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No. NEPRA/DG(M&E)/LAD-04/ 10424

July 05, 2024

Chief Executive Officer,
Faisalabad Electric Supply Company (FESCO),
Abdullahpur, Canal Bank Road,
Faisalabad

Subject: **ORDER OF THE AUTHORITY IN THE MATTER OF SHOW CAUSE NOTICE
ISSUED TO FESCO ON ACCOUNT OF FATAL ACCIDENTS OCCURRED
DURING FY 2022-23**

Please find enclosed herewith, Order of the Authority (total 16 pages) in the subject matter for information and compliance.

Enclosure: **Order of the Authority**

(Engr. Mazhar Iqbal Ranjha)



National Electric Power Regulatory Authority

ORDER

IN THE MATTER OF SHOW CAUSE NOTICE ISSUED TO FESCO ON ACCOUNT OF FATAL ACCIDENTS OCCURRED DURING FY 2022-23

1. Faisalabad Electric Supply Company Limited (FESCO) (the "Licensee") was granted a Distribution License (No. DL/02/2023 dated 09.05.2023) by the National Electric Power Regulatory Authority (the "Authority") for providing Distribution Services in its Service Territory as stipulated in its Distribution License, pursuant to section 21 of the Regulation of Generation, Transmission and Distribution of Electric Power Act, 1997 ("NEPRA Act").

Background:

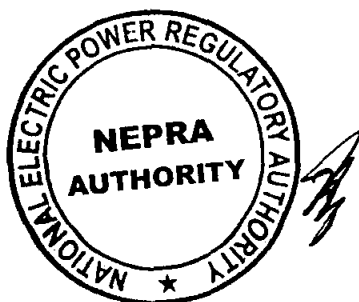
2. As per Rule 7 of NEPRA Performance Standards (Distribution) Rules, 2005 (PSDR-2005), all Distribution Companies (DISCOs) are bound to submit an Annual Performance Report to the Authority every year. Further, Form 9 of PSDR 2005 states that DISCOs shall report each and every individual incident on an immediate basis. Accordingly, the DISCOs submitted the data/information to NEPRA regarding electrical incidents resulting in death/permanent disability/serious injury to members of staff or the general public that occurred in FY 2022-23.
3. During the review of data submitted by the Licensee for FY 2022-23, it was revealed that a total number of six (06) fatal accidents including nine (09) fatalities (03 Employees and 06 Public Persons) occurred within the service territory of the Licensee. This figure illustrates a concerning picture regarding efforts taken by the Licensee to inculcate a safety culture in its service territory.

Summary of Inquiry Reports:

4. It is relevant to mention that after getting information pertaining to each individual case, NEPRA carried out a thorough evaluation of all relevant records including the internal inquiry reports submitted by the Licensee itself against the nine (09) fatalities that occurred during FY 2022-23. The summary of the same is as under:

Sr. No.	Name of Victim(s)	Date of Incident	Category	Incident Description	Responsibility / Reasons
1	i. Mr. Muhammad Haram ii. Ms. Nida Ifukhar	14.07.2022	Public	The victims got electrocuted from the 11 kV Khalid feeder due to improper safety clearance of the conductor from the ground level due to tilting of one of the poles.	FESCO • Less Clearance of HT Lines

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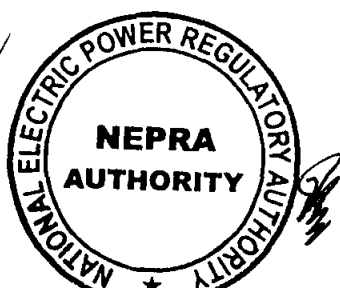
2	i. Mr. Arif Hussain ii. Mr. Muhammad Aslam	09.08.2022	Public	The victims got electrocuted by accidentally touching the Tazia being moved within a procession of 11 kV Umer Farooq feeder. The said Tazia inadvertently touched the 11 kV feeder due to the breakage of bamboos which were supporting the same.	Others
3	Mr. Nacem Akhtar (ALM)	30.01.2023	Employee	The victim electrocuted and died on the spot while changing the phase positions of a 100 KVA Transformer without any provision of earthing.	FESCO • Lack of Safety Measures/ Culture
4	Mr. Muhammad Ahsan (LM-II)	19.05.2023	Employee	The victim died by falling on the ground along with the HT Structure while carrying out stinging work (taking Sag of Osprey conductor) on the Structure.	FESCO • Lack of Safety Measures/ Culture
5	Mr. Javaid Ali (LM-II)	21.06.2023	Employee	The victim died by slipping and falling from the HT structure on the bricks lying exactly beneath him while climbing down after rectification of the fault.	FESCO • Lack of Safety Measures/ Culture
6	i. Mr. Ali Hussain ii. Mr. Mubashar Hussain	12.06.2023	Public	The victims got electrocuted while riding on motorcycle when they tried to pass under the loose sag of HT conductor having less clearance from the ground due to wind storm.	FESCO • Less Clearance of HT Lines

Based on the aforementioned summary, the following is the final outcome:

Description	Number of Fatalities	Responsibility	
		FESCO	Others
Employees	03	03	00
Public	06	04	02
Total	09	07	02

5. Moreover, according to Rule 4(g) of PSDR-2005, the Licesnee should establish and enforce appropriate rules, regulations, and operational procedures as outlined in its

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Distribution Code or relevant documents to ensure the safety of both its employees and the general public, however, it has failed to do so.

Show Cause Notice:

6. The Authority took notice of the aforementioned fatal accidents and decided to initiate legal proceedings against the Licensee under NEPRA Fine Regulations, 2021. Accordingly, NEPRA vide its letter dated August 30, 2023, served a Show Cause Notice (SCN) to the Licensee on account of six (06) fatal accidents including nine (09) fatalities (03 Employees and 06 Public Persons) that occurred during FY 2022-23 for violating Performance Standards, Distribution Code, Power Safety Code, and other applicable documents. The salient points of the said SCN are as follows

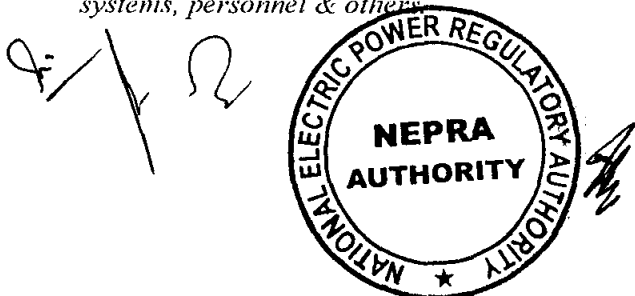
2. ***WHEREAS**, pursuant to section 21(2)(f) of the NEPRA Act, the Licensee is required to follow the performance standards laid down by the Authority for the distribution and transmission of electric power, including safety; and*
3. ***WHEREAS**, pursuant to Rule 4(g), of Performance Standards (Distribution) Rules, 2005, and clause SR 4 of Distribution Code, 2005:*

- i. *All distribution facilities of a distribution company shall be constructed, operated, controlled and maintained in a manner consistent with the Distribution Code, Power Safety Code, Consumer Service Manual, and other applicable documents.*
- ii. *A distribution company shall ensure that its distribution facilities do not cause any leakage of electrical current or step potential beyond a level that can cause harm to human life, as laid down in the relevant IEEE/IEC Standards; prevent accessibility of live conductors or equipment; and prevent development of a situation due to breakdown of equipment which results in voltage or leakage current that can cause harm to human life, property and general public including without limitation, employees and property of the distribution company.*
- iii. *A distribution company shall implement suitable, necessary, and appropriate rules, regulations and working practices, as outlined in its Distribution Code or applicable documents, to ensure the safety of its staff and members of the public. This shall also include suitable training for familiarity and understanding of the rules, regulations, practices, and training to use any special equipment that may be required for such purposes including without limitation basic first aid training.*

4. ***WHEREAS**, pursuant to Clauses PSC-1, PSC-2, & PSC-6.3 of Power Safety Code:*

PSC-1 Purpose:

The purpose of this safety code is to ensure that the licensee's networks are planned, developed, operated, and maintained in an efficient & safe way without compromising on safety of any kind related to the systems, personnel & others.



PSC-2 General Instructions of Power Safety:

The licensee shall abide by the safety requirements as set out in Power Safety Code, Distribution Code, Power Safety Manual, Performance Standards (Distribution) Rules 2005, Grid Code & other applicable documents.

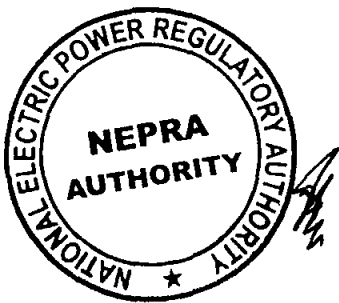
The licensee shall promote a healthy & safe culture and provide all employees, contractors, and the people concerned and the public with a safe & healthy place to work. The Licensee shall ensure that safe working is integrated into every aspect and area of business. Moreover, safety culture shall be based on personal leadership, collaboration, and involvement.

The licensee shall adhere to the highest standards in all work practices so as to ensure protection of employees and any other affected by what licensee do. Each licensee shall ensure in day to day work that facilities/support programmers are provided to safeguard the health, welfare & well-being of their staff.

PSC-6.3 General Provisions of Safety:

The general provisions of safety shall be provided by each licensee covering the following:-

- *The provisions for workers/operators to object to doing work on safety grounds*
- *The use & wearing of safety equipment & protective clothing*
- *Physical fitness & personal conduct of the worker before and during on job*
- *Arrangement and procedure of job briefing before the work is started*
- *Requirements to safe guard the public and property when work in progress*
- *Requirements for housekeeping in a safe working conditions*
- *Arrangements and requirements of fire protection*
- *Requirements, arrangements and use of proper tools and plants for the proper and safe storage lifting and carrying of different types of material*
- *Procedure and reporting requirements of patrolling of lines*
- *Procedure for tree trimming*
- *List of common protective devices and equipment used for the safety purposes.*



5. **WHEREAS**, according to Performance Standards (Distribution) Rules, 2005, the Licensee is obligated to submit the details of fatal accidents for employees as well as the general public that occurred in its service territory. Accordingly, in FY 2022-23, the Licensee has reported a total number of six (06) fatalities (3 Employees & 3 Public Persons); and

6. **WHEREAS**, according to Performance Standards (Distribution) Rules, 2005, the Licensee is obligated to submit the details of fatal accidents for employees as well

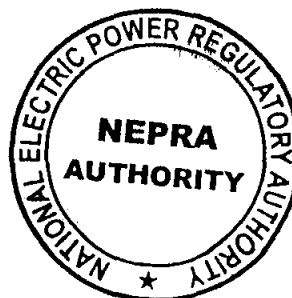
as the general public that occurred in its service territory. Accordingly, in FY 2022-23, the Licensee has reported a total number of fourteen (14) fatalities (4 Employees & 10 Public Persons); and

7. **WHEREAS**, the Authority has taken serious notice of such casualties and is of the view that the Licensee has failed to operate and maintain its distribution facilities in a safe and reliable manner. Hence, it can be said that the Licensee has, prima facie, violated Section 21(2)(f) of the NEPRA Act, Article 11 of the Distribution License read with Rule 4(g) of the NEPRA Performance Standards (Distribution) Rules, Clause 4 of Safety Requirements, Clauses PSC-1, PSC-2, & PSC-6.3 of Power Safety Code and other applicable documents; and
7. The Licensee submitted its response vide its letter dated September 13, 2023, against the SCN served. The summarized points of the Licensee's response are narrated below:
3. At the very outset, FESCO would appreciate the steps/efforts taken/made by the NEPRA to promote the safety culture among its licensees. Admittedly NEPRA, after conducting a detailed study, has finalized the unique safety code (second edition), 2021, and enforced it from the 1st of July 2021.
4. FESCO would also consider it appropriate, before to submit para wise reply to the Notice, a brief account of the efforts made and the steps taken by FESCO to operate and maintain its distribution facilities in a safe and reliable manner and to promote the safety culture towards employees and general public vis-a-vis the electricity hazards. FESCO Management is well aware that electricity is not only dangerous, even deadly, but it is invisible, noiseless, and odorless, rendering it impossible to detect the presence of the peril until the fatal work is finished. Therefore, being conscious, responsible, and efficient service provider, FESCO Management is determined to maintain high standards of care to avoid any leakage of electrical current and safe working practices.
5. That FESCO strived to adopt a pro-active approach to ensure the safety of its staff and members of the general public by way of conducting suitable trainings for not only familiarity and understanding of rules, regulations, practices and standards but to create awareness and sensitivity among the workers/employees exposed to electrical hazards and the risks inherent with electric power. The workers and employees are making all out efforts to address the issue considering that electricity at any voltage can be dangerous.

A. MEASURES FOR SAFETY OF THE EMPLOYEES.

1. Establishment of HSE&QA Directorate.
2. Appointment of Safety Inspectors
3. Establishment of Circle Safety Team
4. GM(Op) empowered to Initiate Disciplinary Proceedings from ALM to XEN
5. Daily Safety Briefing Register/Safety talk before start of the day.
6. Circulation of FESCO Safety Policy
7. Safety Instructions issued by CEO FESCO.

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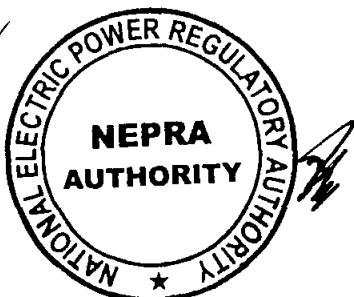


8. Regional Safety Committee Meetings.
9. Safety Message/Call Register
10. Lineman Safety Letter
11. Safety Posters, Stickers, and Calendars, Safety Magazine, Safety Dua
12. Video Messages of Disable Person
13. Safety Animated Video Clips
14. Safety T&P Parade/Seminars
15. Procurement of T&P/PPE's 2022-23
16. FESCO Safety Manual
17. Safety Audit by Senior Management
18. Criteria to declare best Line man
19. HSE Awareness training Monitored by Safety Directorate
20. Training the Trainers Program Initiated by Senior Management, BOD FESCO & HSE Directorate.
21. Motivational Safety Seminar through Dr. Zia Razzaq Psychologist.
22. Road Safety Awareness Program
23. Safety Hand Book Designed by Safety Directorate FESCO in collaboration with NEPRA
24. Performance/Ensure the implementation of High Voltage Detector at work site.
25. Constituted HSE & QA committee of BOD FESCO

B. PARAWISE REPLY TO THE SHOW CAUSE NOTICE.

3. It is submitted that FESCO is fully cognizant of the hazards attached with the electricity, therefore, it has been trying to comply with all the rules, regulations and standards of due care and made its utmost efforts to improve and install culture of safety. It is further submitted with full conviction that:
 - i. All the distribution facilities of FESCO are constructed, operated, and maintained according to standard design as laid down in the IEEE/IEC standards and that of NEPRA Act. Not a single circuit/equipment has been constructed/installed in violation to the standards specified in the Rules and Regulations.
 - ii. FESCO has developed its Power Safety Code, rules, and regulation in accordance with rules specified by NEPRA Act in Distribution Code. These Codes are also pursued and fully implemented by the concerned offices.
 - iii. The accidents of General Public occurred due to their own negligence and all the accidents of employees clearly reflect that not a single incident occurred due to lack of safety equipment, its unavailability with the employees, due to substandard distribution system or system error or failure but due to overconfidence of employees, as well as their own unsafe act and illegal act on the part of general public.
4. It is submitted that when the incidents quoted in the para under reply took place, FESCO promptly responded and reacted to the same and after complete investigation not only awarded penalties to all the officers/officials through disciplinary actions taken by FESCO but all the recommendations of the

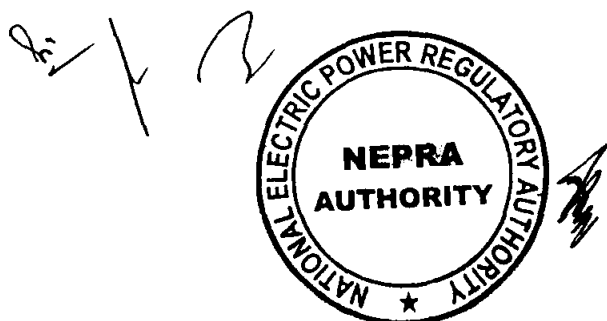
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disciplinary committee were also implemented being taken as "Gospel truth" / FESCO's implied safety policy.

5. it is submitted that all three employees of FESCO were not only properly trained and experienced in their relevant field but were also properly equipped with safety tools. Trainings of these employees and relevant record including their inquiries and actions has been taken by FESCO, which clearly depicts that the deceased employees were not lacking in their understanding to follow the Safety SOPs but behaved negligently and caused their lives at risk. It is important to mention here that in all these cases, after duly investigating the matter, all the concerned officers/officials were put under strict liability and were given major penalties, details of which are given below. It is further submitted:
 - i. FESCO never violated the provisions mentioned in Rule 4(g) of the NEPRA Performance Standard (Distribution) Rules, 2005 and Clause 4 of Safety Requirements of Distribution Code read with Section 21(2) (0 of the NEPRA Act and Article II of the Distribution License.
 - ii. FESCO is providing 5 different safety trainings for ALM, LM, and LS such as S-100, 02-day QIS for supervisors, 03 days QIS for line staff, 01-day safety & 01-day JAN HAI TO JEHAN HAI designed according to designation at Regional Training Centre (RTC) Faisalabad. Circle Training Centers (CTC's) Jhang & Sargodha. Through these training programs, about 5726 employees of FESCO were trained during FY 2022-2023.
 - iii. Refresher courses are being held regularly in each circle training center round the year. T&P Parade are being conducted on each payday in sub-divisions by concerned SDO.
 - iv. One day Safety Training Program for Line Staff on Practical/ Class Based at RTC level is also held.
 - v. In order to further progress, since February 2019, on daily basis messages in Urdu are also sent to all the Technical Staff i.e. L.S-I & LS-II, LM-I & LM-II, ALMs including all Technical Staff of Grid Stations on their Cell Phones, before starting their work as a reminder. These Messages are also circulated to senior management and all Operation Officers on daily basis on their Cell Phones in order to check & ensure as well as adopt all safety measures/SOPs by their respective technical subordinates.
 - vi. Safety Seminars are arranged each month for awareness of Safety Culture.
 - vii. As the training of General Public/Private Persons is beyond the approach of FESCO therefore, awareness programs are advertised with the help of videos broadcast on local cable, posters, banners, and press releases in newspapers and furthermore no general public/private persons accident occurred owing to any distribution hazard of FESCO.

In addition to the above, FESCO has submitted the details of each fatal accident that occurred in its territory in FY 2022-23. The summary of the same is iterated at para 4 above.



Hearing:

8. The Authority considered the response of the Licensee and decided to provide an opportunity for a hearing to the Licensee under NEPRA (Fine) Regulations, 2021, before further proceeding in the matter. Accordingly, the said hearing was held on February 13, 2024, wherein, the CEO of the Licensee along with his team made the following submissions:
- (i) FESCO is committed to bring fatal accidents in its service territory to zero by making various efforts.
 - (ii) In recent years, a significant reduction in fatalities has been achieved, however, FESCO's target is to bring it to zero.
 - (iii) In FY 2022-23, three fatal accidents of employees and three accidents of public persons occurred in FESCO's territory.
 - (iv) The compensation amounting to 4.0 Million has been provided to the bereaved families of the employees and 1.0 Million to the families of the public persons has been provided.
 - (v) FESCO has executed earthing/grounding of around 60% of its network.
 - (vi) Further, CEO, FESCO apprised the Authority about the occurrence of all the fatal accidents. (The same are also described in the below paras.)

9. **Findings/Analysis:**

NEPRA Act and distribution license issued to all distribution companies impose a statutory obligation on the distribution licensees to follow safety standards laid down by the Authority. In this regard, reference is made to Section 21 of the NEPRA Act and Article 11 of the distribution license of the Licensee:

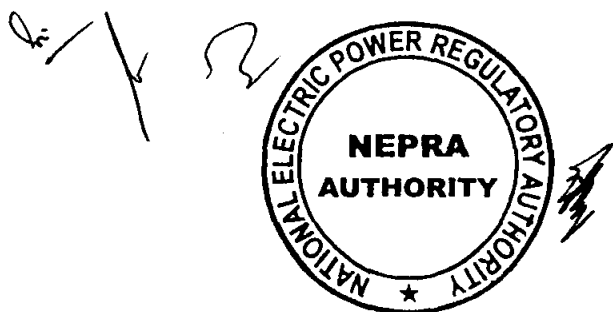
Section 21(2) (f) NEPRA Act

The Licensee shall follow the performance standards laid down by the Authority for distribution and transmission of electric power, including safety, health, and environmental protection instructions issued by the Authority or any Governmental agency;

Article 11 Distribution License - Compliance with Performance Standards

Compliance with Performance Standards – The Licensee shall conform to the relevant Performance Standards as may be prescribed by the Authority from time to time.

The Licensee is required to follow the design parameters of the distribution network and take all possible measures as laid down in the NEPRA Performance Standards Distribution Rules, Distribution Code, and Consumer Service Manual to ensure that there is no leakage of current from its distribution facilities to avoid any danger or harm



to human life and property. Based on the details of individual cases briefed at length in the preceding paragraphs, the major findings of the NEPRA are as follows:

9.1. LESS CLEARANCE OF HT LINES:

It has been observed that two fatal accidents occurred due to improper/less safety clearance of the HT lines from the ground level. As a result, four public persons namely, Mr. Muhammad Haram, Ms. Nida Iftikhar, Mr. Muhammad Hussain, and Mr. Mubashir Hussain got electrocuted.

In the first case, the ground clearance of the HT line became dangerously less due to the tilting of a pole, and the Licensee officials did not bother to remove that safety hazard despite several calls/complaints by the inhabitants. Similarly, the Licensee Officials failed to remove the safety hazard in a timely manner regarding dangerously less clearance of the HT line/phase with respect to ground in terms of loose sag. It is the prime responsibility of the Licensee to take proactive measures in order to remove any safety hazard as laid down in the Consumer Service Manual:

NEPRA Performance Standard (Distribution) Rules

Rule 4(g) – Safety

- (i) *All distribution facilities of a distribution company shall be constructed, operated, controlled and remained in a manner consistent with the applicable documents.*
- ii) *A distribution company shall ensure that its distribution facilities do not cause any leakage of electrical current or step potential beyond a level that can cause harm to human life, as laid down in the relevant IEEE/IEC Standards; prevent accessibility of live conductors or equipment; and prevent development of a situation due to breakdown of equipment which results in voltage or leakage current that can cause harm to human life, property and general public including without limitation, employees and property of the distribution company.*
- iii) *A distribution company shall implement suitable, necessary, and appropriate rules, regulations and working practices, as outlined in its Distribution Code or applicable documents, to ensure the safety of its staff and members of the public. This shall also include suitable training for familiarity and understanding of the rules, regulations, practices, and training to use any special equipment that may be required for such purposes including without limitation basic first aid training.*



Distribution Code

SR 4, Safety Management Criteria

- a. *All distribution facilities of a distribution company shall be constructed, operated, controlled and remained in a manner consistent with the applicable documents.*
- b. *A distribution company shall ensure that its distribution facilities do not cause any leakage of Electrical Current or Step Potential beyond*

a level that can cause harm to human life, as laid down in the relevant IEEE/IEC Standards; prevent accessibility of live conductors or equipment; and prevent development of a situation due to breakdown of equipment which results in voltage or leakage current that can cause harm to human life, property and general public including without limitation, employees and property of the distribution company.

- c. *A distribution company shall implement suitable, necessary, and appropriate rules, regulations and working practices, as outlined in its Distribution Code or applicable documents, to ensure the safety of its staff and members of the public. This shall also include suitable training for familiarity and understanding of the rules, regulations, practices, and training to use any special equipment that may be required for such purposes including without limitation basic first aid training.*

Chapter 12 of the Consumer Service Manual obligates each distribution licensee to ensure that its overhead lines, poles, and structures are maintained at a clearance from ground and buildings to avoid any safety hazard. Further distribution licensee is duty-bound to issue notice in case of construction/extension of a building near distribution lines for violation of safety standards as laid down in the Consumer Service Manual and Distribution Code.

Chapter 12 Consumer Service Manual

12.2 Obligations of FESCO

FESCO shall monitor and implement the safety and security plan for consumers. The safety and security objectives can be achieved by adopting good engineering practice, including measures as described below:

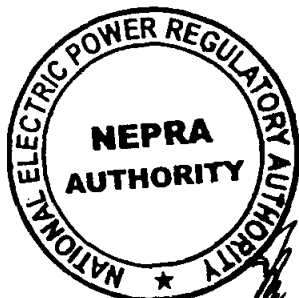
12.2.1 Operation and maintenance of FESCO distribution system /Network shall be carried out only by the FESCO authorized and trained personnel.

12.2.2 FESCO system equipment, including overhead lines, poles/structures/towers underground cables, transformers, panels, cutouts, meters, service drops, etc. shall be installed and maintained in accordance with Grid Code, Distribution Code and other relevant documents.

.....
12.2.6 FESCO will issue a notice to the Consumer(s)/Person(s), in case of illegal construction, extension of building under or near the distribution/ transmission lines for violation of safety standards.

12.4 SOME USEFUL SAFETY TIPS

12.4.6 Safe clearances from electricity conductors and equipment (e.g., hazardous extension of balconies at the upper stories of houses in mohallas which comes within close proximity of electric lines) must be maintained to avoid electrocution.



Distribution Code

SC 1- System Construction Code

Each Licensee shall prepare a comprehensive and exhaustive Operating / Construction manual in accordance with FESCO approved standard based on relevant international standards like IEC, IEEE, and ASI,

Consumer Service Manual, Grid Code and Distribution Code dealing with all material aspects to the design specifications, safe constructing practices, and sound engineering technical principles for construction of Distribution System and connections to consumer installation/system. In particular due regard shall be had for the following but not limited to: -

- a. Standard clearance of all voltage lines upto 132kV (vertical as well horizontal) from grounds, buildings, from each other, railway crossing, road crossing etc.*
- b. Maximum and minimum length of span of the lines of all the voltages upto 132kV at different locations and different areas.*

DDC 2.2 Distribution Design Code

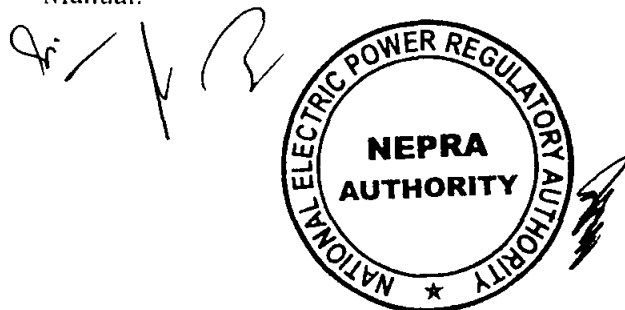
Design Criteria for Distribution Lines These criteria shall apply to all distribution and sub-transmission lines and to be operated and maintained by the Licensee up to and including 132kV for both overhead lines and underground cables. The lines shall be designed and constructed in accordance with relevant provisions of IEC Standard or subsequent approved standards applicable to overhead lines and underground cables.

DDC 3 DESIGN PRINCIPLES, Distribution Design Code

3.1 Specification of Equipment, Overhead Lines and Underground Cables

- a. The principles of design, manufacturing, testing and installation of Distribution Equipment, overhead lines and underground cables, including quality requirements, shall conform to applicable standards such as IEC, IEEE, Pakistan Standards or approved current practices of the Licensee.*
- b. The specifications of Equipment, overhead lines and cables shall be such as to permit the Operation of the Licensee Distribution System in the following manner;*
 - i. within the safety limits as included in the approved Safety Code of the Licensee or the relevant provisions of the Performance Standards (Distribution);*

The Licensee could not produce any substantial evidence showing its efforts to remove these safety hazards. Hence, it can be obviously said that the Licensee has failed to prevent the occurrence of fatal accidents due to less clearance of HT lines which ultimately led to fatal accidents. Therefore, the Licensee has contravened Section 21(2)(f) of the NEPRA Act, Article 11 of the Distribution Licence read with Rule 4(g) of the NEPRA Performance Standards (Distribution) Rules, 2005, Clause 4 of the Safety Requirements of Distribution Code, DDC 2.2, DDC 3 of Design Code of Distribution Code, SC 1 of System Construction Code of Distribution Code, and Chapter 12 of Consumer Service Manual.



9.2. LACK OF SAFETY MEASURES/CULTURE:

It has been observed that three (03) fatalities of the Licensee employees occurred due to lack of safety measures/culture in the Licensee's service territory. Further, details are the following:

1. Mr. Naeem Akhtar (ALM)
2. Mr. Muhammad Ahsan (LM-II)
3. Mr. Javaid Ali (LM-II)

In the cases of the Licensee's own employees, the root causes of the accidents were casual attitude, risky decisions, supervisory lapses, carelessness, unprofessional behavior, and non-compliance with safety-related operating procedures by the Licensee's staff. Failure to ensure the issuance of PTW, improper PPE, and lack of supervision of work under safety precautions at the worksite are also contributing factors to the accidents. Moreover, the execution of work in an unplanned and haphazard manner is also a reason for fatal accidents.

Pursuant to performance standards laid down for the distribution licensees, the Licensee is required to implement suitable, necessary, and appropriate rules, regulations, and working practices, as outlined in the Distribution Code or applicable documents, to ensure the safety of its staff and members of the public. This shall also include suitable training for familiarity and understanding of the rules, regulations, practices, and training to use any special equipment that may be required to create awareness among employees and inculcate a safe environment.

NEPRA Performance Standard (Distribution) Rules

Rule 4(g) – Overall Standard (Safety)

- (i) *All distribution facilities of a distribution company shall be constructed, operated, controlled and remained in a manner consistent with the applicable documents.*
- (ii) *A distribution company shall ensure that its distribution facilities do not cause any leakage of electrical current or step potential beyond a level that can cause harm to human life, as laid down in the relevant IEEE/IEC Standards; prevent accessibility of live conductors or equipment; and prevent development of a situation due to breakdown of equipment which results in voltage or leakage current that can cause harm to human life, property and general public including without limitation, employees and property of the distribution company.*
- (iii) *A distribution company shall implement suitable, necessary, and appropriate rules, regulations and working practices, as outlined in its Distribution Code or applicable documents, to ensure the safety of its staff and members of the public. This shall also include suitable training for familiarity and understanding of the rules, regulations, practices, and training to use any special equipment*



that may be required for such purposes including without limitation basic first aid training.

Distribution Code

SR 4, Safety Management Criteria

- a. All distribution facilities of a distribution company shall be constructed, operated, controlled and remained in a manner consistent with the applicable documents.*
- b. A distribution company shall ensure that its distribution facilities do not cause any leakage of Electrical Current or Step Potential beyond a level that can cause harm to human life, as laid down in the relevant IEEE/IEC Standards; prevent accessibility of live conductors or equipment; and prevent development of a situation due to breakdown of equipment which results in voltage or leakage current that can cause harm to human life, property and general public including without limitation, employees and property of the distribution company.*
- c. A distribution company shall implement suitable, necessary, and appropriate rules, regulations and working practices, as outlined in its Distribution Code or applicable documents, to ensure the safety of its staff and members of the public. This shall also include suitable training for familiarity and understanding of the rules, regulations, practices, and training to use any special equipment that may be required for such purposes including without limitation basic first aid training.*

Clause PSC-1, PSC-2, & PSC-6.3 of Power Safety Code:

PSC-1 Purpose:

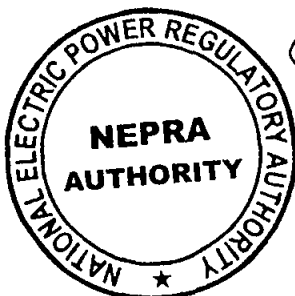
The purpose of this safety code is to ensure that the licensee's networks are planned, developed, operated and maintained in an efficient & safe way without compromising on safety of any kind related to the systems, personnel & others.

PSC-2 General Instructions of Power Safety:

The licensee shall abide by the safety requirements as set out in Power Safety Code, Distribution Code, Power Safety Manual, Performance Standards (Distribution) Rules 2005, Grid Code & other applicable documents.

The licensee shall promote a healthy & safe culture and provide all employees, contractors, and the people concerned and the public with a safe & healthy place to work. The Licensee shall ensure that safe working is integrated into every aspect and area of business. Moreover, safety culture shall be based on personal leadership, collaboration and involvement.

The licensee shall adhere to the highest standards in all work practices so as to ensure protection of employees and any other affected by what licensee do. Each licensee shall ensure in day to day work that



facilities/support programmers are provided to safeguard the health, welfare & wellbeing of their staff.

PSC-6.3 General Provisions of Safety:

The general provisions of safety shall be provided by each licensee covering the following:-

- The provisions for workers/operators to object to doing work on safety grounds*
- The use & wearing of safety equipment & protective clothing*
- Physical fitness & personal conduct of the worker before and during on job*
- Arrangement and procedure of job briefing before the work is started*
- Requirements to safe guard the public and property when work in progress*
- Requirements for housekeeping in a safe working conditions*
- Arrangements and requirements of fire protection*
- Requirements, arrangements and use of proper tools and plants for the proper and safe storage lifting and carrying of different types of material*
- Procedure and reporting requirements of patrolling of lines*
- Procedure for tree trimming*
- List of common protective devices and equipment used for the safety purposes.*

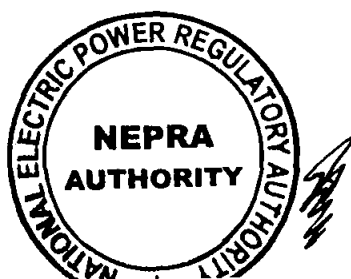
10. The Licensee has interalia, submitted that its Management is well aware that electricity is not only dangerous, even deadly, but it is invisible, noiseless, and odorless, rendering it impossible to detect the presence of the peril until the fatal work is finished. Therefore, being conscious, responsible, and efficient service provider, the Licensee Management is determined to maintain high standards of care to avoid any leakage of electrical current and safe working practices.

The Authority has considered the submissions of the Licensee and observes that the claims of the Licensee that it is a conscious, responsible, and efficient service provider and is determined to maintain high standards are not based on facts, as on the ground, the licensee could not be able to make any remarkable difference. It is a matter of fact that fatalities of the Licensee's employees and the general public are occurring every year and the Licensee is unable to bring this number to zero. This raises serious concerns upon the efforts taken by the licensee whether they are really upto the mark or otherwise.

11. The Licensee has submitted that it strived to adopt a pro-active approach to ensure the safety of its staff and members of the general public by way of conducting suitable trainings for not only familiarity and understanding of rules, regulations, practices, and standards but to create awareness and sensitivity among the workers/employees exposed to electrical hazards and the risks inherent with electric power. The Licensee has further submitted that the efforts of the Licensee are presented in terms of measures for the safety of employees, trainings of line staff to ensure their familiarity and understanding of the rules, regulations, practices, and use of safety equipment, and measures for awareness of general public.

The Authority while considering the submissions of the Licensee observes that the Licensee has claimed for taking proactive steps to ensure the safety of its staff and the general public by conducting suitable trainings and creating awareness about electrical

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hazards, however, the continued occurrence of accidents suggests that the measures being taken by the licensee are not concrete and sufficient. The Licensee should focus on effectiveness of the training programs and the need for a more comprehensive approach to address the root causes of these incidents and prevent future occurrences of fatal accidents. In addition, the Licensee should work on ensuring supervisory roles during the execution of maintenance work as lack of supervision by concerned quarters is one of the major factors in the occurrence of employee's accidents.

12. The Licensee has submitted that all the distribution facilities of the Licensee are constructed, operated, and maintained according to standard design as laid down in the IEEE/IEC standards and that of the NEPRA Act. The Licensee further added that not a single circuit/equipment has been constructed/installed in violation of the standards specified in the Rules and Regulations.

The submissions of the Licensee have been analyzed by the Authority and it is observed that the claims of the Licensee are only on paper, and on-ground the situation is different. During the review of the reports of the fatal accidents of public persons, it was revealed that the clearance of HT lines was dangerously less which led to fatalities of four victims. The Licensee did not remove/correct the severe safety hazard, despite knowing about it well before the time. The operation of such hazardous lines establishes that the distribution system of the Licensee in the field is not in accordance with IEEE/IEC standards. Hence, the claims of the Licensee seem not justified.

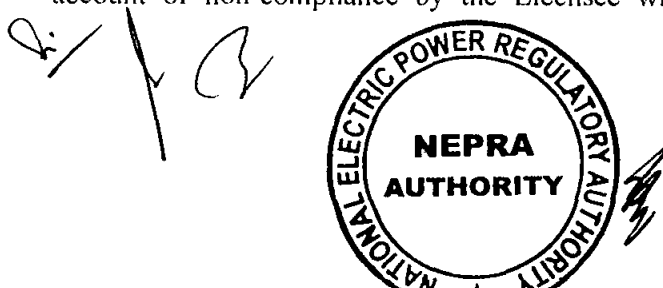
13. The Licensee has submitted that all the accidents of employees clearly reflect that not a single incident occurred due to lack of safety equipment, its unavailability with the employees, due to substandard distribution system or system error or failure but due to overconfidence of employees, as well as their own unsafe acts.

The submissions of the Licensee have been carefully examined by the Authority, whereby the Authority observes that the Licensee has acknowledged/admitted that the fatalities of its employees occurred due to the overconfidence of employees along with their own unsafe acts. As a prudent utility, it is the prime responsibility of the Licensee to train its employees to work under safety SOPs strictly, however, it has failed to do so. Further, there should be a strong mechanism of supervision in order to ensure that SOPs are being followed in letter and spirit or otherwise. However, the nature of accidents clearly illustrates that no such mechanism exists in the field. Therefore, responsibility for those fatalities lies upon the Licensee.

14. In conclusion, the Licensee is supposed to provide electric services in its territory in a safe and reliable manner, however, it has failed to do so, which is a clear violation of the terms and conditions of its Distribution Licence and NEPRA Laws.

15. **Decision**

- 15.1. Keeping in view the submissions of the Licensee, the evidence available on record, and provisions of relevant NEPRA laws and terms and conditions of distribution license issued to the Licensee, the Authority hereby rejects the response of the Licensee against the served Show Cause Notice dated August 30, 2023, and imposed a fine of PKR 15,000,000/- (Fifteen Million) on the Licensee under the NEPRA Act, and NEPRA (Fine) Regulations, 2021 on account of non-compliance by the Licensee with NEPRA Act, Terms &



Conditions of its License, Performance Standards (Distribution) Rules 2005, Distribution Code, Power Safety Code, Consumer Service Manual and other applicable documents.

- 15.2. The Authority has also observed that the Licensee gives compensation of PKR 4.0 Million to the families of its employees in case of their fatal accidents along with a job to next of kin. However, the Licensee has not provided compensation to the members of bereaved families of public persons who lost their lives due to the above-mentioned contraventions of the law by the Licensee. Therefore, the Authority hereby directs the Licensee to give compensation to the families of four deceased public persons equal to the amount being given to its employee's family and provide jobs to their next of kins. Further, the Licensee shall submit documentary evidence of its compliance in this regard to the satisfaction of the Authority within a period of two months.
- 15.3. The Licensee is directed to pay the fine amount of PKR 15,000,000/- (Fifteen Million) in designated bank of the Authority within a period of 15 days from the date of issuance of this order and forward a copy of the paid instrument to the Registrar Office for information, failing which the Authority may recover the amount due under section 41 of the NEPRA Act as arrears of the land revenue or through any other appropriate legal means in addition to taking any other appropriate legal action against the Licensee for non-compliance.

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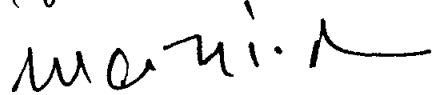
Rafique Ahmed Shaikh
Member (Technical)



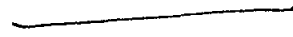
Engr. Maqsood Anwar Khan
Member (Licensing)



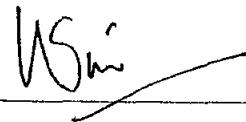
Mathar Niaz Rana (nsc)
Member (Tariff)



Amina Ahmed
Member (Law)



Waseem Mukhtar
Chairman



Dated 05/07/, 2024

