

(As introduced in the Assembly on 13-03-2014)

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BILL

*further to amend the Pakhtunkhwa Hydel Development Organization Act,  
1993.*

WHEREAS it is expedient further to amend the Pakhtunkhwa Hydel Development Organization Act, 1993 (Khyber Pakhtunkhwa Act No. 1 of 1993) for the purposes hereinafter appearing;

It is hereby enacted as follows:

1. **Short title and commencement.**--- (1) This Act may be called the Khyber Pakhtunkhwa Energy Development Organization (Amendment) Act, 2014.

(2) It shall come into force at once.

2. **General amendment of the Pakhtunkhwa Act No. 1 of 1993.**--- In the Pakhtunkhwa Hydel Development Organization Act, 1993 (Pakhtunkhwa Act No. 1 of 1993), hereinafter referred to as the said Act, for the words "Pakhtunkhwa Hydel Development Organization", wherever occurring the words "Pakhtunkhwa Energy Development Organization" and for the words "Managing Director" wherever occurring the words "Chief Executive Officer" shall respectively be substituted.

3. **Amendment of section 2 of the Pakhtunkhwa Act No. 1 of 1993.**--- In the said Act, in section 2,--

(i) for clause (iii), the following shall be substituted, namely:

(iii) "Chairman" means the Chairman of the Energy Apex Committee or Board or Executive Committee or investment Committee, as the case may be;";

(ii) after clause (iii), the following new clause shall be inserted, namely:

"(iii-a) "Energy Apex Committee" means the Energy Apex Committee constituted under section 3-A of this Act;";  
and

(iii) in clause (xii), after the word "gas" the words and comma "thermal generation, alternative renewable sources of energy" shall be inserted.

4. **Amendment in the heading of chapter-II of the Pakhtunkhwa Act No. 1 of 1993.**--- In the said Act, in CHAPTER-II, for the existing heading, "Constitution of Board", the heading "Constitution of Energy Apex Committee and Board", shall be substituted.

5. **Insertion of section 3-A to the Pakhtunkhwa Act No. 1 of 1993.**--- In the said Act, after section 3, the following new section 3-A, shall be inserted, namely:

**“3-A Constitution of Energy Apex Committee.**---(1) The Government shall constitute an Energy Apex Committee to provide policy guide line to the Board.

(2) The Energy Apex Committee shall be headed by the Chief Minister, Khyber Pakhtunkhwa and shall consist of such other persons as the Government may determine.

(3) The meeting of the Energy Apex Committee shall be held in such a manner as may be prescribed.

6. **Substitution of section 4 of the Pakhtunkhwa Act No. 1 of 1993.**--- In the said Act, for section 4, the following shall be substituted, namely:

**“4. Board of Directors.**-- (1) Subject to the provisions of section 3-A of this Act, the powers, functions and management of the Organization shall vest in a Board constituted under this section.

(2) The Board shall have a Chairman to be appointed by Government for a period of three years from amongst the persons having at least twenty years experience in the field of energy and power or industries or financial sector, in such a manner and on such terms and conditions as the Government may determine.

(3) The other members of the Board shall be as under:

(i)	Secretary to Government, Energy and Power Department;	Member
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(ii)	Secretary to Government, Finance Department;	Member
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(iii)	Secretary to Government, Home and Tribal Affairs Department;	Member
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(iv)	President, Khyber Pakhtunkhwa Chamber of Commerce and Industries;	Member
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(v)	seven persons to be appointed by Government for a period of three years from amongst the persons having at least ten years experience in the field of energy and power or industries or financial sector; and	Members...
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(vi)	Chief Executive Officer.	Member/Secretary
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(4) The Board may co-opt any other Government functionary or sectoral expert as a co-opted member of the Board for a specific meeting as and when need so arises.

(5) The Chairman and members at clause (v) may at any time resign from his office by writing under his hand to Government.

(6) Government may remove, the Chairman and members at clause (v) before the expiry of their term on the ground of misconduct or of being incapable of properly performing the duties of his office by reason of physical or mental incapacity:

Provided that before removing the Chairman and members at clause (v), as the case may be, Government shall give them an opportunity of being heard in person.”.

7. **Amendment of section 5 of the Pakhtunkhwa Act No. 1 of 1993.**--- In the said Act, in section 5, for sub section (1), the following shall be substituted, namely:

“(1) Government shall appoint the Chief Executive Officer of the Organization from amongst the persons having expertise in the field of energy and power sector on such terms and conditions as the Government may determined.”.

8. **Deletion of section 6 of the Pakhtunkhwa Act No. 1 of 1993.**--- In the said Act, section 6, shall be deleted.

9. **Amendment of section 15 of Pakhtunkhwa Act No. 1 of 1993.**--- In the said Act, in section (15), in sub-section (2), in clause (e), the word “and” appearing at the end shall be deleted and thereafter the existing clause shall be renumbered as clause (g) and before clause (g), as so renumbered the following new clause shall be inserted, namely:

“(f) establish thermal, solar, wind or other alternate renewable energy based power houses, erect test masts, collect wind and solar data for power generation, lay or cause to be laid, pipelines for supply of fuel, establish fuel supply means, engage in transmission, trading, distribution and sale of energy to industries and domestic consumers, manage demand discipline, cause setting of tariff, recover and collect charges, fees and tariffs and do all other things necessary and incidental with power produced or generated by or through the Organization; and”.

10. **Amendment of section 24A of Pakhtunkhwa Act No. 1 of 1993.**--- In the said Act, in sub-section (1),--

(i) for the existing clause (iii) and (iv), the following shall respectively be substituted, namely:

- |   |              |
|---|--------------|
| “(iii) General Manger, Administration<br>and Finance, Pakhtunkhwa Energy<br>Development Organization; | Member       |
| (iv) Assistant Director Budget and<br>Finance Pakhtunkhwa Energy<br>Development Organization; and     | Member”; and |

(ii) after clause (iv), as so amended, the following new clause shall be inserted, namely:

"(v) a representative of Energy and Power  
Department not below the rank of  
Deputy Secretary. Member".

## **STATEMENT OF OBJECTS AND REASONS**

PHYDO was mandated to look after Hydel Sector. Due to change in technologies of Power generation, PHYDO will be renamed as Pakhtunkhwa Energy Development Organization. PEDO will look after all sources of Power generation like hydel, renewable energy, thermal power generation and also look into distribution of Power. The decision forum i.e. PHYDO Board has been renamed as PEDO Board and instead of having the Chief Minister, Ministers, Chief Secretary and a number of other administrative secretaries and public functionaries on Board of PHYDO, the PEDO Board has been reorganized and made more private sector led. For Governmental support at policy level, an Energy Apex Committee was formed under the Chairmanship of Chief Minister and being an overarching body.

A professional CEO will head PEDO and will be hired from the market. The existing office of the Managing Director PHYDO will be re-designated as General Manager (Hydel Power). Other Wings/Cells may be staffed in a phased manner, with technical experts of the relevant fields, so that proposed PEDO is enabled to undertake generation projects in thermal and ARE areas besides being capable of venturing into distribution activities. Hydel Development Fund will be changed into Energy Development fund. In order to carry out the above mentioned activities, amendments have been proposed in PHYDO Act 2013

*Pervez Khattak*  
MINISTER-IN-CHARGE

Extract

EXTRAORDINARY

REGISTERED NO. P.111

GOVERNMENT



GAZETTE

## North. West Frontier Province

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Published by Authority

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PESHAWAR, WEDNESDAY, 24TH FEBRUARY, 1993.

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PROVINCIAL ASSEMBLY SECRETARIAT,  
NORTH.WEST FRONTIER PROVINCE

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### NOTIFICATION

24th FEBRUARY, 1993.

No. PA/NWFP/Legis/93/4866. The Sarhad Hydel Development Organization Bill, 1993, having been passed by the Provincial Assembly of the North-West Frontier Province on the 14<sup>th</sup> February, 1993 and assented to by the Governor of the North-West Frontier Province on the 22<sup>nd</sup> February, 1993 is hereby published as an Act of the Provincial Legislature of North-West Frontier Province.

THE SARHAD HYDEL DEVELOPMENT ORGANIZATION ACT, 1993.

N.W.F.P. ACT NO. 1 OF 1993

*[First published after having received the assent of the Governor of the North-West Frontier Province in the Gazette of North-West Frontier Province (Extraordinary), dated the 24<sup>th</sup> February, 1993].*

Short title,  
Extent and  
Commencement.

1. (1) This Act may be called the Pakhtunkhwa  
Hydel Development Organization  
(Amendment) Act, 2013

**PHYDO  
(Amendments)  
Act 2013**

## **CHAPTER II** **Constitution of Board**

4. (1) The powers, functions and management of the Organization shall vest in a Board constituted under sub-section (2)
- Board of  
Directors**
- PHYDO  
(Amendment)  
Act, 2013**
- (2) The Board shall consist of the following:
- |       |   |                             |
|-------|---|-----------------------------|
| i.    | the Chief Minister of the Khyber Pakhtunkhwa                                  | <b>Chairman</b>             |
| ii.   | the Minister for Energy and Power;  | <b>Member</b>               |
| iii.  | the Minister for Finance  | <b>Member</b>               |
| iv.   | the Minister for Planning & Development                                       | <b>Member</b>               |
| v.    | the Chief Secretary to Government   | <b>Member</b>               |
| vi.   | the Additional Chief Secretary to Government                                  | <b>Member</b>               |
| vii.  | the Secretary to Govt. Finance department                                     | <b>Member</b>               |
| viii. | the Secretary to Govt. Energy & Power Department.                             | <b>Member</b>               |
| ix.   | the Secretary to Govt. of Irrigation Department                               | <b>Member</b>               |
| x.    | one financial expert to be nominated by the Chairman of the Board             | <b>Member</b>               |
| xi.   | one expert from hydro sector to be nominated by the Chairman of the Board     | <b>Member</b>               |
| xii.  | the president of the Khyber Pakhtunkhwa Chamber of Commerce and Industry; and | <b>Member</b>               |
| xiii. | the Managing Director of the Organization,                                    | <b>Member-cum-Secretary</b> |
5. (1) Government shall appoint preferably a bonafide resident of the North-West Frontier Province with the prescribed experience as the Managing Director of the Organization.
- Managing  
Director**
6. There shall be a full-time Secretary of the Board, who shall, under the general supervision of the Managing Director, be responsible for dealing with the proceedings of the meetings and other matters entrusted by the Organization.
- Secretary**

7. Amendment of section 5 of the Pakhtunkhwa Act No. 1 of 1993.—  
In the said Act, in section 5, for sub section (1), the following shall be substituted, namely:

- (2) The Managing Director shall be the Chief Executive of the Organization and shall be responsible for its day to day administration and management. He shall also be responsible to carry out and implement the orders and decisions of the Board.
- (3) The term of office of the Managing Director shall be four years. On expiry of his term of office, the Managing Director shall be eligible for re-appointment for a subsequent term or terms or for such shorter term as Government may determine in consultation with the Board.
- (4) The Managing Director may, at any time, resign from his office and by virtue of his resignation, he shall cease to be member of the Board. Or if

**PROPOSED AMENDMENTS IN THE KHYBER PAKHTUNKHWA**  
**ENERGY DEVELOPMENT ORGANIZATION (AMENDMENT)**  
**BILL, 2014**

**CLAUSE-5**

Syed Jafar Shah, MPA to move that in new section 3-A, in sub-section (2) as referred in clause 5, of the Bill, after full stop the words "Chairman Standing Committee on Energy & Power or his nominee will be Ex-officio member of the Energy Apex Committee" may be added."

**CLAUSE -6**

Syed Jafar Shah, MPA to move that in section 4, in sub section (4), as referred in clause 6 of the Bill, after the word "expert" the words "concerned Member Provincial Assembly in whose jurisdiction, the power generation project lies. shall be ex-officio member" may be inserted.

{Withdraw by Mover}