

**ISSUES IN THE MATTER OF ADJUSTMENT REQUEST FILED BY FAISALABAD ELECTRICITY SUPPLY COMPANY LIMITED (FESCO) FOR ADJUSTMENT IN TARIFF FOR THE FY 2019-20.**

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 projected PPP, Units purchased and sold by FESCO are reasonable?
  - ii. Whether the requested adjustments in tariff are in line with the MYT tariff determination and are justified?
  - iii. Whether the requested Previous Year Adjustment is justified?
  - iv. What are the basis used by FESCO for bifurcation of its costs into supply and distribution segments, and whether they are justified?
  - v. Whether the Petitioner has been able to utilize the allowed investment and achieved the benefits desired/ anticipated benefits. FESCO is required to substantiate the same by making comparison of its base line conditions with the improved conditions, along with their financial impact.
  - vi. As provided in NEPRA Amendment Act, 2018, FESCO as Distribution Licensee shall be deemed to hold a Supply License also for a period of 5-years. In this regard, FESCO is required to explain its organizational restructuring in respect of the segregation of responsibilities for Distribution Business and Sale Business?
  - vii. As per NEPRA Amendment Act, 2018, obligations of procurement of assets including meters (for satisfying its services) and disconnection/reconnection services (on demand of Supplier) are with Distribution Licensee whereas the procedure for metering, billing, collection of approved charges and recovery of arrears are the obligations of Supply Licensee. In this scenario, FESCO is required to state the mode and manner being developed and followed for appropriate coordination between Distribution Licensee and Supply Licensee?
  - viii. Whether the existing Tariff Terms and Conditions needs to be modified to incorporate concerns raised by various consumers?
  - ix. Whether the ToU meters installed for the residential consumers can record the MDI? Whether the existing fixed charges applicable to different consumer categories are sufficient and whether there shall be any fixed charges for the residential consumers and General Services categories?
  - x. Whether the existing minimum monthly charges, even if no energy is consumed, needs to be revised keeping in view the increase in capacity charges of generation companies?
  - xi. Whether FESCO has deposited sufficient amount in the Post Retirement Benefit fund in line with the amount allowed by the Authority?
  - xii. Whether FESCO has actually written off, provisionally allowed Write offs allowed in the Re determination decision pertaining to the FY 2015-16?
  - xiii. Whether FESCO is to be treated as a Supplier of the last resort and whether the tariff of

the FESCO or the National uniform tariff is to be treated as last resort tariff?

- xiv. Whether the concerns raised commentator if any are justified?
- xv. Any other issue that may come up during or after the hearing?