

**ISSUES FOR HEARING – MULTI YEAR TARIFF PETITIONS FILED BY PESHAWAR ELECTRIC
SUPPLY COMPANY LIMITED (PESCO) FOR DETERMINATION OF TARIFF FOR ITS
DISTRIBUTION AND SUPPLY OF POWER FOR THE FY 2025-26 TO FY 2029-30.**

1. Following issues are framed to be considered during the hearing and for presenting written as well as oral evidence and arguments;

Distribution Tariff

- i. Whether the projected energy purchases and sales are justified?
- ii. Whether the requested/projected O&M cost (including new hiring) is justified and what are the basis for such projections?
- iii. Whether there should be any bifurcation of O&M on the basis of controllable and uncontrollable?
- iv. Whether the requested/projected amount under heads of Other Income, Deprecations and RORB based on WACC of 17.05% is justified?
- v. What will be adjustment mechanism for future indexation of different components of revenue requirement during the MYT? Whether there should any efficiency factor (X Factor)?
- vi. Whether the request to allow working capital, Worker welfare fund and cost of open access & cross subsidy is justified?
- vii. Whether there will be any claw back mechanism or not?
- viii. Any other issue that may come up during or after the hearing?

Supply Tariff

- i. Whether the requested/projected Power Purchases Price (Energy & Cost) for the FY 2025-26 is justified?
- ii. Whether the requested/projected O&M cost (including new hiring) is justified and what are the basis for such projections?
- iii. Whether there should be any bifurcation of O&M on the basis of controllable and uncontrollable?
- iv. Whether the requested/projected amount under heads of Other Income, Deprecations, Tax and RORB based on WACC of 17.05% is justified?
- v. Whether the requested PYA is justified?

- vi. What will be adjustment mechanism for future indexation of different components of revenue requirement during the MYT? Whether there should any efficiency factor (X Factor)?
- vii. Whether there should be any fixed charges on Units exported by net metering users to the extent of Transmission and Distribution charges or otherwise?
- viii. Whether the recovery target and provision for bad debt as provided in petition is justified?
- ix. Whether the existing fixed charges applicable to different consumer categories needs to be revised and requires any changes in mechanism for charging of such charges based on Actual MDI or Sanction Load or otherwise? Whether there should any Fixed Charges on consumer's categories who are currently not paying any fixed charges?
- x. Whether the Schedule of tariff be designed on cost-of-service basis or otherwise?
- xi. Whether the request to allow recovery loss based on yearly recovery loss % targets, to be adjusted annually along-with the floor and cap mechanism is justified?
- xii. Whether the request to allow working capital, Worker welfare fund and cost of open access & cross subsidy is justified?
- xiii. Whether there will be any claw back mechanism or not?
- xiv. Any other issue that may come up during or after the hearing?