



PESHAWAR ELECTRIC SUPPLY COMPANY

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Office of the
Chief Operation Officer PESCO
Wapda House, Shami Road,
Peshawar

No. 2618-32/Alls

Dated 05/08/2020

All Superintendent Engineers (Ops)
PESCO

Subject: - **RENTING POLICY FOR AERIAL OPTICAL FIBER CABLE (AOFC)
THROUGH USAGE OF PESCO ELECTRIC POLES.**

Please find enclosed herewith "Renting policy for aerial optical fiber cable (AOFC) through usage of PESCO electric poles" approved 145th BoD Meeting held on 24-07-2020 vide reference letter No. 766-70/145th BoD dated 27-07-2020, duly signed the by the committee for your information and further necessary action.

It is further added that a notice should be issued to all the Aerial Optical Fiber Cable Services Providers/ISP's for renewal of agreements under the subject policy from the date of expiry immediately. Please direct your field officers (XENs/SDOs) to verify the exact number of poles being utilized by the concern service providers in their respective area of jurisdiction.

In this regards submit a detail report within 20 days positively.

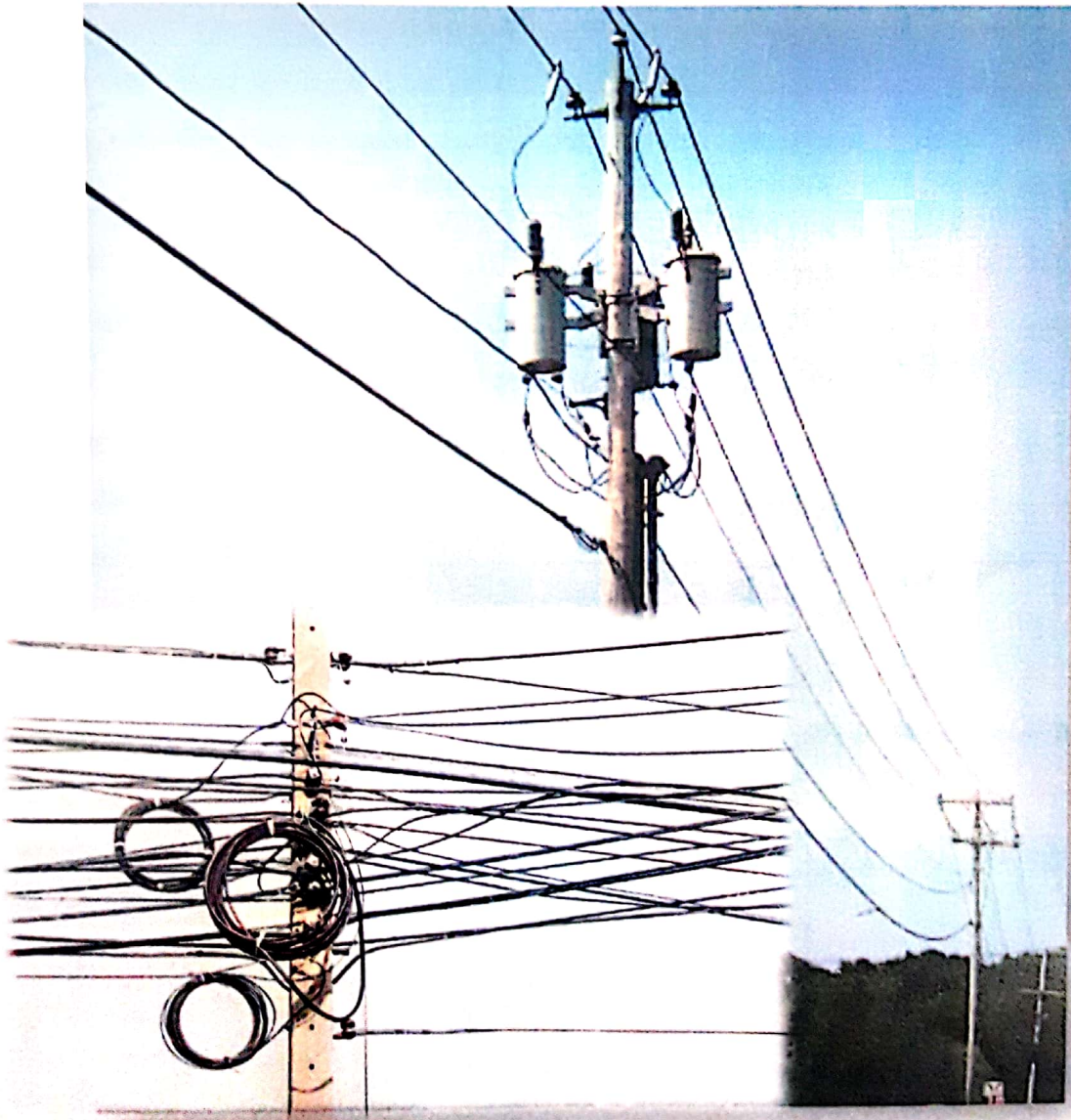
DA/ As above.

Copy to:-

1. G.M (Tech)/All Chief Engineers PESCO HQ for information.
2. Dy. GM Finance PESCO HQ for information.
3. All D.Gs PESCO HQ for information.
4. Company Secretary, PESCO HQ for information.
5. Dy: Chief Auditor PESCO HQ for information.
6. APS to CEO PESCO HQ for information.

CHIEF OPERATION OFFICER
PESCOHQ

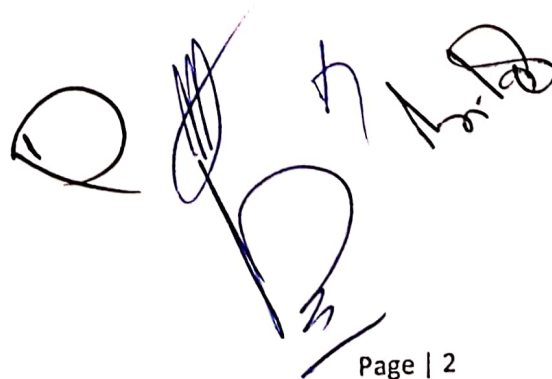
RENTING POLICY FOR AERIAL OPTICAL FIBER CABLE (AOFC) THROUGH USAGE OF PESCO ELECTRIC POLES



PESHAWAR ELECTRIC SUPPLY COMPANY

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Policy for Granting Approval to Eligible Applicants for installing Aerial Optical Fiber Cable (AOFC) by using PESCO pole infrastructure

1. PREAMBLE

In view of market demands and keen desire of public in general, Aerial Optic Fiber Cable (AOFC) is fast spreading business in Pakistan, particularly in the urban areas. The companies desirous of providing AOFC services are facing great impediments in meeting public demands due to serious issues of right of way to extend these services in the congested areas. Different companies have approached Peshawar Electric Supply Company (PESCO) for grant of permission to use PESCO's already installed electric poles. Considering the larger public interest to avail this modern facility, PESCO Board of Directors has tasked the PESCO's management to formulate a comprehensive policy, in line with PEPCO's technical guidelines while ensuring its routine operation and maintenance activities absolutely free of any interference and hindrances

- i. With the vision to encourage the safe usage of electric poles and to discourage the illegal usage of electric poles by the fiber optic operators and all those other service providers who engage in similar business, PESCO in its discretion, is desirous to grant rights to the usage of poles in a transparent manner to the Internet Service Provider / Telecom Operators for laying of the cables through the PESCO's installed electric poles within the jurisdiction of the company.
- ii. The policy seeks to encourage the use of latest technology in more effective, legal and safe manner. In future, this policy will followed in letter and spirit and will not be violated, The permission of usage will relate to right of the usage of electric poles within the policy guide lines annunciated and updated from time to time based upon PESCO's technical requirements as given below..

2. ELIGIBILITY TO APPLY

Any Internet Service Provider (ISP), providing Telecom, Internet, Media facilities via Fiber Cable Operator and registered with concerned department / authority i.e. Pakistan Telecommunication Authority (PTA), Pakistan Electronic

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Media Regulatory Authority (PEMRA), Government of Pakistan with duly authorized license from the department concerned to lay cable, are eligible to seek permission from PESCO following this policy to install optic fiber / cable, using PESCO's electric poles.

3. VALIDITY OF PERMISSION

- i. Permission for the right of usage may be granted for the period applied for subject to a maximum period of 2 years, extendable with mutual consent with an enhanced fee @ 5 %per annum.
- ii. The permission granted to the fiber optic Cable Operator under this policy shall be non transferable and shall be applicable for the period agreed upon by the parties through the agreement.
- iii. In case of violation of any terms and conditions, the competent authority shall a notice to be served upon the fiber optic Cable Operator to rectify the violation within a specified period with an opportunity to grant a hearing. Where fiber optic Cable Operator either does not respond to the notice or carry out the requisite rectification within the time specified, the competent authority will have the right to revoke or cancel the permission granted earlier. Where the competent authority revokes or cancels the permission, the service provider / fiber optic Cable Operator shall be given two months' notice to remove their installations and will not be entitled to any compensation or loss caused by such cancellation.
- iv. In case the Cable Operator applies for restoration of his services (after committing any violation), they will be required to deposit a specified amount as a penalty in PESCO's account, which will be nonrefundable. The amount would be determined by PESCO, based on extent of violation under law of Pakistan and terms of agreement.

4. SUBMISSION OF APPLICATIONS

- I. All applications for seeking permission of the authority to lay the communication infrastructure shall be submitted by the Fiber Optic Cable Operator / ISP along with all the particulars and documents specified in appendix.
- II. The processing fee of Rs. 30,000/ (rupees thirty thousand only) shall be paid with the submission of the application which shall be nonrefundable.

- III. The application shall be accompanied with NTN No. Company Profile (business address, experience, area of services) and license from PEMRA / PTA for doing business within PESCO's jurisdiction.
- IV. The Cable Operators shall declare maximum number of connections and scope of facilities they intended to provide to the customer connected to each pole in the application.
- V. PESCO will have the right to review and spot-check the number of poles being utilized. If incorrect information is provided, the Cable Operator will be liable to pay penalty equal to the amount agreed for each pole, for the period payment has not been made, in addition to the normal chargeable amount per pole.
- vi. In case of any deadlock between PESCO and Cable Operator in agreeing to the enhanced rental charges, the Cable Operator would be at liberty to give up the facilities provided by PESCO or request for arbitration. In case the dispute is not resolved under the agreement within thirty 30 days after the date of receipt of notice, any party may initiate arbitration proceedings under the arbitration act 1940 in Peshawar.

5. PROCESSING OF APPLICATIONS

- i. Each application shall be duly processed and scrutinized by the concerned designated officer of PESCO who may seek such additional information as may be considered necessary for scrutiny of application of the fiber optic Cable Operator.
- ii. Upon submission of application, it shall be forwarded to the Approving Authority i.e. Chief Operations Officer, Chief Commercial Officer or any designated officer who shall approve or reject the same, in consultation with Chief Executive officer PESCO in writing, whose decision shall be final.
- iii. In case of rejection of the application on technical grounds, the decision shall be deemed to be final and cannot be challenged.
- iv. The applicants shall not be entertained against whom or who are under litigation with PESCO.



Time line for decision on application

The parties shall adhere to execute the agreement on submission of the requisite of form, along with the required documents, within 15 days and PESCO shall provide the permission within 15 days of signing the agreement, subject to availability of all necessary documents provided by the operator.

6. COMPLIANCE TO TECHNICAL SAFETY AND SECURITY CONDITIONS

- i. To lay of overhead fiber optic cable on poles will be discouraged if the same is prohibited under the laid down procedure of the safety and security.
- ii. The Fiber Optic Cable Operator / ISP shall follow the PESCO guidelines recommended by the authority regarding safety and security and in this respect all necessary steps for the safety and security of PESCO officials and their own staff shall be followed. In case of any damage to public, officials of PESCO or service provider, the ISP shall be liable to compensate the affected individuals under the workman compensations act or any other laws as applicable in Pakistan or Khyber Pakhtunkhwa.
- iii. The fiber optic Cable Operator / ISP shall not burden PESCO to any inquiry / compensation in case of fatal / non-fatal accident occurred due to any accident caused by the Fiber Optical service provider.
- iv. The Fiber Optic Cable Operator / ISP will be responsible to pay as per PESCO rules, the compensations ex-gratia in case of fatal / non-fatal accident or any other loss to PESCO employee due to the fault of the Service Provider.
- v. The Fiber Optic Cable Operator / ISP shall make good the losses, accrued and occurred to the distribution system or third party interest, due to installations of the aerial fiber optic cable and the fiber optic Cable Operator shall pay the damages caused to the installations of the company.
- vi. The Fiber Optic Cable Operator /ISP shall not hold PESCO responsible for any damages or loss caused to the Cable Operator's installation due to collapse of the distribution poles and structures of the PESCO caused by weather condition and unforeseen eventualities, force majeure or acts of vandalism and terrorism etc.

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7. COMMUNICATION INFRASTRUCTURE LAID / INSTALLED WITH OUT PERMISSION

From the date of the notification of this policy, any communication infrastructure that has already been installed on any additional pole for which permission has not been granted by PESCO, the service provider Cable Operator shall be required to apply for the same within a period of **90 days** to get such unauthorized action made part of the agreement. Failing to do so, the operator will be liable to pay **Rs.50.00** (rupees fifty) per day per pole as fine for a period determined by the area SDO of PESCO failing which the installation shall be removed on their own risks and costs and in this respect the PESCO decision shall be final.

The SDO concerned will submit quarterly certificate showing change in number of poles by each service provider in his jurisdiction.

8. MONTHLY RENT AND PROVISION OF SERVICES

- i. The monthly rent shall be Rs. 100.00 of per pole / structure which shall be increased after the expiry at two years, at the time of renewal of agreement with the increment @ 5% for further two years period along with renewal fee of Rs.50,000.00 (Rupees fifty thousand only) which is nonrefundable. The fee will be subject to review and change after every three years.
- ii. The Fiber Optic Cable Operator / ISP shall provide an amount of Rs.500,000.00 (Rupees five hundred thousand only) as security with the application which would be refunded in case the operator does not wish to extend the agreement.
- iii. The expired agreement before the enactment of this policy shall pay the arrears of Rs.100.00 per pole for the period they have used the PESCO electric poles services after expiry.
- iv. Any amount of the government institutions or other party against the rental poles, shall be paid by the fiber optic operator.
- v. All the payments will be deposited in a separate head of account maintained by PESCO. The pole / structure rent shall be paid on monthly basis but not later than 7th of each following month. In case of

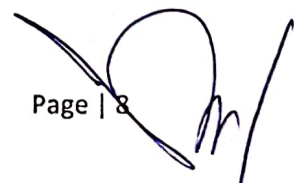
delay in payment Rs. 10 per day per pole will be paid by the operator for numbers of days beyond 7th of each following month.

9. INDEMNITY BOND

The Fiber Optic Cable Operator / ISP shall indemnify PESCO against any loss of life or property in the process of execution of work or against any claim during the period of agreement and shall submit indemnity bond on stamp paper of Rs.100/ denomination duly attested by the Oath Commissioner as per annexure

10. OTHER TERMS AND CONDITIONS

- i. The Fiber Optic Cable Operator / ISP shall provide facility of 10 minutes advertisement to PESCO free of cost daily during 10.00 am to 10.00 pm as per information provided by the company.
- ii. The service provider shall provide internet connection facility to all PESCO offices where the facility is required in the service area free of cost.
- iii. In case of any damage to the essential services i.e. electric supply, it will be the responsibility of PESCO to get the services restored to their original and satisfactory conditions at its own cost.
- iv. PESCO shall not be responsible for any damage to Fiber Optic Cable and resultant loss, if any, during performance of official duties by an employee of the company in good faith.
- v. The structure / Pole being used by the operator shall not be sub-let to any third party without the permission of PESCO. The third party desirous of availing similar facility will be required to sign a separate agreement with PESCO as per terms and conditions specified on standard agreement form.
- vi. PESCO will be entitled to make changes, such as modifications / alterations in the site plan / pole route, if necessary, in the best interest of PESCO customers and public safety as per PESCO's own rules and regulations and any losses suffered by the Cable Operator shall be at ISP's own risk and cost.



11. WAIVER

The Cable Operator shall have no right to object to sanction and laying of other networks on the same poles / structure for which the operator is paying rent.

12. DISPUTE

- i) All disputes arising between the parties to the agreement under this policy shall be settled / resolved in accordance with the procedure outlined in the agreement i.e. all disputes will be settled at Peshawar, Khyber Pakhtunkhwa, Pakistan. In case of any breach of any clause of the agreement, the competent authority / PESCO will be entitled to terminate the agreement after giving a notice of one month to the Fiber Optic Cable Operator / licensee. The chief executive officer / competent person of each party shall attempt in good faith to resolve the dispute at Peshawar.
- ii) In case the dispute is not resolved under the agreement within thirty 30 days after the date of receipt of notice, any party may initiate arbitration proceedings under the arbitration act 1940 in Peshawar.
- iii) And in this respect the decision of the arbitrator shall be final and binding upon the parties.

13. CHANGE / ALTERATION IN THE POLICY

This policy shall be suitably reviewed and revised to accommodate any changes that may be necessitated on account of any technology or regulatory changes which may be enacted by the government or any other competent authority in order to keep this policy dynamically responsive to changing technology, regulatory regime or any other unforeseen developments.

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Agreement Document

**AGREEMENT GRANTING RIGHT OF USAGE
AERIAL OPTICAL FIBER CABLE (AOFC) THROUGH OF
PESCO ELECTRIC POLES**

This agreement is made at _____ on _____ day of _____ 20____,

BETWEEN

M/s Peshawar Electric Supply Company Ltd (PESCO), through its Superintending Engineer (SE) duly authorized in this behalf and acting in his executive capacity (herein after referred to as the " PESCO " which expression shall unless excluded by or repugnant to the context, include his successors in office and assigns) on the one part,

AND

M/s _____ a Company registered under the companies Act, 2017 / partnership firm and having its registered office at _____ (hereinafter called as the "licensee") which expression shall unless excluded by repugnant to the context, include his successor / administrator assignee on the second part.

WHEREAS the PESCO is responsible, inter alia, for supply and distribution of electricity through its infrastructure installed and to be installed within the province of Khyber Pakhtunkhwa (accept TESCO Jurisdiction).

WHEREAS the licensee proposes to lay fiber optic cables in _____, Khyber Pakhtunkhwa.

WHEREAS the licensee has applied to PESCO for permission to lay fiber optic cables and give connections to their customers through already installed electric poles in vicinity of _____ with number of poles as _____.

AND WHEREAS the PESCO vide letter No. _____, dated: _____ has agreed to grant such permission on the terms and conditions specified, hereinafter, mentioned below:

NOW THROUGH THIS AGREEMENT PESCO, in the consideration of the conditions contained herein and on the part of the licensee to be observed and performed, hereby, grants to the licensee permission to lay the fiber optic cable as

per approved drawing attached, hereto, subject to the following conditions namely.

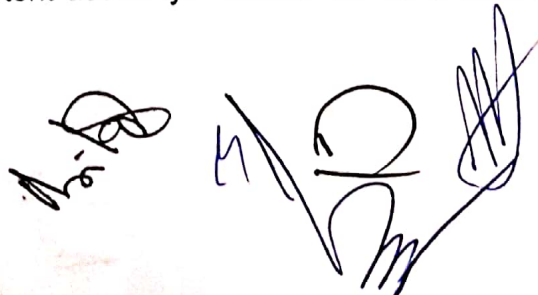
CONDITIONS

1. The monthly rent shall be Rs. 100.00 of per pole / structure to be paid through a pay order in the name of CEO PESCO not latter then 7th of each month. Beyond this PESCO will charge Rs. 10 per day / pole as late payment fee.
2. The application fee of Rs.30,000/ will be paid with the application as processing fee (Nonrefundable).
3. The licensee shall provide an amount of Rs.500,000.00 (Rupees five hundred thousand only) as security with the application
4. The monthly rent shall be increased after the expiry period of two years. At the time of renewal of agreement 5% increase will be added and charged along with renewal fee of Rs.50,000.00 (Rupees fifty thousand only) which is nonrefundable.
5. The licensee shall provide facility of 10 minutes advertisement to PESCO free of cost daily during 10.00 am to 10.00 pm as per information provided by the company.
6. The licensee shall provide internet connection facility to all PESCO offices in the service area free of cost with minimum bandwidth of 4 mbps.
7. The licensee shall only be allowed to lay the cables on the poles and provide connections to its customers following the specifications of PESCO and technical requirements as per PESCO's Policy / guidelines.
8. Any amount of the government institutions or other party against the rental poles, shall be paid by the fiber optic operator.
9. In case of expired agreement, the licensee shall pay arrears of the Rupees 100.00 per pole per month for the period they have used the company's / PESCO pole infrastructure.
10. The fiber optic cables must be laid as per standard procedure and conditions specified by PESCO / PEPCO and should be to the complete satisfaction of PESCO. The licensee shall ensure laying of fiber optic cables ensuring all necessary safety conditions.
 - i) The cable shall run on the poles according to drawing No. CEDE / DDST-221. There shall be no joints in the cable.



- ii) The hardware to be used must have dimensions and specifications as per drawing No. CEDE /DDST-222.
 - iii) The cable shall be crossed from LT side of the transformer under the platform and properly clamped.
 - iv) The Horizontal and vertical clearance between conductors, cable and ground will be maintained as per standard design instructions.
 - v) The distribution box of Aerial Optical Fiber cable shall be installed with the help of clamps at the same height and clearance as that of shackle assembly.
 - vi) The work shall be executed under the supervision of PESCOs concerned Operation Division.
11. The Cable Operator shall maintain the safety and height / clearance of the Aerial Optical Fiber Cable as per rules, SOPs, and Pakistan Electrical Telecommunication Safety Code (PETSAC up-to-date, available at <https://www.pec.org.pk/downloadables/PETSAC/PETSAC.pdf>).
12. The licensee shall shift / remove the fiber optic cables within 30 days from the date of issuance of notice by PESCO, in case the poles / infrastructure is required for the purpose of improvement or construction of poles and infrastructure attached thereto, otherwise PESCO will do it at its own, with own resources and will not be responsible for damage or loss to the service provider.
13. The licensee shall be responsible / liable for full compensation / indemnification of concerned agency / PESCO for any direct / indirect or consequential damage caused to them / claims or replacement sought for, at the cost and risk of the licensee.
14. Grant of licensee is subject to the licensee satisfying (a) a minimum disruption of traffic and (b) no damage to the electric poles. The licensee should avoid misuse of electric wires, electric poles and accessories attached thereto or to be installed.
15. During the period of implantation of this agreement only, the fiber optic cables shall be deemed to have been laid only with the consent and permission of the PESCO so that right of way of the licensee to the use thereof shall not become absolute and indefeasible by the lapse of time.
16. The license shall not be brought into use by the licensee, unless, a completion certificate to the effect that the fiber optics has been laid in

- accordance with the approved specification and drawing have been filled up to the satisfactions of the PESCO.
17. Notwithstanding anything contained herein, this agreement shall be cancelled any time by PESCO for breach of any condition of the same and the licensee shall neither be entitled to any compensation for loss caused to it by such cancellation nor shall it be absolved for any liability already incurred.
 18. The licensee shall have to provide safety measures strictly in accordance to security and safety procedures of the company.
 19. The licensee shall follow the attached guidelines of safety and security of PESCO and in this respect all necessary steps for the safety and security of their own staff and in case of any damage to public, any person or persons or the applicant shall be liable to compensate the Company / PESCO officials and public under workman compensations act or any other laws as applicable in the country.
 20. The licensee shall not burden PESCO with any inquiry / compensation in case of fatal / non-fatal accident occurred due to any accident caused through the fiber optic cable installed by the Licensee.
 21. The licensee will be responsible to pay as per PESCO rules, the compensations ex gratia and other loss in case of fatal / non-fatal accident to the PESCO employee due to the fault of licensee.
 22. The licensee shall make good the losses accrued and occurred to the distribution system or third party interest due to installations of the aerial fiber optic cable and the applicant shall pay the damages caused to the installations of PESCO.
 23. The applicant shall not make responsible the PESCO for any damages or loss caused to the Cable Operator's installation due to collapse of the distribution poles and structures of the PESCO caused by weather condition and unforeseen eventualities, force majeure or acts of vandalism and terrorism etc.
 24. All disputes arising between the parties to the agreement under this policy shall be settled / resolved in accordance with the procedure outlined in the agreement and all e disputes will be settled at Peshawar, Khyber Pakhtunkhwa, Pakistan. In case of any breach of any clause of the agreement, the competent authority/ PESCO will be entitled to terminate

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the agreement after giving a show cause notice of 10 days to the licensee. The Chief Executive Officer / competent person of each party shall attempt in good faith to resolve the dispute at Peshawar.

- a. In case the dispute is not resolved within thirty 30 days after the date of receipt of notice, any party may initiate Arbitration proceedings under the arbitration act 1940
- b. And in this respect the decision of the arbitrator shall be final and binding upon the parties.

25. After the termination / expiry of the agreement, the licensee shall remove the fiber optic cables and attachment, within 60 days of expiry of agreement and the site shall be brought back to its original conditions failing which PESCO shall do so at the risk and costs of the licensee.

In witness, whereof, the parties, hereto, have caused this agreement to be executed through their respective authorized representative the day and date first above written.

Company /PESCO

Licensee

Superintending Engineer (SE)

WITNESSES

1. _____

2. _____









**APPLICATION FOR PERMISSION / RENEWAL OF PERMISSION FOR LAYING
FIBRE OPTIC CABLE**

Superintending Engineer (SE)

PESCO _____ Circle.

1.	Details of the applicant (licensee)	
2.	License detail	
3.	Registered address	
4.	Designation of the Authorized Person	
5.	Phone/ Mobile Number of the authorized person	
6.	Email	
7.	Details of the proposed work to be laid	
8.	Details of the number of poles required	
9.	Location details including Sector	
10.	City / Town / Village and Tehsil	
11.	District	
12.	Details of Fee and Charges	
13.	List of Documents Attached	
14.	Tenure of Agreement	

Declaration

We/ I, _____ do hereby declare that I have carefully read the policy. I will fully comply with the terms and conditions specified therein.

1. I understand that this application if found incomplete in any respect and / or if found with conditional compliance OR not accompanied with the processing Fee shall summarily be rejected.
2. I understand that processing Fee of Rupees 30,000/- is not refundable.
3. I declare that if at any time any averments made or information furnished by me is found incorrect or false, my application shall be liable to be rejected.

Applicant (Licensee)

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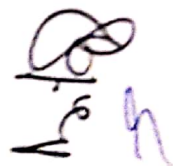
Chief Executive Officer PESCO

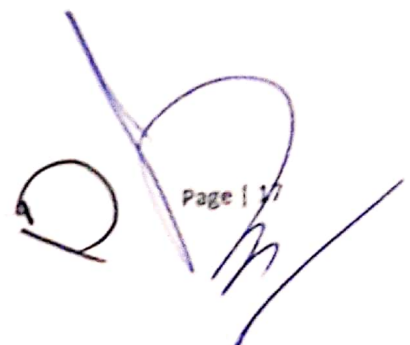


INDEMNITY BOND

I / We _____, company / firm do here by affirm that I shall indemnify PESCO against any loss of life or property in the process of execution of laying of cables or against any claims thereafter during the life of the agreement.

Deponent




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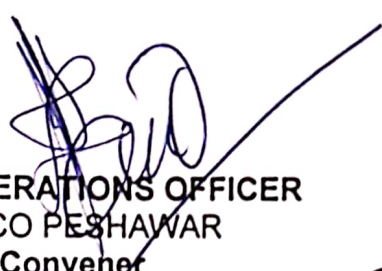
List of Documents Required

1. Company Profile.
2. NTN No. / Certificate.
3. Licenses from PEMRA and PTA.
4. Application Form.
5. Lay out plan / Diagram.
6. Application processing fee receipt (Paid).
7. Others (if required)

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Document: (18 pages)
Annex: Fiber Optic Agreement
Indemnity form.
Application form.

Approval of the committee



**CHIEF OPERATIONS OFFICER
PESCO PESHAWAR
Convener**




**CHIEF COMMERCIAL OFFICER
PESCO, PESHAWAR
Member**



**FINANCE DIRECTOR
PESCO, PESHAWAR
Member**



**MANAGER (L&L)
PESCO, PESHAWAR
Member**



**BILAL AHMAD DURRANI
LEGAL RETAINER CORPORATE
AFFAIRS NOMINATED
Member**