

BERC to fix jet fuel prices

- A Monitor Desk Report

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Dhaka: The Bangladesh Energy Regulatory Commission (BERC) will assume responsibility for setting jet fuel prices, a role previously managed by the Bangladesh Petroleum Corporation (BPC). This change will take effect in October, according to an order issued by the Energy and Mineral Resources Division on Wednesday (Sep 18).

This move is in line with the provisions of the BERC Act, which grants the commission authority to set prices for all types of energy. Although BERC had this authority, it did not set jet fuel prices before now due to the absence of approved rules, leaving the task to BPC.

Established under the Bangladesh Energy Regulatory Commission Act of 2003, BERC operates as an independent, quasi-judicial autonomous body. Its primary purpose is to ensure accountability among gas and electricity distribution companies and to protect consumer rights.

BERC officially began its operations in 2009, and since then, it has formulated 13 regulations. However, an additional 12 regulations have been awaiting approval for over a decade. Due to these delays, BERC's role in setting fuel prices has been limited, focusing only on gas and electricity.

In 2023, the situation changed when the law was amended to allow price adjustments through executive orders. This amendment effectively sidelined BERC, as gas and electricity prices began being set without the commission's involvement. Previously, BERC's public hearings served as a crucial platform for highlighting inconsistencies in utility companies, helping to maintain pressure and accountability.

However, the amendment diminished BERC's role, with the Awami League government reducing the commission's oversight.

On August 27, a gazette notification was issued that annulled the provision allowing electricity and gas prices to be set through executive orders, restoring BERC's authority to regulate prices for consumers.

Specifically, the gazette abolished Clause 34(k) of the BERC Act, which had granted the executive branch the power to set prices. With this clause removed, BERC once again holds the exclusive right to set prices, now including jet fuel.

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