

**ISSUES FOR HEARING – MULTI YEAR TARIFF PETITION FILED BY PESHAWAR ELECTRIC SUPPLY COMPANY LIMITED (PESCO) FOR DETERMINATION OF TARIFF FOR DISTRIBUTION OF POWER FOR THE FY 2020-21& FY 2024-25.**

1. The following issues have been framed to be considered during the hearing and for presenting written as well as oral evidence and arguments;
  - i. Whether the request of Petitioner to allow MYT for a period of five years is justified, considering the fact that distribution license is valid till April 2022?
  - ii. Whether the Petitioner has complied with the direction of the Authority given in the tariff determination of FY 2019-20?
  - iii. Whether the projected energy purchases are justified?
  - iv. Whether the projected O&M is justified?
  - v. Whether the projected Return on Regulatory Asset base (RORB), Depreciation & Other Income is justified?
  - vi. What are the basis used by the Petitioner for bifurcation of its costs into supply and distribution segments?
  - vii. What should be the adjustment mechanisms during the MYT? Whether there should any efficiency factor (X Factor)? Or any adjustment for new hiring and cost related to extra ordinary events as requested by the Petitioner?
  - viii. Whether there should be any bifurcation of O&M on the basis of controllable and uncontrollable?
  - ix. Whether the requests of the petitioner in its review motion against the tariff determination for the FY 2018-19 & FY 2019-20 are justified?
  - x. Whether the concerns raised by the intervener/ commentator if any are justified?
  - xi. Any other issue that may come up during or after the hearing?
  - xii. Whether the requested T&D loss targets stated in the instant MYT petition are justified?
  - xiii. Whether PESCO fully utilized the investments allowed previously in FY 2018-19 and FY 2019-20? PESCO is required to submit detailed report showing status of each project.
  - xiv. Whether the indicated Capital Cost of Rs. 56,568 Million (including deposit works and others) for proposed projects for next five years under optimally achievable case is justified? PESCO is required to submit year wise rationale in respect of improvement in HT/LT ratios and average length per 11 kV feeders.
  - xv. Whether the indicated Capital Cost of Rs. 128,881 Million (including deposit works and others) for proposed projects for next five years under best case scenario is justified?
  - xvi. Whether the claimed savings of 2203 GWh and 1270 GWh through loss reduction plans as highlighted in Best Case and Optimally Achievable Case respectively are justifiable?
  - xvii. What are the basis being adopted by PESCO for assessment of Demand and Energy

Forecasts in next five (05) years?

- xviii. As per the available record, PESCO is unable to draw its allocated power quota. PESCO is required to submit the reasons for less drawl by identifying the grey areas in its transmission and distribution system. PESCO is also required to submit load
- xix. Whether PESCO has provided at least 95% of new connections to its eligible consumers as specified in the Consumer Eligibility Criteria and Performance Standard Distribution Rules, 2005? Provide detail of pending connections till 30 June 2021.
- xx. Whether project-wise detailed report for the investment carried out along with their cost-benefit analysis and technical/financial savings achieved by June 30, 2021
- xxi. What curative measures have been taken to tackle the future demand and removal of constraints?
- xxii. Provide justified reasoning regarding the less drawl of Power against allocated quota?
- xxiii. Progress about the actions taken to reduce the losses down to the minimum level?
- xxiv. Whether any analysis about the soft and hard areas relative to the claim was done?
- xxv. What are the remedial measures taken for the achievement of performance standards (targets of SAIFI & SAIDI given by the Authority during FY 2019-20) as laid down in Performance Standards (Distribution) Rules 2005?
- xxvi. Provide loading position of distribution network and submit a report regarding the plans/investments executed to improve the system constraints.
- xxvii. Provide details of preventive measures taken during FY 2020-21 to cater to the safety incidents?
- xxviii. Whether TOU meters installed to all the eligible connections? Submit details in this regard and also share progress regarding the installation of AMI meters at the consumer end.
- xxix. Progress of installation of ABC cable to control theft of electricity, which is the major source of the increase in transmission and distribution losses.