmed Khan (Senior GIS Supervisor) Manzara Circle  
 Zahar Khan-Jadon (GIS Supervisor) Hazara Circle  
 60 Ozark Street, Suite 100, Columbia, SC 29204





# 11 KV KHOLIAN FEEDER PESCO SUBDIVISION LORA CHOWK HAZARA-1 CIRCLE



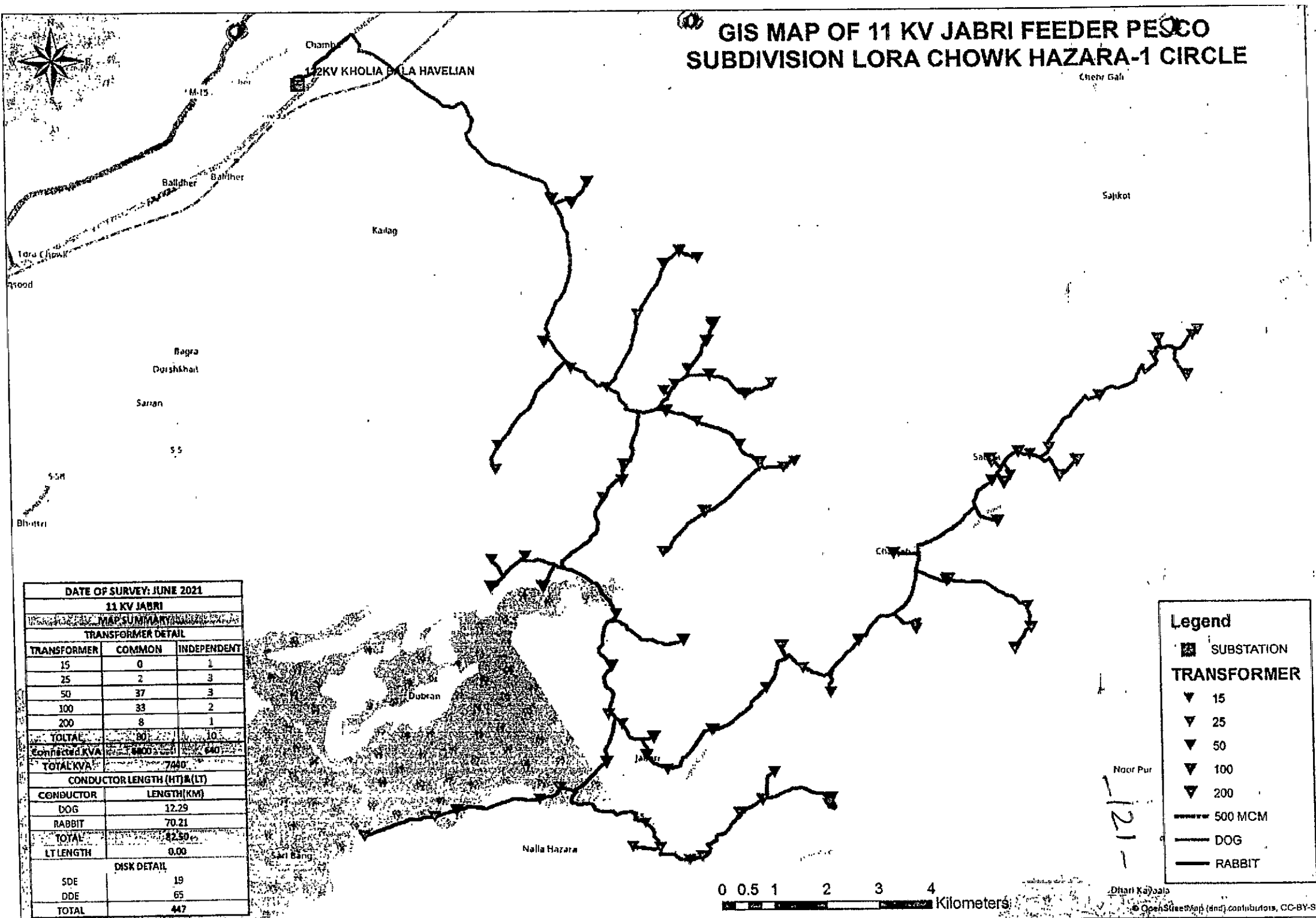
DATE OF SURVEY: JUNE 2021		
11 KV KHOLIAN		
TRANSFORMER DETAIL		
TRANSFORMER	COMMON	INDEPENDENT
10	0	4
15	3	3
25	4	12
50	23	14
100	24	2
200	7	4
400	0	2
630	0	4
TOTAL	58	45
Conducting KVA	5345	5408
TOTAL KVA	10753	
CONDUCTOR LENGTH (HT)&(LT)		
CONDUCTOR	LENGTH (KM)	
OSPRAY	1.93	
DOG	5.47	
RABBIT	33.00	
GOPHER	0.15	
TOTAL	40.55	
LT LENGTH	0.00	
DISK DETAIL		
SDE	58	
DDE	69	
TOTAL	127	

Legend	
	SUBSTATION
TRANSFORMER	
	10
	15
	25
	50
	100
	200
	400
	630
	500MCM
	OSPRAY
	DOG
	RABBIT
	GOPHER

0 0.4 0.8 1.6 2.4 3.2 Kilometers

-120-

# GIS MAP OF 11 KV JABRI FEEDER PESCO SUBDIVISION LORA CHOWK HAZARA-1 CIRCLE



DATE OF SURVEY: JUNE 2021		
11 KV JABRI		
MAP SUMMARY		
TRANSFORMER DETAIL		
TRANSFORMER	COMMON	INDEPENDENT
15	0	1
25	2	3
50	37	3
100	33	2
200	8	1
TOTAL	80	10
Connected KVA	8400	640
TOTAL KVA	7440	
CONDUCTOR LENGTH (HT)&(LT)		
CONDUCTOR	LENGTH(KM)	
DOG	12.29	
RABBIT	70.21	
TOTAL	82.50	
LT LENGTH	0.00	
DISK DETAIL		
SDE	19	
DDE	65	
TOTAL	447	

Legend	
	SUBSTATION
TRANSFORMER	
	15
	25
	50
	100
	200
	500 MCM
	DOG
	RABBIT

0 0.5 1 2 3 4 Kilometers

121-  
Dhan Kayala

# GIS-MAP OF 11 KV BAGRA FEEDER PESCO HAZARA 1 CIRCLE



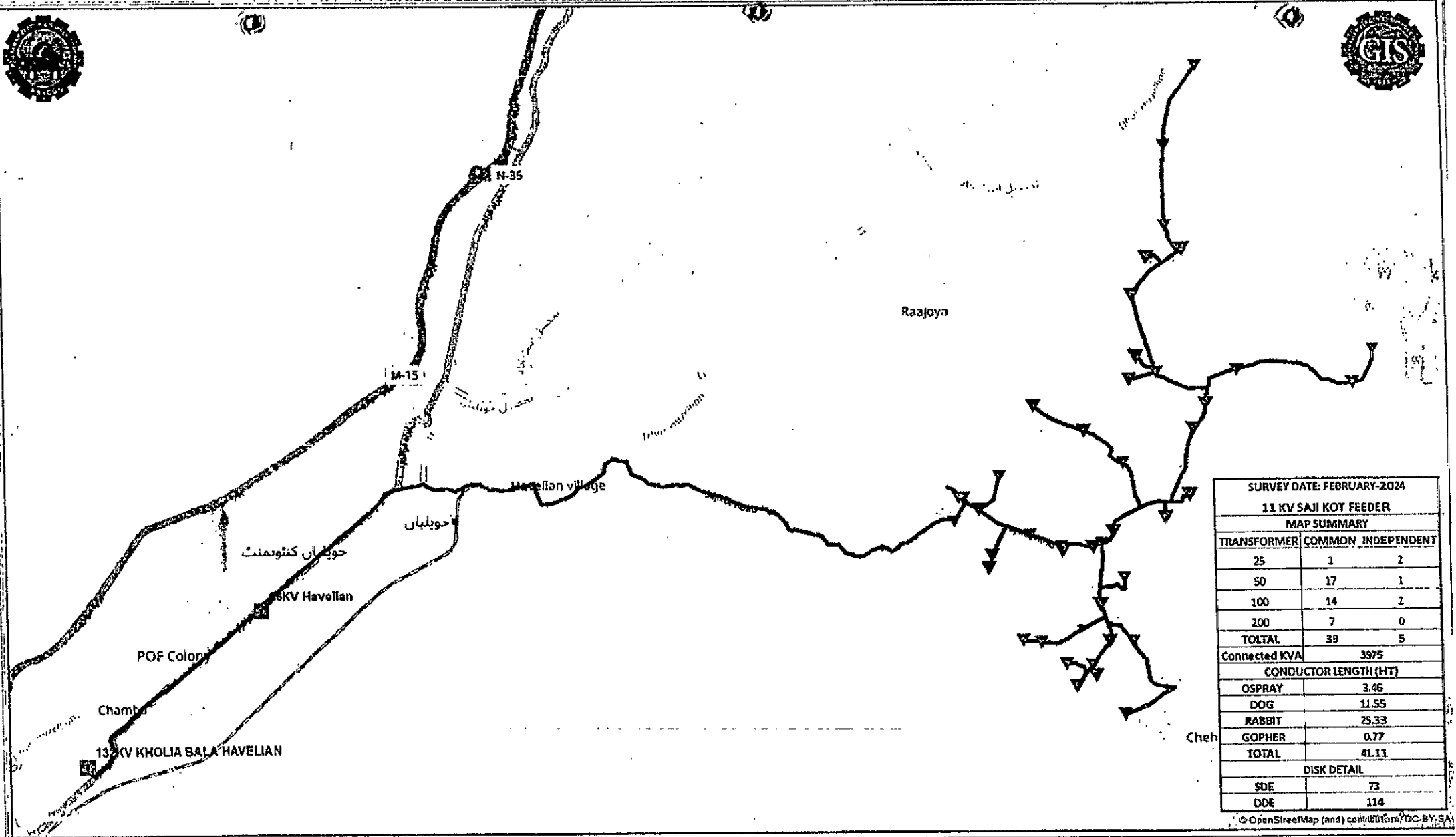
DATE OF SURVEY: AUGUST 2021		
11 KV BAGRA		
MAP SUMMARY		
TRANSFORMER DETAIL		
TRANSFORMER	COMMON	INDEPENDENT
25	5	17
50	42	39
100	22	10
200	16	12
400	0	2
630	0	1
TOTAL	85	81
CONDUCTOR KVA	194	725
TOTAL KVA	14830	
CONDUCTOR LENGTH (MT)(LT)		
CONDUCTOR	LENGTH(KM)	
OSPRAY	4.87	
DOG	13.68	
RABBIT	28.65	
GOPHER	0.92	
TOTAL	48.12	
LT LENGTH	0.00	
DISK DETAIL		
SDE	98	
DDE	94	
TOTAL	192	

## Legend

- SUBSTATION
- TRANSFORMER**
- 25
- 50
- 100
- 200
- 400
- 630
- 500MCM
- OSPRAY
- DOG
- RABBIT
- GOPHER

0 0.325 0.65 1.3 1.95 2.6

122

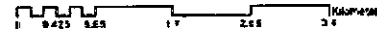


SURVEY DATE: FEBRUARY-2024		
11 KV SAJI KOT FEEDER		
MAP SUMMARY		
TRANSFORMER	COMMON	INDEPENDENT
25	1	2
50	17	1
100	14	2
200	7	0
TOTAL	39	5
Connected KVA	3975	
CONDUCTOR LENGTH (HT)		
OSPRAY	3.46	
DOG	11.55	
RABBIT	25.33	
GOPHER	0.77	
TOTAL	41.11	
DISK DETAIL		
SDE	73	
DDE	114	

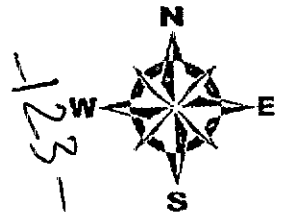
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#### LEGEND

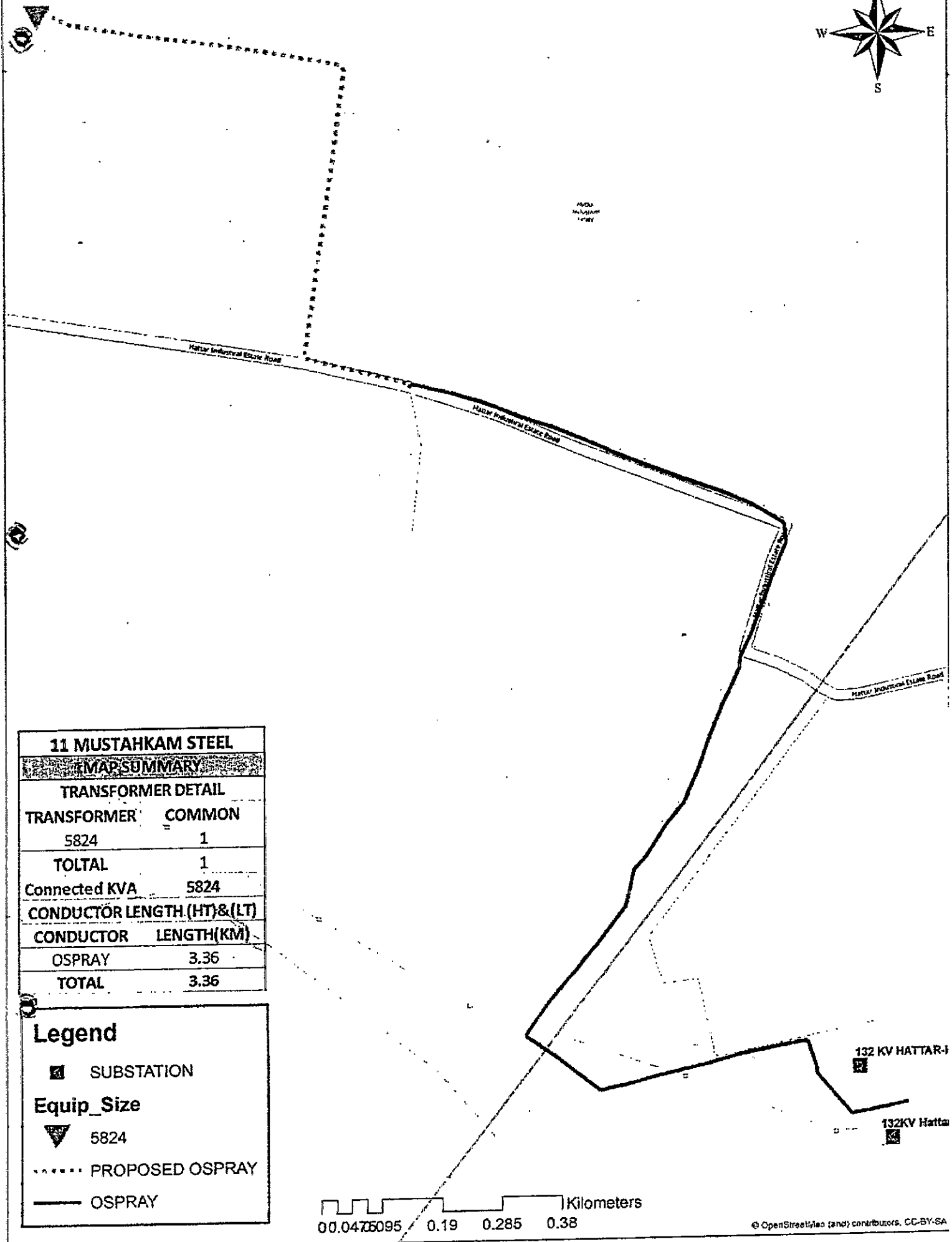
- SUBSTATION ■ 500 MCM — RABBIT ▼ 25 ▼ 100 ▼ 200  
— OSPRAY — GOPHER ▼ 50  
— DOG



11 KV SAJI KOT FEEDER (117207)  
PESCO SUBDIVISION LORA CHOWK, CITY ABBOTTABAD DIVISION HAZARA-I CIRCLE

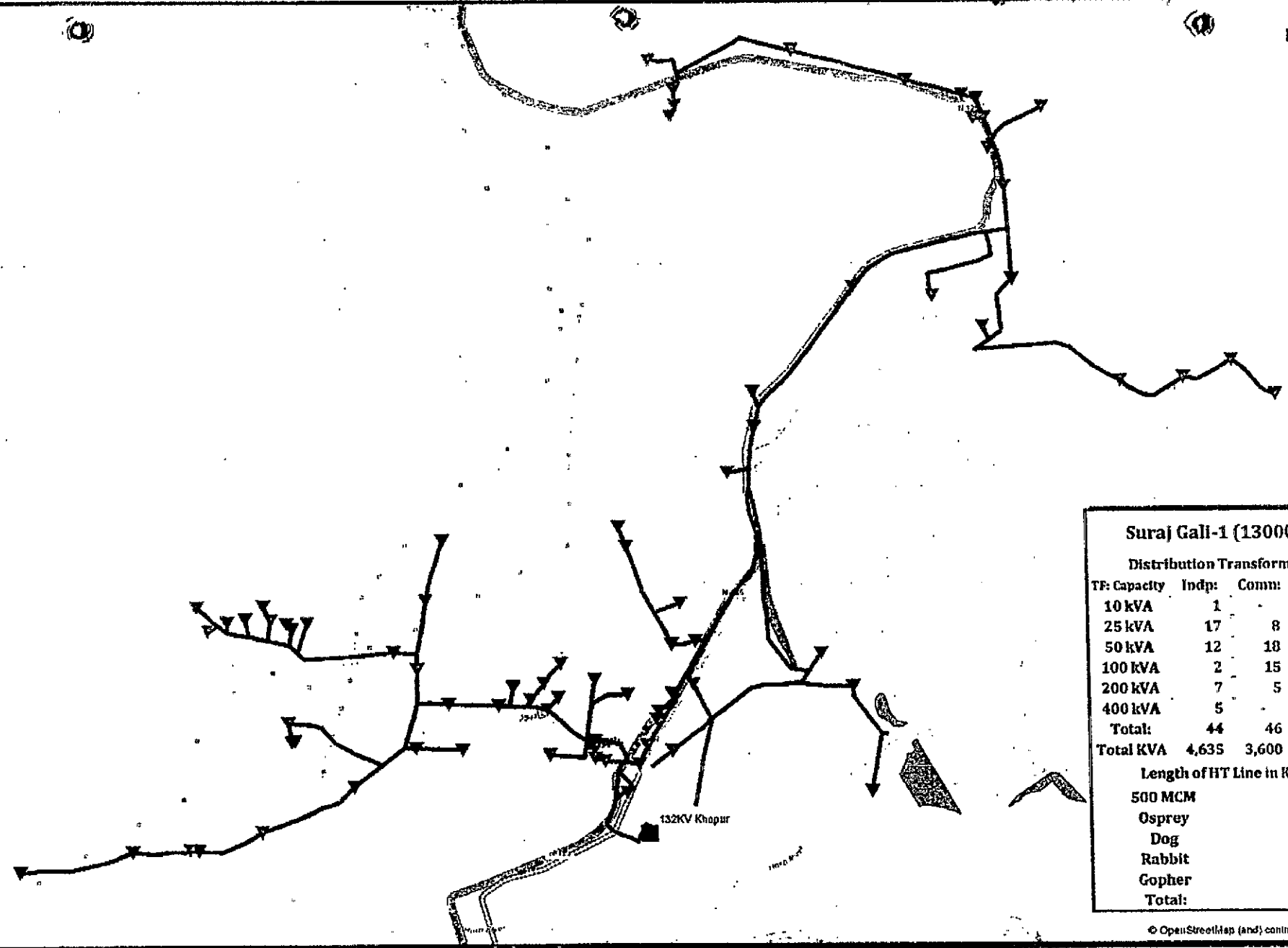


# 11 KV MUSTAHKAM STEEL FEEDER PESCO SUBDIVISION HATTAR PESCO HAZARA-1 CIRCLE



11 MUSTAHKAM STEEL	
MAP SUMMARY	
TRANSFORMER DETAIL	
TRANSFORMER	COMMON
5824	1
TOLTAL	1
Connected KVA	5824
CONDUCTOR LENGTH (HT)&(LT)	
CONDUCTOR	LENGTH(KM)
OSPRAY	3.36
TOTAL	3.36
Legend	
	SUBSTATION
Equip_Size	
	5824
	PROPOSED OSPRAY
	OSPRAY

0.047 0.095 0.19 0.285 0.38 Kilometers



### Suraj Gali-1 (130001)

#### Distribution Transformers

TF Capacity	Indp:	Comm:	Total
10 kVA	1		1
25 kVA	17	8	25
50 kVA	12	18	30
100 kVA	2	15	17
200 kVA	7	5	12
400 kVA	5		5
Total:	44	46	90
Total KVA	4,635	3,600	8,235

#### Length of HT Line in KMs

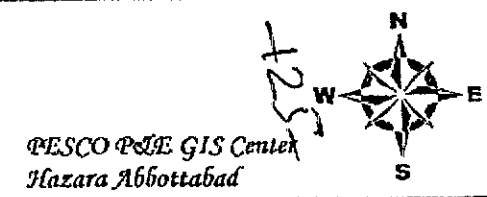
500 MCM	0.042
Osprey	0.052
Dog	7.912
Rabbit	15.508
Gopher	1.229
Total:	25.543

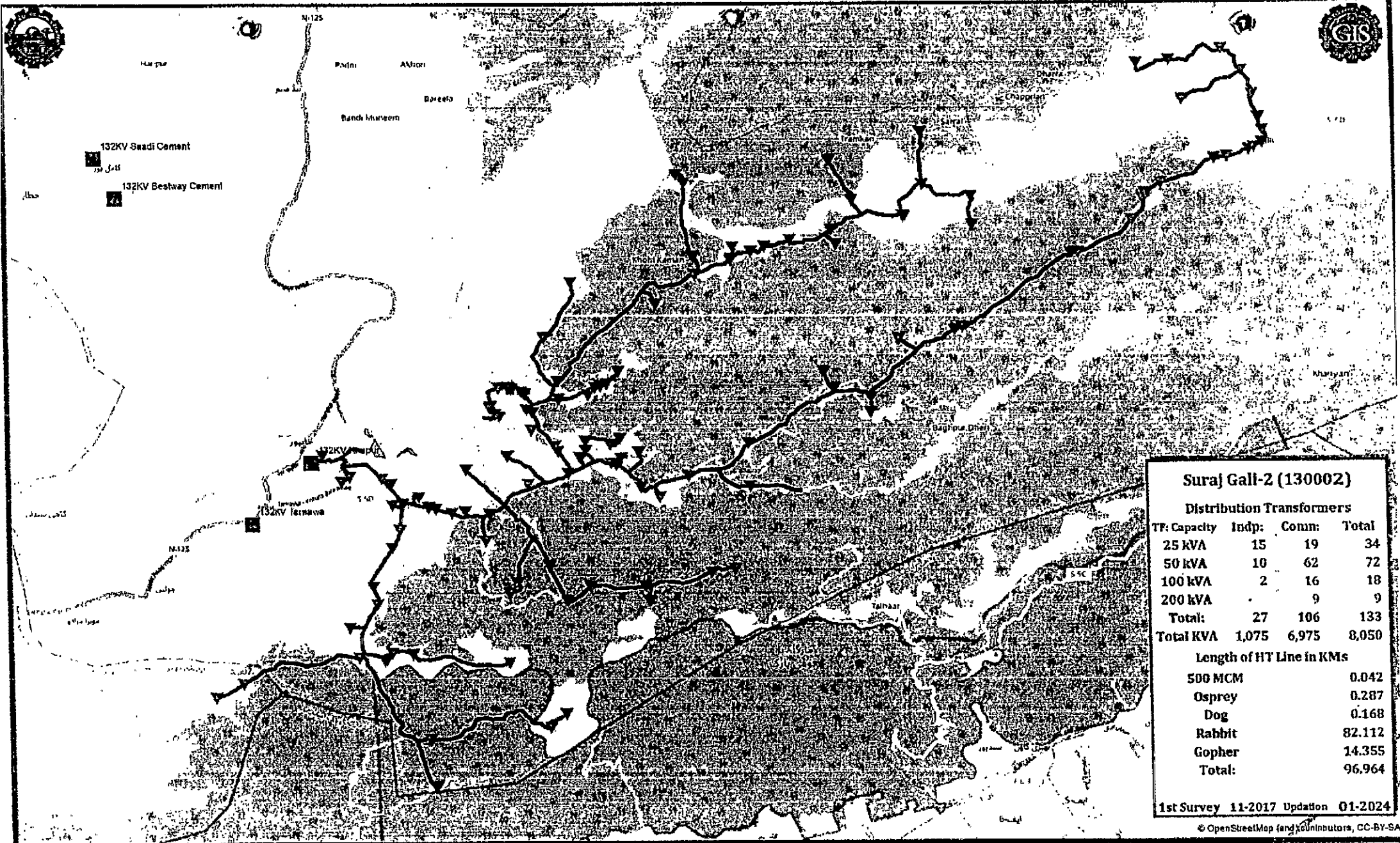
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PESCO GSS 10 25 50 100 200 400 500MCM 500MCM Dog Gopher Osprey Rabbit

**11 KV SURAJ GALI-1 (130001) FEEDER**  
**PESCO SUBDIVISION KHANPUR**  
**CITY DIVISION HARIPUR**  
**HAZARA CIRCLE ABBOTTABAD**

Fiaz Ahmed Awan (Senior GIS Supervisor)  
Zubair Khan Jadoon (GIS Supervisor)  
Qazi Hamid Masood Awan (GIS Surveyor)





### Suraj Gali-2 (130002)

#### Distribution Transformers

TF: Capacity	Indp:	Comm:	Total
25 kVA	15	19	34
50 kVA	10	62	72
100 kVA	2	16	18
200 kVA	-	9	9
<b>Total:</b>	<b>27</b>	<b>106</b>	<b>133</b>
<b>Total KVA</b>	<b>1,075</b>	<b>6,975</b>	<b>8,050</b>

#### Length of HT Line in KMs

500 MCM	0.042
Osprey	0.287
Dog	0.168
Rabbit	82.112
Gopher	14.355
<b>Total:</b>	<b>96.964</b>

1st Survey 11-2017 Updation 01-2024

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PESCO GSS ▼ 25 ▼ 50 ▼ 100 — 500MCM — Dog — Gopher  
▼ 200 — Osprey — Rabbit

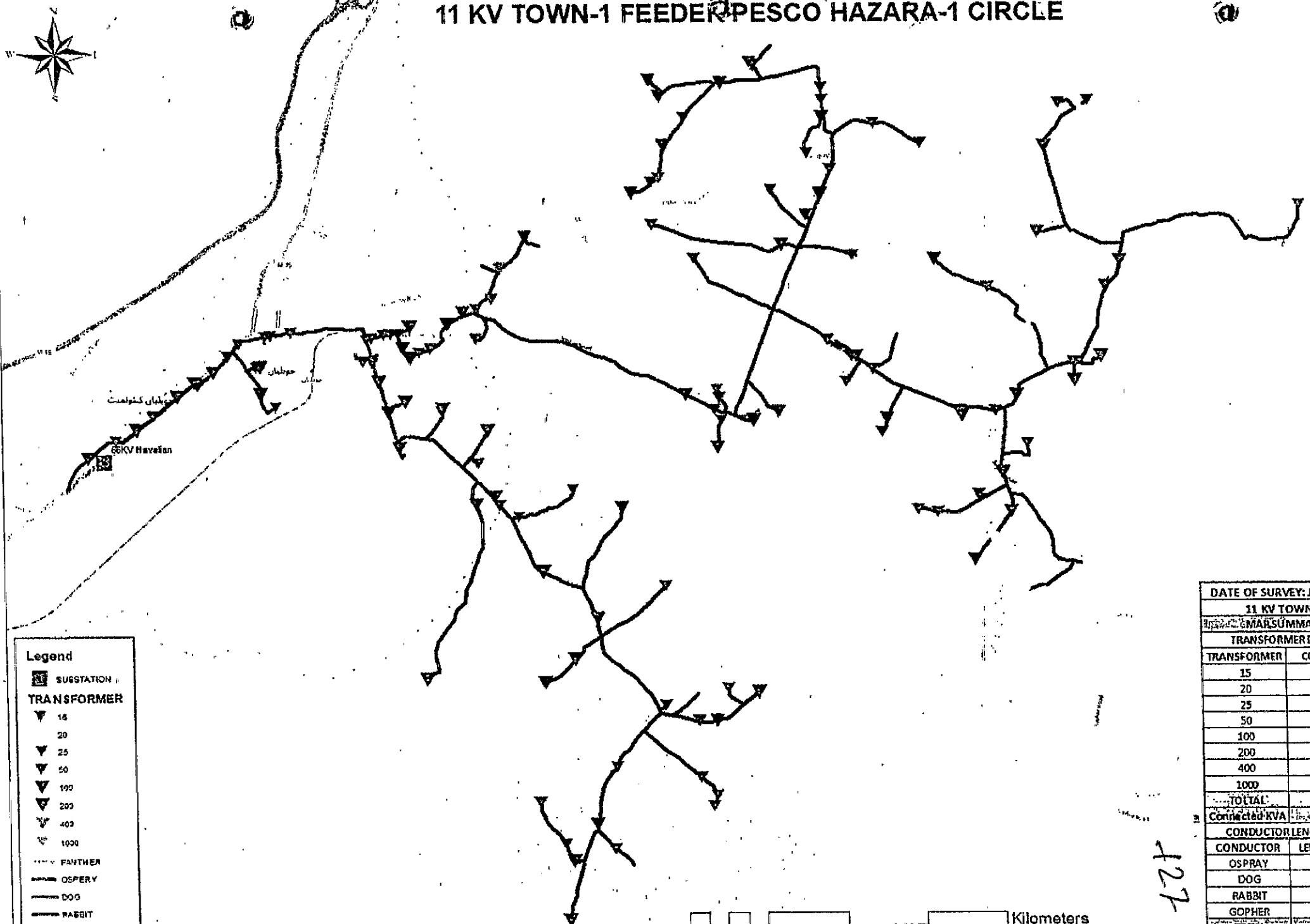
11 KV SURAJ GALI-2 (130002) FEEDER  
PESCO SUBDIVISION KHANPUR  
CITY DIVISION HARIPUR  
HAZARA CIRCLE ABBOTTABAD

Piaz Ahmed Awan (Senior GIS Supervisor)  
Zubair Khan Jadoon (GIS Supervisor)  
Qazi Hamid Masood Awan (GIS Surveyor)

PESCO P&E GIS Center  
Hazara Abbottabad



# 11 KV TOWN-1 FEEDER PESCO HAZARA-1 CIRCLE



## Legend

- SUBSTATION
- TRANSFORMER**
- 15
- 20
- 25
- 50
- 100
- 200
- 400
- 1000
- FANHER
- OSPARY
- DOG
- RABBIT
- GOPHER

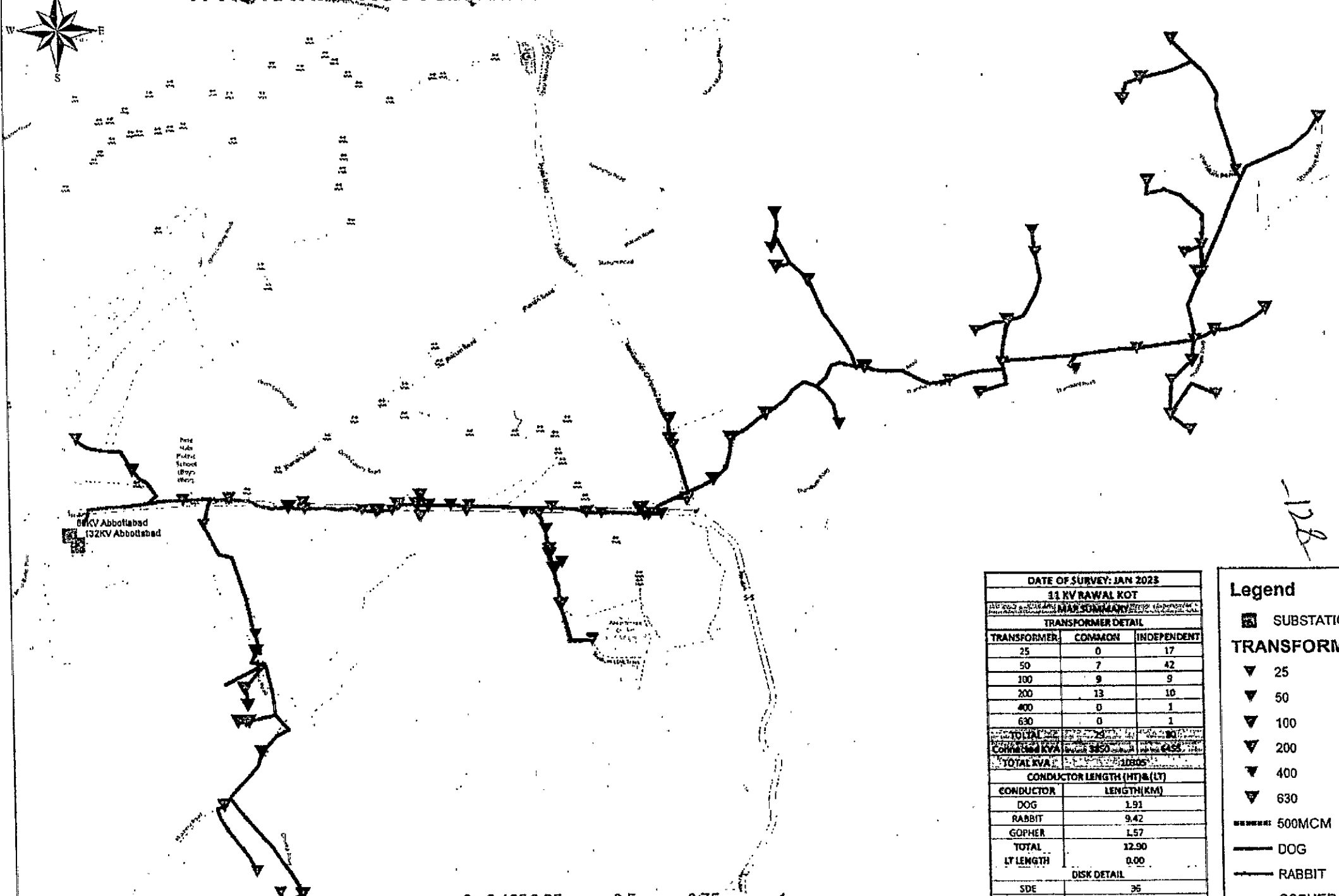
DATE OF SURVEY: JAN 2017	
11 KV TOWN-1	
SUMMARY	
TRANSFORMER DETAIL	
TRANSFORMER	COMMON
15	2
20	2
25	11
50	25
100	17
200	12
400	1
1000	1
TOTAL	71
Connected KVA	7095
CONDUCTOR LENGTH (KT)	
CONDUCTOR	LENGTH (KM)
OSPARY	0.11
DOG	0.37
RABBIT	13.30
GOPHER	62.19
TOTAL	75.97

127

0 0.5 1 2 3 4 Kilometers



# 11 KV RAWAL KOT FEEDER PESCO SUBDIVISION NAWAN SHEHAR HAZARA-1 CIRCLE



0 0.125 0.25 0.5 0.75 1 Kilometers

DATE OF SURVEY: JAN 2023		
11 KV RAWAL KOT		
TRANSFORMER DETAIL		
TRANSFORMER	COMMON	INDEPENDENT
25	0	17
50	7	42
100	9	9
200	13	10
400	0	1
630	0	1
TOTAL	29	80
COMMITTED KVA	3850	455
TOTAL KVA	10805	
CONDUCTOR LENGTH (HT)&(LT)		
CONDUCTOR	LENGTH(KM)	
DOG	1.91	
RABBIT	9.42	
GOPHER	1.57	
TOTAL	12.90	
LT LENGTH	0.00	
DISK DETAIL		
SDE	36	
DDE	44	
TOTAL	372	

**Legend**

SUBSTATION

**TRANSFORMER**

25

50

100

200

400

630

500MCM

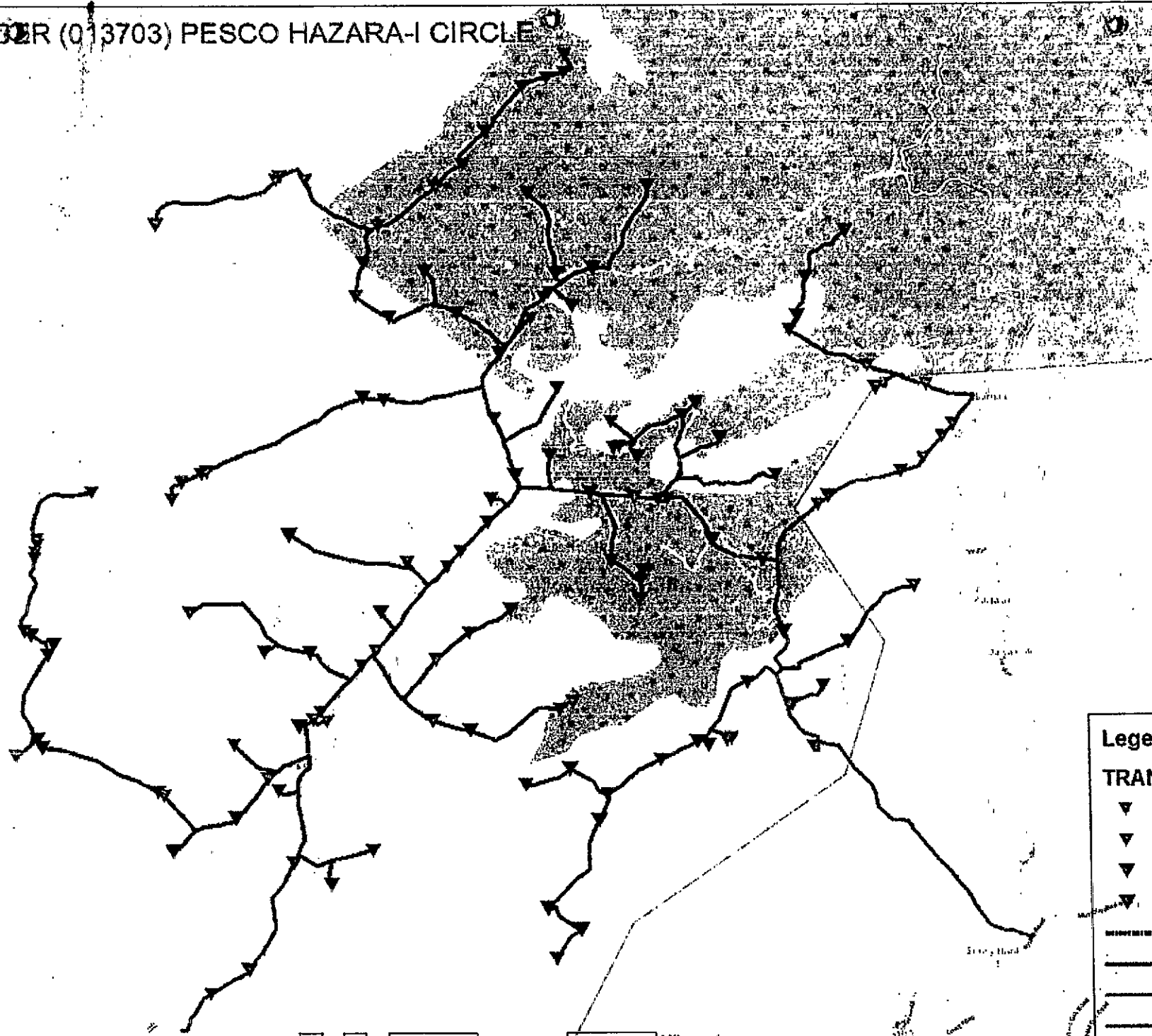
DOG

RABBIT

GOPHER

-128

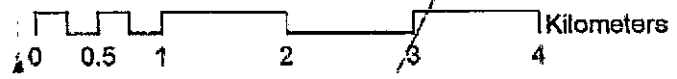
# 11 KV LORA-I FEEDER (013703) PESCO HAZARA-I CIRCLE



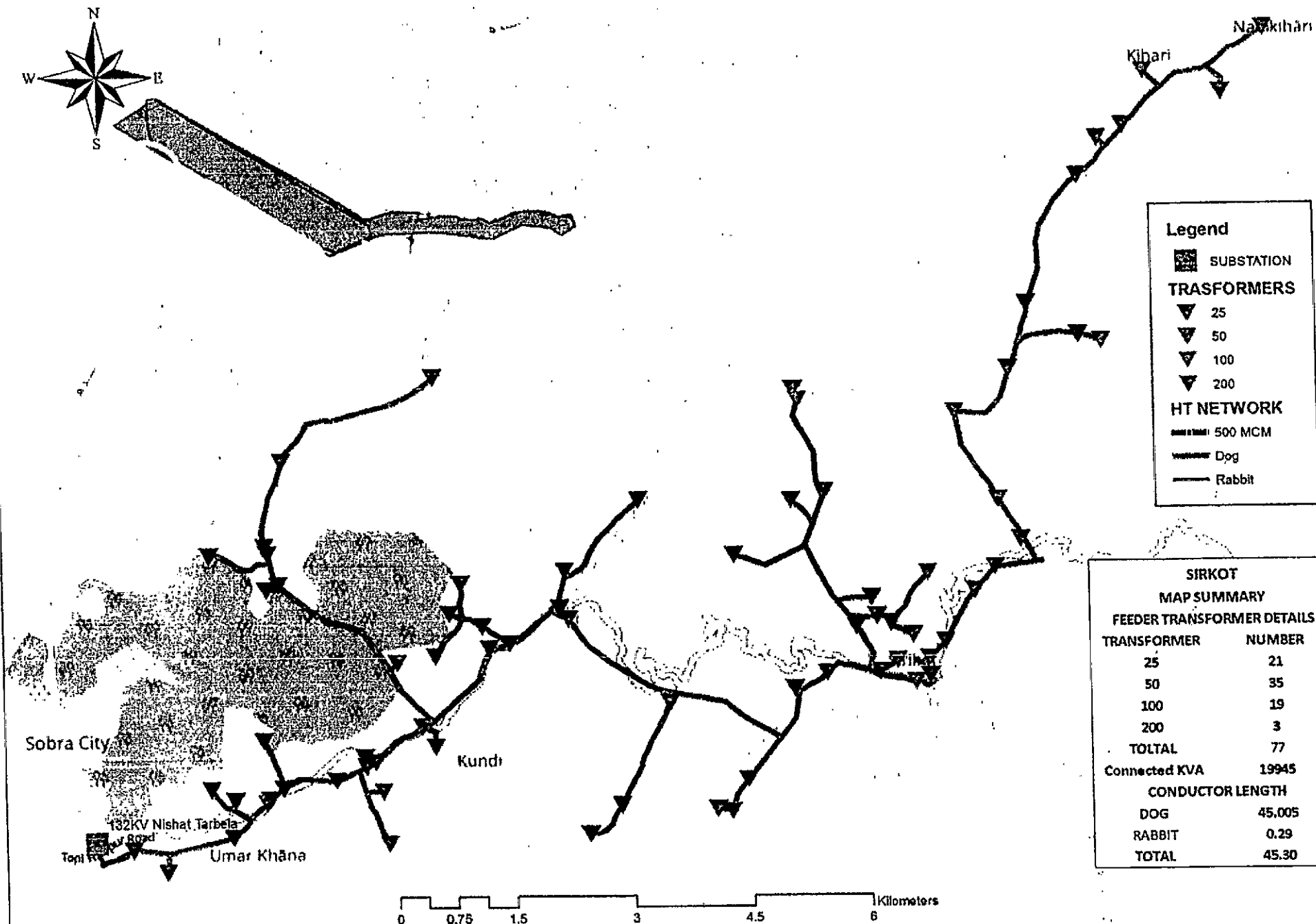
129

SURVEY DATE: MAY-2022	
11 KV LORA-I FEEDER	
MAP SUMMARY	
TRANSFORMER	NUMBER
25	25
50	66
100	28
200	6
TOTAL	125
CONDUCTOR LENGTH (KM)	
DOG	20.91
RABBIT	57.41
GOPHER	2.37
TOTAL	80.69

Legend	
TRANSFORMER	
▼	25
▼	50
▼	100
▼	200
CONDUCTOR	
—	500 MCM
—	DOG
—	RABBIT
—	GOPHER



# 11 KV SIRIKOT FEEDER (046206), GHAZI SUBDIVISION HAZARA 1 CIRCLE



# 11 KV COCA COLA FEEDER PESCO SUBDIVISION HATTAR HAZARA-1 CIRCLE



## Legend

■ SUBSTATION

TRANSFORMER

▼ 2500

500MCM

— DOG

DATE OF SURVEY: OCT 2022	
11 KV COCA COLA	
MAP SUMMARY	
TRANSFORMER DETAIL	
TRANSFORMER	INDEPENDENT
2500	2
TOTAL	2
Connected KVA	5000
CONDUCTOR LENGTH	
500 MCM	0.03
DOG	6.77
TOTAL	6.80

0 0.175 0.35 0.7 1.05 1.4 Kilometers

132 KV HATTAR-  
132KV Hattar

131

## HAZECO Financial Plan (In Millions)

DESCRIPTION	2023-24	2024-25	2025-26	2026-27	2027-28	Total
ELR	1099	1273	1127	988	1146	5634
DOP	569	585	740	751	764	3409
STG	150	1510	1280	3640	1600	8180
World bank (STG)		300	250	600		1150
Total Cost	1818	3668	3397	5979	3511	18372

ANNEX "N3"

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**MAPS/GIS STATUS OF 11 KV FEEDERS IN RESPECT OF HAZARA ELECTRIC SUPPLY COMPANY (HAZECO)**

S.No	CIRCLE	NO OF FEEDERS	AJK (EXEMPTED)*	SENSITIVE (EXEMPTED)**	NEWLY BIFURCATED FEEDERS***	MAPS AVAILABLE
1	ABBOTTABAD	136	0	13	22	101
2	MANSEHRA	76	37	0	0	39
	HAZECO	212	37	13	22	140

All 140 maps are attached.**Note:**

(\*) 37 No 11 KV Outgoing feeders are one point supply (Bulk supply) and are present in AJK emanating from 5 grid stations relating to AJK electricity department territory (Maps not available).

(\*\*) 10 No 11 KV sensitive security installation feeders being exempted from GIS Survey (Maps not available).

(\*\*\*) 25 No 11 KV feeders are newly bifurcated and their maps are not available because the survey is not yet carried out by Abbottabad Circle.

ANNEX "N6"

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Doc No: N23

**CONSUMER CLASS/CATEGORY, SUB-CATEGORY ON THE BASIS OF SANCTIONED LOAD AND VOLTAGE LEVEL (As on June 23)**

Tariff Description	Tariff Name	Sanctioned Load (kW)	Number of Consumers				Units Consumed
			0.2kv	0.4kv	1.1kv	1.2kv	
DOMESTIC	A-1a(01)	1,034,958	1,795	663,917			67,425,042
	A-1a(02)	49	1	19			2,836
	A-1b(03)T	21,512	2,126	1,091			951,411
COMMERCIAL	A-2a(04)	88,455	405	63,095			4,788,694
	A-2b(05)	246	3	1			-
	A-2c(06)T	79,057	3,746	3			8,260,812
GENERAL SERVICES	A-3a(66)	71,633	1,543	5,981			5,452,992
INDUSTRIAL	B1(07)	11,495	176	886			28,577
	B1(08)	2	-	1			41
	B1b(09)T	12,714	1,061	4			616,566
	B2a(10)	22,807	39	132			12,065
	B2b(12)T	113,905	891	1			10,219,509
	B3(13)	10,330	-	10			-
	B3(14)T	189,647		-	80		27,804,600
	B4(17)T	140,500				4	62,600,000
BULK SUPPLY	C-1a(19)	-	-	1			-
	C-1b(25)	910	7	13			69,672
	C-1c(26)T	7,929	95	-			1,014,923
	C-2a(28)	20,300	4	6			594,960
	C-2b(29) T	18,380	11	-			1,586,791
Agriculture / Scarp Tube well	D-1a(42)	150	4	1			-
	D-1a(46)	282	-	18			-
	D-1b(45)T	275	17	-			1,148
	D-2(48)T	38	2	1			45
	D-2(52)	2,318	67	386			48,022
	D-2b(51)T	2,961	144	2			239,437
TEMPORARY SUPPLY	E-1i(55)	157	3	36			-
	E-1ii(56)	1,756	47	307			22,135
	E-2(58)	771	13	14			-
STREET LIGHTS	G-1(72)	3,633	59	24			34,947
	G-2(73)	5,377	67	26			39,942
RESIDENTIAL COLONIES	H-1(76)	1,190	6	1			36,599
AJK	K-1a(35)	1,000	1	3			-
	K-1b(36)T	75,894	36	-			29,241,198
Grand Total		1,940,631	12,369	735,980	80	4	221,092,964

Consumer class/category, sub-category on the basis of sanctioned load and  
voltage Level

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Sr. No.	Category of Consumers	No. of Consumers
1	Domestic	694,933
2	Commercial	69,463
3	Industrial	3,533
4	Bulk	182
5	Tube well:	674
6	General Services	194
7	Others	7,826



## **TARIFF CATEGORIES OF CONSUMERS CLASSES TO BE SERVED:**

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The following categories of consumers and classes are served in the proposed HAZECO as per approved tariff by NEPRA and Govt of Pakistan.

### **1 DOMESTIC**

The following subcategories fall in Domestic.

#### **1.1 Domestic (Single Phase)**

Its numeric Code is 01 and Tariff Code (A-1a)

01 A-1a(01) Sanctioned load less than 5kW

consumer having sanction load less than 5 kw shall be billed on single part KWH rate at 220Volt

#### **1.2 Domestic (Three Phase)**

Its numeric Code is 03 and Tariff Code (A-1b)

03 A-1b(03)T having 5kw and above sanction load

consumer having sanction load 5kwh and above shall be provided TOU metering arrangement 220Volt

55 E-1i(55) (TEMPORARY DOMESTIC) A-1(T)

Domestic Consumers having Load Up to 5KW at 220Volt

### **2 COMMERCIAL**

The following subcategories fall in Commercial.

#### **2.1 Commercial (Single Phase)**

Its numeric Code is 04 and Tariff Code (A-2a)

04 A-2a(04) (COMMERCIAL)

Commercial Consumers having Load Up to 5KW at 220Volt For Single Phase Meter

#### **2.2 Commercial (Three Phase)**

Its numeric Code is 05 and Tariff Code (A-2b)

05 A-2b(05) COMMERCIAL

Commercial Consumers having Load Above 5KW at 440Volt For Three Phase Meter

#### **2.3 Commercial (TOU)**

Its numeric Code is 06 and Tariff Code (A-2C)

06 A-2c(06)T Time of use exceeding 5kW

Commercial Consumers having Load Above 5KW at 440Volt For TOU Meter

56 E-1ii(56) (TEMPORARY COMMERCIAL)

Commercial Consumers having Load Up to 5KW at 220Volt For Single Phase Meter

#### **2.4 Its numeric Code is 68 and Tariff Code (A-2d)**

68 A-2d(68) Electric vehicle charging station

Electric vehicle charging station having Load Above 5KW at 440 Volt For TOU Meter

### **3 INDUSTRIAL**

The following subcategories fall in Industrial.

#### **3.1 Industrial (Three Phase)**

Its numeric Code is 07 & 08 and Tariff Code (B1) Single Part Tariff

07 B1(07) (INDUSTRIAL UPTO 25 KW)

consumer having sanctioned load up to 25 kw shall be billed on single part kwh rate

08 B1(08) (INDUSTRIAL UPTO 70 KW FOR CINEMAS,

Industrial Consumers having Load Up to 25 KW at 440Volt For Three Phase Meter  
58 E-2(58) (TEMPORARY INDUSTRIAL UP TO 70 KW)  
Industrial Consumers having Load Up to 70KW at 440 Volt For Single Part Meter

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**3.2 Industrial (TOU)**

**Its numeric Code is 09 and Tariff Code (B1b) Two Part Tariff**

09 B1b(09)T To be shifted B2 (TOD) Tariff-12

consumer having load of 5 kw and above shall be provided TOU metering arrangement

**3.3 Industrial (Non-TOU)**

**Its numeric Code is 10 and Tariff Code (B2a) Single Part Tariff**

10 B2a(10) (INDUSTRIAL FROM 25 KW TO 500 KW)

industries having sanctioned load of more than 25 kw put and including 500 kw

**3.4 Industrial (Non-TOU)**

**Its numeric Code is 11 and Tariff Code (B2a) Single Part Tariff**

11 B2a(11) (INDUSTRIAL FROM 71 KW TO 500 KW FOR

Industrial Consumers having Load Above 70KW to 500KW at 440Volt For Three Phase Meter

**3.5 Industrial (TOU)**

**Its numeric Code is 12 and Tariff Code (B2b) Two Part Tariff**

12 B2b(12)T OD (INDUSTRIAL FROM 71 KW TO 500 KW FOR

Industrial Consumers having Load Above 70KW to 500KW at 440 Volt For TOU

**3.6 Industrial (Non-TOU)**

**Its numeric Code is 13 and Tariff Code (B3) Two Part Tariff for 11KV & 33KV**

13 B3(13) (INDUSTRIAL FROM 501 KW TO 5000 KW)

industries having sanctioned load of more than 500 kw up to and including 5 MW on 11kv or 33 kv

**3.7 Industrial (TOU)**

**Its numeric Code is 14 and Tariff Code (B3) Two Part Tariff for 11KV & 33KV**

14 B3(14)T TOD

industries having sanctioned load of more than 500 kw up to and including 5 MW on 11kv or 33 kv

**3.8 Industrial (TOU)**

**Its numeric Code is 16 & 17 and Tariff Code (B4) Two Part Tariff for 66KV & 132KV**

16 B4(16) (INDUSTRIAL ABOVE 5001 KW)

Industrial Consumers having Load Above 5000KW 66 & 132KV Grid Station/Line

17 B4(17)T B-4 (II) TOD

Industrial Consumers having Load Above 5000KW 66 & 132KV Grid Station/Line

**3.9 Seasonal**

**Its numeric Code is and Tariff Code (F) Single Part Tariff**

F Seasonal

industries having sanctioned load of more than 25 kw up to and including 500 kw

**4 Bulk Supply**

**4.1 Its numeric Code is 19 and Tariff Code (C-1a) Single Part Tariff**

19 C-1a(19) (BULK SUPPLY AT 400 VOLTS)

consumer having a metering arrangement at 400 volts, having sanctioned load up to and including 500 kw single part tariff

**4.2 Its numeric Code is 25 and Tariff Code (C-1b) Single Part Tariff**

25 C-1b(25) (BULK SUPPLY AT 400 VOLTS)

consumer having a metering arrangement at 400 volts, having sanctioned load up to and including 500 kw single part tariff

**4.3 Its numeric Code is 26 and Tariff Code (C-1c) Two Part Tariff**

26 C-1c(26)T (BULK SUPPLY AT 400 VOLTS)

consumer having sanctioned load 5 kw and above shall be provided TOU metering arrangement

**4.4 Its numeric Code is 28 and Tariff Code (C-2a) Two Part Tariff for 11KV & 33KV**

28 C-2a(28) (BULK SUPPLY AT 11 KV & 33 KV)

consumer receiving supply at 11 kv or 33 kv at one point metering arrangement having sanctioned load more than 500 kw up to and including 5MW

**4.5 Its numeric Code is 29 and Tariff Code (C-2b) Two Part Tariff for 11KV & 33KV**

29 C-2b(29) T Time of use

Bulk Consumers having Load 5KW & up to 500KW 11KV Line For 440Volt For TOU Meter Two Part Tariff

**4.6 Its numeric Code is 37 and Tariff Code (C-3a) Single Part Tariff for 11KV & 33KV**

37 C-3a(37) (BULK SUPPLY AT 66 KV & 132 KV)

Bulk Consumers having Load 5KW & up to 500KW 66 & 132 KV Grids For 440Volt For TOU Meter Two Part Tariff

**4.7 Its numeric Code is 38 and Tariff Code (C-3b) Two Part Tariff for 66KV & 132KV**

38 C-3b(38) (BULK SUPPLY AT 66 KV & 132 KV)

Bulk Consumers having Load 5KW & up to 500KW 66 & 132 KV Grids For 440Volt For TOU Meter Two Part Tariff

**5 AJK**

**5.1 Its numeric Code is 35 and Tariff Code (K-1a) Single Part Tariff**

35 K-1a(35) BULK SUPPLY AT 11-33 KV(ONLY FOR AJK

AJK 11KV Lines for NON-TOU Single Part Tariff

**5.2 Its numeric Code is 36 and Tariff Code (K-1b) Two Part Tariff**

36 K-1b(36)T BULK SUPPLY AT 11-33 KV(ONLY FOR AJK

AJK 11KV Lines for TOU Two Part Tariff

**6 Agriculture/Scarp**

**6.1 Its numeric Code is 41 and Tariff Code (D-1a) Single Part Tariff**

41 D-1a(41) Scarp

Agriculture T/Wells load Less than 5kW For 440Volt Non-TOU Meter Single Part Tariff

**6.2 Its numeric Code is 45 and Tariff Code (D-1b) Two Part Tariff**

45 D-1b(45)T scarp

Scarp load 5kW & Above For 440Volt TOU Meter Two Part Tariff

**6.3 Its numeric Code is 47 and Tariff Code (D-2a) Single Part Tariff**

47 D-2a(47) Agriculture T/Wells less than 5kW

Agriculture T/Wells load below 5kW single Part Tariff

**6.4 Its numeric Code is 50 and Tariff Code (D-2b) Two Part Tariff**

50 D-2b(50)T Agricultural Tubewells TOD above 5 KW

Agriculture T/Wells load 5kW & Above For 440Volt TOU Meter Two Part Tariff

**7 General Services**

**Its numeric Code is 66 and Tariff Code (A-3a) Single Part Tariff**

66 A-3a(66) GENERAL SERVICES

For individual connections and not applicable in Housing schemes/societies/colonies/commercial plazas/buildings etc. where ultimate load is determined.

**8 Others Tariff**

**8.1 Street Light**

Its numeric Code is 73 and Tariff Code (G) Single Part Tariff

73 G-(73) (STREET LIGHTS)

Street Lights For 440Volt Non-TOU Meter Single Part Tariff

**8.2 Residential Colonies**

Its numeric Code is 79 and Tariff Code (H) Single Part Tariff

79 H-(79) (RESIDENTIAL COLONIES HAVING WAPDA

Residential colonies attached to industrial premises having 5 kw and above For 440Volt Non-TOU Meter Single Part Tariff

## HAZECo Max Demand as per Existing Recorded Data

HAZECo Max Demand, Drawl & Load Management (MW) with respect to 11 KV Incoming					
Month	Jul-23	Aug-23	Sep-23	Oct-23	Nov-23
Max Drawl	544	534	518	422	407
Load Management	134	133	127	103	99
Max Demand	678	667	645	525	506

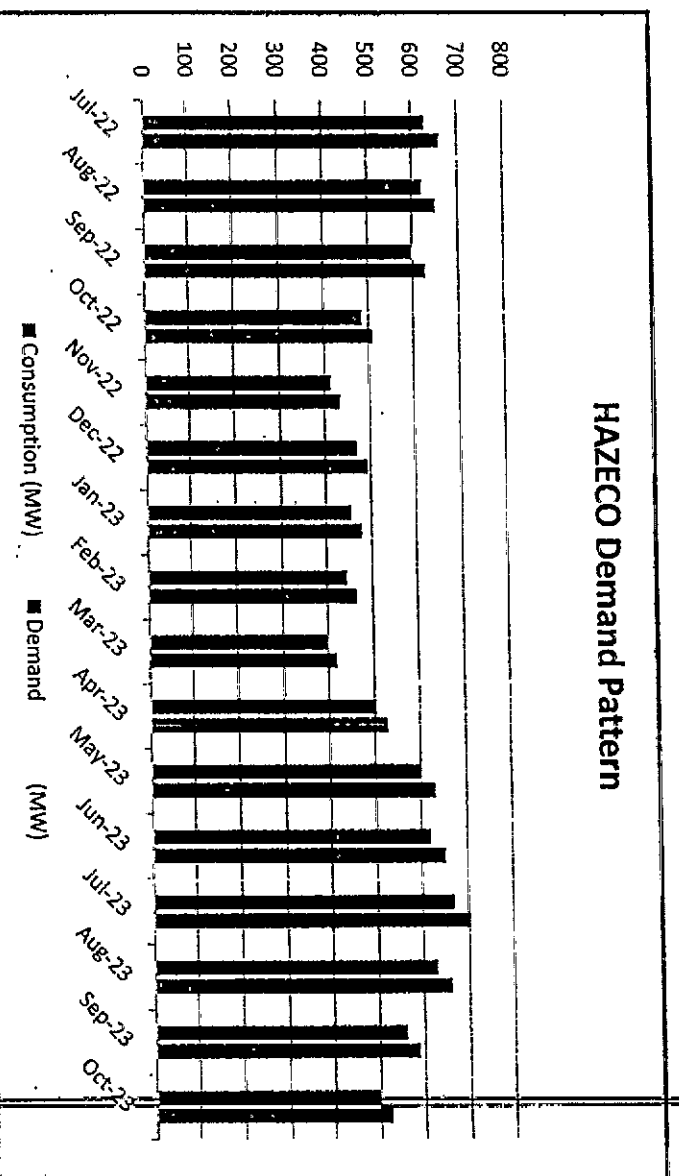
HAZECo Max Demand, Drawl & Load Management (MW) with respect to 132 KV Incoming					
Month	Jul-23	Aug-23	Sep-23	Oct-23	Nov-23
Max Drawl	496	453	470	376	395
Load Management	134	133	127	103	99
Max Demand	630	587	597	479	494

ANNEX "N9"

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# **DEMAND AND CONSUMPTION PATTERN ON DIFFERENT TIME PERIODS**

HAZECCO Demand Pattern			
Month	Consumption (MW)	Demand (MW)	
Jul-22	630	661	
Aug-22	621	652	
Sep-22	598	628	
Oct-22	484	508	
Nov-22	414	434	
Dec-22	471	494	
Jan-23	456	479	
Feb-23	443	465	
Mar-23	398	418	
Apr-23	502	528	
May-23	601	631	
Jun-23	619	650	
Jul-23	670	704	
Aug-23	630	662	
Sep-23	560	588	
Oct-23	498	523	



**Disclaimer:** This information is prepared on the basis of projected data of Demand Forecast.

**12 MONTH PROJECTIONS ON EXPECTED LOAD, NUMBER OF CONSUMERS AND EXPECTED SALE OF UNITS FOR EACH CONSUMER CATEGORY: (As per growth rate of previous five year)**

Year	Expected Sale (GWh) for HAZECO 2023-24							
	Domestic	Commercial	Small Industry	Medium & Large	Bulk	Irrigation	Public Lighting	Total (GWh)
Jul-23	83.95	13.55	0.82	76.31	45.30	0.41	0.13	220
Aug-23	87.91	14.19	0.86	79.91	47.44	0.43	0.14	231
Sep-23	84.34	13.62	0.82	76.67	45.51	0.42	0.13	222
Oct-23	65.20	10.53	0.64	59.27	35.18	0.32	0.10	171
Nov-23	61.60	9.95	0.60	55.99	33.24	0.30	0.10	162
Dec-23	64.95	10.49	0.63	59.04	35.05	0.32	0.10	171
Jan-24	69.60	11.24	0.68	63.26	37.55	0.34	0.11	183
Feb-24	59.49	9.61	0.58	54.07	32.10	0.29	0.09	156
Mar-24	69.63	11.24	0.68	63.29	37.57	0.34	0.11	183
Apr-24	76.02	12.27	0.74	69.10	41.02	0.37	0.12	200
May-24	76.27	12.32	0.74	69.33	41.16	0.38	0.12	200
Jun-24	94.13	15.20	0.92	85.56	50.79	0.46	0.15	247
<b>Total</b>	<b>893.11</b>	<b>144.22</b>	<b>8.72</b>	<b>811.80</b>	<b>481.90</b>	<b>4.40</b>	<b>1.40</b>	<b>2346</b>
* Annual Growth Rate in Sale: 4.4%								

ANNEX "N10"

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Year	Expected Demand (MW) for HAZECO 2023-24							
	Domestic	Commercial	Small Industry	Medium & Large	Bulk	Irrigation	Public Lighting	Total (MW)
Jul-23	281.46	42.90	2.05	228.75	140.57	1.31	0.44	635
Aug-23	275.21	41.95	2.00	223.67	137.45	1.29	0.43	665
Sep-23	282.79	43.10	2.06	229.83	141.24	1.32	0.45	638
Oct-23	307.17	46.82	2.23	249.64	153.41	1.43	0.49	493
Nov-23	206.55	31.48	1.50	167.87	103.16	0.96	0.33	466
Dec-23	217.64	33.17	1.58	176.87	108.70	1.02	0.34	491
Jan-24	233.15	35.54	1.70	189.48	116.44	1.09	0.37	526
Feb-24	199.46	30.40	1.45	162.10	99.62	0.93	0.32	450
Mar-24	233.59	35.60	1.70	189.84	116.67	1.09	0.37	527
Apr-24	254.87	38.85	1.85	207.13	127.29	1.19	0.40	575
May-24	255.76	38.98	1.86	207.85	127.73	1.19	0.40	577
Jun-24	315.59	48.10	2.29	256.48	157.62	1.47	0.50	712

\* Annual Growth Rate in Demand: 3%



Year	Expected Number of Consumers in HAZECO for 2023-24							
	Domestic	Commercial	Industrial	Bulk	Agriculture	Public Lighting	others	Total
Oct-23	694933	69463	3533	182	674	194	7826	776805
Nov-23	697574	69727	3546	183	677	195	7856	779757
Dec-23	700225	69992	3560	183	679	195	7886	782720
Jan-24	702885	70258	3573	184	682	196	7916	785694
Feb-24	705556	70525	3587	185	684	197	7946	788680
Mar-24	708237	70793	3601	185	687	198	7976	791677
Apr-24	710929	71062	3614	186	690	198	8006	794685
May-24	713630	71332	3628	187	692	199	8037	797705
Jun-24	716342	71603	3642	188	695	200	8067	800736
Jul-24	719064	71875	3656	188	697	201	8098	803779
Aug-24	721797	72148	3670	189	700	201	8129	806834
Sep-24	724539	72422	3684	190	703	202	8159	809899
* Annual Consumer Growth Rate: 4.2 %								

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ANNEX "N11"

Doc No: N28

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# **INVESTMENT PLAN (2023-24 TO 2027-28)**

**HAZARA ELECTRIC SUPPLY  
COMPANY**

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## 1. Purpose and Goal of Investment Plan

The Integrated Investment Plan entails HAZECO's vision, mission, core values, stakeholders' needs, general indicators, sales and consumer forecasts, power supply issues with limitations, human resources and organizational development, financial projections, regulatory requirements including quality of service, subsidies and legal restrictions affecting timely collection of delinquent payments, performance indices with initiatives and risk assessment and will serve as a central reference document for integrated cross-functional planning that will help HAZECO make informed decisions based on priorities.

The goal of the Investment Plan/Business Plan is to create a document which will be used by the CEO and senior managers of HAZECO to focus its activities and energies for the next five years in making HAZECO a financially viable company by improving the regulation and governance of the entity, introducing new technologies including upgrade of existing technology and machinery and improving human resources in line with best practices worldwide. This plan will also be utilized by the Strategic Planning Committee to the Board for regular monitoring, to ensure that the company achieves its stated objectives.

This Investment Plan covers a five-year period from 2023-24 to 2027-28, encompassing the following areas:

- Defining the activities and resources available to HAZECO through the incorporation agreements and laws relating to it
- Illustrating the strategic objectives for 2023-24 to 2027-28, aligned with optimally achievable scenario as defined by the regulator, which designated coordinators prepared to accomplish the strategic goals in the five-year timeframe of the Investment Plan
- Projecting the financial impact on HAZECO's bottom-line of implementing the project plans

## i. Major Planning Situation

The following challenges faced by HAZECO require integrated cross functional planning:

- Technical challenges and technological advances that require HAZECO to upgrade the network, including metering to receive and measure continuous and reliable flow of power.
- Operational challenges to maintain continuous flow of reliable power to the customers and meet their expectations in demand dominated, load-shedding driven regime.
- Institutional challenges faced while developing the capacity of HAZECO.
- Smooth power evacuation, especially related to variable renewable being integrated in the network.
- Compliance with applicable laws and regulations.
- Social responsibility to conserve energy and social up-lift.

## ii. Company's Investment Plan

The five-year Investment Plan (2023-24 to 2027-28) is intended to be used by HAZECO managers and the Strategic Planning Committee of the Board of Directors as a reference guide to the upgradation and operations of HAZECO, taking into consideration the activities projected to occur in the next five years. Although the Investment Plan is based on a five-year window, it will be a living document and will be updated to reflect changes in requirements.

The investment plan of HAZECO is based on the Achievable Scenario and it is prepared to demonstrate the overall needs of the DISCO to meet the benchmarks specified by NEPRA in five years.

## 2. Executive Summary

Under this five-year plan, HAZECO will expand and rehabilitate its Transmission and Distribution (T&D) systems. Moreover, plans have been prepared to improve the financial, commercial, human resource and communications functions, including IT that supports the main T&D business. From new grid stations to AMRs for commercial improvements, initiatives have been planned to improve the overall performance of the company in an integrated manner.

Abstract of the business plan is presented hereunder:

### Costs Summary:

- Total Cost: Rs. 18372 Million

### Benefits Summary:

- Total Benefits: Savings of 275 MKWh of energy through loss reduction and smooth dispersal of power from new generation.

### Scope of Works:

- Construction of New Grid Station = 04 No.s
- Conversion of Grid Station = 03 No.s
- Augmentation of Power Transformer = 01 No.s
- Extension of Power Transformer = 01 No.s
- Rehabilitation of Grid Station = 09 No.s
- New Transmission Lines = 80 Km
- Reconductoring of Transmission Lines = 39 Km
- Bifurcation of 11 Kv Feeders = 23 No.s
- Reconductoring of HT Lines = 230 Km
- Installation of Transformers = 679 No.s
- Reconductoring of LT lines = 115 Km

### 3. Existing Network

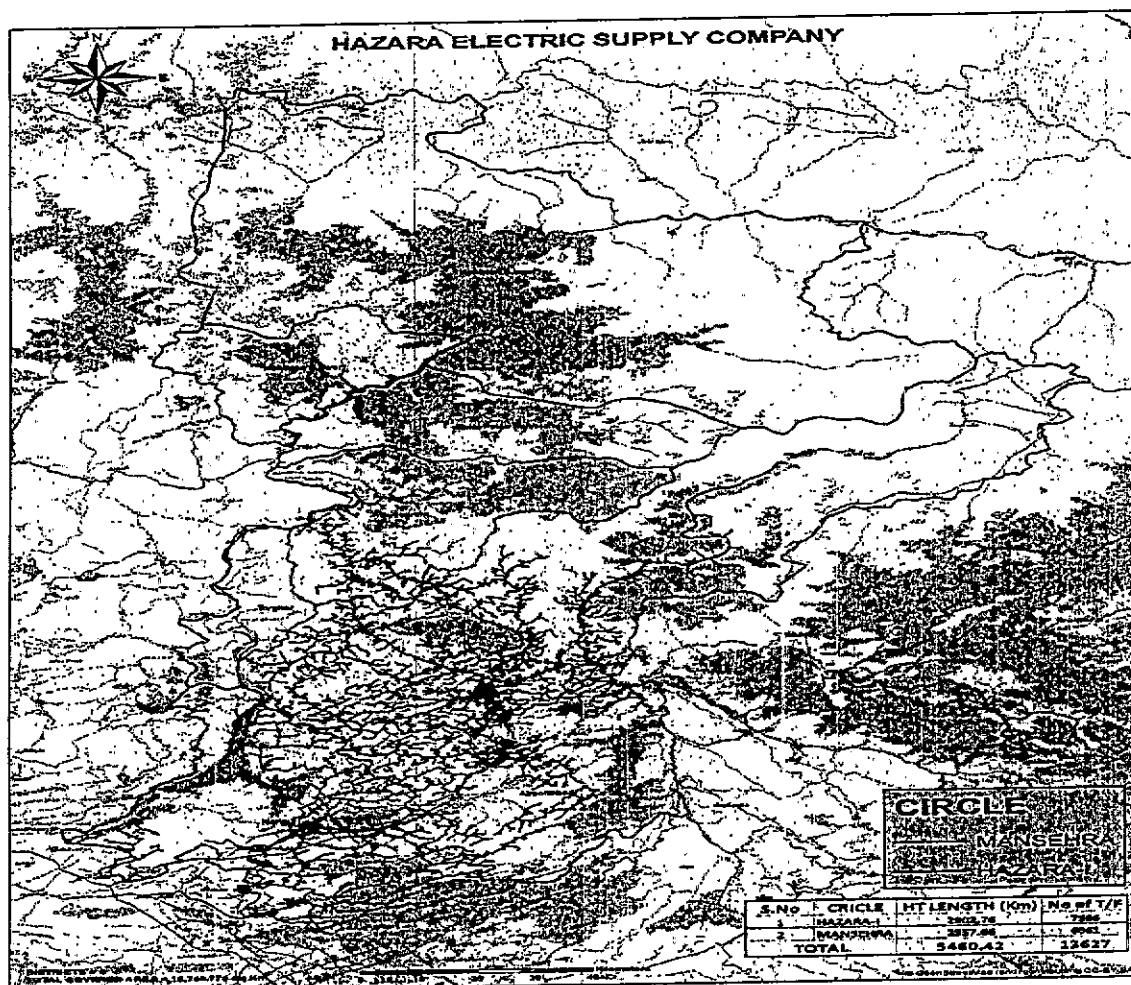
#### i. Secondary Transmission and Distribution Network Condition

HAZECO has 01 grid station of 220 kv, 19 grid stations of 132 kv, 02 grid stations of 66 kv, 02 grid stations of 33 kv and 04 consumer grid stations thus making a total of 28 grid stations. HAZECO serves 0.77 million customers through 210 number of distribution feeders with a total length of 5373 km of HT Lines and 12813 km of LT Lines. The total number of distribution transformers in HAZECO is 13505.

#### ii. Geographic Coverage

Hazara Electric Supply Company, HAZECO, is a Public Limited Utility Company, responsible for the distribution of electric power to the population of Hazara Division.

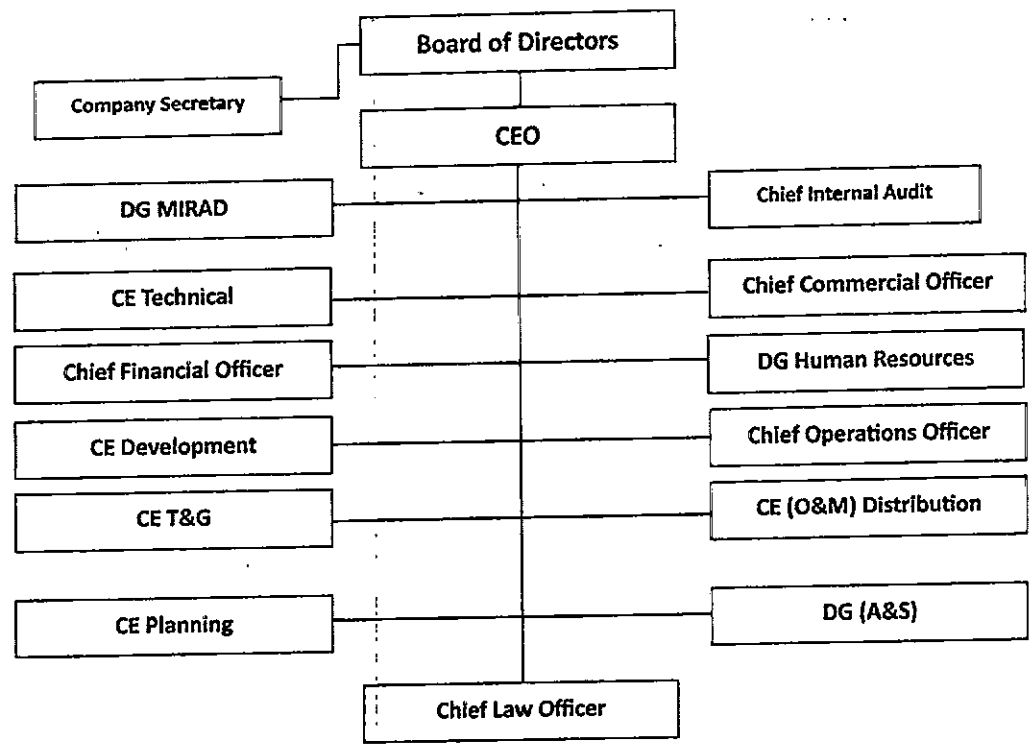
HAZECO's service area comprises of 08 civil districts of KPK, spanning a total service area of 16749 sq.km and 0.77 million consumers.



iii. **Company's Structure, Human Resources and Corporate Governance**

The following organogram explains the management hierarchy of HAZECO.

Its Board of Directors is responsible for overall policy making, decision making and guiding the authority. The day-to-day affairs of the company are run by its eight Executive Directors who are responsible for their respective functions, under the overall control of the Chief Executive Officer.



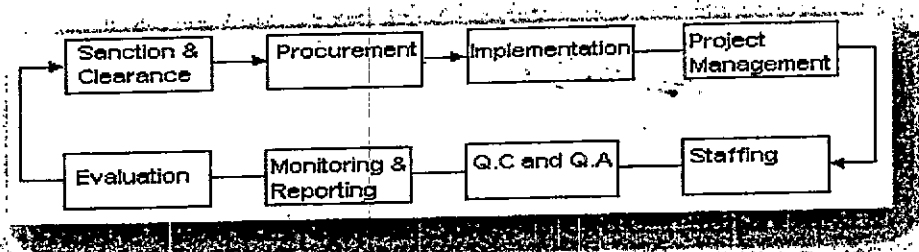
iv. **Existing Project Design and Implementation System of DISCO**

The project design and implementation system of HAZECO is based on the resource allocation (the anticipated amount of material required and obtained for the execution of the project), resource leveling (the required amount of resources to be provided at a proper time e.g, at the start of a phase, more work force and less material may be required as compared to the growth or maturity stage) and resource scheduling/loading (the amount of resources required during the specified phase of the project. HAZECO has the required capability, personnel and expertise to implement and execute a project. It has well-established, functioning departments that are capable of handling projects of similar nature and magnitude. Some of these departments are as under:



- Engineering
- Material Management
- Finance
- Commercial

Project implementation is summarized in the form of a flow chart as below:



Further, to align its planning department with the current and future needs of the business, HAZECO will restructuring its overall planning function.

#### v. Existing Operation System of DISCO

The existing administrative layout of HAZECO operation system is given below:

Description	Circles	Divisions	Subdivisions	R.O Office
Distribution	02	07	33	07

Each Distribution division has one revenue /customer service office. The distribution circles, divisions, customer services offices and subdivisions deal with all types of customers of the company. The Grid System Operation (GSO) circle, divisions and subdivisions take care of and maintain the power supply through 132kV and 66kV systems comprising of the transmission lines and grid stations while the Grid System Construction (GSC) executes 66kV and 132kV grid station and transmission lines works. The Metering and Testing (M&T) section takes care of the installation, maintenance and testing of energy meters of all types. The Construction Section undertakes the implementation and execution of investment programs of 11kV and LT (0.4 kV), System Augmentation Program (ELR and DOP), deposit works and village electrification.

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## 4. Projects and Programs – Scope

### i. Secondary Transmission System

This section covers scope for the expansion and rehabilitation of secondary transmission network (132 kV and or 66 kV) of HAZECO.

The business plan will enable HAZECO to achieve the NEPRA's specified Performance Standards Distribution and provision of the Transmission and Distribution Code, especially the Distribution Planning Code issued by NEPRA.

The proposed sub-Transmission Lines and Grid Stations works for HAZECO are separately identified in the formats below:

HAZECO PROPOSED GRID STATIONS & TRANSMISSION LINES (Scope)									
Sr.No	Name of Grid Station / Transmission Line	Type	Transformer		T/Line	Length (km)	Year	Estimated Cost (Rs Million)	
			33/540 MVA	20/26 MVA					
Grid Station									
1	132 KV Haripur (Power T/F)	Ext:		1			2023-24	150	
2	132 KV Sarai Salih, (Haripur)	Con:		2	D/C	Lynx	2024-25	810	
3	132 KV Pattan	Con:		1	D/C	Rail	2024-25	700	
4	132 KV Haripur (Power T/F) World Bank Project	Aug:	1				2024-25	300	
5	132 KV Thakot	Con:		1	SDT	Lynx	2025-26	930	
6	132 KV Shinkyari, Mansehra	New		2	D/C	Lynx	2026-27	1130	
7	132KV Abbottabad-II	New	2		D/C	Lynx	2026-27	1150	
8	132KV Hattar-III near Bilal Masjid	New	2		D/C	Lynx	2026-27	1110	
9	132 KV Gandaf	New		1	SDT	Lynx	2027-28	1450	

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## Transmission Line

8	220 kV Haripur - Hattar SEZ D/C T/Line for SEZ Long term arrangement	New T/L			D/C	Rail	5	2025-26	350
9	Re conducting of 132 kV AMC Abbottabad - Murree Road Abbottabad T/Line (World Bank Project)	Recond:			S/C	Greeley / HTLS	6	2025-26	250
10	Reconductoring of 132 kV New Wah - Hattar T/Line (World Bank Project)	Recond:			S/C	Greeley / HTLS	28	2026-27	600
11	132 kV New Wah - Hattar In/Out at 220 kV Haripur	New T/L			D/C	Rail	5	2026-27	250
12	220/132KV Mansehra - 132KV AMC A/Abad Line Upgradation of remaining portion	Recond:			S/C	Rail	5	2027-28	150
	<b>TOTAL</b>		<b>5</b>	<b>8</b>			<b>119</b>		<b>9330</b>

## HAZECO NEW DEPOSIT / CONSUMER GRID STATIONS

S NO	NAME OF GRID STATION	TYPE	LOAD (MW)
1	132 KV Hazara Steel	New	20
2	132 KV Karachi Steel	New	15
3	132 KV Nomi / Hattar Steel	New	25
4	132 KV Ghani Industries	New	22
5	132 KV Hattar SEZ	New	73
6	132 KV Pak Steel	New	50

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## HAZECO STG-Expansion and Rehabilitation

### a. Grid Stations (Scope)

Sr.No.	Description	Total No.	Total Capacity (MVA)	2023-24	2024-25	2025-26	2026-27	2027-28
1	<b>New</b>							
a	132 KV	4	238				3	1
2	<b>Conversion</b>							
a	66 to 132 KV	1	28		1			
b	33 to 132 KV	2	36		1	1		
3	<b>Augmentation</b>							
a	132 KV	1	14		1			
b	66 KV	0						
4	<b>Extension (Transformer)</b>							
a	132 KV	1	26	1				
b	66 KV	0						
6	<b>Rehabilitation</b>							
a	132 KV	0						
<b>Total</b>		<b>9</b>	<b>342</b>	<b>1</b>	<b>3</b>	<b>1</b>	<b>3</b>	<b>1</b>

### b. Transmission Lines (Scope)

b.	Transmission Lines (Scope)						
i	New Line						
Sr.No.	Description	Total Length (km)	2023-24	2024-25	2025-26	2026-27	2027-28
1	132 KV D/C	25		7	5	13	
2	132 KV SDT	55			20		35
ii	Rehabilitation/Reconductoring/Up-gradation						
Sr.No.	Description	Total Length (km)	2023-24	2024-25	2025-26	2026-27	2027-28
1	132 KV D/C	0					
2	132 KV SDT	39			6	28	5
3	132 KV Addl: Ckt	0					

## ii. Expansion and Rehabilitation – Scope

The distribution Voltage is 11 KV on HT and 0.4 KV on LT system. Estimation of material requirement is made on the basis of SDI. All aspects are considered while deciding the design and requirement of material e.g., requirement of new line for urban as well as for Rural area. For reconductoring of urban area's line as well as rural area are considered keeping in view the size of conductor as well. Different types of assemblies are selected which is used commonly and estimation for a specific assembly is made separately.

For economical and safety purpose, PC Poles will be utilized along with Steel structure for extension of HT/LT lines in the areas under electrification. The ratio of steel structures and PC poles will be maintained as 10:90. ACSR and AAC will be used for the purpose of current carrying from the Grid Station to the point of DS/utilization. 25 KVA, 50 KVA, 100 KVA, 200 KVA sizes of Distribution Transformers will be used. Span length of structures and P.C Poles has been worked out according to SDI so as to ensure adequate clearance, safety as well as avoiding obstruction in normal life.

### a. Scope of ELR

The scope of Work for Rehabilitation is tabulated here under:

#### Evaluation of Material Requirements For ELR

Scope of material requirements under the Distribution Rehabilitation Project is calculated as per data collected upto 06/2023 and detailed in the following section.

The BOQs for different ELR measures have been developed as follows:

#### New 11 KV Switchgear (Control Panels)

11 KV panels to be added according to the following break-up:

Panels for express feeders to be built for

Shifting/bifurcation of existing feeders

18 Nos

#### ACSR Conductors for new express line construction

It is estimated that 18-Nos feeders will require construction of express lines for their bifurcation. On average 15 km of 3-phase HT line will be constructed per feeder based

on historical construction data. The overall share of different ACSR conductors in the total of 270 km of lines is estimated based on historical construction data and the segregate is given as below:

**Km Line**

Osprey	66%	$270 \times 0.66$	178 Km
Dog	33.33%	$270 \times 0.3333$	90 Km
500 MCM cable	0.67%	$270 \times 0.0067$	02 Km
<b>Total</b>			<b>270 Km</b>

**Calculation of Material for 11 KV System Rehabilitation**

**(i) 11 kV Line Re-conductoring**

Estimated re-conductoring per feeder based on sample studies, works out to be = 10 Km

Estimated % share of different Conductors in re-conductoring:

Osprey	50%
Dog	40%
Rabbit	10%

Number of feeders for rehabilitation 18 Nos.

Therefore, total re-conductoring length  $18 \times 10$  180 Km

The quantities of ACSR conductors required for re-conductoring are therefore:

**Km Line**

Osprey	50%	$180 \times 0.500$	90 KM
Dog	40%	$180 \times 0.400$	72 KM
Rabbit	10%	$180 \times 0.100$	<u>18 KM</u>
<b>Total</b>			<b>180 KM</b>

**(ii) Capacitor Applications for Power Factor Improvement**

The sample studies indicate that at an average, one capacitor bank of 450 kVAR is needed per feeder for improving the power factor to 95% from existing average power

factor of 85% on the selected feeders. For 18 No. 11 kV feeders, the requirement of capacitor banks of 450 Kvar each will, therefore, be 18 Nos.

### (iii) Installation of New Transformers

The number of new transformers required for installation is worked out as follows.

#### Share of Transformers

25 kVA	38	Nos.
50 kVA	161	Nos.
100 kVA	152	Nos.
200 kVA	47	Nos.

**Total: 397 Nos.**

### (iv) New LT Lines

Each new transformer is estimated to have at least seven LT circuits of (1.130 km).

Based on this estimation, the LT line conductor is calculated as follows:

$$\text{Total LT line required: } \frac{1130 \times 397}{1000} = 449 \text{ Km}$$

The final estimated conductor lengths are therefore:

New 3-φ LT line (Wasp)	16 km
New 3-φ LT line (Ant)	433 km

### (v) LT Line Reconductoring

The average LT line reconductoring per LT rehabilitation proposal is estimated based on historical as:

3-φ, Wasp conductor line	0.16 km per work order
3-φ, Ant Conductor line	0.01 km per work order
LT line reconductoring (3-φ, Wasp)	397 x 0.16 = 64 km
LT line reconductoring (3-φ, Ant)	397 x 0.01 = 4 km

(vi) New 11 KV Lines

The final estimated conductor lengths are therefore:

Rabbit (Conversion LT Feeders)	155 km
Insulated Rabbit	08 km

(vii) Energy Meters

The requirement of energy meters for replacement of defective meters is estimated as per Historic data which is distributed year wise.



No	Description	Unit	Per Feeder	Quantities					
				2023-24	2024-25	2025-26	2026-27	2027-28	Total
				3 Feeders (11KV)	4 Feeders (11KV)	4 Feeders (11KV)	3 Feeders (11KV)	4 Feeders (11KV)	18 Feeders (11KV)
A.	<b>Material For 18 No.</b>								
1.	<b><u>11KV Feeders</u></b>								
	<b><u>New 11 KV Lines</u></b>								
	a. Osprey	KM	9.9	30	40	40	30	40	178
	b. Dog	KM	5	15	20	20	15	20	90
	c. 11 KV 500 MCM Cable	KM	0.1	0	0	0	0	0	2
	<b>Sub Total</b>	KM	15.000	45	60	60	45	60	270
2.	<b><u>11 KV Line Reconductoring</u></b>								
	a. Osprey	KM	5	15	20	20	15	20	90
	b. Dog	KM	4	12	16	16	12	16	72
	c. Rabbit	KM	1	3	4	4	3	4	18
	<b>Sub Total</b>	KM	10.00	30	40	40	30	40	180
3.	<b><u>11KV Capacitors</u></b>								
	Fixed 11 KV 450 KVAR	set	1	3	4	4	3	4	18
	<b>Sub Total</b>	set	1	3	4	4	3	4	18
4.	11KV Panels	No.	1	3	4	4	3	4	18
5	11KV 500 MCM Cable	KM	0.3	1	1	1	1	1	5

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No.	Description	Unit	Per Proposal	Quantities					
				2023-24	2024-25	2025-26	2026-27	2027-28	Total
B	<u>Detail of LT Proposals Involving New Transformers &amp; Various Type of Material</u>								
	<u>7 Transformers</u>								
	a. 25-KVA	No.		17	19	1	1	1	38
	b. 50 KVA	No.		40	39	28	28	28	161
	c. 100 KVA	No.		31	32	30	30	30	152
	d. 200 KVA	No.		9	10	9	9	9	47
	Sub Total	No.		96	100	67	67	67	397
	<u>8 New 11 KV Lines</u>								
	Rabbit (Conversion LT Feeders)	KM	0.39	37	39	26	26	26	155
	Insulated Rabbit	KM	0.021	2	2	1	1	1	8
	Sub Total	KM	0.411	37	39	26	26	26	163
	<u>C New LT Line</u>								
	9	a. 3-Phase Wasp Line	KM	0.04	4	4	3	3	3
b. 3-Phase ANT Line		KM	1.09	105	108	73	73	73	433
Sub Total		KM	1.130	108	112	76	76	76	449

10	<b><u>LT Line Re-Conductoring</u></b>							
	a. 3-Phase Wasp	KM	0.16	15	16	11	11	64
	b. 3-Phase Ant	KM	0.01	1	1	1	1	4
	<b>Sub Total</b>	KM	0.170	16	17	11	11	67
D	<b><u>Other Equipment and Material</u></b>							
	<b><u>11 Energy Meters (against defective)</u></b>							
	a. Single Phase	No.		14404	15125	15881	16675	79593
	b. Three Phase	No.		1625	1707	1792	1881	8981
	<b>Sub Total</b>	No.		16030	16831	17673	18556	88574

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## b. Scope of DOP

### Evaluation of Material Requirements For DOP

Scope of material requirements under the Distribution Expansion Project is calculated as per data collected upto 06/2023 and detailed in the following section.

The BOQs for different DOP measures have been developed as follows:

#### New 11 KV Switchgear (Control Panels)

11 KV panels to be added according to the following break-up:

Panels for express feeders to be built for

Shifting/bifurcation of existing feeders 05 Nos

#### ACSR Conductors for new express line construction

It is estimated that 05-Nos feeders will require construction of express lines for their bifurcation. On average 15 km of 3-phase HT line will be constructed per feeder based on historical construction data. The overall share of different ACSR conductors in the total of 75 km of lines is estimated based on historical construction data and the segregate is given as below:

#### Km Line

Osprey	66%	75 x 0.66	50 Km
Dog	33.33%	75 x 0.3333	25 Km
500 MCM cable	0.67%	75 x 0.0067	0.5 Km
Total			75 Km

### Calculation of Material for 11 KV System

#### (i) 11 kV Line Re-conductoring

Estimated re-conductoring per feeder based on sample studies, works out to be = 10 Km

Estimated % share of different Conductors in re-conductoring:

Osprey	50%
Dog	40%

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Rabbit - 10%

Number of feeders for rehabilitation

05 Nos.

Therefore, total re-conductoring length = 05 x 10

50 Km

The quantities of ACSR conductors required for re-conductoring are therefore:

**Km Line**

Osprey	50%	05 x 0.500	25 KM
Dog	40%	05 x 0.400	20 KM
Rabbit	10%	05 x 0.100	<u>05 KM</u>

Total 50 KM

**(ii) Capacitor Applications for Power Factor Improvement**

The sample studies indicate that at an average, one capacitor bank of 450 kVAR is needed per feeder for improving the power factor to 95% from existing average power factor of 85% on the selected feeders. For 05 No. 11 kV feeders, the requirement of capacitor banks of 450 Kvar each will, therefore, be 05 Nos.

**(iii) Augmentation of Over-loaded Transformers**

The number of transformers required for replacement against overloading is worked out as follows:

**Share of Transformers required for Augmentation.**

25 kVA	15	Nos.
50 kVA	94	Nos.
100 kVA	75	Nos.
200 kVA	97	Nos.
<b>Total:</b>	<b>282</b>	<b>Nos.</b>

**(iv) New LT Lines**

Each transformer is estimated to have at least seven LT circuits of (1.13 km). Based on this estimation, the LT line conductor is calculated as follows:

Total LT line required:  $\frac{1130 \times 282}{1000} = 318 \text{ Km}$

The final estimated conductor lengths are therefore:

New 3-φ LT line (Wasp)	11 km
New 3-φ LT line (Ant)	307 km

**(v) LT Line Reconductoring**

The average LT line reconductoring per LT proposal is estimated based on historical trend as:

3-φ, Wasp conductor line		0.16 km per work order
3-φ, Ant Conductor line		0.01 km per work order
LT line reconductoring (3-φ, Wasp)	$282 \times 0.16$	45 km
LT line reconductoring (3-φ, Ant)	$282 \times 0.01$	3 km

**(vi) New 11 KV Lines**

The final estimated conductor lengths are therefore:

Rabbit (Conversion LT Feeders)	110 km
Insulated Rabbit	06 km

**(vii) Energy Meters**

The requirement of energy meters for installation of new meters is estimated as per our demand for each year.

No.	Description	Unit	Per Feeder	Quantities										
				2023-24		2024-25		2025-26		2026-27		2027-28		Total
				1 Feeder (11KV)	1 Feeder (11KV)	1 Feeder (11KV)	1 Feeder (11KV)	1 Feeder (11KV)	1 Feeder (11KV)	5 Feeder (11KV)				
A.	<b><u>Material For 05 No. 11KV Feeders</u></b>													
1.	<b><u>New 11 KV Lines</u></b>													
	a. Osprey	KM	9.9	10	10	10	10	10	10	50				
	b. Dog	KM	5	5	5	5	5	5	5	25				
	c. 11 KV 500 MCM Cable	KM	0.1	0	0	0	0	0	0	1				
	Sub Total	KM	15.000	15	15	15	15	15	15	75				
2.	<b><u>11 KV Line Reconductoring</u></b>													
	a. Osprey	KM	5	5	5	5	5	5	5	25				
	b. Dog	KM	4	4	4	4	4	4	4	20				
	c. Rabbit	KM	1	1	1	1	1	1	1	5				
	Sub Total	KM	10.00	10	10	10	10	10	10	50				
3.	<b><u>11KV Capacitors</u></b>													
	Fixed 11 KV 450 KVAR	set	1	1	1	1	1	1	1	5				
	Sub Total	set	1	1	1	1	1	1	1	5				
4.	11KV Panels	No.	1	1	1	1	1	1	1	5				
5	11KV 500 MCM Cable	KM	0.3	0	0	0	0	0	0	2				

No	Description	Unit	Per Proposal	Quantities					Total
				2023-24	2024-25	2025-26	2026-27	2027-28	
B	<u>Detail of LT Proposals</u>								
7	<u>Involving New Transformers &amp; Various Type of Material</u>								
	<u>Transformers</u>								
	a. 25 KVA	No.		5	6	2	2	2	15
	b. 50 KVA	No.		7	8	26	26	26	94
	c. 100 KVA	No.		12	12	17	17	17	75
	d. 200 KVA	No.		15	16	22	22	22	97
	Sub Total	No.		40	41	67	67	67	282
8	<u>New 11 KV Lines</u>								
	Rabbit (Conversion LT Feeders)	KM	0.39	15	16	26	26	26	110
	Insulated Rabbit	KM	0.021	1	1	1	1	1	6
	Sub Total	KM	0.411	15	16	26	26	26	116
C	<u>New LT Line</u>								
9	a. 3-Phase Wasp Line	KM	0.04	2	2	3	3	3	11
	b. 3-Phase ANT Line	KM	1.09	43	45	73	73	73	307
	Sub Total	KM	1.130	45	46	76	76	76	318
10	<u>LT Line Re-Conductoring</u>								
	a. 3-Phase Wasp	KM	0.16	6	7	11	11	11	45

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	b. 3-Phase Ant	KM	0.01	0	0	1	1	1	3
	<b>Sub Total</b>	KM	0.170	7	7	11	11	11	48
D 11	<b><u>Other Equipment and Material</u></b>								
	<b><u>Energy Meters</u></b>								
	a. Single Phase	No.		14676	15410	16180	16989	17839	81094
	b. Three Phase	No.		2348	2466	2589	2718	2854	12975
	<b>Sub Total</b>	No.		17024	17875	18769	19708	20693	94069

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## 5. Details of Costing

The detailed costs of Transmission, Distribution and functional plans is provided hereunder:

### i. STG-Expansion and Rehabilitation Costing

a. Grid Stations Cost		Rs. In Million						
Sr.No.	Description	Total Cost	Total Capacity (MVA)	2023-24	2024-25	2025-26	2026-27	2027-28
1	New							
a	132 KV	3530	238				2980	550
2	Conversion							
a	66 to 132 KV	750	28		750			
b	33 to 132 KV	1000	36		500	500		
3	Augmentation							
a	132 KV	300	14		300			
b	66 KV							
4	Extension (Transformer)							
a	132 KV	150	26	150				
b	66 KV							
6	Rehabilitation							
	132 KV	0						
	Total	5730	342	150	1550	500	2980	550

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b.		Transmission Lines Cost						
Rs. In Million								
i	New Line							
Sr.No	Description	Total Cost	2023-24	2024-25	2025-26	2026-27	2027-28	
1	132 KV D/C	1270		260	350	660		
2	132 KV SDT	1330			430		900	
ii	Rehabilitation/Reconductoring/Up-gradation							
Sr.No	Description	Total Cost	2023-24	2024-25	2025-26	2026-27	2027-28	
1	132 KV D/C	0						
2	132 KV SDT	0						
3	132 KV Addl: Ckt	0						
iii	Reconductoring/ rerouting							
Sr.No	Description	Total Cost	2023-24	2024-25	2025-26	2026-27	2027-28	
1	132 KV D/C							
2	132 KV SDT	1000			250	600	150	
Total Cost		3600	0	260	1030	1260	1050	

## ii. Distribution Expansion and Rehabilitation Costing

### a. Costing of ELR

No.	Description	Total Cost in Million Rs.					
		2023-24	2024-25	2025-26	2026-27	2027-28	Total
		3 Feeders	4 Feeders	4 Feeders	3 Feeders	4 Feeders	18 Feeders
		(11KV)	(11KV)	(11KV)	(11KV)	(11KV)	(11KV)
A.	<b>Material For 18 No. 11KV Feeders</b>						
1.	<b><u>New 11 KV Lines</u></b>						
	a. Osprey	157	210	210	157	210	944
	b. Dog	47	62	62	47	62	280
	c. 11 KV 500 MCM Cable	1	1	1	1	1	5
	<b>Sub Total</b>	<b>205</b>	<b>273</b>	<b>273</b>	<b>205</b>	<b>273</b>	<b>1230</b>
2.	<b><u>11 KV Line Reconductoring</u></b>						
	a. Osprey	51	68	68	51	68	307
	b. Dog	19	25	25	19	25	115
	c. Rabbit	3	4	4	3	4	19
	<b>Sub Total</b>	<b>73</b>	<b>98</b>	<b>98</b>	<b>73</b>	<b>98</b>	<b>441</b>
3.	<b><u>11KV Capacitors</u></b>						
	Fixed 11 KV 450 KVAR	0	1	1	0	1	3
	<b>Sub Total</b>	<b>0</b>	<b>1</b>	<b>1</b>	<b>0</b>	<b>1</b>	<b>3</b>
4.	11KV Panels	7	10	10	7	10	44
5	11KV 500 MCM Cable	3	4	4	3	4	16
6	<b>Total (Item 1 to 5) Cost of HT Feeders</b>	<b>289.01</b>	<b>385.35</b>	<b>385.35</b>	<b>289.01</b>	<b>386.53</b>	<b>1735</b>

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No.	Description	Total Cost in Million Rs.					Total
		2023-24	2024-25	2025-26	2026-27	2027-28	

B  
7

### Detail of LT Proposals Involving New Transformers & Various Type of Material

a. 25 KVA	9.5	10.8	0.3	0.3	0.3	21.3
b. 50 KVA	33.0	32.1	22.9	22.9	22.9	133.9
c. 100 KVA	39.9	41.3	38.5	38.5	38.5	196.6
d. 200 KVA	16.9	19.0	18.0	18.0	18.0	89.8
<b>Sub Total</b>	<b>99.3</b>	<b>103.2</b>	<b>79.7</b>	<b>79.7</b>	<b>79.7</b>	<b>441.6</b>

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### New 11 KV Lines

Rabbit (Conversion LT Feeders)	58.572	60.707	40.970	40.970	40.970	242.188
Insulated Rabbit	0.306	0.318	0.214	0.214	0.214	1.267
<b>Sub Total</b>	<b>58.878</b>	<b>61.025</b>	<b>41.184</b>	<b>41.184</b>	<b>41.184</b>	<b>243.455</b>

C

### New LT Line

9

a. 3-Phase Wasp Line	6.053	6.273	4.234	4.234	4.234	25.027
b. 3-Phase ANT Line	154.210	159.832	107.867	107.867	107.867	637.642
<b>Sub Total</b>	<b>160.263</b>	<b>166.105</b>	<b>112.100</b>	<b>112.100</b>	<b>112.100</b>	<b>662.669</b>

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### LT Line Re-Conductoring

a. 3-Phase Wasp	10.515	10.898	7.355	7.355	7.355	43.479
b. 3-Phase Ant	0.559	0.579	0.391	0.391	0.391	2.311
<b>Sub Total</b>	<b>11.074</b>	<b>11.478</b>	<b>7.746</b>	<b>7.746</b>	<b>7.746</b>	<b>45.789</b>
a. Single Phase	46.829	49.170	51.628	54.210	56.920	258.757
b. Three Phase	55.097	57.852	60.745	63.782	66.971	304.447
<b>Sub Total</b>	<b>101.926</b>	<b>107.022</b>	<b>112.373</b>	<b>117.992</b>	<b>123.891</b>	<b>563.204</b>

E	Total (Item 7 to 12) Cost of LT	431.412	448.876	353.085	358.703	364.603	1956.679
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No.	Description	Total Cost in Million Rs					
		2023-24	2024-25	2025-26	2026-27	2027-28	Total
F	Total (Item 1 to 11) Cost of HT & LT Proposals	720	834	738	648	751	3692
G	12% Store Charges	86	100	89	78	90	443
H	8% Installation Charges	58	67	59	52	60	295
I	Total Material Cost (F+G+H)	865	1001	886	777	901	4430
J	Contingency (3%)	26	30	27	23	27	133
K	Total Material Cost(I+J)	890	1031	913	801	928	4563
L	Escalated Cost @ 29%	209	242	214	188	218	1071
M	Total Material Cost (K+L) ELR	1099	1273	1127	988	1146	5634

b. Costing of DOP

No.	Description	Total Cost in Million Rs					
		2023-24	2024-25	2025-26	2026-27	2027-28	Total
		1 Feeder (11 KV)	1 Feeder (11 KV)	1 Feeder (11 KV)	1 Feeder (11 KV)	1 Feeder (11 KV)	5 Feeder (11 KV)
A.	<b><u>Material For 05 No. 11KV Feeders</u></b>						
1.	<b><u>New 11 KV Lines</u></b>						
	a. Osprey	52	52	52	52	52	262
	b. Dog	16	16	16	16	16	78
	c. 11 KV 500 MCM Cable	0	0	0	0	0	1
	<b>Sub Total</b>	68	68	68	68	68	342
2.	<b><u>11 KV Line Reconductoring</u></b>						
	a. Osprey	17	17	17	17	17	85
	b. Dog	6	6	6	6	6	32
	c. Rabbit	1	1	1	1	1	5
	<b>Sub Total</b>	24	24	24	24	24	122
3.	<b><u>11KV Capacitors</u></b>						
	Fixed 11 KV 450 KVAR	0	0	0	0	0	1
	<b>Sub Total</b>	0	0	0	0	0	1
4.	11KV Panels	2	2	2	2	2	12
5	11KV 500 MCM Cable	1	1	1	1	1	4
6	<b>Total (Item 1 to 5) Cost of HT Feeders</b>	<b>96.34</b>	<b>96.34</b>	<b>96.34</b>	<b>96.34</b>	<b>98.01</b>	<b>483</b>

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No	Description	Total Cost in Million Rs.					Total
		2023-24	2024-25	2025-26	2026-27	2027-28	
B 7	Detail of LT Proposals Involving New Transformers & Various Type of Material Transformer						
	a. 25 KVA	2.8	3.1	0.9	0.9	0.9	8.7
	b. 50 KVA	6.0	6.4	22.0	22.0	22.0	78.4
	c. 100 KVA	15.7	15.7	22.1	22.1	22.1	97.6
	d. 200 KVA	29.6	30.0	42.3	42.3	42.3	186.4
	Sub Total	54.0	55.2	87.3	87.3	87.3	371.0
	New 11 KV Lines						
8	Rabbit (Conversion LT Feeders)	24.161	24.966	40.939	40.939	40.939	171.944
	Insulated Rabbit	0.126	0.131	0.214	0.214	0.214	0.900
	Sub Total	24.287	25.097	41.153	41.153	41.153	172.844
	New LT Line						
C 9	a. 3-Phase Wasp Line	2.497	2.580	4.231	4.231	4.231	17.768
	b. 3-Phase ANT Line	63.612	65.732	107.786	107.786	107.786	452.703
	Sub Total	66.108	68.312	112.017	112.017	112.017	470.471
10	LT Line Re-Conductoring						
	a. 3-Phase Wasp	4.337	4.482	7.350	7.350	7.350	30.868
	b. 3-Phase Ant	0.231	0.238	0.391	0.391	0.391	1.640
	Sub Total	4.568	4.720	7.740	7.740	7.740	32.509
D	Other Equipment and Material						
11	Energy Meters						

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	a. Single Phase	47.712	50.097	52.602	55.232	57.994	263.637
	b. Three Phase	79.603	83.583	87.762	92.150	96.757	439.855
	<b>Sub Total</b>	<b>127.314</b>	<b>133.680</b>	<b>140.364</b>	<b>147.382</b>	<b>154.751</b>	<b>703.492</b>
<b>E</b>	<b>Total (Item 7 to 11) Cost of LT</b>	<b>276.280</b>	<b>287.002</b>	<b>388.547</b>	<b>395.565</b>	<b>402.934</b>	<b>1750.327</b>

No	Description	Total Cost in Million Rs					
		2023-24	2024-25	2025-26	2026-27	2027-28	Total
<b>F</b>	<b>Total (Item 1 to 11) Cost of HT &amp; LT Proposals</b>	<b>373</b>	<b>383</b>	<b>485</b>	<b>492</b>	<b>501</b>	<b>2234</b>
<b>G</b>	<b>12% Store Charges</b>	<b>45</b>	<b>46</b>	<b>58</b>	<b>59</b>	<b>60</b>	<b>268</b>
<b>H</b>	<b>8% Installation Charges</b>	<b>30</b>	<b>31</b>	<b>39</b>	<b>39</b>	<b>40</b>	<b>179</b>
<b>I</b>	<b>Total Material Cost (F+G+H)</b>	<b>447</b>	<b>460</b>	<b>582</b>	<b>590</b>	<b>601</b>	<b>2680</b>
<b>J</b>	<b>Contingency (3%)</b>	<b>13</b>	<b>14</b>	<b>17</b>	<b>18</b>	<b>18</b>	<b>80</b>
<b>K</b>	<b>Total Material Cost(I+J)</b>	<b>461</b>	<b>474</b>	<b>599</b>	<b>608</b>	<b>619</b>	<b>2761</b>
<b>L</b>	<b>Escalated Cost @ 29%</b>	<b>108</b>	<b>111</b>	<b>141</b>	<b>143</b>	<b>145</b>	<b>648</b>
<b>M</b>	<b>Total Material Cost(K+L) DOP</b>	<b>569</b>	<b>585</b>	<b>740</b>	<b>751</b>	<b>764</b>	<b>3409</b>

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## 6. Financing Plan

### Hazara Electric Supply Company

#### Investment Plan

Description	Unit	2023-24	2024-25	2025-26	2026-27	2027-28	Total
		Proposed	Proposed	Proposed	Proposed	Proposed	
DOP	[Min Rs]	1099	1273	1127	988	1146	5634
ELR	[Min Rs]	569	585	740	751	764	3409
STG	[Min Rs]	150	1510	1280	3640	1600	8180
World Bank Project (STG)	[Min Rs]		300	250	600		1150

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## 7. Benefits of the Project

### i. Tangible Benefits

Year	MVA to be Added		Energy to be available (MVAH)	
	Current	Cumulative	Current	Cumulative
2023-24	26	26	96.80	96.80
2024-25	64	90	238.27	335.07
2025-26	14	104	52.12	387.19
2026-27	212	316	789.28	1176.47
2027-28	26	342	96.80	1273.27

### STG Saving

Year	Saving in Losses (MW)		Potential Saving in Energy (MVAH)	
	Current	Cumulative	Current	Cumulative
2023-24	0.10	0.10	0.48	0.48
2024-25	2.60	2.70	12.53	13.01
2025-26	3.30	6.00	15.90	28.91
2026-27	2.2	8.20	10.60	39.51
2027-28	0.50	8.70	2.41	41.92

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### Distribution Saving

Year	HT Rehab	LT Rehab
	Units MKWh	Units MKWh
	Realistic	Realistic
2023-2024	6.5	2.7
2024-2025	14.58	5.54
2025-2026	22.68	8.22
2026-2027	29.16	10.9
2027-2028	37.26	13.58

#### ii. Non-tangible Benefits

The other benefits like improvement in voltage profile, improving the overloading of the network will be achieved after completion of the project.

## 8. Financial Projections

Please find below the income statement, balance sheet and cash flow of HAZECO for tariff control period.

Hazara Electric Supply Company									
Financial Statements	PESCO	PESCO	HAZECO	HAZECO	HAZECO	HAZECO	HAZECO	HAZECO	Rs. in Million
	Audited	Audited	Projected HAZECO	Projected	Projected	Projected	Projected	Projected	Projected
	2022	2023	2022	2023	2024	2025	2026	2027	2028
<b>QUANTITATIVE DATA</b>									
NO. OF CUSTOMERS (Million)	3.86	4.19	0.74	0.77	0.80	0.84	0.88	0.92	
Growth in No. of customers (%)	31.19%	8.60%	4.20%	4.30%	4.40%	4.50%	4.60%	4.70%	
UNITS SOLD (MIL. KWH)	10,394	9,584	828	869	911	958	1,007	1,059	
UNITS PURCHASED (MIL. KWH)	16,561	15,244	961	1,003	1,047	1,094	1,144	1,198	
Growth in units purchased (%)									
UNITS LOST / DISTRIBUTION LOSSES (MIL. KWH)	6,167	5,660	133	134	136	136	137	139	
FREE ELECTRICITY									
UNITS LOST / DISTRIBUTION LOSSES (% Age) *	37.24%	37.13%	13.88%	13.34%	12.98%	12.43%	12.00%	11.61%	
AVERAGE SALES TARIFF (Rs./KWh)									
DISTRIBUTION CHARGE (Rs./KWh)									
Company TARIFF (Rs./KWh)	21.68	27.74	27.74	28.74	29.74	30.74	31.74	32.74	
Consumer Tariff	16.53	23.09	23.09	24.34	25.64	26.74	27.84	28.54	
PURCHASE PRICE (Rs./KWh)	16.53	20.04	20.84	21.09	21.34	21.59	21.84	22.09	
<b>SALES</b>									
Sale of Power	171,813	240,224	5,542	5,780	6,034	6,306	6,596	6,906	
Rental & Service income	49	52	4	5	5	5	6	6	
Total Sales	171,782	240,276	5,546	5,785	6,039	6,311	6,602	6,912	
Subsidy	51,390	34,332	2,966	3,145	3,345	3,548	3,764	4,029	
Amortization of deferred Credit.	2,071	2,309	199	212	225	239	253	271	
Purchase of Power	292,803	317,624	27,440	21,145	22,337	23,615	24,988	26,462	
Gross Profit	-57,559.6	-40,707	-18,728	-12,003	-12,727	-13,518	-14,369	-15,249	
<b>OPERATING EXPENSES</b>									
Maintenance & repair and Others	1,039	1,018	88	93	99	105	112	119	
Depreciation	3,680	4,210	364	386	410	435	462	494	
Provision for Bad Debt	8,849	10,913	943	1,000	1,063	1,128	1,196	1,281	
Total Operating Expenses	38,127	45,790	3,956	4,195	4,462	4,732	5,020	5,374	
OPERATING PROFIT / (LOSS)	-105,686	-86,496	-22,684	-16,198	-17,189	-18,249	-19,389	-20,623	
ADD: Other Income	7,735	10,120	874	927	986	1,046	1,109	1,188	
EBIT	-97,951	-76,376	-21,810	-15,271	-16,202	-17,204	-18,279	-19,435	
LESS: Interest Expense	1,914	1,066	92	98	104	110	117	125	
PROFIT / (LOSS) BEFORE TAX	-99,866	-77,442	-21,902	-15,368	-16,306	-17,314	-18,396	-19,560	
Income Tax/ Turnover tax	2,262	3,153	272	90	94	98	103	108	
NET PROFIT/LOSS FOR THE YEAR	-102,128	-80,595	-22,174	-15,458	-16,400	-17,412	-18,499	-19,668	

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# Financial Statements

Rs. in Million

Balance Sheet	Audited 2021/22	Audited 2022/23	Projected-EZCO 2022/23	Projected 2023/24	Projected 2024/25	Projected 2025/26	Projected 2026/27	Projected 2027/28
<b>Assets</b>								
<b>Fixed Assets</b>								
Gross Fixed Assets	107,485	121,954	2,813	2,984	3,173	3,365	3,570	3,822
LESS: Accumulated Depreciation	39,112	43,322	999	1,060	1,127	1,195	1,268	1,358
<b>Net Fixed Assets</b>	<b>68,373</b>	<b>78,632</b>	<b>1,814</b>	<b>1,924</b>	<b>2,046</b>	<b>2,170</b>	<b>2,302</b>	<b>2,464</b>
Capital Work in Progress	33,544	37,384	862	915	973	1,032	1,094	1,171
Long Term Advances, Deposit	9	9	0.209	0	0	0	0	0
<b>Current Assets</b>								
Inventory / Stores & Spares	5,096	5,801	134	142	151	160	170	182
Account Receivable	172,810	197,313	4,552	4,827	5,134	5,445	5,776	6,183
Less: Provision for Bad Debt	92,827	103,740	2,393	2,538	2,699	2,863	3,037	3,251
<b>Net Accounts Receivable</b>	<b>79,983</b>	<b>93,573</b>	<b>2,192</b>	<b>2,325</b>	<b>2,472</b>	<b>2,622</b>	<b>2,781</b>	<b>2,978</b>
Receivable from Associated Companies	1,479	1,627	38	40	42	45	48	51
Receivable from TESCO	44,958	46,307	0	0	0	0	0	0
Advances, Deposits, Prepay. & Other Rec.	124,548	133,131	3,071	3,257	3,464	3,674	3,897	4,172
Cash & Bank Balances	9,252	10,257	237	251	267	283	300	321
<b>Total Current Assets</b>	<b>238,935</b>	<b>245,842</b>	<b>5,671</b>	<b>6,014</b>	<b>6,396</b>	<b>6,783</b>	<b>7,196</b>	<b>7,704</b>
<b>TOTAL ASSETS</b>	<b>340,861</b>	<b>361,867</b>	<b>8,348</b>	<b>8,854</b>	<b>9,415</b>	<b>9,985</b>	<b>10,593</b>	<b>11,339</b>
<b>Liabilities &amp; Equity</b>								
(0.00)		0						
<b>Shareholders' Equity</b>	<b>20,176</b>	<b>20,176</b>	<b>465</b>	<b>494</b>	<b>525</b>	<b>557</b>	<b>591</b>	<b>632</b>
Retained Earnings	-379,544	-438,221	-10,109	-10,721	-11,402	-12,092	-12,828	-13,732
<b>Total Equity</b>	<b>-359,367</b>	<b>-418,045</b>	<b>-9,644</b>	<b>-10,227</b>	<b>-10,877</b>	<b>-11,535</b>	<b>-12,237</b>	<b>-13,100</b>
<b>Long Term / Deferred Liabilities</b>								
ADB Loans/PHP Loan	7,867	8,061	186	197	210	222	236	253
Liability against govt loan	50,187	50,187	1,158	1,228	1,306	1,385	1,469	1,573
Deferred Credits (Consumer's Capital Cont. etc.)	126,421	148,528	3,426	3,634	3,862	4,095	4,344	4,650
Employees Retirement Benefits	45,483	50,479	1,165	1,235	1,313	1,393	1,478	1,582
<b>Total Long Term / Deferred Liability</b>	<b>229,958</b>	<b>257,255</b>	<b>5,935</b>	<b>6,295</b>	<b>6,693</b>	<b>7,099</b>	<b>7,530</b>	<b>8,062</b>
Payable to CPPA for Supplies-Plan deficit & Others	462,690	512,133	11,815	12,529	13,325	14,132	14,932	16,049
Payable to Associated Companies	2,144	3,146	73	77	82	87	92	99
Creditors, Accrued & Other Liabilities	5,436	7,377	170	180	192	204	216	231
<b>Total current Liabilities</b>	<b>470,270</b>	<b>522,656</b>	<b>12,057</b>	<b>12,787</b>	<b>13,599</b>	<b>14,422</b>	<b>15,300</b>	<b>16,378</b>
<b>TOTAL LIABILITIES AND EQUITY</b>	<b>340,861</b>	<b>361,867</b>	<b>8,348</b>	<b>8,854</b>	<b>9,415</b>	<b>9,985</b>	<b>10,593</b>	<b>11,340</b>

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# Financial Statements

Rs. in Million

CASH FLOW STATEMENT	Projected	Projected	Projected HZECO	Projected	Projected	Projected	Projected	Projected
	2021/2022	2022/2023	2022/2023	2022/2023	2022/2023	2022/2023	2022/2023	2022/2023
Net Profit (loss) for the Period after tax	-99,866	77,442	-1,787	-1,895	-2,015	-2,137	-2,267	-2,427
Adjustments:								
ADD: Depreciation	3,709	4,210	97	103	110	116	123	132
Amortisation of Deferred Income	-2,071	-2,309	-53	-56	-60	-64	-68	-72
Provision for Bad Debts	8,060	10,913	252	267	284	301	319	342
Interest Income	-971	-1,504	-35	-37	-39	-42	-44	-47
Provision for Ret. Benefits	11,006	15,047	347	368	391	415	440	472
Interest Expense	1,914	1,066	25	26	28	29	31	33
Cash Flow from Operations	-78,216	50,016	-1,154	-1,224	-1,301	-1,380	-1,464	-1,567
Working Capital Changes								
(Increase)/Decrease in Debtors	-10,501	-2,778	-64	-68	-72	-77	-81	-87
(Increase)/Decrease in Inventories	-258	-1,236	-29	-30	-32	-34	-36	-39
(Increase)/Decrease in Advances, Deposits etc	-16,590	-29,557	-682	-723	-769	-816	-865	-926
Increase/(Decrease) in Creditors, accrued and other liabilities	50,339	69,167	1,596	1,692	1,800	1,909	2,025	2,167
	22,990	35,596	821	871	926	982	1,042	1,115
Payment for Ret. Benefits	-6,779	-9,095	-210	-223	-237	-251	-266	-285
Cash Flow from Operating Activities	-62,005	-23,515	-543	-575	-612	-649	-688	-737
Cash Generated From Operation								
Financial Charges Paid	-4,178	-10,161	-234	-249	-264	-280	-297	-318
Interest Received	0	0	0	0	0	0	0	0
Capital Receipts -Deferred Credit		5,941	137	145	155	164	174	186
Net Cash flow From Operating activities	-66,183	-27,735	-640	-679	-722	-765	-812	-869
CASH FROM INVESTING ACTIVITIES:	0	0						
Fixed Assets Acquired	-19,965	-18,306	-422	-448	-476	-505	-536	-574
Capital Work in Progress	7,218	8,306	192	203	216	229	243	260
Long Term Advances	3	4	0	0	0	0	0	0
Cash In/(Out) flow from Investing Activities	-12,746	-9,999	-231	-245	-260	-276	-293	-313
CASH FROM FINANCING ACTIVITIES								
NEW LOAN ADB(ERRA)	74,705	38,739	894	948	1,008	1,069	1,134	1,214
Cash In/(Out) flow from Financing Activities	74,705	38,739	894	948	1,008	1,069	1,134	1,214
Net Cashflow During the Year	-4,224	1,005	23	25	26	28	29	32
Cash - Start of the Year	13,476	9,252	213	226	241	255	271	290
Short Term Investment								
Cash - End of the Year	9,252	10,257	237	251	267	283	300	321

**BILLING AND COLLECTION PROCEDURE****BILLING:**

Meter Reading Lists are prepared in advance by the Computer Center. They are sent to the Revenue Office who arranges for meter readings to be entered on the lists by the meter reading staff in the Sub-divisional Officer, follow up meter readings are prepared manually in Sub-Divisions. After entry of readings in the Sub-Divisional Office, the Meter Reading Lists are returned to the Revenue Office where control records over the computer billing are maintained. After entry in the Revenue Office Records the meter reading lists are collected together in a batch file for each Sub-Division. The batch number is comprised of the Sub-Division number (1 digit) and the billing cycle day number (2 digits). The batch files are then passed to the Computer Center alongwith Forwarding Memo (CP-Form-80).

Consumer bills are prepared in the Computer Center and sent to the Revenue Office for distribution to consumers. Bills are distributed by Bill Distributors who are under the control of the Sub-Divisional Officer.

With preparation of consumers bill the computer also prints an assessment list showing the charges on each bill and also, at the end, the total of charges, and the total number of consumers connected, temporarily disconnected and with equipment removed in each batch.

**COLLECTION OF ELECTRICITY BILLS:**

All Commercial Bank Branches and Post Offices of the respective City / District where connection exists shall be collecting electricity bills from consumers who have been given option to deposit their electricity bills in any designated bank branch / post office. Online payment and payment through ATM Card / Credit Cards or through cross cheques at designated bank branches can also be made where possible. NADRA KIOSK are also authorized to collect electricity bills.

In order to avoid Late Payment Surcharge (LPS), consumers shall pay their bills within due date. Consumers can also make payments in Revenue Offices through crossed cheques / pay orders / bank drafts. However, in order to avoid late payment surcharge, the cheque / bank draft / pay order, be deposited to the Revenue Office and the bank branch at least three days prior to due date so as to ensure realization within due date."



## **ABILITY TO ACCESS CONSUMER METRING SYSTEMS AND OTHER SERVICE/EQUIPMENT.**

The ability to access meters and installation of consumers depend upon the type of connection, voltage level as per SoP, Authority/designation of employees, and rules/regulation of NEPRA and Electricity act. The access is required for routine meter reading as well as for checking the meter for various reason.

Since presently the meters of General consumers (Residential, Commercial, General supply on 0.2 KV or 0.4 KV voltage level depending upon the load of consumers) are installed outside the premises, therefore the question of access does not arise. However, if load of consumers are more and CT operated meters are installed in ATB box, then the opening of ATB, where such type of meters are installed, lies with a various committees according the sanction load, tariff in accordance to rules and approved SoP of NEPRA.

However, since the meters, installed at 11 KV and above voltage levels, mostly in industrial and bulk supply tariff, are in a separate metering room, therefore the access to these meters is not possible by all the employee of DISCOs but those employees, as per approved rules of NEPRA and DISCOs, can access the meters and installations at an appropriate timing.

It is further clarified that the access to any meter is also protected by NEPRA, Electricity Act and abridged condition of the application contract, thus the meter can be access by employee of DISCO at appropriate time as per standing instruction and rules of NEPRA.

It is further added that besides the rules, generally hindrance is faced by the employees of DISCOs by those consumers which are involve in theft or any breach of law and illegal activities.

The access to meters and installations was problem in the era of 90s and before, when meters were installed inside the premiss and specially in residential connection, because there were numerous problems as per followings.

- 1) Dogs or other animals present in the premises.
- 2) Debris, vegetation, or rubbish around the meter box area.
- 3) Locked gates and meter boxes.
- 4) The approach track is dangerous.

In those days/period, the requirements were required by the consumers to provide the access to meters and installation for checking and meter reading i.e. Meters must always remain accessible and meters should not be installed in a place which are inconvenient to enter or where privacy is desired. Similarly, meters should be installed in such a way that the accessibility will not be obstructed.

## **EMERGENCY PROVISION AND PROTOCOLS**

There are three Basic provision in Emergency condition and circumstances.

-247-

1. Emergency SoP / Protocols
2. Emergency crew
3. Firefighting equipment.

### **EMERGENCY SoP / PROTOCOLS :**

- 1) Before start of any sort of Maintenance activities please ensure Proper use of PPE and T&P items.
  - i) Proper Earthing of the working zone on both sides (Right + Lef) through PTGs must be ensured prior to start of any activities.
  - ii) Ensure proper lighting during work, especially at nighttime as well as inside Panels through search lights / torches etc and availability of same on every GSS.
- 2) Healthy Units of Fire Fighting Equipments must be re-filled and made Operational at all Grids.
- 3) Efforts / Measures on war footing basis are to be taken to arrange for the Re-filling of Healthy Units of Fire Fighting Equipments at all the Grid Stations without loss of time to meet with any unforeseen situation
- 4) To reduce the damages / flashes of 11 KV Power Cables / Termination Kits, it is instructed to chalk out detail GSS wise schedule to set right 11 KV Power Cables Earthing braided conductor with Earthing patti of Panels, through proper copper thimbles strongly bonding with Nut Bolts at least on 3 different points on the Patti (Phases wise) by utilizing potential of Technical Maintenance staff on war footing basis.
- 5) To accomplish the above job apply shut downs on 11 KV Incomings where facility of load shifting through Bus Coupler is not possible, then the same be carried out through shifting of load via Bus Coupler, otherwise shut downs be applied.
- 6) Measures must be taken to carry out Load Balancing of all the Power Transformers utilizing technical skills through inter-shifting of heavily loaded and lesser loaded 11 KV Outgoing Feeders on all the Incomings.
- 7) Right sizing / making Operational of all installed 11 KV Capacitor Banks with the replacement of damaged capacitor units structures with healthy one and proper monitoring of power factor through Sub Station Operators on duties at least once in 24-hours basis through calculations from KWH & KVARH Recorded units of Incomings of 24 Hrs on the daily Log sheets at least once in 24 Hrs.
- 8) Monitoring of 11 KV Bus Bar losses on daily basis for the 24-hours on the Log sheets besides Record of 11 KV Trippings / faults on the log sheets of each Incoming / Outgoing including Record keeping of 132/11 KV Trippings / outages on Tripping Register.

- 9) Ensure proper upkeeping of 132 KV yard free from weeds / grass herbs / shrubs and proper measures be taken for Ventilation of 11 KV and 132 KV control rooms as well as measures for Intact Vermin Proofing of all Panels and auxiliary Transformers.
- 10) Proper upkeeping of Record regarding attending hot spots of both 132KV & 11KV system after Thermo-vision of Grids and entries in Register and also arrange for Thermo-vision of both 132KV Yard Equipments as well as of 11KV Panels cable side of all heavily loaded Grids.
- 11) Proper upkeeping of Transmission Line Patrolling Record and of Remedial measures to be taken to redress such as worn out / damaged jumpers / conductors / heated up PG connectors / bindings / damaged discs / short braces / tree trimmings be carried out well before start of summer to ensure un-interrupted Power supply.
- 12) Through safety seminars educate the staff for adopting all safety measures during work through use of PPE and T&P items and in case of any shortage, please submit demand on war footing basis, as there is no compromise on SAFETY "SAFETY FIRST THEN WORK".
- 13) During shut downs and PTW please ensure Proper Racking Out of 11 KV Switchgear (Trolleys) of 11KV Incoming & Outgoing Feeders through Sub Station Operators and usage of Tags like PTW / Shut Down etc on the same to avoid any mishap

#### **EMERGENCY CREW :**

- In all Divisions and Sub-Divisions, the emergency crew are available to deal with emergencies situation and are well equipped with PPE & T&P in accordance with the approved instruction and SoP.
- Emergency crews are available in grid stations to deal with emergencies and are equipped with latest different types of testing sets for various equipment installed in the grid station.

#### **FIRE FIGHTING IN OFFICES & GRID STATIONS :**

- Several sand fill buckets are available in every grid station, subdivision, Division and offices.
- Electrical fire extinguishers are carbon dioxide or dry powder, foam extinguisher, liquefied gas of CO<sub>2</sub>

## Emergency Provision and Protocol

There are three Basic provision in Emergency condition and circumstances.

1. Emergency SoP / Protocols
2. Emergency crew
3. Firefighting equipment.

### Emergency SOP/Protocols :

- 1) Before start of any sort of Maintenance activities please ensure Proper use of PPE and T&P items.
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#### **Emergency Crew :**

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#### **Fire Fighting in Offices & Grid Stations :**

1. Several sand fill buckets are available in every grid station, subdivision, Division and offices.
2. Electrical fire extinguishers are carbon dioxide or dry powder, foam extinguisher, liquefied gas of CO<sub>2</sub>

**BASIS OF COMMON SERVICES FOR COMMERCIAL AND RESIDENTIAL CONSUMERS AND THEIR ALLOCATION:** -251-

The basis of common services is to redress the grievances and to provide facilities to residential and commercial consumers (including all consumers) at their doorsteps, as well as to provide an efficient, stable, sustainable and reliable power supply. The common services provide to Residential, Commercial consumers at different complaint offices established at different level. The allocation thereof is booked to O & M head as well as to MIS and IT expenditures. The following are the locations where the Customer services and complaint offices are established.

- a) Local Complaint office.
- b) Complaint office in SDO office.
- c) Complaint office at Revenue Office.
- d) Customer Services Centre at Circle level.
- e) Customer Service Centre at HQ level (WAPDA House Peshawar).

Besides the above, various services are provided through latest state of the art technology of Customer Complain Management System (CCMS) as well as through on-line and Web portal, Mobile application, SMS (8118), call (118) and UAN (111-000-128). The following are the common services.

- i. Issuance of duplicate bill.
- ii. Registration of all type of complaint with tracking ID system (All kind of complaints including failure of supply).
- iii. Anti-theft portal (Roshan Pakistan)
- iv. Citizen motivation for anonymous complaint.
- v. On-line New connection system (ENC)
- vi. On-line installment system.
- vii. On-line bill correction.
- viii. Bill payment through on-line banking.
- ix. Bill payment through Mobile application
- x. On-line FCC (Federal Complaint Cell).
- xi. On-line PMDU (Prime Minister Delivery Unit).
- xii. On-line Wafaqi Mohtasib complaint
- xiii. On-line NEPRA complaint cell.

**TABLE OF SERIES WISE RESPONSE TO QUERIES BY NEPRA ON HAZECO'S APPLICATION  
FOR GRANT OF AN ELECTRIC POWER SUPPLY LICENSE**

(a) Under Regulation 3 of the NEPRA (Application, Modification, Extension and Cancellation) Procedure Regulations, 2021

#	Regulation	Information / Document Required	HAZECO Response
1	3(4)(b)	Prospectus	Attached as Annex-1
2	3(4)(c)(i)(a)	Certified copy of Certificate of Incorporation	Attached as Annex-2
3	3(4)(c)(i)(b)	Certified copy of Articles and Memorandum of Association	Attached as Annex-3
4	3(4)(c)(i)(c)	Certified copy of Annual Reports of the Company	Since HAZECO's first AGM after incorporation has not taken place yet, the annual reports have not been finalized. The same will be submitted to NEPRA as soon as these are prepared and approved in the General Meeting of the Company.
5	3(4)(c)(ii)	Last annual return of the Company	As per Section 130, since HAZECO's first AGM has not taken place, HAZECO is required to submit its annual return after the conclusion of the calendar year 2024. The same will be submitted as soon as these are prepared.
6	3(4)(c)(iii)	The authorised, issued, subscribed and paid up share capital of the Company	Details attached as Annex-4
7	3(4)(c)(iv)	Shareholding pattern of the Company including list of shareholders holding 5% or more shares, number of shares held by each of them and percentage of shares of the total share capital.	Same as Annex-4
8	3(4)(d)(vi)	A reasonably detailed profile of the applicant and the applicant's senior management, technical and professional staff.	Attached as Annex-5
9	3(4)(d)(vii)	Employment records of engineering and technical staff of the applicant proposed to be employed.	Attached as Annex-6. These are all employed presented with the Peshawar Electric Supply Company Limited (PESCO) and will be transferred from there to HAZECO upon grant of its licenses from NEPRA.
10	3(4)(d)(vii)	Profile of subcontractors, if any, with expression of interest of such subcontractors.	Not Applicable. HAZECO does not intend to sub-contract any part of its functions.
	3(4)(d)(ix)	Verifiable references in respect of the experience of the applicant and its proposed subcontractors.	Not applicable; in HAZECO's case, since HAZECO is being created through the bifurcation of an existing licensee with a supply license as a supplier of last resort, i.e., PESCO. All of PESCO's relevant experience will be applicable in HAZECO's

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			case.
12	3(e)	Technical and financial proposals in reasonable detail for the operation, maintenance, planning and development of the facility or system in respect of which, the license is being sought.	Attached as Annex-7
13	3(f)	Feasibility Study	Attached as Annex-8
<b>Schedule III (Regulation 3(4)(a)(D))</b>			
14	5	Procurement plan for meeting expected loads, including own generation and/or long-term and short term PPAs as the case may be).	Procurement plan is attached as Annex-9, whereas the PPAs between HAZECO and CPPA-G will be entered into upon grant of license, since PESCO's existing PPA will be amended to exclude HAZECO's territory from PESCO's PPA, which will be the subject of HAZECO's PPA.

(b) Under the Eligibility Criteria (Electric Power Supplier Licenses) Rules, 2023

Sl. No.	Rule	Information / Document Required	HAZECO Response
1	3(a)	Certificate of Incorporation with SECP	Already attached as Annex-2
2	3(c)	Strategic business plan for 3 years, duly certified by CEO or CFO or Company Secretary demonstrating its capability to undertake the electric power supply business.	<p>The applicant, HAZECO is being created through the bifurcation of the existing licensee, PESCO, to carry out the distribution and supply of electric power, including as a supplier of last resort (SOLR), in the "Service Territory", which presently falls under PESCO's license. PESCO was granted a license for supply of electric power as a SOLR on 27<sup>th</sup> December 2023 (License No. SOLR/07/2023).</p> <p>For the next three years, HAZECO intends to substantially follow the same plan as was submitted by PESCO in 2023, however, the financing plans and the 5-year investment plan are already attached as Annex-N-3 and N-11 with the main petition.</p>
3	3(d)	Minimum Human Resources requirement as provided in clause 2 of Schedule-II to meet all of its service-level commitments.	Provided already in Annex-5 and Annex-6
4	3(f)	Ability to ensure prompt and effective coordination with the system operation, market operator, and relevant distribution licensee to comply with the provisions of the Grid Code, Distribution Code, Commercial	The applicant, HAZECO is being created through the bifurcation of the existing licensee, PESCO, to carry out the distribution and supply of electric power, including as a

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		Code and other relevant legal instruments as applicable	supplier of last resort (SOLR), in the "Service Territory", which presently falls under PESCO's license. PESCO was granted a license for supply of electric power as a SOLR on 27 <sup>th</sup> December 2023 (License No. SOLR/07/2023).
5	3(g)	Ability to Discharge the following public service obligations:	As a successor to PESCO in the Service Territory, HAZECO will take over PESCO's existing structures, systems, equipment, and resources to ensure prompt and effective coordination with the system operator, marker operator, and relevant distribution licensees to comply with the provisions of the Grid Code, Distribution Code, Commercial Code and other relevant legal instruments as applicable.
		<b>A. Quality of electric power supply service by:</b>	
		i. Having automated systems of software tools for billing and collection	The applicant, HAZECO, is being created through the bifurcation of the existing licensee, PESCO, to carry out the distribution and supply of electric power, including as a supplier of last resort (SOLR), in the "Service Territory", which presently falls under PESCO's license. PESCO was granted a license for supply of electric power as a SOLR on 27 <sup>th</sup> December 2023 (License No. SOLR/07/2023).
		ii. Having information exchange system for communication and transaction with the system operator, marker operator, and relevant distribution licensee, and other relevant entities.	
		iii. complying with the performance standards and any codes specified by the Authority for provision of electric power services, particularly, effective and timely billing and collection of charges, customer support services and resolution of consumer complaints;	
		ensuring timely dissemination of reporting requirements	
		maintaining the complete and accurate records and data in respect of all aspects of electric power supply business. All such records and data shall, unless provided otherwise under the law, be maintained for a period of five years after the creation of such record or data.	Thus, HAZECO, as per the scheme of bifurcation of PESCO, which has been approved by the Boards of both companies, will inherit the complete infrastructure and systems, including software tools for billing and collection already being used by PESCO, information exchange system as required under the relevant rules, billing and customer support system already being used by PESCO, and the ability to maintain complete records as required under the applicable laws using the same systems that are being used by PESCO.
		<b>B. transparency of transactions by</b>	
		i. ensuring compliance with the accounting standards and uniform system of accounts as specified by the Authority and in addition to that ensure compliance with international financial reporting	The applicant, HAZECO is being created through the bifurcation of the existing licensee, PESCO, to carry out the distribution and supply of electric power, including as a

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			standards (IFRS) as applicable in Pakistan;	supplier of last resort (SOLR), in the "Service Territory", which presently falls under PESCO's license. PESCO was granted a license for supply of electric power as a SOLR on 27 <sup>th</sup> December 2023 (License No. SOLR/07/2023).
		ii.	sharing the necessary information and data through website or portal as required by any legal instrument	
		iii.	reporting all the information required by the Authority for the purpose of monitoring	Thus, the complete accounting systems and standards already being used by PESCO will also be used by HAZECO. Furthermore, HAZECO will have the same reporting systems in place as PESCO to ensure compliance with the reporting systems under the applicable rules and regulations.
		C.	collection and deposit of following charges, as may be determined by the Authority, in a timely manner, including but not limited to —	
		i.	transmission use of system charges	
		ii.	distribution use of system charges	
		iii.	market and system operator fee	
		iv.	any other charges as provided in rule 5 of these rules	
		D.	collection and deposit of any and all surcharges as may be imposed by the Federal Government and applicable taxes in a timely and effective manner	The applicant, HAZECO is being created through the bifurcation of the existing licensee, PESCO, to carry out the distribution and supply of electric power, including as a supplier of last resort (SOLR), in the "Service Territory", which presently falls under PESCO's license. PESCO was granted a license for supply of electric power as a SOLR on 27 <sup>th</sup> December 2023 (License No. SOLR/07/2023).  Therefore, HAZECO will have the same systems in place to ensure collection and deposit of all charges under the applicable rules and regulations as HAZECO has in place at the moment.
6	4(A)	Provisions with respect to the Supplier of Last Resort		
		(a)	demonstrate its capability to carry out detailed schemes and programs for supplying electric power to all consumers pursuant to the regulations specified by the Authority	The applicant, HAZECO is being created through the bifurcation of the existing licensee, PESCO, to carry out the distribution and supply of electric power, including as a supplier of last resort (SOLR), in the "Service Territory", which presently falls under PESCO's license. PESCO was granted a license for supply of electric power as a SOLR on 27 <sup>th</sup> December 2023 (License No. SOLR/07/2023).  Thus, HAZECO will inherit PESCO's capabilities, resources,

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				and personnel in respect of its proposed service territory to ensure compliance with all requirements of a SOLR under the applicable rules and regulations.
		(b)	have a budget developed, demonstrating its financial requirements to ensure that it has adequate financial resources available to engage in electric power supply in an effective and efficient manner	Attached as <b>Annex-10</b> .
		(c)	have the ability to provide electric power supply to the bulk power consumers of other electric power supplier who defaults on its obligations of electric power supply:	The applicant, HAZECO is being created through the bifurcation of the existing licensee, PESCO, to carry out the distribution and supply of electric power, including as a supplier of last resort (SOLR), in the "Service Territory", which presently falls under PESCO's license. PESCO was granted a license for supply of electric power as a SOLR on 27 <sup>th</sup> December 2023 (License No. SOLR/07/2023).  Thus, HAZECO will inherit PESCO's capabilities, resources, system, and infrastructure to ensure compliance with all requirements of a SOLR under the applicable rules and regulations.
		<i>Provido</i>	Provided that the applicant shall only provide this service to the bulk power consumers located in its service territory as defined in its distribution licence	
		(d)	have the ability to ensure timely publication of the Authority's approved rates, charges and other terms and conditions on its website	

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Document No: N1

Prospectus of HAZECO

ANNEX "1"

**PROSPECTUS OF HAZARA ELECTRIC SUPPLY  
COMPANY (HAZECO)  
STATE OWNED ENTERPRISE ENTITY  
REGISTERED UNDER COMPANIES ACT, 2017  
ON OCTOBER 31, 2023**

**Document No:**

**N1**

**Prospectus of HAZECO**

## **PROSPECTUS OF HAZECO**

### **INTRODUCTION**

Hazara Electric Supply Company Limited (HAZECO) ("the Company") is a public limited company incorporated on October 31, 2023 under the Companies Act, 2017, having its registered office at Islamabad.

### **PRINCIPAL ACTIVITIES**

The principal activities of the Company are to own, operate and maintain the power distribution network located within the jurisdiction area referred below to provide reliable, sustainable and uninterrupted electric power supply to approximately 776,805 consumers: -

- a. Abbottabad
- b. Haripur
- c. Mansehra
- d. Battagram
- e. Kohistan Upper
- f. Kohistan Lower
- g. Torghar
- h. Kolai Palas

### **VISION**

To be a leading and innovative distribution company of the country

### **MISSION**

Our mission is to be a technology driven company providing excellent services to customers, maintaining a secure, efficient and stable distribution network, enhancing timely recovery of dues having zero tolerance for corruption and electricity theft, providing a safe working environment, promoting a merit-based and rewarding career for employees and responsive to the legitimate expectations of the stakeholders.

### **CORE VALUES**

Innovation, care, efficiency, integrity

### **GOALS**

1. Provision of excellent services to customers
2. Maintaining a secure, efficient, and stable distribution network
3. Ensure timely recovery of dues
4. Providing a safe working environment
5. Responsive to the legitimate expectations of the stakeholders

## TAGLINE

*Burggraftaar*

## SHARE HOLDING

HAZECO is a fully owned State-Owned Enterprise Entity, having 1000 Ordinary Shares of Rs.10 each, issued as fully paid up to President of Islamic Republic of Pakistan (through Ministry of Energy (Power Division)) and its nominee Directors.

## INITIAL PROMOTERS/SENIOR MANAGEMENT

- i. The Secretary, Ministry of Energy (Power Division)  
ii. Addl. Secretary-I (MOE-PD)/MD, PP&MC  
iii. Sr. Joint Secretary Admin. (MOE-PD)

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MEAR

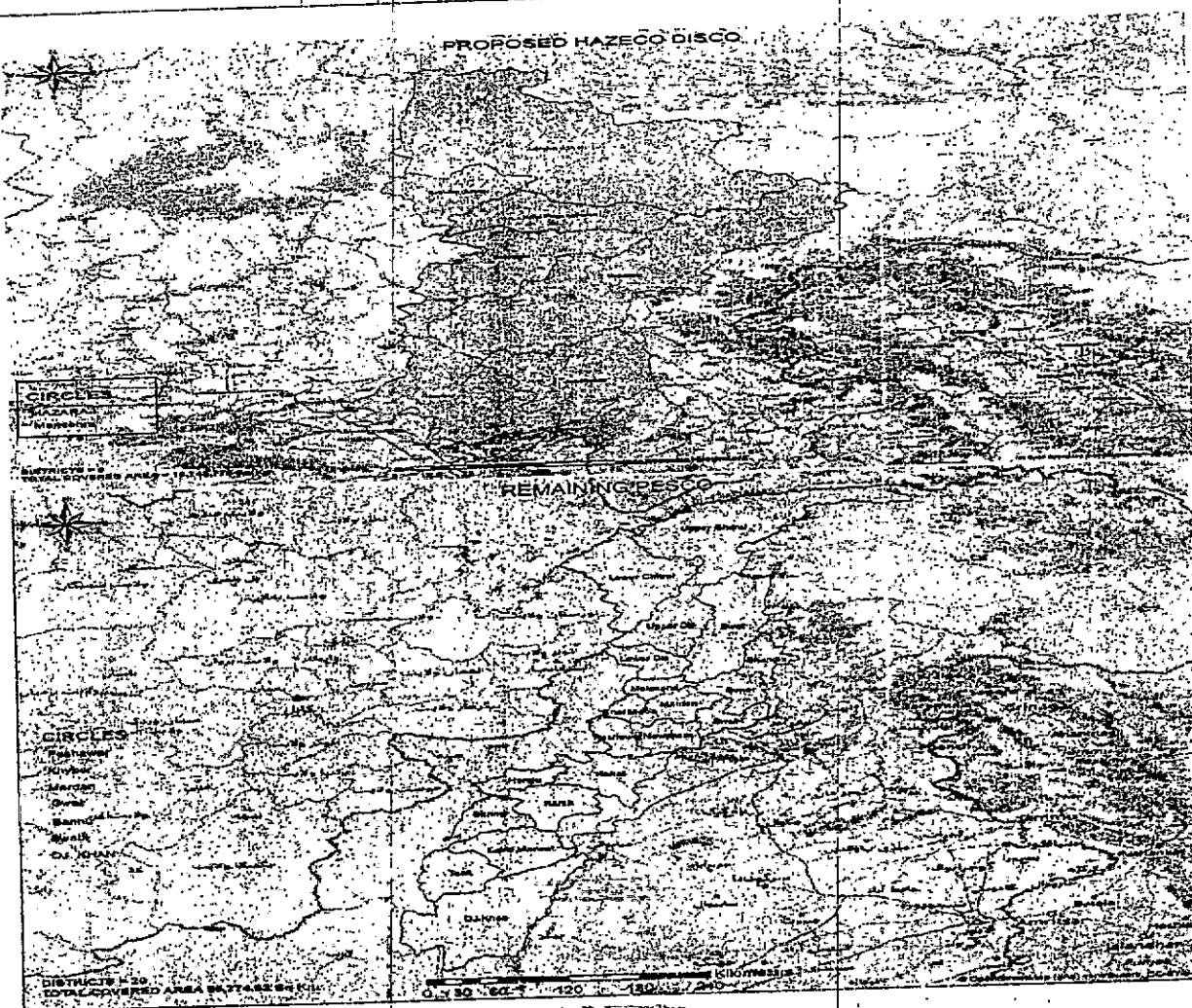
Maps of HAZECC are as under



Document No:

N1

# Prospectus of HAZECO



## CONSUMERS STATISTICS

Category	No. of Consumers	% Share
Domestic	694,933	89.46%
Commercial	69,463	8.94%
Industrial	3,533	0.45%
Bulk	182	0.02%
Tube Wells	674	0.09%
General Services	194	0.02%
Others	7,826	1.01%
<b>Total</b>	<b>776,805</b>	<b>100%</b>

## DISTRIBUTION SYSTEM



Document No: N1

## Prospectus of HAZECO

Circle	Feeders		HT Line (KM)	LT Line (KM)	Distribution T/Fs	
	No.	Average Length (KM)			No.	MVA
Hazara-I	138	21.03	2902.76	2366.76	7566	816.25
Hazara-II	72	34.31	2470.27	10445.9	5939	418.685
Total	210	25.59	5373.03	12813	13505	1234.94

## TRANSMISSION SYSTEM

Circle	GRID STATIONS IN HAZECO						Total
	500KV	220KV	132KV	66KV	33KV	132KV Consumer Grids	
Hazara-I	-	-	12	2	-	4	18
Hazara-II	-	1	7	-	2	-	10
Total	-	1	19	2	2	4	28

## FINANCIAL REVIEW

## PROFIT &amp; LOSS STATEMENT

Rs. In Million

Description	FY 2022-23
Sales Revenue (Including Subsidy)	66,746
Power Purchase Price (PPP)	(57,891)
Gross Profit	8,855



<b>Document No:</b>	<b>N1</b>	<b>Prospectus of HAZECO</b>
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O&M Cost	8,478
Other Income (Net of other costs)	(211)
<b>Net Profit/(Loss) for the Period</b>	<b>588</b>

As HAZECO is incorporated on October 31, 2023, however the financial results/performance of Hazar-I & Hazara-II (Now HAZECO) during FY 2022-23 (presented in above table) was quite satisfactory. Sales revenue (including subsidy) during FY 2022-23 was Rs. 66,746 million, whereas the Power Purchase Cost was Rs. 57,891 million. Accordingly, the gross profit of Hazar-I & Hazara-II (Now HAZECO) was Rs. 8,855 million during the reporting period. The O&M cost was Rs. 8,477 million and other income (net other costs) was Rs. 211 million. The company (HAZECO) earned a net profit of Rs. 588 million during FY 2022-23, despite of the fact that net loss of PESCO during FY 2022-23 was Rs. 81 billion. It is pertinent to highlight those T&D losses of Hazara I (12.34%) & Hazara II (17.67%) circles were within NEPRA target (20.16%), whereas T&D losses of all other circles of PESCO were higher than NEPRA target.

#### BALANCE SHEET AS ON 30.06.2023

Rs. In Million

Description	2022-23	Description	2022-23
Shareholders' equity	1,839	<b>Non-Current Assets</b>	
<b>Non-Current Liability</b>		Property, plant and equipment	18,004
Long term loans	942	<b>Total Non-Current Assets</b>	<b>18,004</b>
Other Non-Current Liabilities	26,679	<b>Current Assets</b>	

Document No: N1

Prospectus of HAZECO

28

Total Non-Current Liability	27,621	Trade debts	- 13,185
Current Liability		Receivable from GoP	6,806
Trade and other payables	12,221	Other Receivables	- 3,155
Other Current Liabilities	741	Bank balances	1,271
Total Current Liabilities	12,962	Total Current Assets	24,418
Total Liabilities	42,422		
Total Equity & Liabilities	42,422	Total Assets	42,422

As on 30<sup>th</sup> June, 2023, Hazar-I & Hazara-II (Now HAZECO) has Non-Current Assets of Rs. 18,004 million and Current Assets of Rs. 24,418 million. The total liabilities of the Company were Rs. 40,583 million and Share Holder Equity was Rs. 1,839 million whereas the shareholder equity of was PESCO was Rs. 418,045 million i.e negative equity, which showed the excellent financial position of the Hazar-I & Hazara-II (Now HAZECO) and weak financial position of remaining PESCO's circles.

## HUMAN RESOURCE

Category	Existing Sanctioned Strength	Working Strength	Vacant
Officers	75	60	15
Officials	4439	1828	2611
Total	4514	1888	2626

## FUTURE OUTLOOK

HAZECO is adjusting its long-term business plan and strategy to adopt new technology-based solution for its financial health, customer services and supply of reliable power to its customers. The company is in the process of planning for up-gradation, rehabilitation, extension and renovation of Transmission & Distribution Network i.e. Grid Stations, Transmission Lines and Feeders to improve the voltage profile of its system to turnaround HAZECO into one of the best performing DISCOS. Strategic plan shall include;

- Bifurcation and combing of 11kV feeders
- Transitioning of Feeders from Low-Tension Bare Conductor Lines to Aerial Bundled Cable (ABC) to Combat Electricity Theft via Unauthorized Connections.
- Implementation of the Asset Performance Management System (APMS) on 100 & 200 KVA Transformers.
- Conversion of consumers to Automated Meter Reading (AMR) Meters.
- Deployment of Insulated Conductors for Transformer Jumpering in Narrow Streets to Ensure Safety.
- Area Planning of Overloaded i.e high loss and high voltage drop feeders.
- Up-gradation of HAZECO's GIS Infrastructure through deployment of Arc-GIS Enterprise.
- Extension of High-Tension (HT) Lines, Low-Tension (LT) Lines, Distribution Transformers, HT and LT Feeders.
- Optimum use of Billing and ERP systems to bring efficiency and transparency in HAZECO's operations.
- Replacement of Non-Static Energy Meters with Static Energy Meters.
- Bifurcations of circles/divisions/subdivision for better services to consumers.
- Outsourcing of Bill distribution and meter reading as pilot project.

Annex 2

# SECURITIES AND EXCHANGE COMMISSION OF PAKISTAN

Company Registration Office

## CERTIFICATE OF INCORPORATION

[Under section 16 of the Companies Act, 2017 (XIX of 2017)]

Corporate Unique Identification No. 0243576

I hereby certify that **HAZARA ELECTRIC SUPPLY COMPANY LIMITED** is this day incorporated under the Companies Act, 2017 (XIX of 2017) and that the company is limited by shares.

Given at Islamabad this Thirty First day of October, Two Thousand and Twenty Three



Saila Jamshaid  
Joint Registrar



[https://eservices.secp.gov.pk/eServices/ControllerServlet?request\\_id=VERIFY\\_ONLINE\\_INCORP\\_CERT&id=0243576](https://eservices.secp.gov.pk/eServices/ControllerServlet?request_id=VERIFY_ONLINE_INCORP_CERT&id=0243576)

Disclaimer: This certificate of incorporation is not a permission to accept deposits from the general public by offering fake jobs/investment packages and return thereon, indulge in teasing/financing of vehicles and household products etc., MLM, Pyramid and Ponzi Schemes, Lottery Business, trading in forex and virtual currencies or any other unlawful business activities.

Annos 3

## THE COMPANIES ACT, 2017 (XIX of 2017)

(COMPANY LIMITED BY SHARES)  
MEMORANDUM OF ASSOCIATION  
OF

## HAZARA ELECTRIC SUPPLY COMPANY LIMITED

The name of the Company is HAZARA ELECTRIC SUPPLY COMPANY LIMITED.

The Registered Office of the Company will be situated in Islamabad Capital Territory (I.C.T.)

- (i) To design, insure, construct, acquire, own, operate and maintain power generation complexes, and carry on the business of generating, purchasing, importing, transforming, converting, distributing, supplying, exporting, transmitting, and dealing in power generation including electricity and all other forms of energy and products; to render services associated therewith and of promoting the conservation and efficient use of electricity; and to perform all other acts which are necessary or incidental to the business of electricity generation, transmission, distribution and supply including but not limited to over hauling and re-powering of power plants, and to deal in electrical and all other related appliances.
- (ii) Except for the businesses mentioned in sub-clause (iii) hereunder, the company shall engage in all the lawful businesses and shall be authorized to take all necessary steps and actions in connection therewith and ancillary thereto.
- (iii) Notwithstanding anything contained in the foregoing sub-clauses of this clause nothing contained herein shall be construed as empowering the Company to undertake or indulge, directly or indirectly in the business of a Banking Company, Non-banking Finance Company (Asset Management Services, Leasing, Investment Finance Services, Investment Advisory Services, REIT management Services, Housing Finance Services, Private Equity and Venture Capital Fund Management Services, Discounting Services, Pension Fund Scheme Business, Micro Financing), Corporate Restructuring Company, Insurance Business, Moderate management company, Stock Brokerage business, forex, Clearing House, Securities and Futures Advisor, Commodity Exchange, managing agency, business of providing the services of security guards or any other business subject to license and restricted under any law for the time being in force or as may be specified by the Commission.
- (iv) It is hereby undertaken that the company shall not:
  - (a) engage in any of the business mentioned in sub-clause (iii) above or any unlawful operation;
  - (b) launch multi-level marketing (MLM), Pyramid and Ponzi Schemes, or other related activities/businesses or any lottery business;
  - (c) engage in any of the permissible business unless the requisite approval, permission, consent or licence is obtained from competent authority as may be required under any law for the time being in force.

4. The liability of the members is limited.

5. The authorized capital of the company is Rs. 100,000 (One Hundred Thousand Rupees Only) divided into 10,000 (Ten Thousand) Ordinary shares of Rs.10 (Ten Rupees Only) each.

We, the several persons whose names and addresses are subscribed below, are desirous of being formed into a company, in pursuance of this memorandum of association, and we respectively agree to take the number of shares in the capital of the company as set opposite our respective names:



Name of subscriber (present & former) in full (in Block Letters)	Signature (in full) (in Block Letters)	Father's/ Husband's Name in full	Nationality (ies) with any former Nationality	Occupation	Usual residential address in full or the registered/principal office address for a subscriber other than natural person	Number of shares taken by each subscriber (in figures and words)	Signatures
Alam Zeb Khan	61101777884	Fateh Khan	Pakistan	Senior Joint Secretary Power Division	House No 39, Street 11, Sector I-8/1 ISLAMABAD Islamabad Capital Territory (I.C.T.)	1	
Ministry of Energy (Power Division) through Rashid Mahmood	3520290754451	Muhammad Sharif	Pakistan	Secretary Power Division	Room No. 201-204, 2nd Floor, A Block, Pak Secretariat, Red Zone ISLAMABAD Islamabad Capital Territory (I.C.T.)	9,997	
Zafar Abbas	6110165455929	Ghulam Abbas	Pakistan	Additional Secretary-I Power Division	House No 34A, Agha Khan Road, Sector F-9/4 ISLAMABAD Islamabad Capital Territory (I.C.T.)	1	
Rashid Mahmood	3520290754451	Muhammad Sharif	Pakistan	Secretary Power Division	House no 45-B, Muhalla GOR-2, Bahawalpur, Hobes LAHORE Punjab Pakistan	1	

Total number of shares taken (in figures and words) 10,000 (Ten Thousand)

Dated: the 31 day of Oct 20 23

Witness to above signatures: witness not required since the documents submitted electronically

Signature:

Address:

## THE COMPANIES ACT, 2017 (XIX of 2017)

(COMPANY LIMITED BY SHARES)  
ARTICLE OF ASSOCIATION  
OF

## HAZARA ELECTRIC SUPPLY COMPANY LIMITED

1. The Regulations contained in Table 'A' to the First Schedule to the Companies Act, 2017 shall be the regulations of HAZARA ELECTRIC SUPPLY COMPANY LIMITED so far as these are applicable to a public company.

## PUBLIC COMPANY

2. The Company is a "Public Company" within the meaning of Section 2(1)(52) of the Act and accordingly:
- (1) The number of the members of the Company (exclusive of persons in the employment of the Company), shall not be limited, provided that for the purpose of this provision, where two or more persons hold one or more shares in the company jointly, they shall be treated as single member, and
  - (2) The right to transfer shares of the Company shall not be restricted in the manner and to the extent herein appearing.
3. The authorized capital of the company is Rs. 100,000 (One Hundred Thousand Rupees Only) divided into 10,000 (Ten Thousand) ordinary shares of Rs. 10 (Ten Rupees Only) each.
4. The minimum subscription upon which the directors may proceed to make the first allotment has been fixed as Rs. 100000

## TRANSFER OF SHARES

5. The directors shall not refuse to transfer any fully paid shares unless the transfer deed is invalid or defective:

## DIRECTORS

6. The number of directors shall not be less than three or a higher number as fixed under the provisions of Section 159 of the Act. The following persons shall be the first directors of the Company and shall hold the office upto the date of First Annual General Meeting:

1. Alam Zeb Khan
2. Zafar Abbas
3. Rashid Mahmood

We, the several persons whose names and addresses are subscribed below, are desirous of being formed into a company, in pursuance of this article of association, and we respectively agree to take the number of shares in the capital of the company as set opposite our respective names:



Name and surname (present & former) in full (In Block Letters)	Photo No. (in case of foreigner)	Father / Husband Name in full	Nationality (ies) with any former Nationality	Occupation	Usual residential address in full or the registered/principal office address for a subscriber other than natural person	Number of shares taken by each subscriber (in figures and words)	Signatures
Alam Zeb Khan	61101777884	Rashid Khan	Pakistan	Senior Joint Secretary Power Division	House No 39, Street 1J, Sector I-8/1 ISLAMABAD Islamabad Capital Territory (I.C.T.) Pakistan	1	
Ministry of Energy (Power Division) through Rashid Mahmood	3520290754451	Muhammad Sharif	Pakistan	Secretary Power Division	Room No. 201-204, 2nd Floor, A Block, Pak Secretariat, Red Zone, ISLAMABAD Islamabad Capital Territory (I.C.T.) Pakistan	9,997	
Zafar Abbas	6110165455929	Ghulam Abbas	Pakistan	Additional Secretary-I Power Division	House No 34A, Agha Khan Road, Sector F-8/4 ISLAMABAD Islamabad Capital Territory (I.C.T.) Pakistan	1	
Rashid Mahmood	3520290754451	Muhammad Sharif	Pakistan	Secretary Power Division	House no 45-B, Munilla-GOR, 2 Bahawalpur House, LAHORE Punjab Pakistan	1	

Total number of shares taken (In figures and words) 10,000 (Ten Thousand)

Dated: the 31 day of Oct 20 23

Witness to above signatures: witness not required since the documents submitted electronically

Signature:

Address:



Ammed 4.

**Section - D - Company subscribers, directors, chief executive officer, and in case of single member company, nominee****2.7 State Number of directors fixed by subscribers:**

(Please note that as per law a company must have minimum director as follows)

Kind of company	Minimum number of directors required by law	No. of proposed directors
Single Member Company	01	
Private Limited Company	02	
Public Limited Company	03	3

**2.8 Details of subscribers, directors and chief executive officer\***

Name And Surname (Present and former) In	Father/Husband and Name In Full	CNIC No. (In Case of Pakistani National) or Passport No. (In Case of Foreigner)	**Incorporation/Registration (In Case of Pakistani National) or Nationality (In Case of Foreigner)	Nationality (with former nationality and nationality of the office, if different)	***Occupation	Residential Address/Registered Office Address Or Principle Office (In Case of a Subscriber Other Than A Natural Person)	NTN (In Case of Director Where Applicable)	Designation (Director/Subscriber/CEO Please)	Nature of Directorship (appointed, nominee/independent/other)	Name of Entity - Nominating the Director	No. of Shares Subscribed (For Subscribers)	****Signatures
Alam Zeb Khan	S/O Fateh Khan	61101777884 23		Pakistan	Senior Joint Secretary Power Division	House No 39, Street 11, Sector I-8/1 ISLAMABAD Islamabad Capital Territory		Director And Subscriber	Appointed		1	Electronically signed by Alam Zeb Khan
Ministry of Energy (Power Division) through Rashid	S/O Muhammad Sharif	35202907544 51		Pakistan	Ministerial Secretary Power Division	House No 39, Street 11, Sector I-8/1 ISLAMABAD Islamabad Capital Territory		Director And Subscriber	Appointed		9,997	Electronically signed by Rashid Mahmood
Zafar Abbas	S/O Ghulam Abbas	61101654559 29		Pakistan	Additional Secretary-I Power Division	House No 39, Agha Khan Road, Sector 8/4 ISLAMABAD Islamabad Capital Territory		Director And Subscriber	Appointed		1	Electronically signed by Zafar Abbas
Alam Zeb Khan	S/O Fateh Khan	61101777884 23		Pakistan	Senior Joint Secretary Power Division	House No 39, Street 11, Sector I-8/1 ISLAMABAD Islamabad Capital Territory		Director And Subscriber	Appointed		1	Electronically signed by Alam Zeb Khan
Rashid Mahmood	S/O Muhammad Sharif	35202907544 51		Pakistan	Secretary Power Division	House no 45-B, Muhalla GOR-2, Bahawalpur House LAHORE District		Director And Subscriber	Appointed		1	Electronically signed by Rashid Mahmood

\*Add details as applicable

\*\* Applicable on subscribers other than natural persons

\*\*\*Please also mention names of other companies where directorship is held.

\*\*\*\* Signature of subscribers and consent to act as director or chief executive as the case may be. In case of online submission, the document will be signed electronically

**2.9 Details of Nominee (only in case of single member company- Nominee shall not be a person other than relatives of the member- namely, a spouse, father, mother, brother, sister and son or daughter)**

Name of Nominee \_\_\_\_\_

CNIC of Nominee \_\_\_\_\_

Residential address of Nominee \_\_\_\_\_

Annex 7

ANNEX "19"

Doc No: N9

## TECHNICAL PROPOSAL FOR PLANNING AND DEVELOPMENT OF SYSTEM:

### a) Executive Summary

HAZECO will expand and rehabilitate its Transmission and Distribution (T&D) systems. From new grid stations to AMRs for commercial improvements, initiatives have been planned to improve the overall performance of the company in an integrated manner.

#### Costs Summary:

- Total Cost: Rs. 18372 Million

#### Benefits Summary:

- Total Benefits: Savings of 275 MKWh of energy through loss reduction and smooth dispersal of power from new generation.

#### Scope of Works:

- Construction of New Grid Station = 04 No.s
- Conversion of Grid Station = 03 No.s
- Augmentation of Power Transformer = 01 No.s
- Extension of Power Transformer = 01 No.s
- Rehabilitation of Grid Station = 09 No.s
- New Transmission Lines = 80 Km
- Reconductoring of Transmission Lines = 39 Km
- Bifurcation of 11 Kv Feeders = 23 No.s
- Reconductoring of HT Lines = 230 Km
- Installation of Transformers = 679 No.s
- Reconductoring of LT lines = 115 Km

## b) INTRODUCTION

The planning and development of a robust system for a power distribution company in Pakistan play a pivotal role in addressing the dynamic energy landscape of the country. With the increasing demand for electricity and the integration of renewable energy sources, the power distribution sector faces challenges that necessitate a strategic and forward-thinking approach. The introduction of cutting-edge technologies and smart grid solutions becomes imperative to enhance the efficiency, reliability, and sustainability of the power distribution network.

In the context of Pakistan's electricity sector, which is characterized by both opportunities and challenges, an effective system planning, and development initiative should encompass factors such as optimal energy mix, grid modernization, and the integration of advanced metering infrastructure. The introduction of smart technologies, coupled with comprehensive planning, is crucial for addressing issues like load shedding, improving energy accessibility in rural areas, and ensuring a stable and resilient power distribution system. As the nation moves towards a more diversified and sustainable energy future, a well-executed planning and development strategy becomes a cornerstone for the power distribution company to navigate the complexities of the evolving energy landscape in Pakistan.

In addition to the National Power System Expansion Plan (NPSEP) 2011–2030, it is essential to recognize the broader energy landscape in Pakistan. The country is endowed with diverse energy resources, including hydroelectric, thermal, and renewable sources. The electricity sector in Pakistan, managed by vertically integrated public sector companies like Water and Power, plays a pivotal role in harnessing and distributing this energy to meet the growing demands of the nation. Analyzing the complexities of electric power generation growth and considering national policies is crucial for steering the country towards sustainable and efficient energy solutions. Moreover, models for integrated expansion and operation planning of distribution systems contribute to optimizing the distribution network for enhanced efficiency. Initiatives like the National Power Policy 2013 underscore the importance of a well-developed power production, transmission, and distribution system to address challenges and pave the way for a resilient energy future.

### c) OBJECTIVE

The objective of planning and development of system is to significantly enhance the stability and reliability of the electrical supply in Hazara division. The aim is to achieve this by implementing a comprehensive set of measures that will modernize and strengthen the existing power infrastructure in Hazara division.

#### Key Points:

**Infrastructure Enhancement:** The purpose is to improve the overall electrical infrastructure by establishing new substations, transmission lines, and distribution networks. These enhancements are crucial to accommodate the growing demand for electricity in the Hazara division.

**Stability Improvement:** By introducing new technologies and expanding the capacity of the transmission and distribution systems, the project aims to enhance the stability of the electrical grid. This includes reducing the risk of power outages and ensuring a consistent and reliable electricity supply to the residents and businesses in the city.

**Capacity Building:** The planning and development of system also includes initiatives for capacity building within the local electrical sector. This involves training and skill development programs for the workforce involved in the operation and maintenance of the upgraded systems, ensuring the sustainable and efficient operation of the enhanced infrastructure.

**Environmental Impact:** Consideration of environmental impact is an integral part of the project's objectives. The implementation of modern, efficient technologies and practices aims to minimize the environmental footprint of the electrical transmission and distribution systems.

Overall, the Transmission and Distribution System of HAZECO is to create a modern, resilient, and environmentally conscious electrical infrastructure that meets the current and future energy needs of Hazara division, contributing to the overall development and prosperity of the area and its residents.

#### **d) APPROACH:**

The approach for planning and developing the electric distribution system is a systematic and comprehensive process aimed at ensuring the efficient, reliable, and sustainable operation of the distribution network. The approach involves a multi-step strategy that considers various factors, including current infrastructure, technological advancements, regulatory requirements, and future energy demands.

##### **Network Assessment:**

- Conducting a thorough assessment of the existing distribution network, identifying strengths, weaknesses, and areas for improvement.
- Utilizing advanced tools and technologies to gather real-time data on network performance and load characteristics.

##### **Demand Forecasting:**

- Employing sophisticated forecasting models to project future electricity demand accurately.
- Considering factors such as population growth, industrial expansion, and technological trends to anticipate changes in energy consumption.

##### **Technological Innovation:**

- Embracing innovative technologies, such as advanced metering infrastructure (AMI), to enhance system control, monitoring, and efficiency.
- Evaluating the feasibility of incorporating automation and artificial intelligence for real-time decision-making.

## e) **METHODOLOGY:**

The methodology involves a collaborative and adaptive process to address the dynamic nature of the energy landscape.

### **Stakeholder Engagement:**

- Engaging key stakeholders, including regulatory bodies, local communities, and industry experts, to gather diverse perspectives and ensure alignment with broader goals.

### **Risk Assessment:**

- Conducting a rigorous risk assessment to identify potential challenges and uncertainties associated with the planning and development phases.
- Developing mitigation strategies to address and minimize identified risks.

### **Phased Implementation:**

- Adopting a phased approach to system development to allow for incremental improvements and adjustments based on real-world performance and feedback.
- Ensuring flexibility in the plan to adapt to emerging technologies and unforeseen changes.

### **Regulatory Compliance:**

- Ensuring strict adherence to regulatory requirements and standards governing the electric distribution system.
- Collaborating with regulatory authorities to obtain necessary approvals and certifications.

In summary, the methodology combines a strategic approach with advanced technologies, stakeholder collaboration, and adaptability to create a resilient and future-ready electric distribution system.

f) **PROJECT Scope**

**Secondary Transmission System**

HAZECO PROPOSED GRID STATIONS & TRANSMISSION LINES									
Sr.No.	Name of Grid Station /Transmission Line	Type	Transformer		T/Line		Length (km)	Year	Estimated Cost (Rs. Million)
			31.5/40 MVA	20/26 MVA					
Grid Station									
1	132 KV Haripur (Power T/F)	Ext		1				2023-24	150
2	132 KV Sarai Saifi, (Haripur)	Con:		2	D/C	Lynx	2	2024-25	810
3	132 KV Paltan	Con:		1	D/C	Rail	5	2024-25	700
4	132 KV Haripur (Power T/F) World Bank Project	Aug:	1					2024-25	300
5	132 KV Thakot	Con:		1	SDT	Lynx	20	2025-26	930
6	132 KV Shinkyan, Mansehra	New		2	D/C	Lynx	5	2026-27	1130
7	132KV Abbottabad-II	New	2		D/C	Lynx	2	2026-27	1150
8	132KV Hattar-III-near Bilal Masjid	New	2		D/C	Lynx	1	2026-27	1110
9	132 KV Gandaf	New		1	SDT	Lynx	35	2027-28	1450
Transmission Line									
8	220 KV Haripur - Hattar SEZ D/C T/Line for SEZ Long term arrangement	New T/L			D/C	Rail	5	2025-26	350
9	Re conducting of 132 KV AMC Abbottabad – Murree Road Abbottabad T/Line (World Bank Project)	Recond:			S/C	Greeley/ HTLS	6	2025-26	250
10	Reconducting of 132 KV New Wah - Hattar T/Line (World Bank Project)	Recond:			S/C	Greeley/ HTLS	28	2026-27	600
11	132 KV New Wah -- Hattar In/Out at 220 KV Haripur	New T/L			D/C	Rail	5	2026-27	250
12	220/132KV Mansehra – 132KV AMC A/Abad Line Upgradation of remaining portion	Recond:			S/C	Rail	5	2027-28	150
	TOTAL		5	8			119		9330

## Distribution Rehabilitation and Expansion Plan

### HAZECO Power Distribution Rehabilitation (ELR) 2023-24 to 2027-28

No.	Description	Unit	P.P.C. Feeder	Quantities					Unit Rate (Jun 2023)	Total Cost in Million RS					
				2023-24	2024-25	2025-26	2026-27	2027-28		2023-24	2024-25	2025-26	2026-27	2027-28	Total
				3 Feeders	4 Feeders	4 Feeders	3 Feeders	3 Feeders		3 Feeders	4 Feeders	4 Feeders	3 Feeders	4 Feeders	18 Feeders
				(11KV)	(11KV)	(11KV)	(11KV)	(11KV)		(11KV)	(11KV)	(11KV)	(11KV)	(11KV)	(11KV)
<b>A. Material For 18 No. 11KV Feeders</b>															
	<b>New 11 KV Lines</b>														
1.	a. Osprey	KM	9.9	30	40	40	30	40	178	5299524	157	210	210	157	944
	b. Dog	KM	5	15	20	20	15	20	90	3116375	47	62	62	47	280
	c. 11 KV 500 MCM Cable	KM	0.1	0	0	0	0	0	2	2976000	1	1	1	1	5
	Sub Total	KM	15.000	45	60	60	45	60	270		205	273	273	205	1230
<b>11 KV Line Reconductoring</b>															
2.	a. Osprey	KM	5	15	20	20	15	20	90	3408428.77	51	68	68	51	307
	b. Dog	KM	4	12	16	16	12	16	72	1592903.02	19	25	25	19	115
	c. Rabbit	KM	1	3	4	4	3	4	18	1072838.02	3	4	4	3	19
	Sub Total	KM	10.00	30	40	40	30	40	180		73	98	98	73	441
<b>11KV Capacitors</b>															
3.	Fixed 11 KV 450 KVAR	set	1	3	4	4	3	4	18	162900	0	1	1	0	3
	Sub Total	set	1	3	4	4	3	4	18		0	1	1	0	3
4.	11KV Panels	No.	1	3	4	4	3	4	18	2449999	7	10	10	7	44
5.	11KV 500 MCM Cable	KM	0.3	1	1	1	1	1	5	2976000	3	4	4	3	16
<b>Total (Item 1 to 5) Cost of HT Feeders</b>											<b>289.01</b>	<b>385.35</b>	<b>385.35</b>	<b>289.01</b>	<b>1734</b>



## HAZECO Power Distribution Rehabilitation (ELR) 2023-24 to 2027-28

No.	Description	Unit	Per Proposal	Quantities					Unit Rate (Jan 2023)						Total	
				2023-24	2024-25	2025-26	2026-27	2027-28		2023-24	2024-25	2025-26	2026-27	2027-28		
6	Detail of LT Proposals Involving New Transformers & Various Type of Material															
7	Transformers															
	a. 25 KVA	No.		17	19	1	1	1	38	564047	9.5	10.8	0.3	0.3	0.3	21.3
	b. 50 KVA	No.		40	39	28	28	28	161	833463	33.0	32.1	22.9	22.9	22.9	133.9
	c. 100 KVA	No.		31	32	30	30	30	152	1295056	39.9	41.3	38.5	38.5	38.5	196.6
	d. 200 KVA	No.		9	10	9	9	9	47	1920796	16.9	19.0	18.0	18.0	18.0	89.8
	Sub Total	No.		96	100	67	67	67	397		99.3	103.2	79.7	79.7	79.7	441.6
8	New 11 KV Lines															
	Rabbit (Conversion LT Feeders)	KM	0.39	37	39	26	26	26	155	1564414.6	58.572	60.707	40.970	40.970	40.970	242.188
	Insulated Rabbit	KM	0.021	2	2	1	1	1	8	152000	0.306	0.318	0.214	0.214	0.214	1.267
	Sub Total	KM	0.411	37	39	26	26	26	163		58.878	61.025	41.184	41.184	41.184	243.455
9	New LT Line															
	a. 3-Phase Wasp Line	KM	0.04	4	4	3	3	3	16	1576199	6.053	6.273	4.234	4.234	4.234	25.027
	b. 3-Phase ANT Line	KM	1.09	105	108	73	73	73	433	1473719	154.210	159.832	107.867	107.867	107.867	637.642
	Sub Total	KM	1.130	108	112	76	76	76	449		160.263	166.105	112.100	112.100	112.100	662.669
10	LT Line Re-Conductoring															
	a. 3-Phase Wasp	KM	0.16	15	16	11	11	11	64	684571.98	10.515	10.898	7.355	7.355	7.355	43.479
	b. 3-Phase Ant	KM	0.01	1	1	1	1	1	4	582091.98	0.559	0.579	0.391	0.391	0.391	2.311
	Sub Total	KM	0.170	16	17	11	11	11	67		11.074	11.478	7.746	7.746	7.746	45.789
11	Other Equipment and Material															
	Energy Meters (against defective)															
	a. Single Phase	No.		14404	15125	15881	16675	17509	79593	3251	46.829	49.170	51.628	54.210	56.920	258.757
	b. Three Phase	No.		1625	1707	1792	1881	1976	8981	33900	55.097	57.852	60.745	63.782	66.971	304.447
	Sub Total	No.		16030	16831	17673	18556	19484	88574		101.926	107.022	112.373	117.992	123.891	563.204
E	Total (Item 7 to 11) Cost of LT Feeders										431.412	448.876	353.085	358.703	364.603	1956.679

## HAZECO Power Distribution Rehabilitation (ELR) 2023-24 to 2027-28

No.	Description	Unit	Quantities					Unit Rate Rs.	Total Cost in Million Rs.					
			2023-24	2024-25	2025-26	2026-27	2027-28		2023-24	2024-25	2025-26	2026-27	2027-28	Total
F	Total (Item 1 to 11) Cost of HT & LT Proposals								720	834	738	648	750	3691
G	12% Store Charges								86	100	89	78	90	443
H	8% Installation Charges								58	67	59	52	60	295
I	Total Material Cost (F+G+H)								865	1001	886	777	900	4429
J	Contingency (3%)								26	30	27	23	27	133
K	Total Material Cost(I+J)								890	1031	913	801	927	4562
L	Escalated Cost @ 29%								209	242	214	188	218	1070
M	Total Material Cost(K+L)								1099	1273	1127	988	1145	5633

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## HAZECO Power Distribution Expansion (DOP) 2023-24 to 2027-28

No.	Description	Unit	Qty	Quantities					Unit Rate (Jan 2023)	Total Cost in Millions					
				2023/24	2024/25	2025/26	2026/27	2027/28		2023/24	2024/25	2025/26	2026/27	2027/28	Total
				1 Feeders	1 Feeders	1 Feeders	1 Feeders	1 Feeders		1 Feeders	1 Feeders	1 Feeders	1 Feeders	1 Feeders	5 Feeders
				(11KV)	(11KV)	(11KV)	(11KV)	(11KV)		(11KV)	(11KV)	(11KV)	(11KV)	(11KV)	(11KV)
<b>A: Material For 05 No. 11KV Feeders</b>															
<b>New 11 KV Lines</b>															
1	a. Osprey	KM	9.9	10	10	10	10	10	5299524	52	52	52	52	52	262
	b. Dog	KM	5	5	5	5	5	5	3116375	16	16	16	16	16	78
	c. 11 KV 500 MCM Cable	KM	0.1	0	0	0	0	0	2976000	0	0	0	0	0	1
	<b>Sub Total</b>	KM	15.00	15	15	15	15	15		68	68	68	68	68	342
<b>11 KV Line Reconductoring</b>															
2	a. Osprey	KM	5	5	5	5	5	5	3408428.77	17	17	17	17	17	85
	b. Dog	KM	4	4	4	4	4	4	1592903.02	6	6	6	6	6	32
	c. Rabbit	KM	1	1	1	1	1	1	1072838.02	1	1	1	1	1	5
	<b>Sub Total</b>	KM	10.00	10	10	10	10	10		24	24	24	24	24	122
<b>11KV Capacitors</b>															
3	Fixed 11 KV 450 KVAR	set	1	1	1	1	1	1	162900	0.16	0.16	0.16	0.16	0.16	1
	<b>Sub Total</b>	set	1	1	1	1	1	1		0.16	0.16	0.16	0.16	0.16	1.00
4	11KV Panels	No.	1	1	1	1	1	1	2449999	2	2	2	2	2	12
5	11KV-500 MCM Cable	KM	0.3	0	0	0	0	0	2976000	1	1	1	1	1	4
6	<b>Total (Item 1 to 5) Cost of HT Feeders</b>									96.34	96.34	96.34	96.34	96.34	482

## HAZECO Power Distribution Expansion (DOP) 2023-24 to 2027-28

No.	Description	Unit	Per Proposal	Quantities					Unit Rate (Jun 2023)						Total	
				2023-24	2024-25	2025-26	2026-27	2027-28		2023-24	2024-25	2025-26	2026-27	2027-28		
B	Detail of LT Proposals Involving New Transformers & Various Type of Material															
7	Transformers															
	a. 25 KVA	No.		5	6	2	2	2	15	564047	2.8	3.1	0.9	0.9	8.7	
	b. 50 KVA	No.		7	8	26	26	26	94	833463	6.0	6.4	22.0	22.0	78.4	
	c. 100 KVA	No.		12	12	17	17	17	75	1295056	15.7	15.7	22.1	22.1	97.6	
	d. 200 KVA	No.		15	16	22	22	22	97	1920796	29.6	30.0	42.3	42.3	186.4	
	Sub Total	No.		40	41	67	67	67	282		54.0	55.2	87.3	87.3	371.0	
8	New 11 KV Lines															
	Rabbit (Conversion LT Feeders)	KM	0.39	15	16	26	26	26	110	1564414.6	24.161	24.966	40.939	40.939	171.944	
	Insulated Rabbit	KM	0.021	1	1	1	1	1	6	152000	0.126	0.131	0.214	0.214	0.900	
	Sub Total	KM	0.411	15	16	26	26	26	116		24.287	25.097	41.153	41.153	172.844	
C	New LT Line															
9	a. 3-Phase Wasp Line	KM	0.04	2	2	3	3	3	11	1576199	2.497	2.580	4.231	4.231	17.768	
	b. 3-Phase ANT Line	KM	1.09	43	45	73	73	73	307	1473719	63.612	65.732	107.786	107.786	452.703	
	Sub Total	KM	1.130	45	46	76	76	76	318		66.108	68.312	112.017	112.017	470.471	
10	LT Line Re-Conductoring															
	a. 3-Phase Wasp	KM	0.16	6	7	11	11	11	45	684571.98	4.337	4.482	7.350	7.350	30.868	
	b. 3-Phase Ant	KM	0.01	0	0	1	1	1	3	582091.98	0.231	0.238	0.391	0.391	1.640	
	Sub Total	KM	0.170	7	7	11	11	11	48		4.568	4.720	7.740	7.740	32.509	
D	Other Equipment and Material															
11	Energy Meters															
	a. Single Phase	No.		14676	15410	16180	16989	17839	81094	3251	47.712	50.097	52.602	55.232	263.637	
	b. Three Phase	No.		2348	2466	2589	2718	2854	12975	33900	79.603	83.583	87.762	92.150	439.855	
	Sub Total	No.		17024	17875	18769	19708	20693	94069		127.314	133.680	140.364	147.382	703.492	
E	Total (Item 7 to 11) Cost of LT Feeders										276.280	287.002	388.547	395.565	402.934	1750.327

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## HAZECO Power Distribution Expansion (DOP) 2023-24 to 2027-28

No.	Description	Unit	Quantities						Unit Rate RS	Total Cost in Million Rs.					
			2023-24	2024-25	2025-26	2026-27	2027-28	Total		2023-24	2024-25	2025-26	2026-27	2027-28	Total
F	Total (Item 1 to 11) Cost of HT & LT Proposals									373	383	485	492	499	2232
G	12% Store Charges									45	46	58	59	60	268
H	8% Installation Charges									30	31	39	39	40	179
I	Total Material Cost (F+G+H)									447	460	582	590	599	2678
J	Contingency (3%)									13	14	17	18	18	80
K	Total Material Cost (I+J)									461	474	599	608	617	2759
L	Escalated Cost @ 29%									108	111	141	143	145	647
M	Total Material Cost (K+L)									569	585	740	751	762	3406

g) Financial Phasing for Planning and Development of System

HAZECO Five Years Investment Plan (In Millions)						
DESCRIPTION	2023-24	2024-25	2025-26	2026-27	2027-28	Total
ELR	1099	1273	1127	988	1146	5634
DOP	569	585	740	751	764	3409
STG	150	1510	1280	3640	1600	8180
World bank (STG)		300	250	600		1150
Total Cost	1818	3668	3397	5979	3511	18372

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## HAZECO Financial Plan (In Millions)

DESCRIPTION	2023-24	2024-25	2025-26	2026-27	2027-28	Total
ELR	1099	1273	1127	988	1146	5634
DOP	569	585	740	751	764	3409
STG	150	1510	1280	3640	1600	8180
World bank (STG)		300	250	600		1150
Total Cost	1818	3668	3397	5979	3511	18372

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ANNEX "N12"

Annex 9

ANNEX ~~123~~"

Doc No: N26

(FOR TRANSMISSION SYSTEM)

**PROCUREMENT OF MATERIAL REGARDING EDEIP PROJECT  
(ELECTRICITY DISTRIBUTION EFFICIENCY IMPROVEMENT  
PROJECT) APPROVED BY WORLD BANK:**

**DESCRIPTION:**

PESCO has Prepared and approved PC-I for the World Bank EDEIP Project. World Bank has approved Loan No.9318-PK from its BoD for PESCO, HESCO and MEPCO. The three DISCOs have Signed Project Agreements and Subsidiary Loan agreements with the World Bank which are legally binding on all Parties. World Bank has conducted trainings of PESCO, HESCO and MEPCO staff. PESCO is in an advanced stage of project implementation i.e Publication of Tenders, Award of Contracts, Hiring of Project Implementation and Management Support Consultant Firm etc. World Bank loan has been approved for PESCO, MEPCO and HESCO projects only and including HAZECO in the approved loan portfolio may give rise to Legal implications. Therefore, PESCO will have to complete HAZECO's Part in the EDEIP project under World Bank Loan and later on after fulfilling Legal, Financial, and administrative requirements. After Completion of project (HAZECO's Part) and closing of loan in 2027, the completed project will be transferred to HAZECO as assets after observing all Financial & Codal formalities.



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**Project/Works to be constructed in HAZECO area under World Bank Electricity Distribution Efficiency Improvement Project (EDEIP).**

S. No.	Name of Project	Material	Qty	Estimated Cost (Million Rs.)	Approved Budget 2023-24 (Million Rs.)
Augmentation of Power Transformers					2050
1	Augmentation of Power Transformer 132 kV Haripur	132/11.5 kV, 31.5/40 MVA Power Transformer	01 No.	140	
Reconductoring of 132 kV Transmission Line for capacity enhancement					
2	Reconductoring of 132 kV New Wah - Hattar T/Line with HTLS/Greely Conductor	HTLS/Greely Conductor	28 Km	360	
3	Reconductoring of 132 kV AMC Abbottabad – Murree Road Abbottabad T/Line	HTLS/Greely Conductor	6 Km		
List of Grid Stations for Upgradation of Bus Bar					
4	132kV Haripur	Twin Bundle Bus Bars	2 No.	40	
5	132kV Hattar				
List of Grid Stations where 11 kV Switch Shunt Capacitor Banks (324 MVAR) are to be Installed					
6	132kV Haripur	T4	31.5/40 MVA	166.66	
7	132kV Hattar	T3	31.5/40 MVA		
8	132kV Hattar	T4	31.5/40 MVA		
9	132kV Hattar-II	T1	31.5/40 MVA		
10	132kV Hattar-II	T2	31.5/40 MVA		
11	132kV Havelian	T1	31.5/40 MVA		
Total				706.66	2050

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## PROCUREMENT PLAN (GRID STATION & TRANSMISSION LINE) FOR FY 2023-24 FOR HAZECO

### 1. Projects Financed through Own Resources:

S.No	Project Description	Amount of Material to be Procured (Million Rs.)	Finance Head	Material Detail
1	132 KV Hattar-III	427.71	PESCO Own Resources	Annexure – A (Grid Stations)
2	132 kV grid station Haripur-II (Sarai Saleh)	325.83	PESCO Own Resources	
3	132 kV grid station Thakot	283.08	PESCO Own Resources	
4	132KV S/C T/L Allai Power House to 132 KV GS Thakot	292.75	PESCO Own Resources	Annexure – B (Transmission Lines)
5	132 KV TL F/F HATTAR-III	30.39	PESCO Own Resources	
	<b>Total Own Resources</b>	<b>1359.76</b>		

### 2. Projects Financed through Federal PSDP:

S. No	Project Description	Amount of Material to be Procured (Million Rs.)	Finance Head	Material Detail
1	132KV T/Line from 220KV GS Haripur - Hattar (SEZ)	86.95	Federal PSDP	Annexure – C (Transmission Lines)
	<b>Total PSDP</b>	<b>86.95</b>		

### 3. Projects Financed through Deposit Work:

S.No	Project Description	Amount of Material to be Procured (Million Rs.)	Finance Head	Material Detail
1	132 kV Hazara Steel	29.3	Deposit Work	Annexure – D (Grid stations)
2	132 kV GSS Hattar Phase - 7	56.24	Deposit Work	
	<b>Total Deposit Work</b>	<b>85.54</b>		

Total Own Resources (Grids & Transmission Lines) = Rs. 1,359.76 Million.

Total Deposit Work = Rs. 85.54 Million.

Total Federal PSDP = Rs. 86.95 Million.

Total World Bank = Rs. 706.66 Million.

**Grand Total** = **Rs. 2,238.91 Million.**

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S/N	Description	Unit	Deposits		Total Demanded Grid Station Material	Net Requirement	15% Contingency	Proposed Rationalized Demand	Unit Rate	Total Estimated Funds Required
			BOQ	BOQ						
1	31.5/40 MVA Power Transformer	No	0	0	0	0	0	0	239000000	
2	20/26 MVA Power Transformer	No	0	0	0	0	0.0	0	192000000	
3	10/13 MVA Power Transformer	No	0	0	0	0	0	0	0	
4	132 KV Circuit Breaker	Set	2	0	2	2	1.0	3	5717400	17,152,200.00
5	132 KV Line CTs	No	6	0	6	6	3.0	9	1885000	16,965,000.00
6	132 KV Transformer CTs	No	0	0	0	0	2.0	2	1950000	3,900,000.00
7	132 KV Neutral CT 1 amp	No	0	0	0	0	0.0	0	0	
8	132 KV Bus Isolator	Set	2	0	2	2	1.0	3	3600000	10,800,000.00
9	132 KV Line Isolator	Set	2	0	2	2	1.0	3	3750000	11,250,000.00
10	132 KV Lighting Arrestor	No	0	0	0	0	1.0	1	720000	720,000.00
11	11 KV Lighting Arrestor	No	0	0	0	0	2.0	2	44900	89,800.00
12	132 KV Potential Transformer	No	0	0	0	0	1.0	1	2304610	2,304,610.00
13	132 KV Beam	No	2	0	2	2	2.0	4	295680	1,182,720.00
14	132 KV Column	No	3	0	3	3	2.0	5	814800	4,074,000.00
15	132 KV Earth Mast	No	0	0	0	0	0.0	0	381696	
16	11 KV Structure	No	0	0	0	0	0.0	0	57600	
17	11 KV Structure 5H	No	0	0	0	0	0.0	0	375000	
18	Control Panel CP-10	No	0	0	0	0	0.0	0	1100000	
19	Control Panel CP-30	No	2	0	2	2	1.0	3	1016305	3,048,915.00
20	Control Panel CP-50	No	0	0	0	0	0.0	0	931849	
21	Relay Panel RP-3	No	2	0	2	2	1.0	3	2147400	6,442,200.00
22	Relay Panel RP-4	No	0	0	0	0	0.0	0	2262000	
23	Relay Panel RP-5	No	0	0	0	0	0.0	0	2400000	
24	Connector Type TMLH	No	0	0	0	0	1.0	1	30000	30,000.00
25	Connector Type TMMH	No	12	0	12	12	6.0	18	30000	540,000.00
26	Connector Type TM 63A	No	0	0	0	0	0.0	0	0	
27	Connector Type TM 75A	No	0	0	0	0	5.0	5	38000	190,000.00
28	Connector Type 90BH30	No	0	0	0	0	2.0	2	50000	100,000.00
29	Connector Type 90B63F	No	0	0	0	0	0.0	0	0	
30	Connector Type 90B73F	No	0	0	0	0	2.0	2	58000	116,000.00
31	Connector Type 90 MHF	No	0	0	0	0	0.0	0	32000	
32	Connector Type 45 MHF	No	0	0	0	0	0.0	0	32000	
33	Connector Type TDMHH (3-Way) (2x600mm-1x600mm)	No	0	0	0	0	0.0	0	55000	
34	Connector Type TDMHH (4-Way) (2x600mm-2x600mm)	No	0	0	0	0	0.0	0	60000	
35	Tension String for 600mm Conductor	No	0	0	0	0	2.0	2	45000	90,000.00
36	Single Suspension Fitting for 600mm Twin Bundling	Set	0	0	0	0	0.0	0	75000	
37	132 KV Double Tension String Assembly with & without turn buckle	Set	0	0	0	0	0.0	0	100000	
38	Spacer SH for 600 mm	No	0	0	0	0	0.0	0	15000	
39	Aluminium Pipe 4M Long 75mm Dia	No	0	0	0	0	1.0	1	48000	48,000.00
40	Aluminium Pipe 4M Long 63mm Dia	No	0	0	0	0	0.0	0	0	
41	Earth Wire Tension Assembly with G/Clamp	No	0	0	0	0	6.0	6	32000	192,000.00
42	Aluminium Conductor 600mm <sup>2</sup>	Mtr	355	0	355	355	169.0	524	3600	1,886,400.00
43	Earth Wire 7/0.116 (9mm)	Mtr	0	0	0	0	72.0	22	415	29,880.00
44	132 KV Post Insulators	No	0	0	0	0	0.0	0	400000	
45	11 KV Post Insulator with Clamp	No	0	0	0	0	1.0	1	65000	65,000.00
46	Battery 110 Volt Bank (55 cells)	Set	0	0	0	0	0.0	0	785000	
47	Battery Charger	No	0	0	0	0	0.0	0	360000	
48	Station Auxiliary Panel (AC/DC)	No	0	0	0	0	0.0	0	3000000	
49	Incoming Panel 40 MVA	No	0	1	1	1	0.0	1	6500000	6,500,000.00
50	Incoming Panel 20/26 MVA	No	0	0	0	0	0.0	0	6200000	
51	Bus Coupler 25 KA 2500 A	No	0	0	0	0	0.0	0	3800000	
52	Outgoing Panel 25 KA 2500 A	No	0	4	4	4	3.0	7	5700000	39,900,000.00
53	Auxiliary T/F 200 KVA	No	0	0	0	0	1.0	1	6100000	6,100,000.00
54	Earth Rod (16mm dia 3M long)	No	22	0	22	22	18.0	40	15000	600,000.00
55	Earth Platform	No	6	0	6	6	3.0	9	65000	585,000.00
56	Grounding Conductor (95mm <sup>2</sup> )	Mtr	455	0	455	455	833.0	1218	3200	4,121,600.00
57	Cartridge Type "A"	No	110	0	110	110	92.0	202	3000	606,000.00
58	Mould for above	No	2	0	2	2	1.0	3	17000	51,000.00
59	Cartridge Type "B"	No	35	0	35	35	51.0	85	3500	301,000.00
60	Mould for above	No	1	0	1	1	1.0	2	17000	34,000.00
61	Cartridge Type "C"	No	20	0	20	20	18.0	38	3000	114,000.00
62	Mould for above	No	1	0	1	1	1.0	2	17000	34,000.00

[illegible]

~~SECRET~~

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(292)

Ann. B

5/2

Project Name			132KV S/C T/L Allai Power House to 132 KV GS Thakot	132 KV TL F/F HATTAR-3								
			Own Resources	Own Resources								
S.No	Description of Material	Unit	Qty	Qty	Total Demanded Grid Stational Material	Net Demand	15% Contingency	Total Proposed Demand	Unit Rate	Total Estimated Funds Required	132KV S/C T/L Allai Power House to 132 KV GS Thakot	132 KV TL F/F HATTAR-3
1	132 KV Steel Type SPA	No	0.0	0.0	0.0	0.0	0	0	2,977,467	-	0	0
2	132 KV Steel Type SPD	No	0.0	1.0	1.0	1.0	0	1	4,004,780	4,004,780	0	4004780
3	132 KV Steel Type SPG	No	0.0	2.0	2.0	2.0	0	2	5,397,745	-	0	10795490
4	EA Type Tower	No	0.0	0.0	0.0	0.0	0	0	5,426,240	-	0	0
5	4 M extension for EA	No	0	0	0.0	0	0	0	773,760	-	0	0
6	ED Type Tower	No	3	0	3.0	3	0	3	9,080,520	27,241,560	27241560	0
7	ZM-I Tower (Complete)	No	0	0	0.0	0	0	0	2,233,950	-	0	0
8	ZM-30 Type Tower (Complete)	No	40	0	40.0	40	6	46	3,540,930	162,882,780	141637200	0
9	3 M Extension for ZM-30	No	5	0	5.0	5	1	6	661,970	3,971,820	3309850	0
10	ZM-60 Type Tower (Complete)	No	11	1	12.0	12	2	14	1,729,920	24,218,880	19029120	1729920
11	Landative Tower (Complete)	No	1	0	1.0	1	0	1	3,325,280	3,325,280	3325280	0
12	ACSR Rail Conductor	KMtr	32	4,326	36.5	36.456	14	50	1,552,700	78,343,031	49888251	6716980.2
13	Disc Insulator 100 KN	No	3204	500	3704.0	3704	556	4260	5,800	24,708,000	18583200	2900000
14	Disc Insulator 80 KN	No	0	0	0.0	0	0	0	4,990	-	0	0
15	Repair Sleeve for Lynx	No	0	0	0.0	0	0	0	5,500	-	0	0
16	SBD for Lynx	No	0	0	0.0	0	0	0	12,500	-	0	0
17	ST Fitting for Lynx	Set	0	0	0.0	0	0	0	36,000	-	0	0
18	SS Fitting for Rail	Set	0	0	0.0	0	0	0	38,000	-	0	0
19	ST Fitting for Rail	Set	398	60	458.0	458	69	527	55,000	28,985,000	21890000	3300000
20	SBD for Rail	No	394	60	454.0	454	68	522	15,000	7,830,000	5910000	900000
21	SS Fitting for Earth Wire	Set	0	0	0.0	0	0	0	11,000	-	0	0
22	Mid Span Joint for Earth Wire	No	6	5	11.0	11	2	13	3,500	45,500	21000	17500
23	PG Connector T-220	No	0	0	0.0	0	0	0	8,500	-	0	0
24	Grounding Sets	No	64	1	65.0	65	10	75	30,000	2,250,000	1920000	30000
Total										367,806,631	292,755,461.00	30,394,670.20

②

Project Name	132KV T/Line from 220KV GS Haripur - Hattar (SEZ)
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			<b>PSDP</b>	
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S.No	Description of Material	Unit		Total Demanded Grid Staation Material	15% Contingency	Total Proposed Demand	Unit Rate	Total Estimated Funds Required
1	132 KV Steel Type SPA	No	0.0	0.0	0	0	2977467	0
2	132 KV Steel Type SPD	No	0.0	0.0	0	0	4004780	0
3	132 KV Steel Type SPG	No	0.0	0.0	0	0	5397745	0
4	EA Type Tower	No	0.0	0.0	0	0	5426240	0
5	4 M extension for EA	No	0	0.0	0	0	773760	0
6	ED Type Tower	No	0	0.0	0	0	9080520	0
7	ZM-I Tower (Complete)	No	0	0.0	0	0	2233950	0
8	ZM-30 Type Tower (Complete)	No	0	0.0	6	6	3540930	21245580
9	3 M Extension for ZM-30 Tower	No	0	0.0	1	1	661970	661970
10	ZM-60 Type Tower (Complete)	No	0	0.0	2	2	1729920	3459840
11	Landative Tower (Complete)	No	0	0.0	0	0	3325280	0
12	AGSR Rail Conductor	KMtr	56	56.0	14	70	1552700	108689000
13	Disc Insulator 100 KN	No	0	0.0	556	556	5800	3224800
14	Disc Insulator 80 KN	No	0	0.0	0	0	4990	0
15	Repair Sleeve for Lynx	No	0	0.0	0	0	5500	0
16	SBD for Lynx	No	0	0.0	0	0	12500	0
17	ST Fitting for Lynx	Set	0	0.0	0	0	36000	0
18	SS Fitting for Rail	Set	0	0.0	0	0	38000	0
19	ST Fitting for Rail	Set	0	0.0	69	69	55000	3795000
20	SBD for Rail	No	0	0.0	68	68	15000	1020000
21	SS Fitting for Earth Wire	Set	0	0.0	0	0	11000	0
22	Mid Span Joint for Earth Wire	No	0	0.0	2	2	3500	7000
23	PG Connector T-220	No	0	0.0	0	0	8500	0
24	Grounding Sets	No	0	0.0	10	10	30000	300000
							<b>Total</b>	<b>142,403,190</b>

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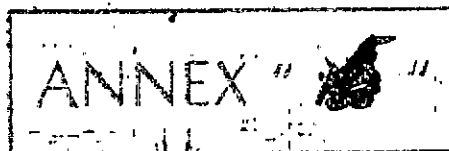
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For Distribution

HEZECO PROPOSED ANNUAL PROCUREMENT PLAN FY 2024-2025				
Item Code	Item Description	Uom	Average Issued to HAZCO FY 22-23	Annau Procurement Plan Proposed FY 24-25 on the base of Average Issuence of FY 22-23 with 5% Growth)
001213	HT STRUCTURE 58 FT	Ea	29	369
075007	HT STRUCTURE 45	Ea	92	1,165
001210	HT STRUCTURE 34.8	Ea	96	1,203
001220	LT STRUCTURE 30.8	Ea	184	2,318
001117	HT PC SPUN POLE 45 FEET	Ea	1	19
001113	HT PC SPUN POLE 36 Feet	Ea	0	0
001122	LT PC SPUN POLE	Ea	0	0
002110	ACSR DOG	Mtr	14,180	178,673
002120	ACSR RABBIT	Mtr	21,210	267,241
002160	ACSR OSPREY	Mtr	25,799	325,070
002330	AAC WASP Conductor	Mtr	7,072	89,104
002340	AAC ANT Conductor	Mtr	91,072	1,147,507
002365	Insulated Rabbit Conductor	Mtr	1,285	16,187
008110	25 KVA DISTRIBUTION T/F	Ea	10	125
008120	50 KVA DISTRIBUTION T/F	Ea	15	206
008130	100 KVA DISTRIBUTION T/F	Ea	7	91
008140	200 KVA DISTRIBUTION T/F	Ea	7	87
003140	GALVANISED STEEL WIRE 10MM STRANDED	KG	5,089	64,123
005110	LT Spool Insulator	Ea	1,807	22,764
005210	11 KV PIN INSULATOR	Ea	1,194	15,038
005230	11 KV DISC INSULATOR	Ea	510	6,423
005430	11 KV STEEL PIN	Ea	1,210	15,250
006250	CROSS ARM 11 KV LATTICE STEEL(D-FITTING)	Ea	44	554
006260	CROSS ARM 11 KV ANGLE IRON	Ea	491	6,183
010710	SINGLE STRUCTURE PLATFORM	Ea	30	381
010720	DOUBLE STRUCTURE PLATFORM	Ea	12	152
011131	Nut & Bolt 5/8" x 1 1/2"	Ea	2	26

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HEZECO PROPOSED ANNUAL PROCUREMENT PLAN FY 2024-2025				
Item Code	Item Description	Uom	Average Issued to HAZCO FY 22-23	Annaul Procurement Plan Propossed FY 24-25 on the base of Average Issuence of FY 22-23 with 5% Growth)
011141	Nut & Bolt 1/2" x 1 1/2"	Ea	287	3,612
011510	D-SHACKLE ASSEMBLY (D-Bracket)	Ea	1,886	23,764
012441	CT LT 100/5 AMP	Ea	11	143
012442	CT LT 200/5 AMP	Ea	6	80
012443	CT LT 400/5 AMP	Ea	5	67
012444	CT LT 800/5 AMP	Ea	3	38
076033	DEAD END CLAMP FOR OSPRAY CONDUCTO	Ea	12	151
013924	11 KV DROPOUT CUTOOUT SINGLE INSULATO	Ea	138	1,736
014241	PVC Cable 7/.052 10mm2 T/Core	Mtr	7,695	96,953
014252	PVC CABLE 19/.052 4-Core	Mtr	561	7,065
014253	PVC CABLE 19/.083 4-Core	Mtr	840	10,578
014254	PVC CABLE 37/.083 4-Core	Mtr	370	4,660
015510	DEAD-END CLAMP FOR DOG / RABBIT	Ea	242	3,053
015210	EARTHING ROD 10 FEET	Ea	847	10,675
015310	STAY ROD WITH ELBOW AND THIMBLE	Ea	207	2,602
015390	EYE NUT	Ea	338	4,257
080999	Single Phase Static Meter	Ea	2,130	26,841
091210	3-PHASE, AMR WHOLE CURRENT METERS	Ea	91	1,145
091220	3-PHASE, AMR CT/PT METERS	Ea	6	82
018352	LT Capacitor 450 KVAR	Ea		0
014124	15 KV XLPE 500 MCM S/C CABLE (UNARMO	Mtr	75	940
090488	Universal Meter Frame 520mm x 640mm (n	Ea		25,000
004110	P.G. CONNECTOR TYPE S-117	Ea		0
004120	P.G. CONNECTOR TYPE S-157	Ea		0
004130	P.G. CONNECTOR TYPE T-110	Ea	373	4,700
004150	P.G. CONNECTOR TYPE T-150	Ea	93	1,173
004170	P.G. CONNECTOR TYPE T-220	Ea	77	976



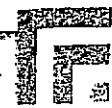
Annex 10

Annex - 10

## Financial Statements including details of ~~37~~ HR Report containing details of Financial and Technical Resources

Annex - N5	Evidence of HAZECO's Financial and Technical resources for carrying out the Distribution and Sale activities, including:
Annex - N5 / 1	Cash Balances with Bank Certificates
Annex - N5 / 2	Charges / encumbrances on assets
Annex - N5 / 3	Last Audited Financial Statements
Annex - N5 / 4	Edi to provide financing to HAZECO
Annex - N5 / 5	Net Worth and Equity Debt Ratio of HAZECO

**PESCO AND HAZECO**  
**SEGREGATED FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED 30 JUNE 2023**



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**INDEPENDENT PRACTITIONER'S ASSURANCE REPORT ON BIFURCATION OF PESCO FINANCIAL STATEMENTS AND ESTABLISHMENT OF HAZECO**

**To Board of Directors**

We have completed our assurance engagement to report on the compilation of pro forma financial information of Peshawar Electric Supply Company Limited ("PESCO", "the Company"). The pro forma financial information consists of segregated statement of financial position as at 30 June 2023, the segregated statement of profit or loss and comprehensive income for the year ended 30 June 2023, the segregated statement of changes in equity and related notes. The applicable criteria on the basis of which management has compiled the pro forma financial information are identified basis of segregation. The pro forma financial information has been compiled by management of the Company to illustrate the impact of the Demerger of Hazara Electric Supply Company Limited ("HAZECO", "the Company") from PESCO on the Company's financial position as at 30 June 2023 and the Company's financial performance for the year ended 30 June 2023. As part of this process, information about the Company's segregated statement of financial position, the segregated statement of profit or loss and comprehensive income and the segregated statement of changes in equity has been extracted by management from the Company's financial statements for the year ended 30 June 2023, on which an audit report has been published.

Our report is solely for the purpose of assisting Peshawar Electric Supply Company Limited in identification and measurement of financial record and related data regarding bifurcation of PESCO and establishment of HAZECO.

**Responsibility for the Pro Forma Financial Information**

Management of the Company is responsible for compiling the pro forma financial information on the basis defined in basis for segregation section of our report.

**Practitioner's Responsibility**

Our responsibility is to express an opinion about whether the pro forma financial information has been compiled, in all material respects, by the management on the basis defined in basis for segregation section of our report.

We conducted our engagement in accordance with International Standard on Assurance Engagements (ISAE) 3420, Assurance Engagements to Report on the Compilation of Pro Forma Financial Information Included in a Prospectus, issued by the International Auditing and Assurance Standards Board. This standard requires that the practitioner comply with ethical requirements and plan and perform procedures to obtain reasonable assurance about whether management has compiled, in all material respects, the pro forma financial information on the basis of the applicable criteria.

For purposes of this engagement, we are not responsible for updating or reissuing any reports or opinions on any historical financial information used in compiling the pro forma financial information, nor have we, in the course of this engagement, performed an audit or review of the financial information used in compiling the pro forma financial information.

A reasonable assurance engagement to report on whether the pro forma financial information has been compiled, in all material respects, on the basis of the applicable criteria involves performing procedures to assess whether the applicable criteria used by the management in the compilation of the pro forma financial information provide a reasonable basis for presenting the significant effects directly attributable to the event or transaction, and to obtain sufficient appropriate evidence about whether:

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The related pro forma adjustments give appropriate effect to those criteria;

and

The pro forma financial information reflects the proper application of those adjustments to the unadjusted financial information.

The procedures selected depend on the practitioner's judgment, having regard to the practitioner's understanding of the nature of the Company, the event or transaction in respect of which the pro forma financial information has been compiled, and other relevant engagement circumstances.

The engagement also involves evaluating the overall presentation of the pro forma financial information. We believe that the evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

### Basis for Segregation

The management of Company has identified following basis with approval of Board of Directors for the segregation of audited financial statement into HAZECO and PESCO;

Financial Statement component	Identified Basis
<b>Operating fixed assets</b>	
Land, Building Distributable equipment's	Geographical presence.
Vehicles	Physical possession at balance sheet date.
Other equipment's	Physical possession at balance sheet date.
<b>Capital Work in Process</b>	Geographical presence of work in process at balance sheet date.
<b>Long term loans</b>	Bifurcation is made on employee wise falls under respective territory of HAZECO and PESCO.
<b>Stores, spare parts and loose tools</b>	Bifurcation is made on Geographical presence as well as share of work in process under the territory of respective companies.
<b>Trade debts</b>	Actual receivable from customers in jurisdiction of each Company.
<b>Loans, advances and other receivable</b>	
Advance to supplier	Actual as per trial balance of each area.
Advance taxes	Taxes are allocated to PESCO as HAZECO has no NTN due to newly incorporation.
Advances for expenses	Advance given for expense for each area. As per trial balance.
Due from WAPDA	Allocated on actual basis i.e. supply of electricity and for receivable against WAPDA welfare Fund employee wise basis is used working in territory of each Company.
<b>Cash and bank balances</b>	Actual cash held at bank by the offices of each Company as well as share of deposits against capital expenditure.
<b>Liabilities against government investment</b>	Total amount allocated to PESCO due to losses incurred by PESCO territory.

Financial Statement component	Identified Basis
Accumulated Losses	Accumulated losses amounting to Rs. 5,489 million has been transferred to HAZECO net off adjustment of Rs. 5,641 million against share of equity injection with approval of BOD.
Long term loans	Approval on the basis of utilization of loan in respect territory. However, ERRAL Loan has been allocated to PESCO considering the source adjustment of various loans against receivable from GoAJK, resulting in over-adjustment of Rs. 1,420 million, against HAZECO.
Staff retirement benefits	Allocated on the number of employees working in territory of respective Company.
Deferred credit	The area and purpose for which the development funds were received on proportionate basis.
Consumers' security deposits	Actual deposits received from customers falling in the territory of each Company.
Trade and other payables	
Associated undertakings	Amount is allocated on actual basis with adjustment of Rs. 1,420 million loan and Rs. 5,274 million of Subsidy receivable against CPPA-G payable.
Trade and other payable	All amount is allocated to PESCO and HAZECO on actual basis and by considering the nature of transaction fully allocated to PESCO under various heads.
Receipt against deposit work	Actual receipts against works in the territory of respective Company.
Duties and other taxes	On the basis of actual existing customer in respective territory.
General sales tax	Actual payable of customer of each Company.
Accrued liabilities	Actual accrual pertaining to territory of each Company.
Capital contribution awaiting connections	On the basis of actual existing customer in respective territory.
Accrued markup	On the basis of utilization of loan in respective territory of each Company.
Provision for taxation	All provision is allocated to PESCO due to NTN.
Revenue	Actual amount billed to the customers that exists in territory of respective Company.
Amortization of deferred credits	According to segregation of deferred credits.
Cost of electricity	Calculated on the basis of actual unit consumed.
Administrative and General expenses	Allocated on the basis of each XEN / RO of each Company and proportionate expenditure of Headquarter and centralized units.
Depreciation	On asset allocation basis.

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Financial Statement component	Identified Basis
Other Income	Actual income generated by the division / RO forming part of each Company plus the income generated by common business units on the basis of actual allocation of division and RO's income for the same source.
Financial charges	
Markup	In proportion to the long-term loan allocated to each Company.
Foreign currency fluctuation	In proportion to the long-term loan allocated to each Company.
Bank charges	On charges incurred for services provided by banks of each Company
HR Committees Constituted to operationalize HAZECO	Reports are prepared on the basis of actual as well as on need base.
Technical and Commercial Committees Constituted to operationalize HAZECO	Reports are prepared on actual basis of jurisdiction.
Allocation of Vehicles	The 130 No. of vehicles with a book value of Rs. 75,517,099 have been transferred to HAZECO (Annex-A).
Allocation of Grid stations	The 23 Grid stations out of 2 are under construction are allocated to HAZECO (Annex-B).
Segregation of Plots	The 36 plots are allocated to HAZECO Ref (Annex-C).

### Opinion

In our opinion, the pro forma financial information has been compiled, in all material respects, on the basis of the applicable criteria.

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A.H.W. & Co. Chartered Accountants

Date: 03 APR 2024  
Islamabad



**PESHAWAR ELECTRIC SUPPLY COMPANY LIMITED**  
**HAZARA ELECTRIC SUPPLY COMPANY LIMITED**  
**SEGREGATED STATEMENT OF FINANCIAL POSITION**  
**FOR THE YEAR ENDED 30 JUNE 2023**

	Note	PESCO (Audited) 30 June 2023 Rupees	HAZARA (Management) 30 June 2023 Rupees	Remaining PESCO (Management) 30 June 2023 Rupees
<b>EQUITY AND LIABILITIES</b>				
Share capital and reserves				
Authorized share capital: 500,000,000 (10,000) ordinary shares of Rupees 10 each		50,000,000,000	10,000,000,000	50,000,000,000
Issued, subscribed and paid up capital	1	10,000	10,000	10,000
Deposits for issue of share capital	2	130,867,728,553	128,045,648,563	128,045,648,563
Accumulated losses		(548,912,627,559)	(543,423,501,284)	(543,423,501,284)
<b>TOTAL EQUITY</b>		<b>(418,044,889,006)</b>	<b>(415,377,842,721)</b>	<b>(415,377,842,721)</b>
<b>Non-current liabilities</b>				
Liabilities against government investment	3	50,187,189,539	50,187,189,539	50,187,189,539
Long term loans - secured	4	8,061,124,905	7,118,885,905	7,118,885,905
Staff retirement benefits	5	148,528,485,046	127,427,834,642	127,427,834,642
Deferred credit	6	43,715,376,868	38,371,933,267	38,371,933,267
Consumers' security deposits	7	6,793,519,936	5,397,948,646	5,397,948,646
		257,285,696,294	228,503,791,999	228,503,791,999
<b>Current liabilities</b>				
Trade and other payables	8	512,133,192,562	504,015,738,115	504,015,738,115
Accrued markup	9	3,791,062,735	3,784,566,035	3,784,566,035
Current maturity of long term loans	4	3,556,618,533	3,556,618,533	3,556,618,533
Provision for taxation		3,145,518,170	3,145,518,170	3,145,518,170
		522,626,392,000	514,502,440,853	514,502,440,853
<b>TOTAL LIABILITIES</b>		<b>779,912,088,294</b>	<b>743,006,232,853</b>	<b>743,006,232,853</b>
Contingencies and commitments	10	361,867,199,288	327,628,390,132	327,628,390,132
<b>ASSETS</b>				
<b>Non-current assets</b>				
Property, plant and equipment	11	116,012,851,449	97,913,386,845	97,913,386,845
Long term loans - considered good	12	709,333	701,426	701,426
		116,013,560,782	97,914,087,271	97,914,087,271
<b>Current assets</b>				
Stores, spare parts and loose tools	13	11,247,241,103	9,984,695,756	9,984,695,756
Trade debts	14	97,620,337,566	84,435,568,052	84,435,568,052
Loans and advances - considered good	15	3,732,288,648	3,726,936,653	3,726,936,653
Other receivables	16	96,905,868,230	96,647,901,323	96,647,901,323
Receivable from government of Pakistan (Ministry of Finance)	17	26,091,064,330	26,091,064,330	26,091,064,330
Cash and bank balances	18	10,256,838,629	8,828,136,747	8,828,136,747
		245,853,638,506	229,714,302,861	229,714,302,861
		<b>361,867,199,288</b>	<b>327,628,390,132</b>	<b>327,628,390,132</b>

The annexed notes form an integral part of these financial statements.

CHIEF EXECUTIVE OFFICER

DIRECTOR

**PESHAWAR ELECTRIC SUPPLY COMPANY LIMITED**  
**HAZARA ELECTRIC SUPPLY COMPANY LIMITED**  
**SEGREGATED STATEMENT OF PROFIT OR LOSS**  
**FOR THE YEAR ENDED 30 JUNE 2023**

	Note	PESCO (Audited) 30 June 2023 Rupees	HAZESCO (Management) 30 June 2023 Rupees	Remaining PESCO (Management) 30 June 2023 Rupees
Sale of electricity	19	240,223,816,812	182,401,813,268	182,401,813,268
Subsidy from GoP	19	39,271,580,895	30,347,593,703	30,347,593,703
		279,495,397,707	212,749,406,971	212,749,406,971
Cost of electricity	20	(322,563,824,475)	(264,672,835,741)	(264,672,835,741)
Gross profit		(43,068,426,768)	(51,923,428,770)	(51,923,428,770)
Amortization of deferred credit	6	2,308,964,609	2,015,423,586	2,015,423,586
		(40,759,462,159)	(49,908,005,185)	(49,908,005,185)
<b>OPERATING COST</b>				
Other operating cost excluding depreciation	21	(41,579,990,507)	(35,997,798,919)	(35,997,798,919)
Depreciation on property, plant and equipment		(4,210,463,101)	(3,556,372,687)	(3,556,372,687)
		(45,790,453,608)	(39,554,171,606)	(39,554,171,606)
Operating (loss)/Income		(86,549,915,767)	(89,462,176,790)	(89,462,176,790)
<b>Other income</b>				
Rental and service income	22	52,485,906	41,476,944	41,476,944
Other income	23	10,121,705,368	9,480,603,447	9,480,603,447
		10,174,191,274	9,522,080,391	9,522,080,391
Financial expense	24	(1,065,899,814)	(1,065,751,253)	(1,065,751,253)
<b>Net gain / loss before taxation</b>		(77,441,624,307)	(81,005,847,652)	(81,005,847,652)
Taxation	25	(3,153,184,278)	(3,153,184,278)	(3,153,184,278)
<b>Net gain / loss after taxation</b>		(80,594,808,585)	(84,159,031,930)	(84,159,031,930)
<b>Other Comprehensive Income:</b>				
Actuarial loss on remeasurement of post retirement benefits		(16,155,526,751)	(13,687,914,828)	(13,687,914,828)
<b>Total comprehensive loss for the year</b>		(96,750,335,336)	(97,846,946,758)	(97,846,946,758)

The annexed notes form an integral part of these financial statements.

CHIEF EXECUTIVE OFFICER

DIRECTOR

**HAZAR ELECTRIC SUPPLY COMPANY LIMITED**  
**HAZAR ELECTRIC SUPPLY COMPANY LIMITED**  
**SEGREGATED STATEMENT OF CHANGES IN EQUITY**  
**FOR THE YEAR ENDED 30 JUNE 2023**

Description	Consolidated PESCO			
	Issued, subscribed and paid up share capital	Deposit for issue of shares	Accumulated Loss	TOTAL
	Rupees			
Balance as on 01 July 2022	10,000	92,855,405,071	(452,222,342,099)	(359,366,927,028)
Total comprehensive loss for the year				
Loss for the year			(80,594,808,585)	(80,594,808,585)
Actuarial loss on remeasurement of post retirement benefits			(16,155,526,751)	(16,155,526,751)
GoP Equity Injection		38,012,323,482	(96,750,335,336)	(96,750,335,336)
Prior year Adjustment (Subsidy)			60,049,876	60,049,876
Balance as on 30 June 2023	10,000	130,867,728,553	(548,912,627,559)	(418,044,889,006)

Description	HAZAR PESCO			
	Issued, subscribed and paid up share capital	Deposit for issue of shares	Accumulated Loss	TOTAL
	Rupees			
Balance as on 01 July 2022	-	-	(6,585,737,697)	(6,585,737,697)
Total comprehensive income for the year				
Income for the year			1,096,611,422	1,096,611,422
Actuarial loss on remeasurement of post retirement benefits			-	-
GOP equity Injection		2,822,079,990	-	2,822,079,990
Balance as on 30 June 2023	-	2,822,079,990	(5,489,126,275)	(2,667,046,285)

Description	Remaining PESCO			
	Issued, subscribed and paid up share capital	Deposit for issue of shares	Accumulated Loss	TOTAL
	Rupees			
Balance as on 01 July 2022	10,000	92,855,405,071	(445,638,604,402)	(352,781,189,331)
Total comprehensive loss for the year				
Loss for the year			(81,691,420,007)	(81,691,420,007)
Actuarial loss on remeasurement of post retirement benefits			(16,155,526,751)	(16,155,526,751)
GoP Equity Injection		35,190,243,492	(97,846,948,758)	(97,846,948,758)
Prior year Adjustment (Subsidy)			60,049,876	60,049,876
Balance as on 30 June 2023	10,000	128,045,648,563	(543,423,501,284)	(415,377,842,721)

The annexed notes form an integral part of these financial statements.

CHIEF EXECUTIVE OFFICER

DIRECTOR

	PESCO (Audited) 30 June 2023 Rupees	HAZESCO (Management) 30 June 2023 Rupees	Remaining PESCO (Management) 30 June 2023 Rupees
<b>1 ISSUED, SUBSCRIBED AND PAID UP SHARE CAPITAL</b>			
Ordinary shares of Rs.10 each, issued as fully paid up	10,000		10,000
<b>2 DEPOSITS FOR ISSUE OF SHARE CAPITAL</b>			
Incorporation expenses incurred by WAPDA	5,042,575		5,042,575
Incorporation expense incurred by Ministry			
Allocation of net worth transferred by WAPDA	2.1 8,885,483,927		6,063,403,937
	8,890,526,502		6,068,446,512
Adjustment of other loans and assets	7,620,265,187		7,620,265,187
Adjustment of net assets on transfer of FATA business to	1,571,234,102		1,571,234,102
	18,082,025,791		15,259,945,801
Equity injection against mark-up	2,094,239,584		2,094,239,584
Equity injection against supplemental charges	879,673,400		879,673,400
Equity injection against accounts receivables	27,773,678,000		27,773,678,000
GoP Equity injection	5,236,221,196		5,236,221,196
GoP Equity injection	20,142,046,300		20,142,046,300
GoP Equity injection	15,292,224,200		15,292,224,200
GoP Equity injection	3,355,296,600		3,355,296,600
GoP Equity injection	38,012,323,482		38,012,323,482
	130,867,728,553		128,045,648,563
2.1 It represents the net amount of assets and liabilities which is adjusted against WAPDA deposits for issuance of shares.			
<b>3 LIABILITIES AGAINST GOVERNMENT INVESTMENT</b>			
Federal Government Investment (Circular Debt Settlement)	50,187,189,539		50,187,189,539

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#### 4 LONG TERM LOANS - secured

	Note	PESCO (Audited) 30 June 2023 Rupees	HAZECO (Management) 30 June 2023 Rupees	Remaining PESCO (Management) 30 June 2023 Rupees
Loan from Government of Pakistan		125,284,795		125,284,795
Asian Development bank -Trench I (2438-PK)		847,267,493		847,267,493
Asian Development bank -Trench II (2727-PK)		955,422,626		955,422,626
Asian Development bank -Trench III (2972-PK)		1,976,630,025		1,976,630,025
Asian Development bank -Trench IV (3096-PK)		1,668,205,374		1,668,205,374
Earthquake Reconstruction and Rehabilitation Authority		2,083,217,020		2,083,217,020
Electrification work at Chitral (Federal PSDP) CCPR- 3129		594,653,000		594,653,000
132 KV Grid system Chitral (Federal PSDP) CCPR-3130		148,522,590		148,522,590
Evacuation of Power from Swabi (Federal PSDP) CCPR		477,771,000		477,771,000
Supply of Power to Rasahki EZone( Federal PSDP) CCPR-7018.		1,798,530,515		1,798,530,515
Supply of Power to Haftar EZone( Federal PSDP) CCPR-7019.		942,239,000		942,239,000
		11,617,743,438		10,675,504,438
Less: current maturity		(3,556,618,533)		(3,556,618,533)
		8,061,124,905		7,118,885,905

#### 5 STAFF RETIREMENT BENEFITS - Consolidated

Four types of defined benefit plans are offered by the Company namely, pension, medical, free electricity and compensated absences.

Description	Pension obligations	Free electricity	Medical benefits	Compensated absences	Total
	30 June 2023	30 June 2023	30 June 2023	30 June 2023	30 June 2023
	Rupees				
Present value of defined benefit obligation	128,935,840,619	6,690,179,884	9,113,901,338	3,788,563,205	148,528,485,046

#### 5.1 Amount recognized in balance sheet is as follows:

Net liability at beginning of the year	109,458,241,759	4,738,365,842	8,618,513,658	3,605,990,342	126,421,111,601
Charge for the year	12,712,925,750	697,313,665	1,237,776,531	399,049,909	15,047,065,855
Re-measurement of liability	15,411,390,781	1,477,038,053	(732,902,083)		16,155,526,751
Benefits paid during the year	(8,646,717,671)	(222,537,676)	(9,486,768)	(216,477,046)	(9,095,219,161)
	128,935,840,619	6,690,179,884	9,113,901,338	3,788,563,205	148,528,485,046



5.2 Salaries wages and benefits include the following in respect of defined benefits plans:

Current service cost	1,019,716,555	72,655,569	74,917,544	72,174,590	1,239,464,258
Interest cost	11,693,209,195	624,658,096	1,162,858,987	326,875,319	13,807,601,597
Re-measurement of liability	15,411,390,781	1,477,038,053	(732,902,083)	-	16,155,526,751
	28,124,316,531	2,174,351,718	504,874,448	399,049,909	31,202,592,606

STATE RETIREMENT BENEFITS - HAZERO

Definition	Pension obligations	Life expectancy	Medical benefits	Compensated absences	Total
	30 June 2023	30 June 2023	30 June 2023	30 June 2023	30 June 2023

Rupees

Reconciliation of payable to defined benefit plan

Charged till date (Progressive)	10,564,782,160	874,080,093	374,247,602	539,276,519	12,358,386,374
Re-measurement of liability (Progressive)	14,493,203,549	177,051,100	872,142,496	83,901,910	15,626,399,155
Benefits paid till date (Progressive)	(6,674,088,364)	(133,814,307)	(17,374,687)	(52,757,667)	(7,058,035,025)
Present value of defined benefit obligation	18,383,897,345	917,316,886	1,229,015,411	570,420,762	21,100,650,404

Amount recognized in balance sheet is as follows:

Net liability at beginning of the year	15,376,142,947	666,551,381	1,150,757,555	516,736,597	17,650,188,480
Charge for the year	1,523,233,497	89,100,437	156,317,906	89,196,184	1,858,848,024
Re-measurement of liability	2,349,192,668	195,874,742	(77,455,482)	-	2,667,511,928
Benefits paid during the year	(864,671,767)	(34,209,674)	(604,568)	(35,512,019)	(934,998,028)
	18,383,897,345	917,316,886	1,229,015,411	570,420,762	21,100,650,404

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Salaries wages and benefits include the following in respect of defined benefits plans:

Current service cost	129,046,762	10,071,193	9,626,791	1,127,116	149,871,862
Interest cost	1,394,186,735	79,029,244	146,691,115	88,069,068	1,707,976,162
Re-measurement of liability	2,349,192,668	195,874,742	(77,455,482)		2,467,611,928
	3,872,426,165	284,975,179	78,862,424	89,196,184	4,325,459,952

**STAFF RETIREMENT BENEFITS - Remaining PESCO**

Description	Pension obligations	Free electricity	Medical benefits	Compensated absences	Total
	30 June 2023	30 June 2023	30 June 2023	30 June 2023	30 June 2023
	Rupees				

Present value of defined benefit obligation	110,551,943,274	5,772,862,998	7,884,885,927	3,218,142,443	127,427,834,642
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Amount recognized in balance sheet is as follows:

Net liability at beginning of the year	94,082,098,812	4,071,814,461	7,467,756,103	3,089,253,745	108,710,923,120
Charge for the year	11,189,692,253	608,213,228	1,081,458,625	309,853,725	13,189,217,831
Re-measurement of liability	13,062,198,113	1,281,163,311	(655,446,601)		13,687,914,823
Benefits paid during the year	(7,782,045,904)	(188,328,002)	(8,882,200)	(180,965,027)	(8,160,221,133)
	110,551,943,274	5,772,862,998	7,884,885,927	3,218,142,443	127,427,834,642

Salaries wages and benefits include the following in respect of defined benefits plans:

Current service cost	890,669,793	62,584,376	65,290,753	71,047,474	1,089,592,396
Interest cost	10,299,022,460	545,628,852	1,016,167,872	238,806,251	12,099,625,435
Re-measurement of liability	13,062,198,113	1,281,163,311	(655,446,601)		13,687,914,823
	24,251,890,366	1,889,376,539	426,012,024	309,853,725	26,877,132,654

	Notes	PESCO 30 June 2023 Rupees	HAZECC 30 June 2023 Rupees	Remaining PESCO 30 June 2023 Rupees
<b>6 DEFERRED CREDIT</b>				
Deposits by Consumers :				
Balance brought forward		57,758,648,874	50,128,952,022	49,739,686,852
Additions during the year		6,802,360,711	2,679,971,352	6,434,436,348
		64,561,009,585	52,808,923,374	56,174,123,200
Amortization:				
- Balance brought forward		(18,536,668,108)	(22,749,907,780)	(15,786,766,347)
- For the year		(2,308,964,609)	(3,290,541,020)	(2,015,423,586)
		(20,845,632,717)	(26,040,448,800)	(17,802,189,933)
		43,715,376,868	26,768,474,574	38,371,933,267

- 6.1 This represents amount received from customers for new connections/construction works. The amount is initially recorded under Trade Payable and transferred to this head once task is completed. The amount is amortized over the life of fixed assets.

	Notes	PESCO 30 June 2023 Rupees	HAZECC 30 June 2023 Rupees	Remaining PESCO 30 June 2023 Rupees
<b>7 CONSUMERS' SECURITY DEPOSITS</b>				
Consumers' security deposits	7.1	6,793,519,936	4,695,574,290	5,397,948,646
		6,793,519,936	4,695,574,290	5,397,948,646

- 7.1 These represent security deposits received from consumers at the time of electricity connection and are refundable / adjustable on disconnection of electricity supply. This amount has been kept in a separate bank account.

	Notes	PESCO 30 June 2023 Rupees	HAZECC 30 June 2023 Rupees	Remaining PESCO 30 June 2023 Rupees
<b>8 TRADE AND OTHER PAYABLES</b>				
Associated undertakings - unsecured	8.1	449,848,408,370	2,139,475,929	449,633,487,735
Trade creditors payable		5,943,087,759		5,943,087,759
		455,791,496,129	2,139,475,929	455,576,575,494
Receipt against deposit work		27,461,559,119	2,247,308,852	24,243,685,166
Realized :				
Electricity duty		116,489,005		116,489,005
Professional Tax		454,650		454,650
Income tax withheld		691,058,323		691,058,323
TV License fee payable		49,588,170	35,949,274	35,949,274
Neelum Jhelum surcharge Payable		876,600,465	17,205,845	705,394,581
Equalization surcharge payable		779,668,867		535,944,629
Finance Cost surcharge Payable		2,046,273,842		1,533,288,803
UOS/Tariff Rationalization Surcharge Payable		1,020,886,105		702,992,987
General sales tax		468,782,630		468,782,630
		6,049,802,057	1,222,630,447	4,790,354,882



**Un - Realized**

Electricity duty  
Income tax  
TV license fee  
Neelum Jhelum surcharge  
Equalization surcharge  
Extra Tax  
Further Tax  
Sales Tax 2014  
Tax under 235-A  
Finance Cost surcharge  
U.O.S/Tariff Rationalization  
Surcharge  
General sales tax

Notes

PESCO  
30 June 2023  
Rupees

HAZECO  
30 June 2023  
Rupees

Remaining PESCO  
30 June 2023  
Rupees

1,847,365,004	1,011,107,474	1,775,463,630
1,546,549,826	1,010,070,415	1,440,479,711
1,340,835,194	637,193,862	1,277,115,332
1,299,466,427	380,270,622	968,545,602
225,319,515	32,047,339	163,275,666
73,930,373	32,354,475	68,643,900
40,512,811	31,153,312	39,327,464
23,107,277	266,220	20,475,066
97,440,043	1,165,203,000	85,820,042
6,431,643,659	1,753,357,250	4,487,888,379
222,310,384	2,987,753	147,922,626
4,424,892,705	3,352,099,325	4,012,793,380
17,573,373,218	3,343,622,420	14,487,750,798

**Other Liabilities and Retentions :**

Employees shares in fund  
Accrued liabilities  
Retention money - contractors /  
suppliers  
Capital contribution awaiting  
connections  
Other liabilities

9,461,941		8,887,746
2,385,418,408		2,342,872,336
651,225,334		651,225,334
2,083,998,614		1,787,528,617
126,857,742		126,857,742
5,256,962,039		4,917,371,775
512,133,192,562		504,015,738,115

**8.1 Creditors - associated undertakings**

Central Power Purchasing  
Agency  
FESCO  
National Trans: & Despatch  
Company  
MEPCO  
Pakistan Electric Power  
Company

449,380,274,013		449,165,353,378
-		-
-		-
455,930,995		455,930,995
12,203,362		12,203,362
449,848,408,370		449,633,487,735

**9 ACCRUED MARKUP**

Markup on ADB loans  
ERRA  
Electrification work at Chitral  
132 KV Grid system Chitral  
Evacuation of Power from Swabi  
Supply of Power to Rasahki  
Supply of Power to Hatfar

3,522,447,097		3,522,447,097
198,122,738		198,122,738
12,930,000		12,930,000
23,087,800		23,087,800
8,986,000		8,986,000
18,992,400		18,992,400
6,496,700		6,496,700
3,791,062,735		3,784,566,035

**10 CONTINGENCIES AND COMMITMENTS**

There is no material contingencies as at the end of the period and as at June 30, 2023. (2022: Nil)

11/12

Property, plant and equipment  
Operating fixed assets  
Capital work in progress

Notes	PESCO 30 June 2023 Rupees	Remaining PESCO 30 June 2023 Rupees
11.1	78,628,588,361	66,601,236,718
	37,384,263,088	31,312,149,127
	116,012,851,449	97,913,385,845

	Balance as at 30.06.2022	Additions during the year	Transfers from CWIP	Disposals	Balance as at 30.06.2023
<b>COST</b>					
Balance as at 30.06.2022	1,115,579,303	878,400	3,838,237,285	99,618,583,729	759,515,330
Additions during the year	243,904,110	-	-	47,198,124	6,227,444
Transfers from CWIP	-	-	232,867,017	13,567,712,172	140,082,797
Disposals	-	-	-	-	227,932,527
Balance as at 30.06.2023	1,359,483,413	878,400	4,071,104,302	113,186,295,901	806,713,454
<b>DEPRECIATION</b>					
Balance as at 30.06.2022	214,920,635	-	936,782,012	38,433,945,187	443,604,895
Charge for the year	-	-	84,323,229	3,866,651,999	64,577,588
Depreciation adjustment during the year	-	-	-	-	7,465,070
Balance as at 30.06.2023	-	-	1,021,105,241	40,300,597,186	508,182,283
Net Balance as at 30.06.2023	1,359,483,413	878,400	3,049,999,061	72,885,698,705	298,531,171

	Balance as at 30.06.2022	Additions during the year	Transfers from CWIP	Disposals	Balance as at 30.06.2023
<b>COST</b>					
Balance as at 30.06.2022	130,872,188	-	743,230,022	18,343,167,681	36,912,201
Additions during the year	127,258,807	-	39,589,704	1,733,331,577	5,782,000
Transfers from CWIP	-	-	-	-	12,457,172
Disposals	-	-	-	-	23,313,540
Balance as at 30.06.2023	258,130,973	-	782,819,726	18,076,499,258	42,654,201
<b>DEPRECIATION</b>					
Balance as at 30.06.2022	-	-	172,308,714	5,435,610,032	20,998,908
Charge for the year	-	-	16,200,235	614,812,465	3,691,220
Depreciation adjustment during the year	-	-	-	-	391,755
Balance as at 30.06.2023	-	-	187,508,948	7,050,422,497	24,690,128
Net Balance as at 30.06.2023	258,130,973	-	595,312,777	11,026,076,761	18,004,073

	Balance as at 30.06.2022	Additions during the year	Transfers from CWIP	Disposals	Balance as at 30.06.2023
<b>COST</b>					
Balance as at 30.06.2022	984,707,137	878,400	3,095,007,263	83,275,416,046	722,603,129
Additions during the year	116,645,303	-	(39,689,704)	(1,733,331,577)	41,416,124
Transfers from CWIP	-	-	232,867,017	13,567,712,172	8,227,444
Disposals	-	-	-	-	127,825,625
Balance as at 30.06.2023	1,101,352,440	878,400	3,288,284,576	95,109,795,643	764,019,253
<b>DEPRECIATION</b>					
Balance as at 30.06.2022	214,920,635	-	764,478,298	29,998,335,165	422,605,787
Charge for the year	-	-	69,122,994	3,251,839,534	60,886,368
Depreciation adjustment during the year	-	-	-	-	7,073,315
Balance as at 30.06.2023	-	-	833,599,293	33,250,174,699	43,835,596
Net Balance as at 30.06.2023	1,101,352,440	878,400	2,454,685,283	61,859,621,944	280,527,098

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	Notes	PESCO 30 June 2023 Rupees	HAZECO 30 June 2023 Rupees	Remaining PESCO 30 June 2023 Rupees
<b>12 LONG TERM LOANS - considered good</b>				
House Building Advance		1,011,385	6,455	994,930.00
Purchase of Plot		29,580	28,128	28,128
		1,040,965	34,583	1,023,058
Current maturity of long term loans		(331,632)	(10,000)	(321,632)
		709,333	24,583	701,426

### 13 STORES, SPARE PARTS AND LOOSE TOOLS

Stores		11,252,209,586	11,252,209,586	9,989,664,239
Provision for obsolete stores		(4,968,483)		(4,968,483)
		11,247,241,103	11,252,209,586	9,984,695,756

### 14 TRADE DEBTS

Sale of electricity	14.1	58,604,101,410	49,239,441,730	49,239,441,730
Government levies and other charges	14.2	39,016,236,156	35,196,126,322	35,196,126,322
Secured and considered good		97,620,337,566	84,435,568,052	84,435,568,052
Considered doubtful		102,952,001,380	101,139,523,378	101,139,523,378
		200,572,338,946	185,575,091,430	185,575,091,430
Less: Provision for doubtful debts		(102,952,001,380)	(101,139,523,378)	(101,139,523,378)
		97,620,337,566	84,435,568,052	84,435,568,052

14.1 Trade debts are secured to the extent of corresponding consumers' security deposits against electricity connection.

	Notes	PESCO 30 June 2023 Rupees	HAZECO 30 June 2023 Rupees	Remaining PESCO 30 June 2023 Rupees
<b>14.2 Trade debts - Government levies and other charges</b>				
Electricity Duty Receivable-E/Bills		1,847,365,004	1,775,463,630	1,775,463,630
Income Tax Receivable-E/Bills		1,546,549,826	1,440,479,711	1,440,479,711
G.S.T Receivable		25,337,238,893	24,265,503,248	24,265,503,248
T.V Fee Receivable		1,340,835,194	1,277,115,332	1,277,115,332
Neelum Jehlum S/c Receivable		1,299,466,427	968,545,802	968,545,802
Equalization S/c Receivable		225,319,515	163,275,666	163,275,666
Extra Tax Receivable		373,411,646	331,851,427	331,851,427
Further Tax Receivable		186,902,695	151,579,065	151,579,065
Sales Tax 2014 Receivable		107,568,766	100,497,490	100,497,490
Tax under 235-A Receivable		95,849,462	84,726,391	84,726,391
Tax under 235-B Receivable		1,590,581	1,093,651	1,093,651
FC-Surcharge Receivable		6,431,643,659	4,487,888,379	4,487,888,379
U.O.S/Tariff Rationalization		222,310,384	147,922,626	147,922,626
Surcharge Receivable				
Additional tax		184,104	184,104	184,104
		39,016,236,156	35,196,126,322	35,196,126,322

		PESCO	HAZEBO	Remaining PESCO
	Notes	30 June 2023 Rupees	30 June 2023 Rupees	30 June 2023 Rupees
<b>15 LOANS AND ADVANCES - considered good</b>				
Current portion of long term loans - considered good		331,632	10,000	321,632
Advance to supplier - considered good		256,091,464	255,083,981	255,832,981
Advance income tax		2,714,320,774		2,714,320,774
Advance Sales tax		50,000,000		50,000,000
Advance general sales tax spillover		616,458,341		616,458,341
Advance extra tax spillover		27,508,740		27,508,740
Advance further tax spillover		10,456,340		10,456,340
Withholding Taxes at-source				
Advances for expenses	15.1	57,121,357	57,121,357	52,038,445
		<u>3,732,288,648</u>	<u>3,732,288,648</u>	<u>3,726,936,653</u>

#### 15.1 Advances for expenses

Advance for Travelling Expenses	9,365,822	8,622,542
Advance against Other Expenses	47,755,535	43,415,903
	<u>57,121,357</u>	<u>52,038,445</u>

#### 16 OTHER RECEIVABLES - considered good

Due from WAPDA and associated undertakings-net	16.1	49,981,168,816	49,723,210,248
Sales tax receivable - net		43,182,161,128	43,182,152,789
Pension receivable from associated undertakings		3,735,248,779	3,735,248,779
Others receivables net		7,289,507	7,289,507
		<u>96,905,868,230</u>	<u>96,647,901,323</u>

#### 16.1 Due from WAPDA and associated undertakings - net

WAPDA Welfare Fund	695,245,070	598,366,091
WAPDA	944,119,146	783,039,557
GENCO-1	882,477	882,477
GENCO-2	6,538,699	6,538,699
GENCO-3	8,157,053	8,157,053
GENCO-4	1,678,430	1,678,430
NTDC	764,145,957	764,145,957
LESCO	10,893,487	10,893,487
FESCO	16,576,302	16,576,302
QESCO	84,068,245	84,068,245
GEPCO	11,319,697	11,319,697
IESCO	486,872,291	486,872,291
HESCO	4,726,208	4,726,208
TESCO	46,943,948,099	46,943,948,099
SEPCO	1,997,655	1,997,655
	<u>49,981,168,816</u>	<u>49,723,210,248</u>

16.1.1 Due from WAPDA and associated undertakings are unsecured and do not carry interest.

**17 Receivable from Government of Pakistan (Ministry of Finance)**

This represents subsidy receivable from Ministry of Finance as per detail below

	Notes	PESCO 30 June 2023 Rupees	HAZECO 30 June 2023 Rupees	Remaining PESCO 30 June 2023 Rupees
Opening balance as at 1 July		42,901,199,260	38,291,195,337	38,291,195,337
Tariff differential subsidy recognized during the year		32,833,116,356	32,833,116,356	32,833,116,356
Industrial Support Package		-	-	-
Zero Rated Claims		818,214,607	818,214,607	818,214,607
Kissan Package Subsidy		23,008,879	23,008,879	23,008,879
Credit note adjusted		(50,484,474,772)	(45,874,470,849)	(45,874,470,849)
		<u>26,091,064,330</u>	<u>26,091,064,330</u>	<u>26,091,064,330</u>
<b>18 BANK BALANCES</b>				
Cash at bank		10,256,838,629	8,828,136,747	8,828,136,747
		<u>10,256,838,629</u>	<u>8,828,136,747</u>	<u>8,828,136,747</u>

	Notes	PESCO 30 June 2023 Rupees	HAZECO 30 June 2023 Rupees	Remaining PESCO 30 June 2023 Rupees
<b>19 SALE OF ELECTRICITY</b>				
Sale of electricity		272,160,112,275	214,338,108,731	214,338,108,731
Tariff Differential Subsidy		-	-	-
Less: Sales tax		(31,936,295,463)	(31,936,295,463)	(31,936,295,463)
Net sale of electricity		<u>240,223,816,812</u>	<u>182,401,813,268</u>	<u>182,401,813,268</u>
Subsidy from the Government of Pakistan (GoP) on sale of electricity		39,271,580,895	30,347,593,703	30,347,593,703
		<u>279,495,397,707</u>	<u>212,749,406,971</u>	<u>212,749,406,971</u>

**20 COST OF ELECTRICITY :**

Central Power Purchase Agency	317,624,007,678	259,733,018,944
Market Operations Agency Fee	121,253,663	121,253,663
Inadmissible Sales Tax on Supplies	4,818,563,134	4,818,563,134
	<u>322,563,824,475</u>	<u>264,672,835,741</u>



	Notes	PESCO 30 June 2023 Rupees	HAZECO 30 June 2023 Rupees	Remaining PESCO 30 June 2023 Rupees
<b>21 OTHER OPERATING COST EXCLUDING DEPRECIATION</b>				
Salaries, wages and other benefits		27,686,971,304		22,891,789,879
Repairs and maintenance		1,018,027,862		862,409,699
Rent, rates and taxes		85,163,645		73,016,443
Power, light and water		87,286,082		75,161,320
Postage and telephone		43,615,571		36,935,769
Office supplies and other expenses		625,584,932		560,544,627
Travelling Allowance		324,358,902		266,555,260
Transportation Expenses		272,188,060		206,297,523
Insurance expense		27,460,000		24,714,000
Electricity bill collection charges		216,420,351		192,625,811
Legal and professional charges		58,802,222		53,597,261
NEPRA fee and charges		98,074,471		88,267,024
PITC Charges		81,281,755		73,153,580
Auditor's remuneration		950,000		855,000
Advertisement and publicity		5,640,238		4,286,807
Provision for doubtful debts		10,913,946,930		10,558,163,929
Directors fee		14,923,427		13,431,084
Miscellaneous expenses		19,294,755		15,993,906
		<u>41,579,990,507</u>		<u>35,997,798,919</u>
<b>22 RENTAL AND SERVICE INCOME</b>				
Meter rent		38,661,805		30,273,323
Public lighting		1,538,866		1,277,990
Service rent		1,440,513		1,189,868
Connection / Reconnection fees		10,844,722		8,735,763
		<u>52,485,906</u>		<u>41,476,944</u>
<b>23 OTHER INCOME</b>				
Profit on bank deposits		1,503,380,463		1,503,380,463
Sale of scrap		139,627,036		139,627,036
Late payment surcharge		5,363,891,540		4,781,877,535
Wheeling charges from TESCO		2,098,487,876		2,098,487,876
Miscellaneous		1,016,318,453		957,230,537
		<u>10,121,705,368</u>		<u>9,480,603,447</u>
<b>24 FINANCE COST</b>				
Markup on ADB Loans		584,697,755		584,697,755
ERRA		18,002,472		18,002,472
Bank charges		3,488,434		3,339,870
Exchange Loss		459,711,153		459,711,153
		<u>1,065,899,814</u>		<u>1,065,751,250</u>
<b>25 TAXATION</b>				
Current Tax		3,145,518,170		3,145,518,170
Prior year		7,666,108		7,666,108
		<u>3,153,184,278</u>		<u>3,153,184,278</u>

CHIEF EXECUTIVE OFFICER

DIRECTOR

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## Annex – I

# REPORT OF HR COMMITTEE CONSTITUTED FOR OPERATIONALIZATION OF HAZECO

# REPORT OF HR COMMITTEE CONSTITUTED FOR OPERATIONALIZATIONAL OF HAZECO

## INTRODUCTION

A committee comprising of the following officers was constituted by the competent authority in accordance with minutes of meeting of the committee held on 17<sup>th</sup> November, 2023 at PPMC, Islamabad for effective and efficient manpower transition from PESCO to HAZECO:

- |   |          |
|---|----------|
| a. Mr. Saghir Ahmad,<br>GM HR PPMC        | Convener |
| b. Mr. Sardar Sajid Nawaz,<br>DG HR PESCO | Member   |
| c. Mr. Siab Ahmad,<br>Manager (HR), PESCO | Member   |

## TERM OF REFERENCE

The Terms of Reference (TOR) of the above referred HR Committee were as under:

- i) Development of Organogram of HAZECO
- ii) Manpower Transition from PESCO to HAZECO including:
  - a. Identification of employees for allocation to HAZECO
  - b. Complete plan of allocation of employees to HAZECO
  - c. Development of offer of appointment to be issued to allocated employees to HAZECO
- iii) Plan for distribution of resources, including vehicles, physical assets etc.
- iv) Preparation of draft HR policies
- v) Plan for transfer of all record relating to HR, including personal files, inquiry files etc.
- vi) Transfer of all record relating to vehicles and physical assets
- vii) Mechanism for transfer of pension liabilities



## BACKGROUND AND PROCEEDINGS

Ministry of Energy (Power Division) vide notification No. 12(24)/202019-DISCO-II dated 18/01/2023 has conveyed approval of the Prime Minister for establishment of HAZECO and bifurcation of PESCO for its better management and increase in operational efficiency.

Accordingly, Ministry of Energy (Power Division) vide office order No.12 (24)/2018-DISCO-I dated 03/02/2023 has constituted a committee for finalization of matters related to bifurcation of PESCO and incorporation of HAZECO.

The Committee in its meeting held on 17<sup>th</sup> November, 2023, deliberated the process of establishment of HAZECO and steps required for commencement of its operations. Further, the said committee finalized various recommendations to complete the transition process efficiently & effectively. Accordingly, the HR Committee conducted two meetings in the office of the convener to discuss and examine the existing as well as future requirements of Human Resources, vehicles, preparation of HR Policies as per TORs. The committee deliberated the points referred in TOR at length, which is reflected below:


### **i) Development of Organogram of HAZECO**

The Committee has developed the organogram for various functions & departments of HAZECO, which is annexed per detail given below:

- a. Organogram for HAZECO HQ (Annexure-A)
- b. Organogram for Technical Directorate (Annexure-A/1)
- c. Organogram for Operation Directorate (Annexure-A/2)
- d. Organogram for Customer Services Directorate (Annexure-A/3)
- e. Organogram for MIRAD (Annexure-A/4)
- f. Organogram for HR & Admin Directorate (Annexure-A/5)
- g. Organogram for Finance Directorate (Annexure-A/6)
- h. Organogram for Internal Audit Department (Annexure-A/6)

In the first stage, proposed positions of C level officers will be as under:

Name of Position	No. of Positions	Status	Remuneration
Chief Executive Officer	1	On contract	Market based salary
Chief Financial Officer	1	On contract	Market based salary
Chief Commercial Officer	1	On contract	Market based salary



Chief Human Resource	1	On contract	Market based salary
Chief Technical Officer	1	On contract	Market based salary
Chief Operating Officer	1	On contract	Market based salary
Company Secretary	1	On contract	Market based salary

The remaining organization structure will be considered and approved by BoD HAZECO at second stage.

The committee propose that after bifurcation of PESCO into HAZECO by Ministry of Energy vide letter referred above, and subsequent posting orders of employees issued by PESCO from time to time till formal operationalization of HAZECO, the employees of PESCO posted within the territorial limits/ jurisdiction of (newly created company) HAZECO, shall deemed to be transferred to HAZECO, for all service intents and purposes.

#### Human Resources Status

The current/existing formation wise status of employees working in HAZECO is as under:

Circle	Sanctioned	Working	Vacant
SE Opr Hazara I Circle	2205	985	1220
SE Opr Hazara II Circle	1304	562	742
DM MIS PESCO Computer Centre Abbottabad	45	24	21
AM Field Store Abbottabad, Haripur, Mansehra	72	24	48
XEN Construction Division Abbottabad	198	47	151
XEN SS&TL Abbottabad	503	224	279
SDO Grid Construction S/Div Abbottabad	75	13	62
XEN M&T Abbottabad	28	6	22
Incharge Circle Training Centre Abbottabad	10	3	7
Total	4440	1888	2552

Existing manpower status (category wise) of employees under operational jurisdiction of HAZECO is as under:

Sr#	Nomenclature of Post/Design	BPS	Sanctioned	Working	Vacant
1	S.E. (Op)	19	2	2	0
2	Dy. Dir Tech	18	2	2	0
3	Dy. Manager M&T	18	1	1	0
4	Dy. Manager MIS	18	1	1	0

49	Junior Store Keeper	14	3	3	0
50	L.S-II	14	138	58	80
51	Lab Assistant	14	4	1	3
52	LFM-II	14	4	7	-3
53	MRS-I	14	11	2	9
54	PC Operator	14	9	0	9
55	SSO-II	14	29	19	10
56	Steno Grade-II	14	15	0	15
57	Sub Engineer	14	1	2	-1
58	Test Asstt:	14	3	1	2
59	A.D.M	13	2	2	0
60	Cable Joiner	13	-1	0	1
61	Fitter-I	11	4	2	2
62	LM-I	11	348	293	55
63	MRS-II	11	28	13	15
64	Senior Clerk	11	49	14	-35
65	Store Clerk	11	6	0	6
66	Work Supervisor	11	1	0	1
67	Winder	10	0	1	-1
68	Electrician-II	9	1	0	1
69	Fitter-II	9	17	2	15
70	J.Clerk W/S:	9	113	23	90
71	J/Clerk Coml:	9	22	2	20
72	LM-II	9	355	233	122
73	Meter Mechanic	9	4	0	4
74	Meter Reader	9	435	260	175
75	SSA	9	24	13	11
76	Surveyor	9	1	1	0
77	Tracer	9	22	0	22
78	Security Sergeant	8	14	7	7
79	ALM	7	1052	449	603
80	ASSA	7	71	59	12
81	Auditor	7	26	0	26
82	Bill Distributor	7	224	29	195
83	Driver	7	112	50	62
84	Electrician	7	1	0	1
85	Gate Clerk	7	3	2	1
86	Helper	7	7	2	5
87	Legal Clerk	7	4	0	4
88	Security Guard	6	247	58	189
89	Blacksmith	5	2	0	2
90	Meter Helper	5	6	0	6
91	T.W.O	5	4	2	2
92	Turner	5	0	1	-1

93	Welder	5	1	0	1
94	Daftari	4	8	0	8
95	Cleaner	3	17	2	15
96	Store Helper	3	15	4	11
97	Bearer	2	0	1	-1
98	Khalasi	2	5	0	5
99	Chowkidar	1	46	2	44
100	Ehamed	1	2	0	2
101	Mali	1	37	8	29
102	Naib Qasid	1	129	42	87
103	Sweeper	1	80	15	65
Grand Total			4440	1888	2552

### Employment Status

Summary of employment status of employees working in HAZECO is as under:

S.No	Service Status	Total Number of Employees
1	Regular	1444
2	Lump Sum	385
3	Contractual	33
4	Part Time Workers	23
5	Deputationists	02
6	Daily Wage	01

### Hazara Division Domiciled Employees

Hazara Division Domiciled employees working in HAZECO as well as PESCO is as under:

Domicile	HAZARA Division Domiciled Employee working in HAZECO	HAZARA Domiciled Employee working in PESCO	Total
Abbottabad	619	10	629
Battagram	40	3	43
Ghazi	1	0	1
Haripur	401	4	405
Havelian	1	0	1
Kohistan	6	19	25
Mansehra	558	4	562
Torghar	3	0	3
Total	1629	40	1669

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**Overall Domiciled Wise Data of Employees in HAZECO**

Overall summary of domicile wise data of employees working in HAZECO is as under:

S.No	Domicile	Number of Employees
1	Abbottabad	619
2	AJK	4
3	Attock	14
4	Bagh (AJK)	1
5	Bahawal Nagar	1
6	Bahawalpur	1
7	Bannu	13
8	Battagram	40
9	Bhimber (AJK)	1
10	Chakwal	2
11	Charsadda	27
12	D.I.Khan	4
13	Diamir	1
14	Dir	3
15	Faisalabad	2
16	Fata	2
17	Fateh Jhang	1
18	Federal	1
19	Ghazi	1
20	Gilgit	1
21	Gujranwala	3
22	Hafizabad	1
23	Hangu	2
24	Haripur	401
25	Havelian	1
26	Hyderabad	1
27	Islamabad	1
28	Jhang	2
29	JHELUM	1
30	Karachi	1
31	Karak	9
32	Kasur	1
33	Khanewal Punjab	1
34	KHYBER AGENCY	1
35	Kohat	10
36	Kohistan	6
37	Kurram	1
38	Lahore	4
39	Lakki Marwat	10
40	Lower Dir	2
41	Malakand	3

42	Malakand Agt	1
43	Manshra	558
44	Mardan	38
45	Mian Wali	1
46	Mirpur Khass	1
47	Muzaffarabad (AJK)	4
48	Nankana	1
49	Norowal	1
50	Nowshera	22
51	Nowshero Feroz Sindh	1
52	Peshawar	21
53	Quetta	2
54	Rahim Yar Khan	1
55	Rawalpindi	7
56	Sindh Rural	1
57	Swabi	22
58	Swat	2
59	Torghar	3
<b>Total</b>		<b>1888</b>

Keeping in view the above, it is recommended that after establishment/ functioning of HAZECO, new company offer of employment shall be issued to all employees working in jurisdiction of HAZECO. If an employee fails to accept the offer of employment up to the specific deadline, then he/she be transferred back to PESCO.

This transition process shall be started and completed immediately after operationalization of HAZECO.

**a) Complete plan of allocation of employees in HAZECO.**

The exact requirement of staffing in HAZECO shall be determined after finalization of organogram and sanctioned strength of staff by the Ministry of Energy (Power Division) or PPMC Islamabad. However, the management of HAZECO may adopt following modus operandi:

**Option-I**

After approval of organogram and finalization of category wise sanctioned strength of employees, the management of HAZECO may seek option from the employees, whose seniority is being maintained at PESCO level, for their posting in HAZECO. After submission of their option, seniority such employees shall be maintained and

reckoned at HAZECO as per their original seniority of PESCO. It will provide an opportunity to the officers, who are senior on their cadre and seniority list to be considered for promotion.

Option-2

Based on the requirement and availability of vacant positions, the management of HAZECO may fill the vacant position by opening and allowing "Local Deputation to employees of other Distribution Companies"

Option-3

In case, the above were not fruitful, then critical vacancies may be filled in from open market through advertisement. Similarly, the competent authority may also outsource non-core business like janitorial services, security services, naib qasids, etc subject to completion of all codal formalities as required under the law.

b) Development of offer of appointment HAZECO

Company Employment Offer has been drafted, and appended as Annexure-B

III) Plan for distribution of resources, including vehicles, physical assets etc.

Summary of vehicles including on-road and off road vehicles under the jurisdiction of HAZECO is as under:

S.No.	Formation	Authorized	On Road	Off Road
1	Hazara Circle-I	70	41	12
2	Hazara Circle-II	58	31	3
3	SS&TL Division A/Abad	10	8	2
4	XEN GSC A/Abad	4	4	-
5	XEN (Construction) Hazara	22	22	-
6	M&T Hazara	1	1	-
7	Stores A/Abad, Haripur, & Mansehra	6	6	-
	Total	171	113	17


Office wise details along with make/type, registration No, and Model number is as under:

S.No.	Attached with	Make/Type	Regist: No	Model	Status
1	DCM	Suzuki Van	BD-1914	2014	On Road
2	S.B.	Toyota D/Door	A-1549	2011	On Road
3	City Division.	Toyota Hilux STD 520	0182-4	2014	On Road
4	City-I S/Division	Shah Zore	B-4890	2003	On Road
5	City-II S/Div	Suzuki pick up	D-4801	2013	On Road
6	City S/Division	Toyota Pick Up	B-4805	2006	On Road
7	Havelian-I	Pothar Jeep	B-4746	2005	On Road
8	Havelian-II	Suzuki Jeep	MA-8283	1990	On Road
9	Lora Chowk	Shah Zore	B-3715	1992	On Road
10	City S/Division.	Mazda School Van	ADA-1110	1993	On Road
11	F.I.U	M/Cycle Honda CD-70	CEP-2941	2013	On Road
12	PCC A/Abad	Pothar Jeep	B-1576	2004	On Road
13	Havelian-II	Toyota Pick Up	AB-3439	2020	On road
14	Lora Chowk	Toyota Pick Up	AB-3446	2020	On road
15	Havelian-I	Shah Zore	AB-4824	2022	On road
16	Havelian-I	Master Truck	D-2966	2002	Off Road
17	Lora Chowk	Mitsubishi	B-5597	1997	Off road
18	Lora Chowk	Suzuki Pick Up	B-4460	2002	Off road
19	Lora Chowk	Suzuki Pick Jeep	ADA-1026	1990	Off road
20	Shimla Hill	Motor Cycle	ADA-4648	1992	Off road
21	City-I A/Abad	Motor Cycle	ADA-4649	1996	Off road
22	S/Hill S/Div	Shah Zore	B-4571	2002	Off Road
23	XEN	Kia Sportage Jeep	A-1401	2005	On Road
24	XEN	Hino Truck	B-5327	1987	On Road
25	SDO J/Abad -II	Suzuki Pickup	B-4603	2004	On Road
26	SDO J/Abad -II	Toyota Pickup	AB-3486	2020	On Road
27	SDO J/Abad -I	Toyota Pickup	A-1615	2015	On Road
28	SDO (P) Dhamtour	Hyundai Shahzore	B-4329	2002	Off Road
29	SDO (P) Lora.	Toyota Pickup	B-4673	2005	On Road
30	SDO (P) N/Sher	Suzuki Pick-up	B-4127	2002	On Road
31	SDO (P) N/Gali	Suzuki Pick-up	D-4784	2013	On Road
32	SDO Jinnah abad-II	RHD ISUZU Truck Bucket Crane	GAA-551	2022	On Road
33	SDO N/Sher	Hyundai	AB-4828	2021	On Road
34	SDO Nathia gali	Hyundai	AB-4871	2021	On Road
35	Divisional Office	Toyota Pick Up	AB-3467	2020	On Road
36	SDO KTS	Suzuki Jeep	R-5082	2005	on Road
37	SDO TIP	Toyota Pick Up	B-3086	2014	On Road
38	SDO TIP	Toyota Pick Up	B-1537	1995	On Road
39	SDO City	Toyota Pick Up	ADA-8408	1986	On Road
40	SDO City	Toyota Pick Up	AB-3451	2020	On Road
41	SDO Khanpur	Suzuki Pick Up	B-3899	2014	On Road



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42	SDO Khanpur	Hyundai/Pik-up	B-1381	2002	On Road
43	SDO Khanpur	Toyota Pick Up	AB-3475	2020	On Road
44	SDO SNK	Toyota single cabin	A-0004	2008	On Road
45	SDO Mang	Toyota Pick Up	AB-3459	2020	On Road
46	TIP S/Division	Mistu: Mini Truck	B-1355	1997	Off Road
47	SDO TIP	Nissan Pick-up	ADB-1669	1986	Off Road
48	Ghazi	Toyota Pick Up	AB-3448	2020	On Road
49	Hattar	Shehzore	AB-4836	2020	On Road
50	KTS	Shahzore	B-1380	2002	On Road
51	Hattar	Toyota Pick Up	0050	2016	On Road
52	Ghazi	Shahzore	HRB-1843	2006	On Road
53	Divisional Office	Toyota Hilux	A-1195	2014	On Road
54	S.E.	Toyota Hi-Lux D/Cabin	BD-4965	2016	On Road
55	Dy: Director Technical	Suzuki Jeep	B-1450	2004	On Road
56	Dy: Commercial Manager	Suzuki Van	BD-1943	2014	On Road
57	XEN	Toyota Hilux	B-4791	2014	On Road
58	XEN	Bucket Mounted Vehicle	GAA-748	2022	On Road
59	XEN	Bedford Truck	ADA-2278	1980	On Road
60	SDO City S/Div: Mansehra	Shehzor Hyundai	B-1974	2001	On Road
61	SDO City S/Div: Mansehra	Hyundai Pick-Up	AB-4725	2022	On Road
62	SDO Khaki	Toyota Pickup	B-2138	2005	On Road
63	SDO Khaki	Hyundai Pickup	AB-4812	2022	On Road
64	SDO Balakot	Mitsubishi Pickup	B-3709	2007	On Road
65	SDO Ghari Habib Ullah	Suzuki Ravi Pickup	3283	2015	On Road
66	SDO Ghari Habib Ullah	Hyundai Pickup	AB-4827	2022	On Road
67	SDO Ghazikot	Toyota Hilux Pickup 4x2	MAB-5032	2015	On Road
68	SDO Ghazikot	Suzuki Pickup	B-2294	2004	On Road
69	XEN	Toyota Hilux Pickup 4x2	BD-4963	2016	On Road
70	SDO Rural S/Div: Mansehra	Hyundai Pickup	AB-4833	2022	On Road
71	SDO Oghi-II S/Div:	Suzuki Pickup	B-4784	2013	On Road
72	SDO Oghi-II S/Div:	Toyota Hilux Pickup	AB-3477	2020	On Road
73	SDO Rural S/Div: Mansehra	Suzuki Pickup	MA-B-5087	2014	On Road




74	SDO Oghi-I S/Divn:	Toyota Hi-Ace	BNB-3117	2008	On Road
75	XEN	Mitsubishi D/Cabin Pickup	A-1268	2007	On Road
76	Division Office	Master Truck	B-4554	2007	On Road
77	SDO Shinkari	Toyota Pickup	ADB-4945	1995	On Road
78	SDO Shinkari	Hyundai Pickup	AB-4838	2022	On Road
79	SDO Siran Valley	Suzuki Pickup	MA-4781	2013	On Road
80	SDO Siran Valley	Hyundai Pickup	AB-4830	2022	On Road
81	SDO Baffa	Hyundai Pickup	MAB-1940	2002	On Road
82	SDO Baffa	Suzuki Pickup	B-3284	2013	On Road
83	SDO Battagram	Suzuki Pickup	B-1156	2014	On Road
84	SDO Battagram	Mitsubishi Pickup	SWB-645	1996	On Road
85	SDO Baffa	Hyundai Shahzor	BD-2359	2004	Off Road
86	SDO Siran Valley	Mini Truck	0018	2007	Off Road
87	Rural Sub Division	Toyota Pickup	B-3646	2005	Off Road
88	XEN	Toyota P/UP	A-1584	2011	Repairable
89	XEN	Man Crane Mounted truck	APF-0017	2015	do
90	XEN	Master Truck	D-2803	2008	On Road
91	AET Abbottabad	Toyota P/UP	AB-3454	2020	do
92	AET Abbottabad	Mazda D/Cab P/UP	ADB-4121	1993	Off Road
93	AET Haripur	Mazda P/UP	A-2359	1995	Repairable
94	AET Haripur	Master Mini Truck	B-2272	2007	On Road
95	AET Haripur	Hyundai P/UP	AB-4834	2022	On Road
96	AEM Abbottabad	Toyota Land Cruiser Jeep	IDA-5614	1984	Repairable
97	AEM Abbottabad	Suzuki Bolan	BD-1911	2014	Repairable
98	GC S/D GSC A/Abad	Suzuki Jimmy Jeep	BE-1632	2009	On Road
99	GC S/D GSC A/Abad	Nissan P/Up	A-3105	1988	On Road
100	GC S/D GSC A/Abad	Nissan P/Up	A-2342	1986	On Road
101	GC S/D GSC A/Abad	Toyota P/Up	A-2907	1987	On Road
102	XEN Construction Division A/Abad	TOTYOTA PICK-UP (HILUX)	D-5260	2014	ON ROAD
103	SDO A/Abad	SUZUKI JEEP	D-4275	1992	ON ROAD
104	SDO A/Abad	BED FORD TRUCK	MRB-1281	1976	ON ROAD
105	SDO A/Abad	TRUCK CRANE	B-3868	1988	ON ROAD
106	SDO A/Abad	MITSUBISHI MINI TRUCK	B-1948	1998	ON ROAD
107	SDO A/Abad	SUZUKI P/UP	3414	2014	ON ROAD
108	SDO A/Abad	BED FORD TRUCK	A-1263	1985	ON ROAD
109	SDO HARIPUR	Master Truck	1022	2007	ON ROAD

110	SDO HARIPUR	SUZUKI JEEP	A-1156	1992	ON ROAD
111	SDO HARIPUR	Totota P/Up	R-3901	2005	ON ROAD
112	SDO HARIPUR	Mazda P/UP	2464	1994	ON ROAD
113	SDO HARIPUR	Hundai Shshzoor	2494	2002	ON ROAD
114	SDO MANSEHRA	SUZUKI JEEP	PRA-2682	1984	ON ROAD
115	SDO MANSEHRA	BED FORD TRUCK	AD-453	1985	ON ROAD
116	SDO MANSEHRA	TOYOTA PICK-UP	PRH-3384	1992	ON ROAD
117	SDO MANSEHRA	TOYOTA PICK-UP	M-4487	1979	ON ROAD
118	SDO MANSEHRA	SHAHZORE PICK-UP	NR-0043	2004	ON ROAD
119	SDO MANSEHRA	BED FORD TRUCK	MRB-4724	1976	ON ROAD
120	SDO MANSEHRA	MITSUBISHI MINI TRUCK	SWB-644	1986	ON ROAD
121	SDO MANSEHRA	SUZUKI JEEP	A-1235	1990	ON ROAD
122	SDO MANSEHRA	BED FORD TRUCK	MRB-7453	1967	ON ROAD
123	SDO MANSEHRA	KIA VAN	A-5589	1990	ON ROAD
124	DM Abbottabad	Mazda P/UP	A-1643	2016	On Road
125	Field Store Abbottabad	Mazda Cargo Truck	ADD-3542	2002	On Road
126	Field Store Abbottabad	P/Up	ADB-1675	1989	On Road
127	Field Store Abbottabad	Lifter	ADB-1676	1989	On Road
128	Field Store Abbottabad	Mini Truck	AB-4771	2022	On Road
129	Field Store Mansehra	Cargo Truck	B-7141	1998	On Road
130	Field Store Mansehra	Toyotat P/UP	MA-4820	1987	On Road

#### LANDED PROPERTY UNDER JURISDICTION OF HAZECO

The list of land assets in HAZECO is attached as annexures mentioned against each:

- Abstract / summary of total land assets under Hazara-I & Hazara- Circles (Annexure-C)
- Detail of sites / land assets under Hazara-I and Hazara-II Circle (Annexure-C/1)
- List of land assets in Hazara-I & II Ciroles already transferred in the name of PESCO. (Annexure C/2)
- List of land under process of transfer from ex-owners to PESCO in Hazara-I & II Circles (Annexure-C/3)
- List of court cases pertaining to lands / properties in Hazarra-I & Hazara-II Circles (Annexure C/4)

- 
- f. List of leased land assets in possession of PESCO in Khyber Pakhtunkhwa (Hazara-I and II Circles) (Annexure C/5)
  - g. List of Pre-WAPDA Land Assets to be transferred To PESCO but pending for approval of Government of Khyber Pakhtunkhwa n Hazara Circle-I & II (Annexure-C/6)
  - h. List of Non-Transferable Land Assets in possession of PESCO in Hazara-I & II circles (Annexure-C/7)

For effective and efficient transfer of land assets, HAZECO may engage a Legal Counsel / Property Management Firm for transfer of all landed Assets to the company.

#### **Grid Stations**

Grid stations under the jurisdiction of HAZECO shall be provided by the Technical Committee as per their TORs.

#### **iv) Preparation of Draft HR Policies**

Following draft HR policies have been framed, which is appended herewith per annexures mentioned against each:

- i) Service Regulations of HAZECO-2023 (Annexure-D)
- ii) Schedule-I (Cadre Wise Job specifications) (Annexure-D/1)
- iii) Schedule-II (Promotion Policy) (Annexure-D/2)
- iv) Schedule-III (Code of Conduct) (Annexure-D/3)
- v) Schedule-IV (Leave Rules) (Annexure-D/4)
- vi) Anti-Harassment Policy (Annexure-E)
- vii) Disciplinary Policy (Annexure-F)
- viii) Compensation & Benefits Policy (Annexure-G)
- ix) Employment Policy (Annexure-H)
- x) Health Policy (Annexure-I)
- xi) Learning & Development Policy (Annexure-J)
- xii) Vehicle Management Policy (Annexure-K)
- xiii) Transfer Posting Policy (Annexure-L)
- xiv) HRIS Automated Office Notification Policy (Annexure-M)
- xv) HRIS Profile Locking System (Annexure-N)

- 77-
- xvi) House Allocation Policy (Annexure-O)
  - xvii) Deputation Policy (Annexure-P)
  - xviii) Collaborative Office Management System (Annexure-Q)
  - xix) Online Attendance Management System (Annexure-R)
  - xx) Travel Management Policy (Annexure-S)

- v) Plan for transfer of all record relating to HR, including personal files, inquiry files etc.

The record including, personal files, PERs, seniorities, inquiries, audit record etc. all officers / staff, shall be immediately transferred to HAZECO after operationalization of the company.

- vi) Transfer of all record relating to vehicles and physical assets  
All record relating to vehicles to be handed over to HAZECO immediately after operationalization of HAZECO.

- vii) Mechanism for transfer of pension liabilities

Summary of pensioners drawing pension from HAZECO is as under:


Sr. No	Company	Total Pensioners
1	PESCO	2090
2	IESCO	13
3	CRRK WAPDA	1
4	PESCO	4
5	GEPCO	4
6	HESCO	1
7	LESCO	6
8	PD NEELUM	9
9	TDP WAPDA	72
	Total	2205

#### FINDINGS

After detailed deliberations, and keeping in view the future requirements of the company, initial draft has been finalized, subject to final review and revision by the auditors later on, if any.

### CONCLUSION

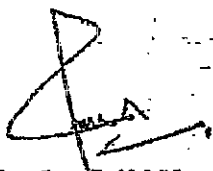
The committee has reached to the conclusion that in compliance of the Terms of Reference (TORs), the assigned tasks has been completed. The main tasks completed include; development of organogram, manpower transition plan, distribution of resources, preparation of the HR policies, transfer of record relating to HR, including personal files, inquiry files etc., and mechanism for transfer of pension liabilities.



Siab Ahmad  
Manager (HR)  
PESCO (Member)

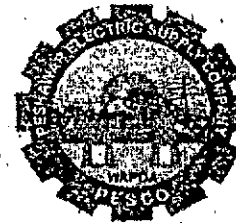


Saghir Ahmad  
General Manager (HR)  
PPMC, Islamabad  
(Convener)



Sardar Sajid Nawaz  
Director General (HR)  
PESCO (Member)

# PROPOSAL FOR BIFURCATION OF PESCO



❖ PESHAWAR ELECTRIC SUPPLY COMPANY (PESCO)

❖ PROPOSED HAZECO

## References:

- Section Officer (ELECTRIC SUPPLY COMPANYS-II) Ministry of Energy (Power Division) Islamabad Letter No. 12 (01) / 2018-ELECTRIC SUPPLY COMPANYS-II dated 09.03.2022
- General Manager (Technical Services) PPMC Islamabad Letter No. 1214-18 dated 10.03.2022
- Addl; Director General (HR) Office Order No. 17833-40 dated: 11.03.2022 regarding constitution of committee.
- Prime Minister office Islamabad Record Note dated: 30.05.2022
- General Manager (Technical Services) PPMC Islamabad Letter No. 1925-27 dated 02.06.2022
- Minutes of Meeting (Held on 17-11-2023 on Bifurcation of PESCO and Establishment of HAZECO )

# PROPOSAL FOR BIFURCATION OF PESCO

No. 12(01)/2018-DISCOs-II  
GOVERNMENT OF PAKISTAN  
MINISTRY OF ENERGY  
(POWER DIVISION)

GM (TS) PPMC  
DATE: 09-03-2022



POWER PLANNING AND MONITORING COMPANY (PVT) LIMITED  
Office # 112, 1<sup>st</sup> Floor, Executive Trust Complex, Aghe Khos Road, Islamabad  
001-9211301, Fax 001-2726935, Email: gm@ppmc.com

The Managing Director,  
PPMC,  
Islamabad.

MANAGING DIRECTOR  
PPMC  
09 MAR 2022  
Div. # 179

(Islamabad the March 09, 2022)

Subject: - DECISION TAKEN IN THE CABINET MEETING HELD ON TUESDAY THE 21<sup>ST</sup> DECEMBER, 2021

In pursuance of Cabinet Decision's in case No. 1236/ 42/ 2021 dated 21-12-2022 (Annex-A), this Division notified a Committee vide Notification of even number dated 05-01-2022 (Annex-B) for firming-up and recommending on the viability of bifurcation of large DISCOs, including MEPCO, QESCO, and PESCO. The composition of the Committee is as under: -

- Minister for Energy (Convener)
- Minister for Planning, Development and Special Initiatives
- Minister for Industries & Production
- Minister for Science & Technology
- Advisor to the Prime Minister on Finance & Revenue.

2. In order to proceed further, Managing Director, PPMC is requested to constitute a Committee comprising member of MEPCO, QESCO and PESCO for necessary working covering all areas of concerns and suggesting way forward to this Division latest by 31-03-2022 enabling the above Committee to firm-up recommendations regarding the bifurcation of MEPCO, QESCO and PESCO.

Encl: As above

Copy to:

- DG to the Minister for Energy, Power Division Islamabad.
- SO, to the Secretary, Power Division Islamabad.
- PS to the Additional Secretary-I, Power Division, Islamabad.
- PS to the Sr. Joint Secretary (B&D), Power Division, Islamabad.

(Naveed Ahmad)  
Section Officer (DISCOs-II)

- Chief Executive Officer, MEPCO, Multan.
- Chief Executive Officer, PESCO, Peshawar.
- Chief Executive Officer, QESCO, Quetta.

Subject: DECISION TAKEN IN THE CABINET MEETING HELD ON TUESDAY THE 21<sup>ST</sup> DECEMBER 2021 - BIFURCATION OF LARGE DISCOs

Ref: Ministry of Energy (Power Division) letter No. 12(01)/2018-DISCOs-II dated March 9, 2022 (copy attached).

- Section Officer (DISCOs-II) has notified a Committee vide above referred letter in pursuance of Cabinet Decision's case No. 1236/42/2021 dated 21.12.2021 for firming-up and recommending on the viability of bifurcation of large DISCOs, including MEPCO, QESCO and PESCO.
- Further in compliance of above referred letter, a Committee is also being constituted with the approval of MD PPMC comprising of the CEOs of respective DISCOs, all GMs of PPMC, CEO PITG under the convener'ship of MD PPMC enabling the main Committee constituted vide above referred letter to firm-up recommendations regarding bifurcation of MEPCO, QESCO and PESCO.

- In this regard, It is requested to please submit comprehensive proposal / cause of bifurcation of your DISCO keeping in view of large geographical spread, customer base, operational complexities etc. as per Procedure and Steps attached with this letter, for processing / scrutiny of the case by the above proposed Committee as mentioned in Para-2 above, for further submission to Ministry of Energy (Power Division) / main Committee.

Encl: As above  
cc:

- Mr. Naveed Ahmad, SO (DISCOs-II), Ministry of Energy (Power Division), Islamabad.
- SO to MD PPMC, Islamabad.

No. 1214-18  
Dated 12-03-2022

(Engr. Adnan Riaz Mir)  
General Manager (Technical Services)



# PROPOSAL FOR BIFURCATION OF PESCO



## POWER PLANNING AND MONITORING COMPANY

Office # 112, Evacuee Trust Complex, Agha Khan Road, Islamabad  
Tel: 051-9211301, 051-9211302, Fax: 051-2726915, E-mail: gmcspesco@gmail.com



## POWER PLANNING AND MONITORING COMPANY

Office # 112, Evacuee Trust Complex, Agha Khan Road, Islamabad  
Tel: 051-9211301, 051-9211302, Fax: 051-2726915, E-mail: gmcspesco@gmail.com

### MINUTES OF MEETING HELD ON 17.11.2023 ON BIFURCATION OF PESCO AND ESTABLISHMENT OF HAZECCO

A meeting was held on 17.11.2023 at 10.00 AM in PPMC Committee Room to formulate a strategic plan aimed at facilitating HAZECCO in initiating its operations as an independent DISCO. The meeting was attended by the following:

- (1) Director BoD HAZECCO
- (2) CEO HAZECCO
- (3) General Manager (R&CO) PPMC
- (4) General Manager (TS) PPMC
- (5) General Manager (HR) PPMC
- (6) CFO PPMC
- (7) Director General (L&M) PPPIB
- (8) Technical Director/GM (Technical) PESCO
- (9) CFO PESCO
- (10) DG (HR) PESCO
- (11) Mr. Rizwan Faiz, Advocate
- (12) Company Secretary PPMC

The meeting deliberated necessary steps required for the bifurcation of PESCO and the seamless initiation of HAZECCO's operations. The consensus among the participants was that the bifurcation of PESCO and the establishment of HAZECCO should adhere to high professional standards, encompassing all essential legal, administrative, and regulatory prerequisites.

It was informed by reps of PESCO that the data required for bifurcation of PESCO is already completed. It was emphasized that the data necessitates updating upto October 2023. To ensure credibility and mitigate potential conflicts or objections from stakeholders in the future, it was suggested to authenticate this data through a third-party audit firm.

It was further informed that PESCO requires to file a spinning-off petition with the National Electric Power Regulatory Authority (NEPRA) and the Securities and Exchange Commission of Pakistan (SECP). Simultaneously, HAZECCO will apply for a distribution license and submit a tariff petition to NEPRA.

The Committee expressed that the entire process should be meticulously planned to enable HAZECCO to submit its application for the grant of a distribution license to NEPRA well before end of December 2023 and before that all prerequisites be completed.

To ensure the efficiency of the transition process, the Committee put forth the following recommendations:

- a. A comprehensive work plan will be developed, with detailed outlining of all activities, along with clearly defined timelines.

- b. PESCO to update all existing financial, commercial, technical, and human resource data upto October 2023.

- c. An independent audit firm be hired by CEO PESCO to authenticate the data prepared, contributing to the credibility and thoroughness of the data within two weeks.

- d. Following three committees were recommended to oversee and facilitate a smooth transition in the process:

#### 1. Technical/Commercial Committee

- Mr. Atif Ali, GM (Technical Services) PPMC-Convenor
- Mr. Tahir Khan, Technical Director PESCO - Member
- Mr. Habib-ur-Rehman, SE Khyber Circle PESCO-Member
- Mr. Muhammad Tufail, Manager Commercial PESCO Member

#### 2. Finance Committee

- Mr. Basharat Ali, CFO PPMC-Convenor
- Mr. Yousaf Nadeem, CFO PESCO-Member
- Mr. Shahrad Hameed, Manager Finance CPC PESCO-Member

#### 3. HR Committee

- Mr. Saqib Ahmad, GM (HR) PPMC-Convenor
- Sardar Sajid Nawaz, DG HR PESCO-Member
- Mr. Sabir Ahmad, Manager (HR) PESCO-Member

- e. The above Committees will submit their reports on or before Monday, 27<sup>th</sup> November 2023.

- f. The Terms of Reference of the Committees are annexed.

- g. A WhatsApp group consisting of all relevant officers will be formed.

- h. Mr. Rizwan Faiz will prepare draft legal documents required for the bifurcation of PESCO and establishment of HAZECCO

(Signature)  
General Manager (R&CO) PPMC/  
Convenor of the Committee

c.c.

1. Additional Secretary-4, Power Division, Islamabad.
2. CEO HAZECCO, Islamabad.
3. CEO PESCO, Peshawar.
4. All Members of Committees.

# **PROPOSAL FOR BIFURCATION OF PESCO**

## **Agenda Point #(i) a.**

### **EXISTING AREA OF JURISDICTION**

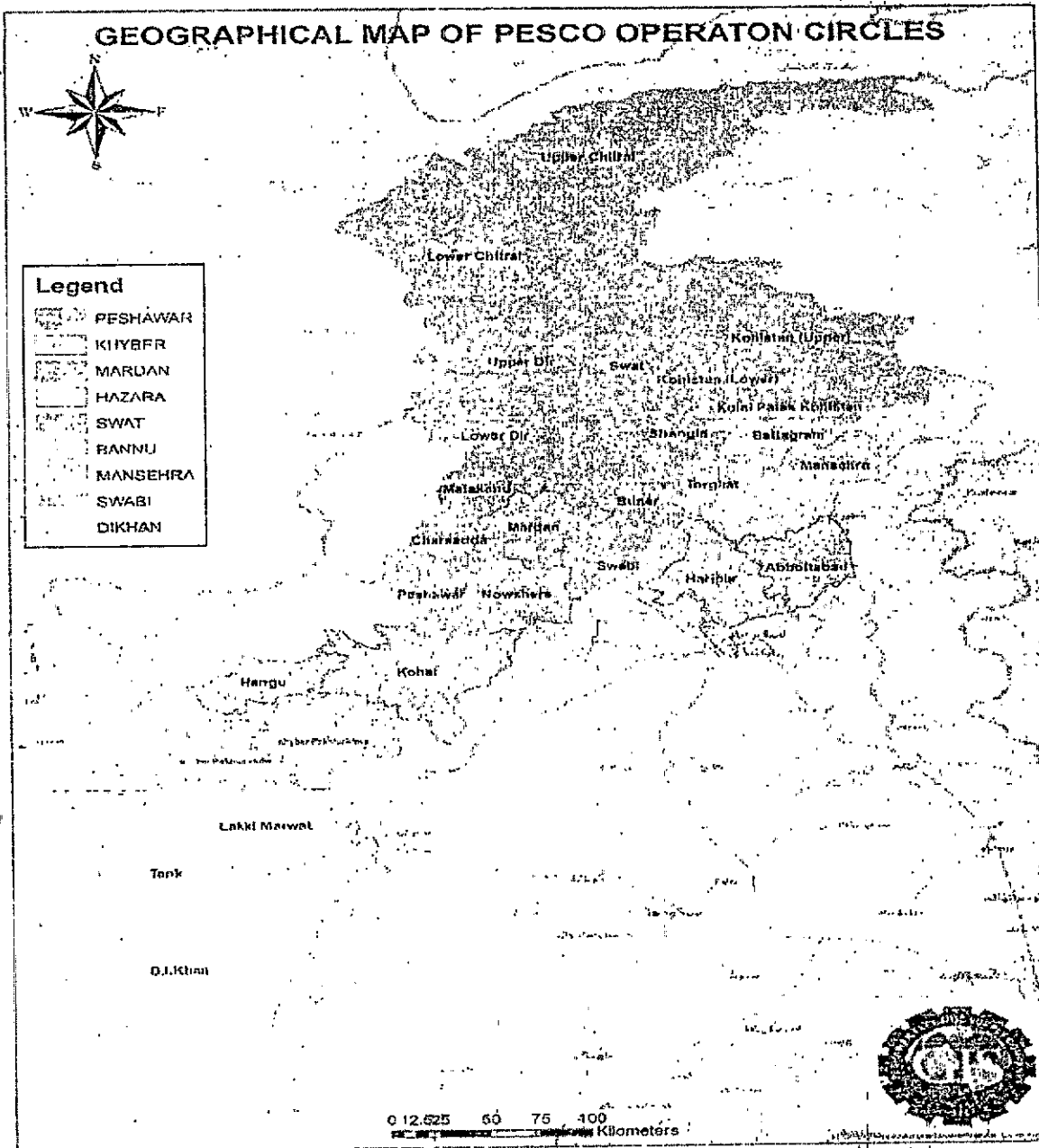
- Peshawar Electric Supply Company (PESCO) was established as Public Limited Company on April 1998
- PESCO was granted license by NEPRA for distribution of electricity to 28 administrative districts of Khyber Pakhtunkhwa province.

- 1) Peshawar
- 2) Charsadda
- 3) Nowshera
- 4) Mardan
- 5) Tank
- 6) Bannu
- 7) D.I.Khan
- 8) Karak
- 9) Lakki Marwat

- 10) Hangu
- 11) Kohat
- 12) Swat
- 13) Swabi
- 14) Buner
- 15) Dir (Upper)
- 16) Dir (Lower)
- 17) Shangla
- 18) Chitral Upper

- 19) Chitral Lower
- 20) Kohistan Upper
- 21) Kohistan Lower
- 22) Kolai Palas
- 23) Abbottabad
- 24) Haripur
- 25) Mansehra
- 26) Battagram
- 27) Torgar
- 28) Malakand

# PESCO JURISDICTION



Districts: 28 No.  
 Covered Area: 74,521 Sq Km  
 Population: 35.53 Million  
 Circle: 08 No  
 Division: 39 No  
 Sub Divn: 191 NO

Circle	Consumers in Million
Peshawar	0.712
Khyber	0.619
Mardan	0.365
Hazara-I	0.447
Swat	0.815
Bannu	0.215
Hazara-II	0.280
Swabi	0.289
D.I. Khan	0.362
PESCO	4.2

# PROPOSAL FOR BIFURCATION OF PESCO



## Agenda Point #(i) a.

REMAINING PESCO

REMAINING PESCO

### CIRCLES

Peshawar  
Khyber  
Mardan  
Swat  
Bannu  
Swabi  
D.I. KHAN

DISTRICTS = 23  
TOTAL COVERED AREA 64087.52 Sq Km

0 30 60 120 180 240 Kilometers

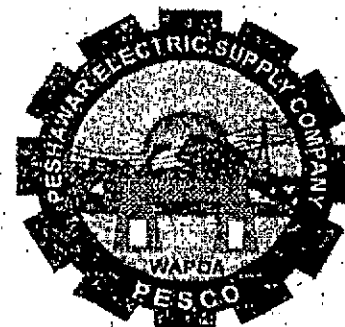
OpenStreetMap (and) contributors, CC-BY-SA

# PROPOSAL FOR BIFURCATION OF PESCO

## Agenda Point #(i) b. CONSUMER'S PROFILE

ELECTRIC SUPPLY COMPANY		Domestic	Commercial	Industrial	Bulk	Tube Wells	General Services	Other	Total
PESCO (Existing)	No.	3,735,839	411,378	28,595	901	23,147	1,241	45,781	4,246,882
	%age	87.97	9.69	0.67	0.02	0.55	0.03	1.08	100
PESCO (Remaining)	No.	3,040,906	341,915	25,062	719	22,473	1,047	37,955	3,470,077
	%age	87.63	9.85	0.72	0.02	0.65	0.03	1.09	81.71
Proposed HAZECO	No.	694,933	69,463	3,533	182	674	194	7,826	776,805
	%age	89.46	8.94	0.45	0.02	0.09	0.02	1.01	18.29

# PROPOSAL FOR BIFURCATION OF PESCO



## Agenda Point #(i) d.

### ❖ HT/LT NETWORKS

(FEEDERS, AVERAGE LENGTH OF FEEDERS), DISTRIBUTION TRANSFORMERS.

# PROPOSAL FOR BIFURCATION OF PESCO

## Agenda Point #(i) d.

### REMAINING PESCO HT / LT NETWORKS

S.No	Circle	Feeders		HT Lines (Km)	LT Lines (Km)	Distribution T/Fs	
		No.	Average Length (Km)			No.	MVA
1	Peshawar	258	14.27	3682.17	3680.64	20591	1,887.54
2	Khyber	251	25.82	6481.47	5762.92	18376	1,617.63
3	Mardan	89	26.81	2385.97	2526.57	9787	771.23
4	Swat	185	41.83	7738.01	10445.90	17667	1,385.70
5	Bannu	108	51.64	5577.03	5021.37	13671	820.495
6	Swabi	95	26.49	2516.24	2366.76	7067	580.755
7	DI Khan	80	38.26	3060.77	2379.70	7720	531.76
Total		1066	29.49	31441.65	32183.86	94879	7595.11

# PROPOSAL FOR BIFURCATION OF PESCO

## Agenda Point #(i) e.

### GRID STATIONS & TRANSMISSION LINES

Circle	Grid Stations (KV)								Transmission Lines (Km)				
	500	220	132	66	33	Consumer Grid (132)	Total	MVA		132KV	66KV	33KV	Total
PESCO (Existing)	01	07	94	10	02	11	125	7706.75	Line wise	3092.976	414.460	75.0	3582.436
									Circuit wise	4570.923	427.590	75.0	5073.513



# PROPOSAL FOR BIFURCATION OF PESCO

## Agenda Point #(i) e.

Circle	Grid Stations						
	500KV	220KV	132KV	66KV	33KV	132KV Consumer Grid	Total
Peshawar	-	1	17	-	-	-	18
Khyber	1	1	16	3	-	5	26
Mardan	-	1	6	-	-	1	8
Hazara-I	-	-	12	2	-	4	18
Swat	-	1	17	1	-	-	19
Bannu	-	1	7	2	-	-	10
Hazara-II	-	1	7	-	2	-	10
Swabi	-	-	5	-	-	1	6
D.I.Khan	-	1	7	2	-	-	10
Total	01	07	94	10	2	11	125

❖ 2 x 220KV Grid Station Kohat & Swabi are proposed by NTDC under Remaining PESCO

❖ 1 x 220KV Grid Stations Haripur is proposed by NTDC under Proposed HAZCO

# PROPOSAL FOR BIFURCATION OF PESCO (Existing)

SR: NO.	NAME OF GRID STATION	SR: NO.	NAME OF GRID STATION	SR: NO.	NAME OF GRID STATION
1	132KV Abbottabad	21	132KV Gumbat	41	132KV Kohat
2	132KV AMC - Abbottabad	22	132KV Gurguri	42	132KV Kotal Town Kohat
3	132KV Balakot	23	132KV Hangu	43	132KV Kulachi
4	132KV Barikot	24	132KV Haripur	44	132KV Lachi
5	132KV Bannu	25	132KV Hussai	45	132KV Lal Qilla Maidan
6	132KV Battal	26	132KV Hattar-1	46	132KV Madyan
7	132KV Batkhela	27	132KV Hattar-2	47	132KV Mansehra
8	132KV Besham	28	132KV Hattar Economic Zone	48	132KV Mardan-2
9	132KV Chakdara	29	132KV Hattian (AJK)	49	132KV Mardan-3
10	132KV Charsadda	30	132KV Havellian	50	132KV Marble City
11	132KV D.I.Khan	31	132KV Hayatabad	51	132KV Mattani
12	132KV Dalazak	32	132KV Jalala	52	132KV Matta
13	132KV Daggar	33	132KV Jamrud	53	132KV Munda Jandol
14	132KV Dir Chukiyatan	34	132KV Jehangira	54	132KV Musazai (Badaber)
15	132KV Drosh (Chitral)	35	132KV Jutilasht (Chitral)	55	132KV Muzaffarabad (AJK)
16	132KV Draban	36	132KV Karak	56	132KV Nathia Gali
17	132KV Dargai	37	132KV Kernal Sher Khan	57	132KV Nishat Tarbela
18	132KV Dohbian	38	132KV Katlang	58	132KV Nizampur
19	132KV Gadoon Amazai	39	132KV Khanpur	59	132KV Noseri (AJK)
20	132KV Gomal Unity DIKhan	40	132KV Khwaza Khela	60	132KV Nowshera City

# PROPOSAL FOR BIFURCATION OF PESCO (Remaining)

NTDC GSS		PESCO GSS					
S.#	Grid Station	S.#	Grid Station	S.#	Grid Station	S.#	Grid Station
1	500KV Sheikh Muhammadi	15	132KV Taru Jabba	39	132KV Mardan-2	63	132KV Dhobian
2	220KV Shahi Bagh	16	132KV Warsak	40	132KV Mardan-3	64	132KV Barikot
3	220KV Mardan	17	132KV Wapda House	41	132KV Bannu	65	132KV Batkhela
4	220KV Domel Bannu	18	132KV Gumbat	42	132KV D.I.Khan	66	132KV Chakdara
5	220KV D.I.Khan	19	132KV Hangu	43	132KV Gomal Uni DIK	67	132KV Marble City
6	220KV Nowshera	20	132KV Hayatabad	44	132KV Panyala	68	132KV Daggar
7	220KV Chakdara	21	132KV Musazai	45	132KV Karak	69	132KV Drosh (Chitral)
		22	132KV Jamrud	46	132KV Kulachi	70	132KV Dargai
		23	132KV Jehangira	47	132KV Pezu	71	132KV Jutilasht (Chitral)
		24	132KV Kohat	48	132KV Prova	72	132KV Khwaza Khela
1	132KV Charsadda	25	132KV Kotal Town	49	132KV Gurguri	73	132KV Lal Qilla
2	132KV Dalazak	26	132KV Lachi	50	132KV Serai Nourang	74	132KV Madyan
3	132KV Pabbi	27	132KV Mattani	51	132KV Siraj Baba	75	132KV Matta
4	132KV Peshawar Cantt	28	132KV Nizampur	52	132KV Tank	76	132KV Munda Jandol
5	132KV Peshawar City	29	132KV RMT	53	132KV Tajazai	77	132KV Shangla Par
6	132KV Peshawar Fort	30	132KV Nowshera City	54	132KV Sabirabad	78	132KV Swat
7	132KV Pesh Industrial	31	132KV Nowshera Indl	55	66KV Band Kurai	79	132KV Timergara
8	132KV Pesh University	32	132KV Tall	56	132KV Draban	80	132KV Wari
9	132KV Rajjar	33	66KV Badaber	57	66KV Kurrum Garhi	81	132KV Dir
10	132KV Rehman Baba	34	66KV Kohat	58	66KV Tajazai	82	132KV Karnai Sher Khan
11	132KV Sakhi Chashma	35	66KV Kheskhi	59	66KV Tank	83	132KV Besham
12	132KV Shabqadar	36	132KV Hussai	60	132KV Swabi	84	66KV Timergara
13	132KV Shahibagh	37	132KV Jalala	61	132KV G/Amazai	85	33KV Pattan
14	132KV Tangi	38	132KV Katlang	62	132KV R.B.Tarbela	Consumer Grids (132KV) 07 Nos	

# PROPOSAL FOR BIFURCATION OF PESCO

## Agenda Point #(i) f.

### COMMERCIAL PARAMETERS (DISTRIBUTION LOSSES)

Figures in Million

ELECTRIC SUPPLY COMPANY	Fiscal Year 2023-24			
	Unit Received	Unit Billed	Unit Lost	%age Loss
PESCO (Existing)	5875.39	3814.24	2061.14	35.08
PESCO (Remaining)	4913.98	2986.27	1927.70	39.23
Proposed HAZECO	961.41	827.97	133.44	13.88

**PROPOSAL FOR BIFURCATION OF PESCO**  
**Agenda Point #(i) f.**  
**COMMERCIAL PARAMETERS (RECEIVABLES)**

**With Subsidy**

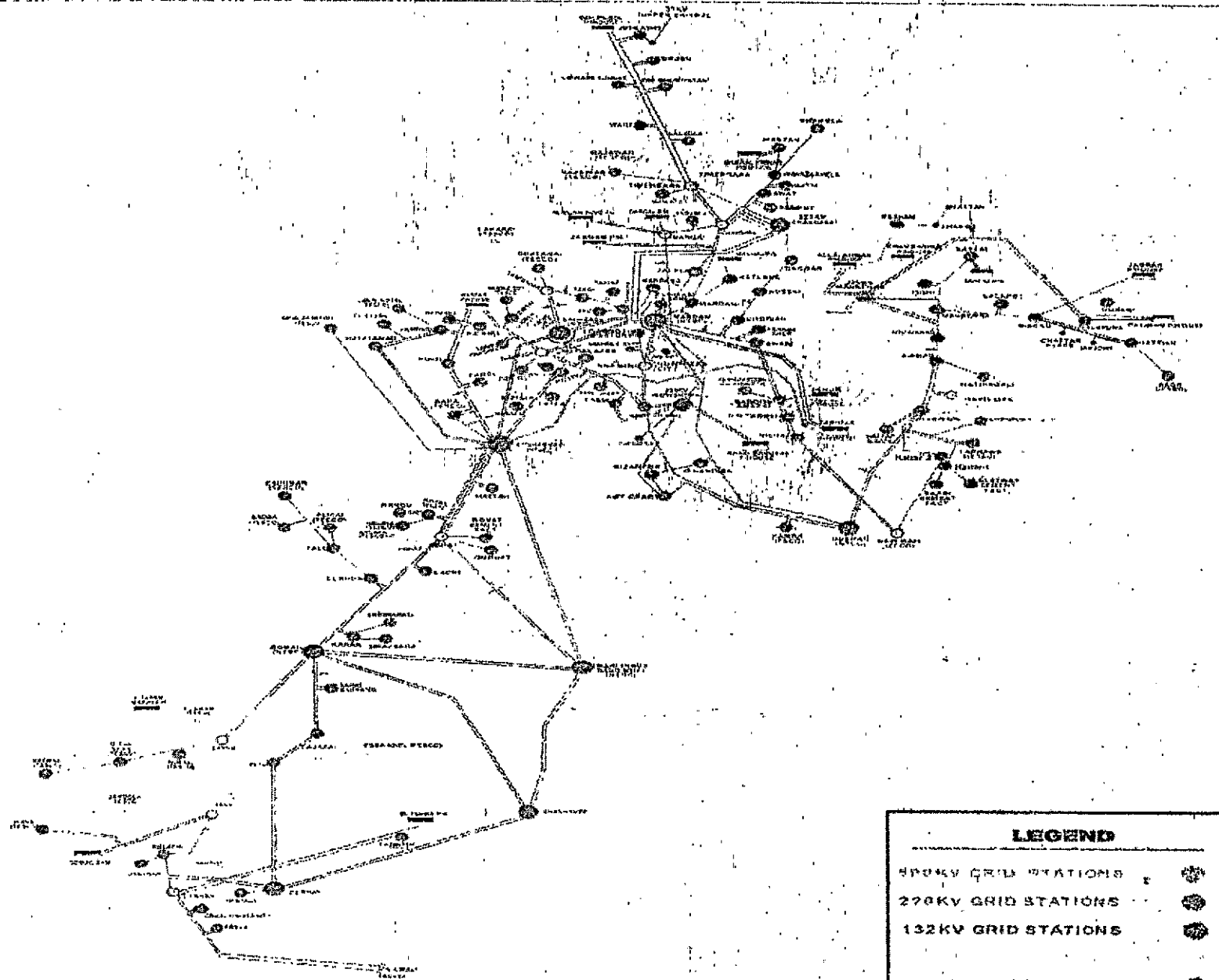
**Figures in Rs: Billion**

DISCO	Fiscal Year 2023-24		
	Govt;	Private	Total
PESCO (Existing)	21.08	198.44	219.52
% Age	100	100	100
PESCO(Remaining)	8.17	190.64	198.81
% Age	38.76	96.07	90.57
Proposed HAZECO	12.91	7.8	20.71
% Age	61.24	3.93	9.43

**Without Subsidy**

DISCO	Fiscal Year 2023-24		
	Govt;	Private	Total
PESCO (Existing)	20.82	194.2	215.02
% Age	100	100	100
PESCO(Remaining)	8.03	187.3	195.3
% Age	38.57	96.42	90.82
Proposed HAZECO	12.79	6.94	19.74
% Age	61.43	3.57	9.18

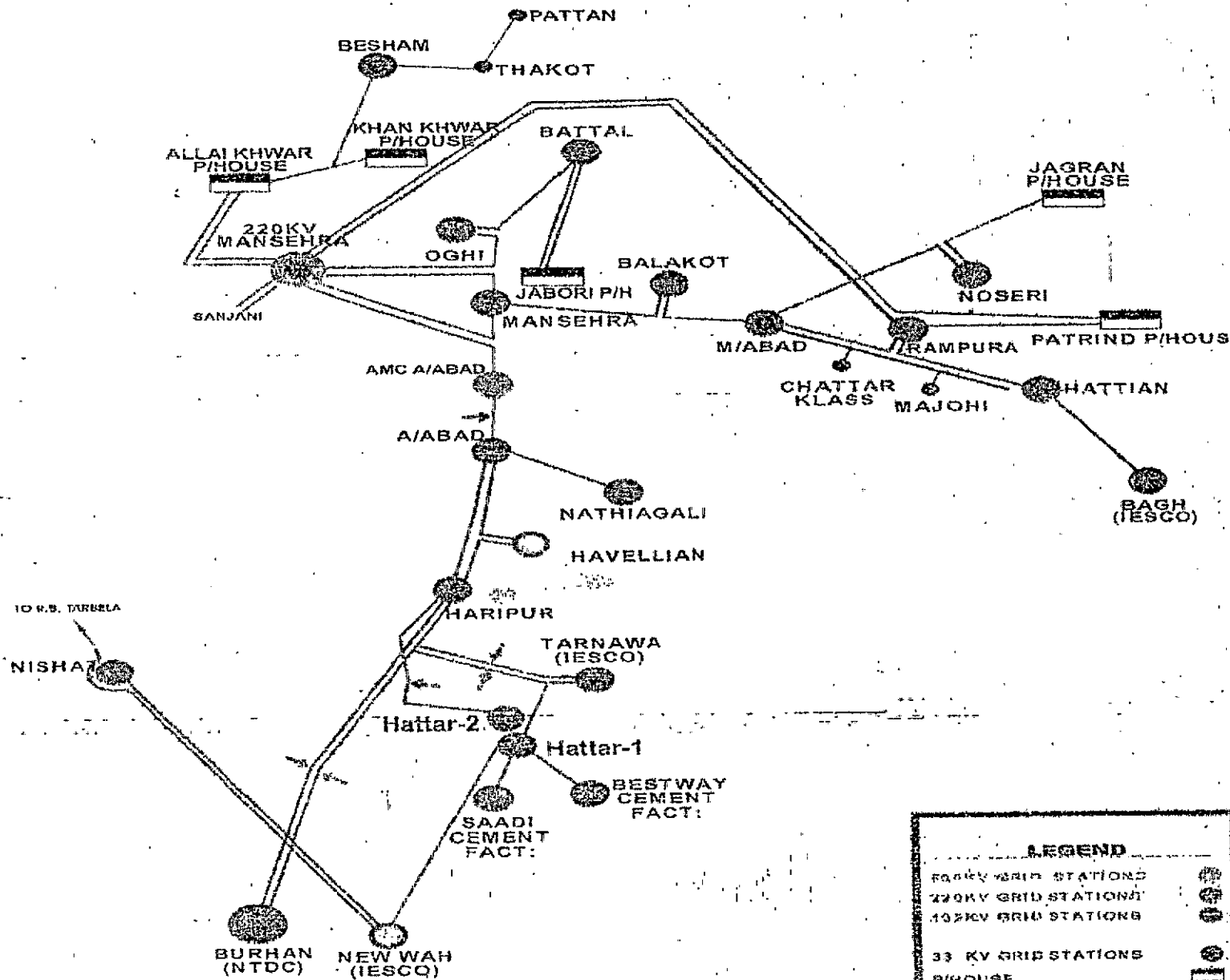
# GEOGRAPHICAL MAP OF PESCO



LEGEND	
500KV GRID STATIONS	
270KV GRID STATIONS	
132KV GRID STATIONS	
33 KV GRID STATIONS	
P/HOUSE	

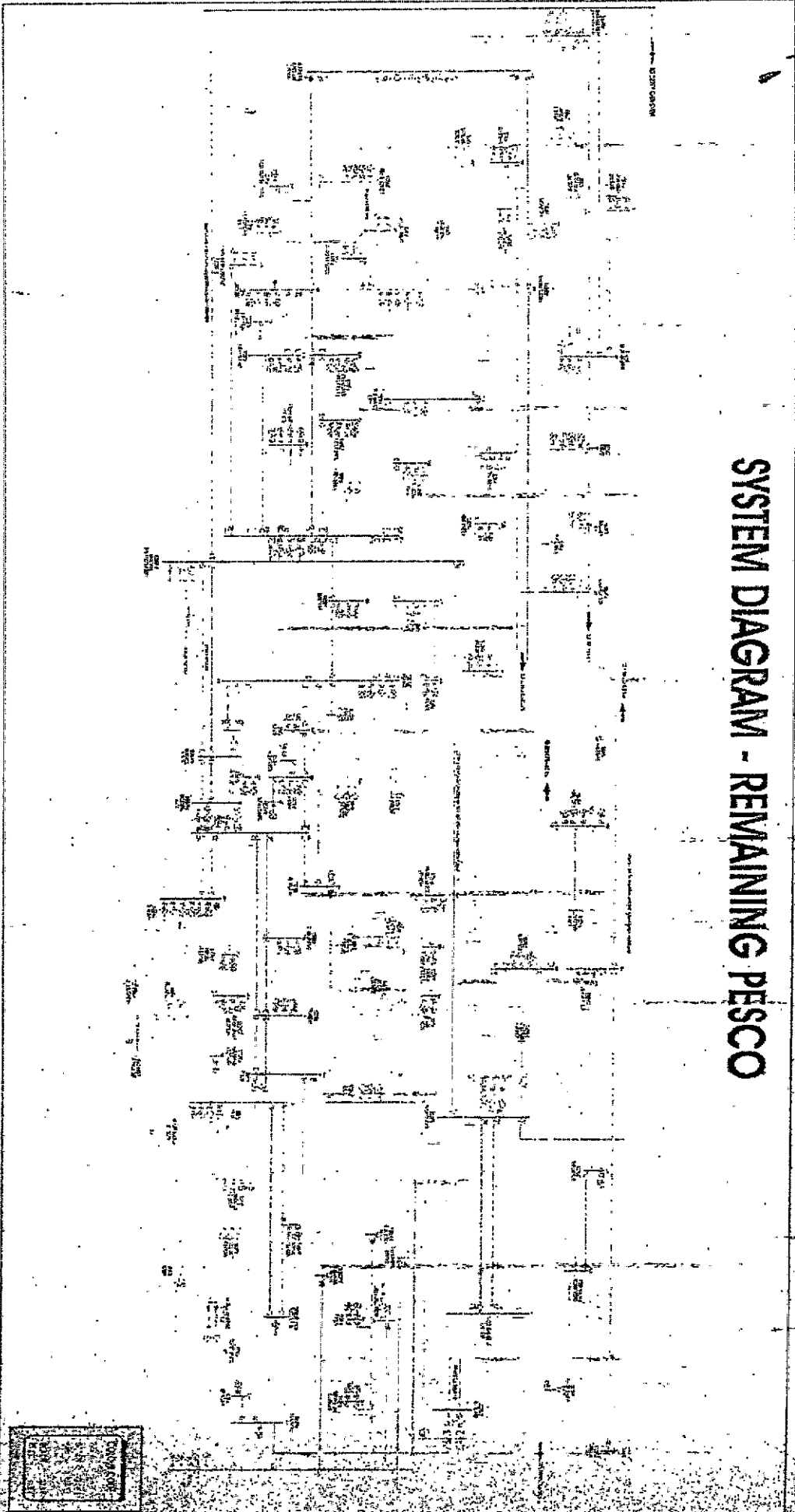
OCT-2023

# GEOGRAPHICAL MAP OF PROPOSED HAZECO



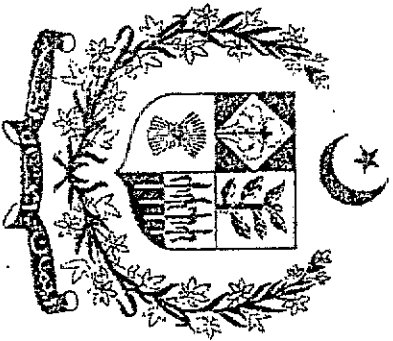
# SYSTEM NETWORK DIAGRAM OF REMAINING PESCO

## SYSTEM DIAGRAM - REMAINING PESCO

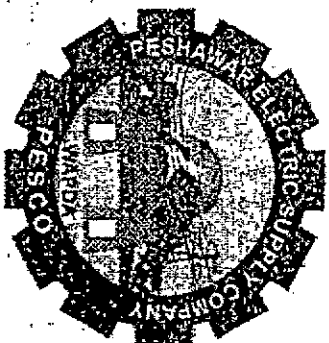




**PROPOSAL FOR BIFURCATION OF PESCO**

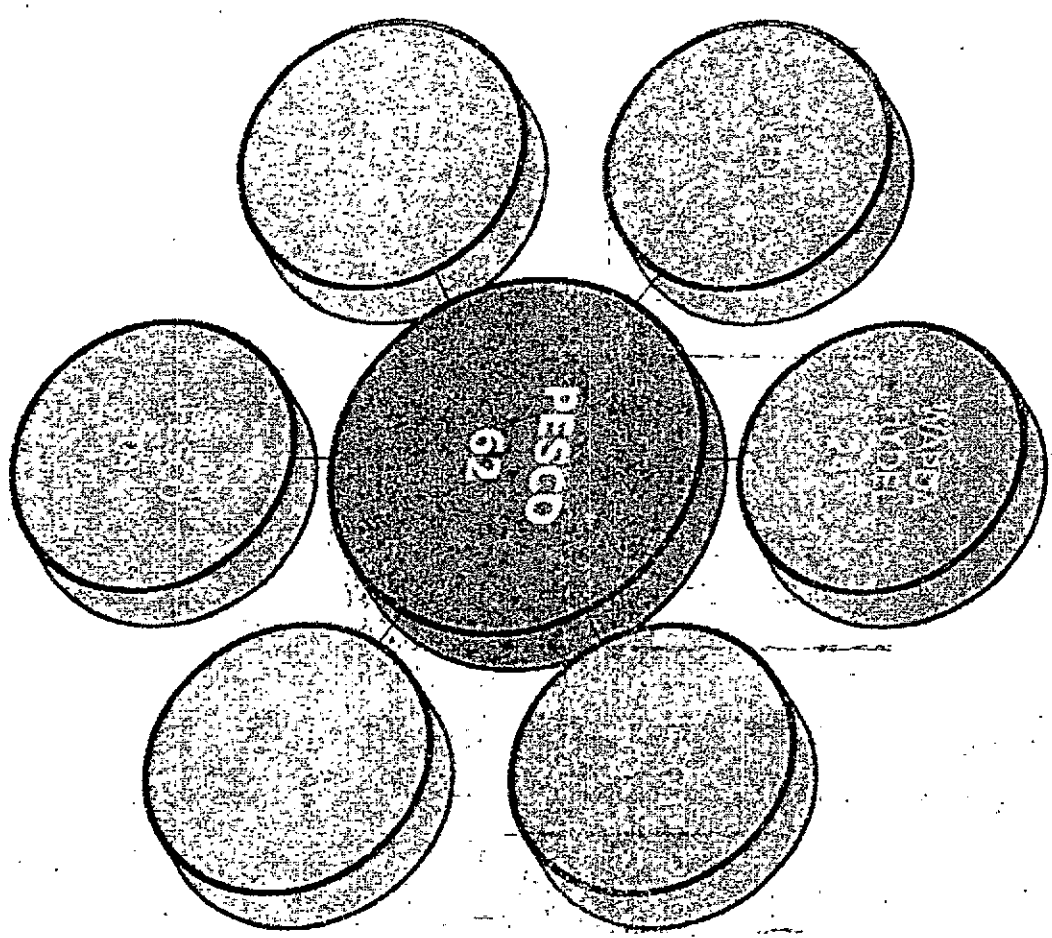


**Agenda Point # (iii).**



**STUDY OF CDPs POWER SOURCES FROM WHERE PROPOSED COMPANIES  
CAN IMPORT POWER**

**COMMON DISTRIBUTION POINTS**  
**(REMAINING PESCO & OTHER COMPANIES)**

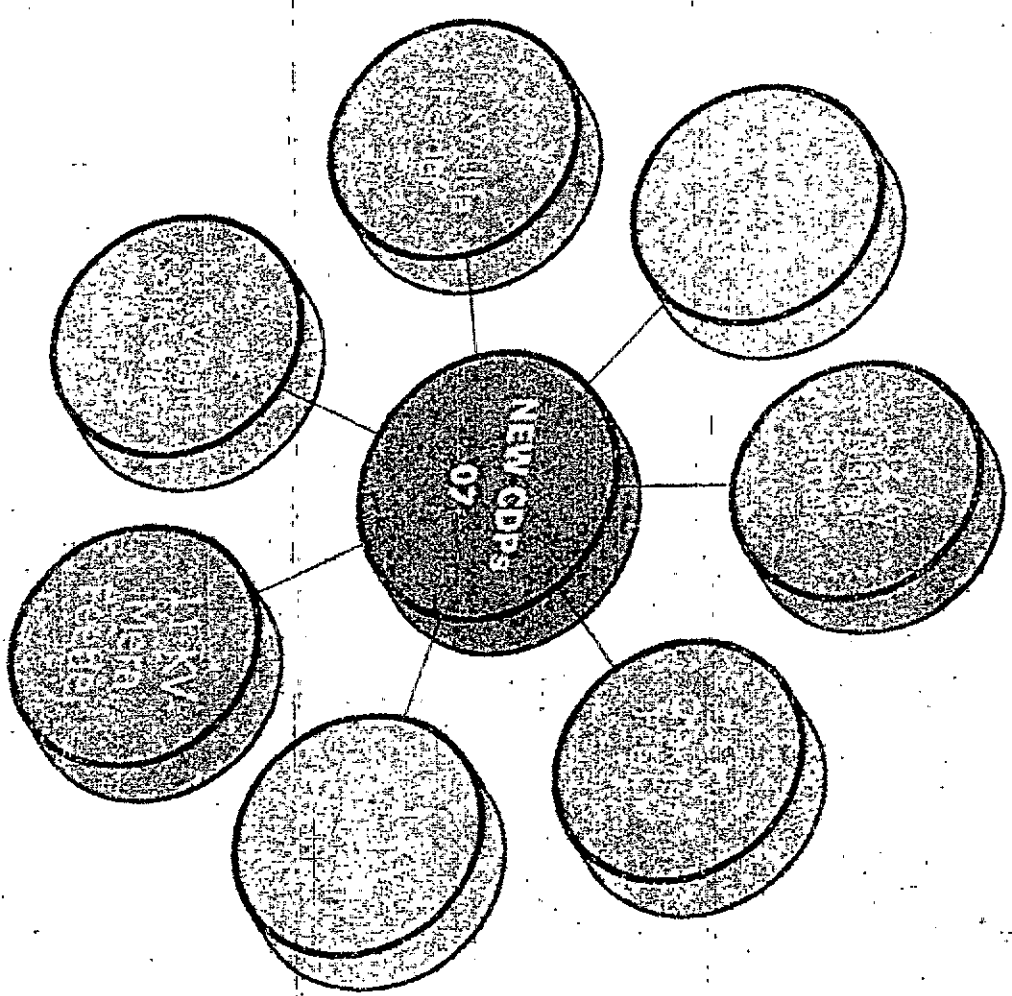


**REMAINING PESCO**

132KV	:	43
66KV	:	01
11KV	:	18

**COMMON DISTRIBUTION POINTS**  
**(NEW CDPs TO BE CREATED BETWEEN PESCO & HAZECO AFTER**  
**BIFURCATION)**

132KV: 01  
11KV : 06



# PROPOSAL FOR BIFURCATION OF PESCO

## Agenda Point #(iv).

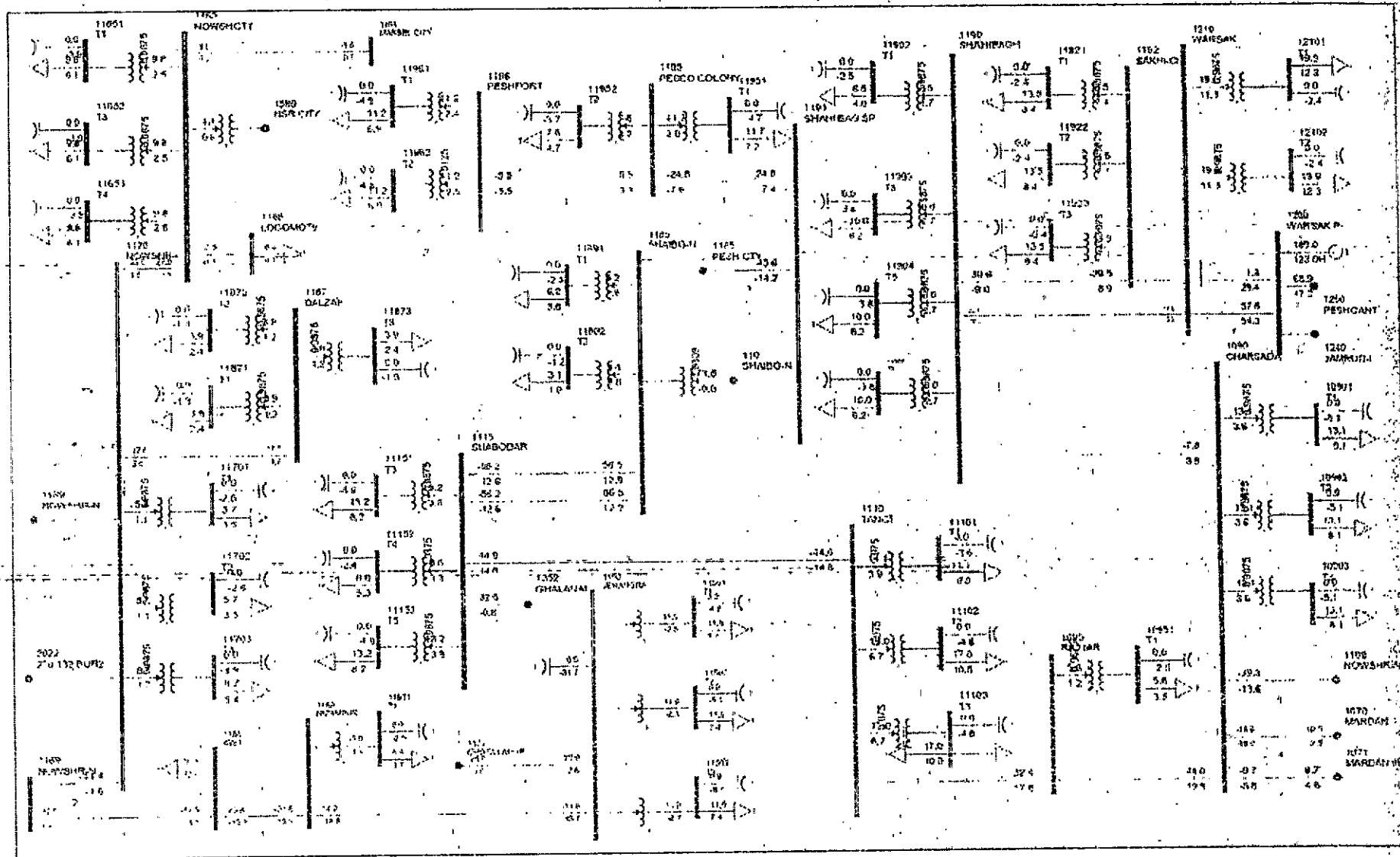
### ❖ TECHNICAL LOSS

Company	Total Demand (MW) as per study	Demand (MW)	Power Loss	%age Technical Loss As per Study
PESCO (Existing)	2787.6	2712.8	74.8	2.68
PESCO (Remaining)	2251.8	2195.3	56.5	2.51
Proposed HAZECO	535.9	517.5	18.4	3.43

# **Agenda Point #(iv). (REMAINING PESCO)**

## **PESCO LOAD FLOW STUDY YEAR 2023-24: BASE CASE**

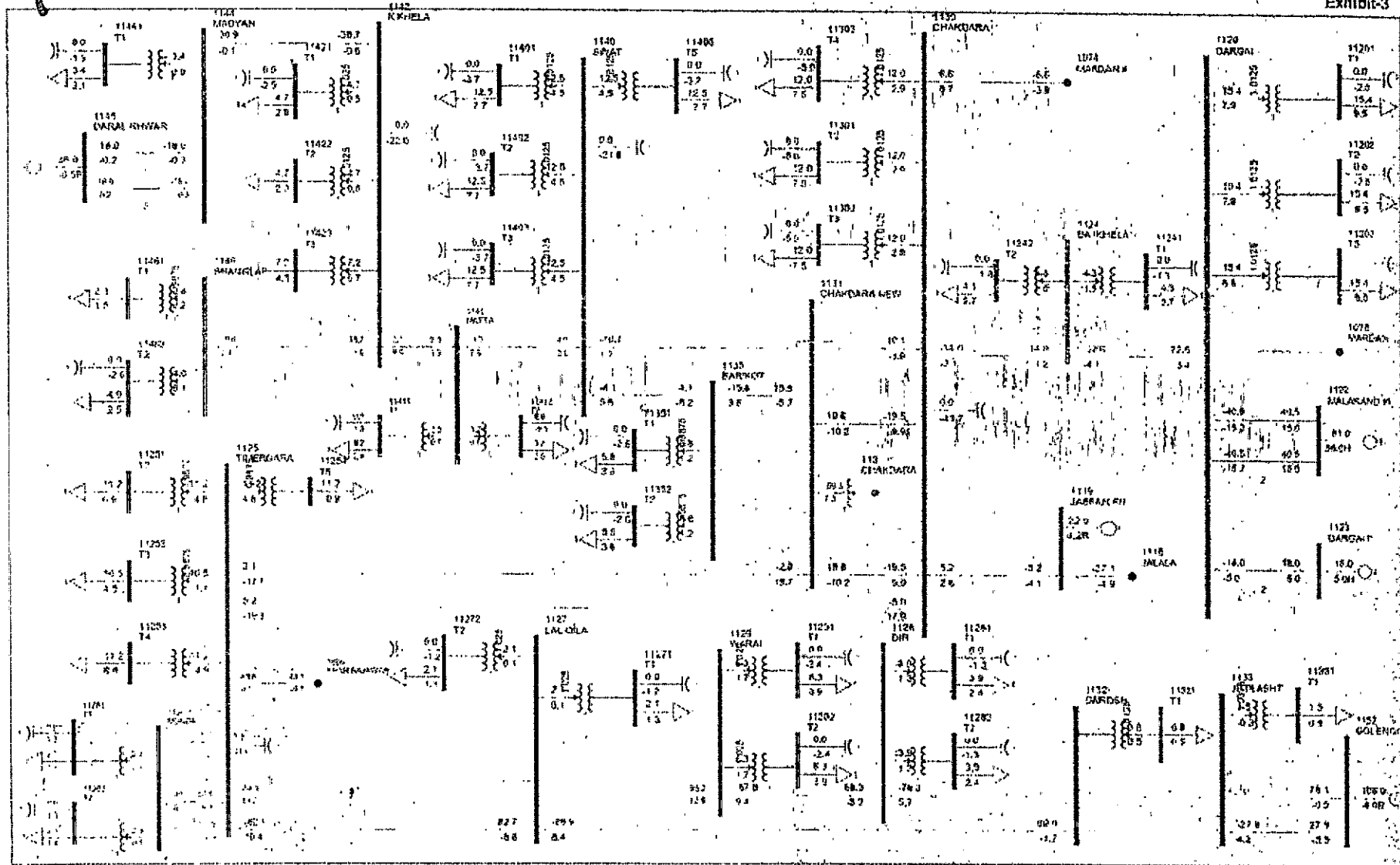
Exhibit-1



# **Agenda Point #(iv). (REMAINING PESCO)**

## **PESCO LOAD FLOW STUDY YEAR 2023-24: BASE CASE**

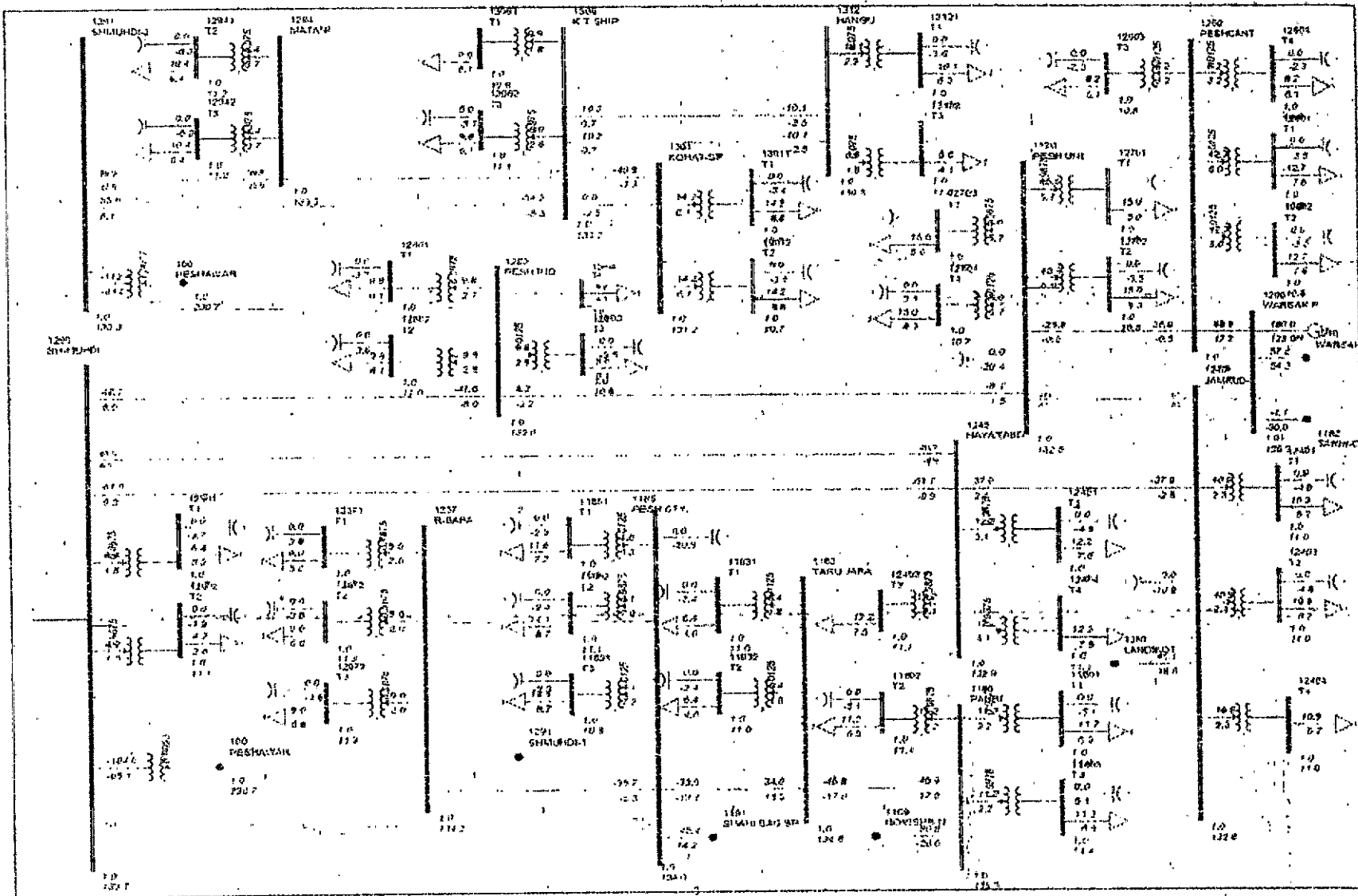
Exhibit-3



# **Agenda Point #(iv).** **(REMAINING PESCO)**

## **PESCO LOAD FLOW STUDY** **YEAR 2023-24: BASE CASE**

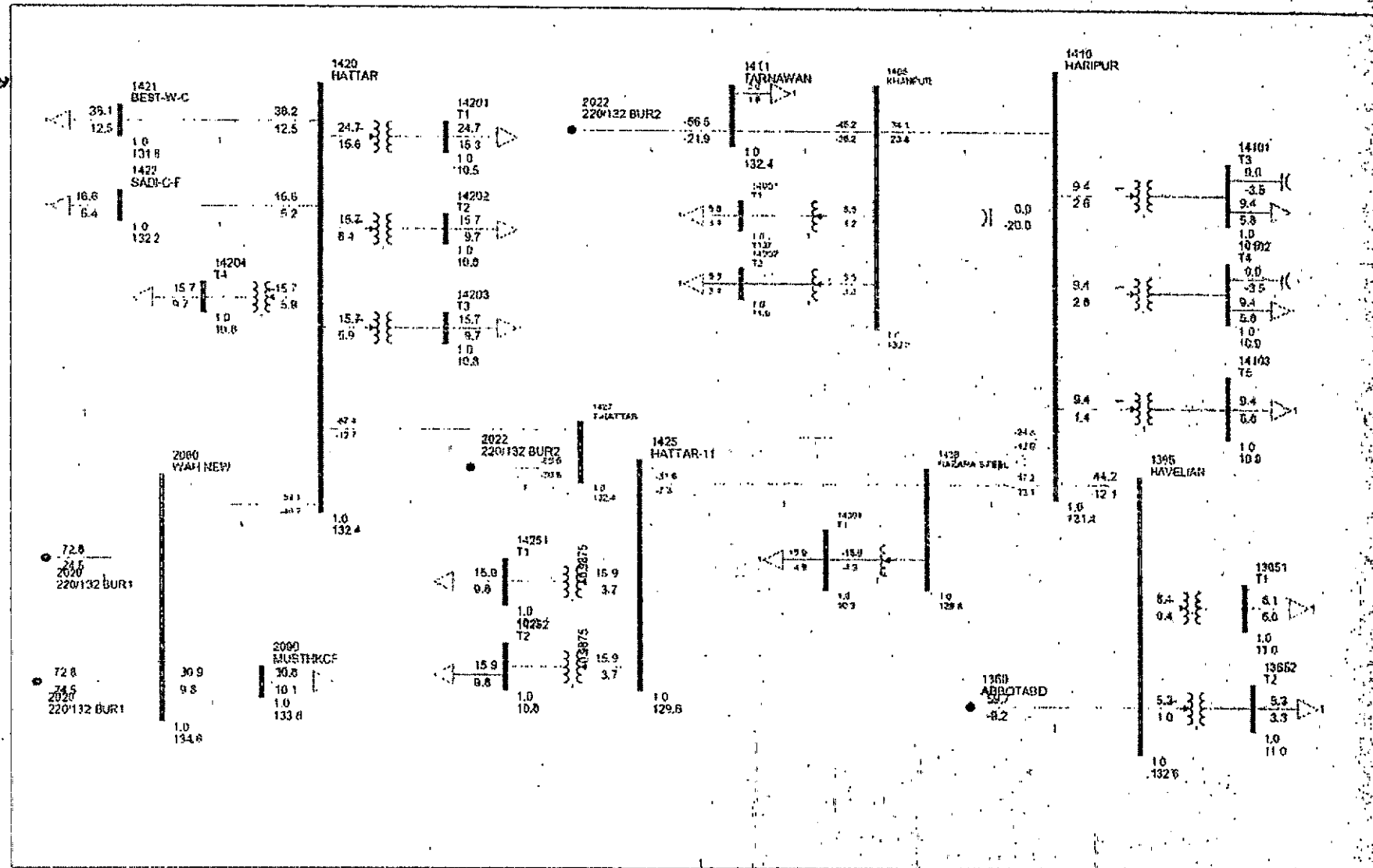
Exhibit-5



# **Agenda Point #(iv). (PROPOSED HAZECO)**

## **HAZECO LOAD FLOW STUDY YEAR 2023-24: BASE CASE**

Exhibit-2





PROPOSAL FOR BIFURCATION OF PESCO

Agenda Point #(v).

❖ ALLOCATION OF STORES & ASSEST TO HAZECO

**PROPOSAL FOR BIFURCATION OF PESCO**  
**Agenda Point #(vi) b.**  
**COMMERCIAL PARAMETERS (RECEIVABLES)**

**With Subsidy**

**Figures in Rs; Billion**

DISCO	Fiscal Year 2023-24		
	Govt;	Private	Total
PESCO (Existing)	21.08	198.44	219.52
PESCO(Remaining)	8.17	190.64	198.81
Proposed HAZECO	12.91	7.80	20.71

**Without Subsidy**

DISCO	Fiscal Year 2023-24		
	Govt;	Private	Total
PESCO (Existing)	20.82	194.20	215.02
PESCO(Remaining)	8.03	187.25	195.28
Proposed HAZECO	12.79	6.94	19.74

## **SETUP OF (MM) STORES REMAINING PESCO**

### **Regional Stores :**

- 1) Regional Store Peshawar
- 2) Regional Store Nowshera
- 3) Regional Store Bannu
- 4) Regional Store Chakdara

### **Field Storesu :**

- 1) Field Store Charsadda
- 2) Field Store Mardan
- 3) Field Store Kohat
- 4) Field Store Hangu
- 5) Field Store D.I.Khan
- 6) Field Store Swat
- 7) Field Store Swabi

## **SETUP OF (MM) STORES PROPOSED HAZECO**


### **1) Regional Stores :**


- 1) Regional Store Abbotabad

### **1) Field Stores :**

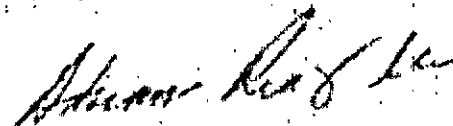
- 1) Field Store Haripur
- 2) Field Store Mansehra

PROPOSAL FOR BIFURCATION OF PESCO

  
Mr. Tahir Muhammad  
Manager Commercial  
PESCO

  
Engr. Habib Ur Rehman  
SE Khyber Circle  
PESCO

  
Engr. Tahir Moeen  
CE (Tech)/T.D  
PESCO

  
Engr. Adnan Riaz Mir  
GM (Technical Services) PPMC