

NATIONAL ASSEMBLY SECRETARIAT

REPORT OF THE STANDING COMMITTEE ON ENERGY ON THE PRIVATE POWER AND INFRASTRUCTURE BOARD (AMENDMENT) BILL, 2017

I, the Chairman of Standing Committee on Energy have the honour to present this report on the Bill further to amend the Private Power and Infrastructure Board Act, 2012, [The Private Power and Infrastructure Board (Amendment) Bill, 2017] referred to Committee on 7th August, 2017.

2. The Committee comprises the following:

1. Ch. Bilal Ahmed Virk	Chairman
2. Malik Ihtebare Khan	Member
3. Mr. Muhammad Afzal Khokhar	Member
4. Rana Afzaal Hussain	Member
5. Syed Muhammad Saqlain Bukhari	Member
6. Mian Tariq Mehmood	Member
7. Rana Muhammad Ishaq Khan	Member
8. Mr. Rasheed Ahmad Khan	Member
9. Chaudhry Khalid Javaid Warraich	Member
10. Ms. Shahjehan Muneer Mangrio	Member
11. Mr. Rafique Ahmed Jamali	Member
12. Mr. Nawab Ali Wassan	Member
13. Mr. Roshan Din Junejo	Member
14. Nawab Muhammad Yusuf Talpur	Member
15. Mr. Shehryar Afridi	Member
16. Dr. Imran Khattak	Member
17. Mr. Abdul Waseem	Member
18. Mr. Sajid Ahmed	Member
19. Mr. Akram Khan Durrani	Member
20. Mr. Pir Bux Junejo	Member
21. Sardar Awais Ahmad Khan Leghari	Ex-officio Member
Federal Minister for Energy (Power Division)	

3. The Committee considered the Bill, placed at Annex-A, in its meetings held on the 24th of August, 7th and 27th of September, 5th and 24th of October, 2017 and made the following amendments therein:-

(1) In the title of the Bill, before the words "to amend", the word "further" shall be inserted.

(2) Insertion of new Clause 2

After clause 1, a new proposed clause 2, shall be inserted and the remaining clauses shall be renumbered, accordingly,-

"2. General amendment, Act VI of 2012.- In the said Act, for the word "Private", wherever occurring, the word "Pakistan" shall be substituted."

(3)

Clause 3

In clause 3, renumbered as aforesaid, in paragraph (b) after the word "investors", a coma "," shall be inserted.

(4)

Clause 4

In clause 4, renumbered as aforesaid, in paragraph (iii), in proposed clause "(ca)", the alphabet "A", occurring after the word and digit "section 5", shall be substituted with the alphabet "B".

(5)

Clause 5

In clause 5, renumbered as aforesaid,-

- (i) in paragraph (1), before the word and digit, "section 5", the words and a comma "the said Act, in" shall be inserted;
- (ii) in sub-paragraph (ii), in proposed clause (bb), after the words "projects for", the word "the", shall be omitted.

(6)

Clause 6

In clause 6, renumbered as aforesaid, in proposed section "5B", in paragraph (1), after the words "an institute of", the word "alternative" shall be inserted.

(7)

Clause 7

- (i) In clause 7, renumbered as aforesaid, after the title, full stop and dash, the words and coma "In the said Act,", shall be inserted.
- (ii) In clause 7, renumbered as aforesaid, in proposed section 6A,-
 - (a) in paragraph (1), after the word "upon" occurring for the first time, the words "insertion of this section", shall be substituted with the words "commencement of the Pakistan Power and Infrastructure Board (Amendment) Act, 2017"; and
 - (b) in paragraph (1),-
 - (aa) for sub-paragraph (c), the following shall be substituted namely,-

agreement, deed, document or other instrument, all officers, consultants, advisers, auditors and other employees and staff of the dissolved Alternative Energy Development Board shall, and be bound to, at their option to be exercised within three months of the commencement of the Pakistan Power and Infrastructure Board (Amendment) Act, 2017, either to"; and

- (ab) in sub-paragraph (c) substituted as aforesaid, in paragraph (i), the apostrophe " ' " shall be substituted with a coma " , "; and
- (iii) in paragraph (2), after the words "immediately before" occurring once, for the words, "the insertion of this section", the words "commencement of Pakistan Power and Infrastructure Board (Amendment) Act, 2017", shall be substituted.

4. The Committee recommends that the Bill, placed at Annex-B, may be passed by the Assembly.

Sd/-
(JAWAD RAFIQUE MALIK)
Secretary
Islamabad, the 8th December, 2017

Sd/-
(CH. BILAL AHMED VIRK)
Chairman
Standing Committee on Energy

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to amend the Private Power and Infrastructure Board Act, 2012

Whereas, in the interest of certainty and consistency in the smooth functioning of the power sector, it is expedient further to amend the Private Power and Infrastructure Board Act, 2012 (VI of 2012);

It is hereby enacted as follows:-

1. **Short title and commencement.**— (1) This Act shall be called the Private Power and Infrastructure Board (Amendment) Act, 2017.

(2) It shall come into force at once.

2. **Amendment of preamble, Act VI of 2012.**— In the Private Power and Infrastructure Board Act, 2012 (VI of 2012), hereinafter referred to as the said Act, in the preamble, in the second paragraph,—

(a) the words "private sector" shall be omitted; and

(b) after the word "investors" the words "and to assist and facilitate development and generation of alternative or renewable energy in order to achieve sustainable economic growth with transfer of technology for development of an indigenous technological base through a diversified energy generation" shall be inserted.

3. **Amendment of section 1, Act VI of 2012.**— (1) In the said Act, in section 2,—

(i) the existing clause (a) shall be re-lettered as (aa);

(ii) before clause (aa), re-lettered as aforesaid, the following new clause shall be inserted, namely:—

"(a) "alternative or renewable energy" means energy that is produced by alternative or renewable resources as compared to the conventional or that

are replenished naturally which do not deplete when consumed and are non-polluting and environment friendly;"

(iii) after clause (c), the following new clause (ca) shall be inserted, namely:-

"(ca) "institute" means institute of alternative and renewable energy technologies established under section 5A;" and

(iv) in clause (g), after the word "regulations" the words "made under this Act" shall be inserted.

4. Amendment of section 5, Act VI of 2012.- (1) In section 5, in sub-section (2),-

(i) in clause (a), after the word "policies", the comma and words ", including for the utilization of alternative and renewable energy resources" shall be inserted; and

(ii) after clause (b), the following new clauses shall be inserted, namely:-

"(ba) act as a forum for evaluating, monitoring and certification of alternative or renewable energy projects, products and proposals;

(bb) create awareness and motivation of the need to set up alternative and renewable energy projects for the benefit of general public as well as evaluating concepts and technologies from technical and financial perspective;

(bc) conducting feasibility studies and surveys to identify opportunities for power generation and other applications through alternative and renewable energy resources;

(bd) making legislative proposals to enforce use and installation of equipment utilizing renewable energy;"

5. Insertion of sections 5A and 5B, Act VI of 2012.- In the said Act, after section 5, the following new sections 5A and 5B shall be inserted, namely:-

"5A. Organization of the Board.— (1) The Board may, for carrying out its functions for promotion of alternative and renewable energy, development of alternative and renewable energy

technologies, certification of alternative and renewable energy products and projects and project management, establish one or more organizations as it may consider necessary.

(2) An organization established under sub-section (1) shall be subject to control and supervision of the Board and shall function within the framework of this Act.

(3) An organization established under sub-section (1) shall perform such business as may be prescribed by regulations.

5B. Institute of alternative and renewable energy technologies.— (1) The Board may, for carrying out its functions of commercial application of alternative or renewable energy and corresponding human resource development in the area of alternative and renewable energy, establish an institute of renewable energy technologies.

(2) The institute shall conduct the business in such manner as may be prescribed by regulations.”.

6. Insertion of section 6A, Act VI of 2012.- After section 6, the following new section shall be inserted, namely:—

"6A. Dissolution of Alternative Energy Development Board.— (1) Upon insertion of this section, the Alternative Energy Development Board established under section 3 of the Alternative Energy Development Board Act, 2010 (Act XIV of 2010) shall stand dissolved and upon such dissolution—

- (a) the Alternate Energy Fund established under section 13 of the Alternative Energy Development Board Act, 2010 (Act XIV of 2010) shall stand transferred to and vest in the Private Power and Infrastructure Board Fund established under section 14;
- (b) any and all assets, rights, powers, authorities and privileges and all property, cash and bank balances, reserve funds, investment and all other interests and rights in or arising out of such property and all debts, liabilities and obligations of whatever kind of the dissolved Alternative Energy Development Board subsisting immediately before its dissolution, shall stand transferred to and vest in the PPIB;
- (c) notwithstanding anything contained in this section or any other law for the time being in force or in any agreement, deed, document, or other instrument, all officers, consultants, advisers, auditors and other employees

and staff of the dissolved Alternative Energy Development Board shall and be bound to, at the option of the Federal Government,-

- (i) stand transferred to and be officers' consultants, advisers, auditors and employees and staff of the PPIB; or
- (ii) accept a voluntary separation allowance under a separation scheme to be determined and notified by the Federal Government:

Provided that the persons mentioned in clause (i) shall be deemed to have been appointed or engaged by the PPIB in accordance with the same terms and conditions of service as were applicable to them, immediately before such continuance in office or transfer under this section and shall not be entitled to compensation because of such continuance or transfer:

Provided further that any civil servants appointed to or working in the dissolved Alternative Energy Development Board shall upon their transfer to the PPIB continue to be governed by the Civil Servants Act, 1973 (LXXI of 1973) and rules made thereunder;

- (d) all debts and obligations incurred or contracts entered into, rights acquired and all matters and things engaged to be done by, with or for the dissolved Alternative Energy Development Board shall be deemed to have been incurred, entered into, acquired or engaged to be done by, with or for the PPIB;
- (e) all suits and other legal proceedings instituted by or against the dissolved Alternative Energy Development Board before its dissolution shall be deemed to be suits and proceedings by or against the PPIB and shall be proceeded or otherwise dealt with accordingly; and
- (f) any reference to the Alternative Energy Development Board so dissolved in any statutory instrument or document shall, unless the context otherwise requires, be read and construed as reference to be PPIB.

(2) All rules, regulations, notifications, orders or instructions in force pertaining to or in any way concerned with or affecting the dissolved Alternative Energy Development Board immediately before the insertion of this section, shall, so far as they are not inconsistent with any of the provisions of the this Act, continue to be in force until repealed, altered or rescinded by rules or regulations made under this Act.

7. Addition of section 30, Act VI of 2012.— In the said Act, after section 29, the following new section shall be added, namely:-

"30. Repeal.—The Alternative Energy Development Board Act, 2010 (Act XIV of 2010) is hereby repealed."

STATEMENT OF OBJECTS AND REASONS

In 2010, the Alternative Energy Development Board (AEDB) was established through the enactment of the Alternative Energy Development Board Act, 2010 (Act XIV of 2010) as statutory body to "facilitate development and generation of alternative or renewable energy in order to achieve sustainable economic growth with transfer of technology for development of an indigenous technological base through a diversified energy generation".

2. The AEDB is essentially tasked with the same functions as the Private Power and Infrastructure Board (PPIB) except that its scope is limited to alternate energy. The PPIB has been in existence since 1994 as a one window facilitation centre of investors in the energy sector. The establishment of the AEDB has therefore created an anomaly in the system, whereas in terms of the preamble to the AEDB Act, 2010 its primary function should have been research and development for the growth of the alternative energy sector.

3. For this reason, it is felt that the AEDB may be merged into the PPIB, which has been in existence since 1994, and has therefore developed the requisite skill set and ability to act as a one window facility for all segments of the energy sector. At the same time, the research institutes of alternative energy envisaged under the Alternative Energy Development Board Act, 2010 (Act XIV of 2010) are proposed to continue under the aegis of the PPIB to ensure continuity in the research and development functions.

4. This Bill has been developed to achieve the aforesaid objectives.

**KHAWAJA MUHAMMAD ASIF
MINISTER-IN-CHARGE**

[AS REPORTED BY THE STANDING COMMITTEE]**A****BILL**

further to amend the Private Power and Infrastructure Board Act, 2012

Whereas, in the interest of certainty and consistency in the smooth functioning of the power sector, it is expedient further to amend the Private Power and Infrastructure Board Act, 2012 (VI of 2012);

it is hereby enacted as follows:-

1. Short title and commencement.- (1) This Act shall be called the Pakistan Power and Infrastructure Board (Amendment) Act, 2017.

(2) It shall come into force at once.

2. General amendment, Act VI of 2012.- In the said Act, for the word "Private", wherever occurring, the word "Pakistan" shall be substituted.

3. Amendment of preamble, Act VI of 2012.- In the Private Power and Infrastructure Board Act, 2012 (VI of 2012), hereinafter referred to as the said Act, in the preamble, in the second paragraph,-

- (a) the words "private sector" shall be omitted; and
- (b) after the word "investors", the words "and to assist and facilitate development and generation of alternative or renewable energy in order to achieve sustainable economic growth with transfer of

technology for development of an indigenous technological base through a diversified energy generation" shall be inserted.

4. Amendment of section 1, Act VI of 2012.- (1) In the said Act, in section 2.-

- (i) the existing clause (a) shall be re-lettered as (aa);
- (ii) before clause (aa), re-lettered as aforesaid, the following new clause shall be inserted, namely:-

"(a) "alternative or renewable energy" means energy that is produced by alternative or renewable resources as compared to the conventional or that are replenished naturally which do not deplete when consumed and are non-polluting and environment-friendly";

- (iii) after clause (c), the following new clause (ca) shall be inserted, namely:-

"(ca) "institute" means institute of alternative and renewable energy technologies established under section 5B;"; and

- (iv) in clause (g), after the word "regulations" the words "made under this Act" shall be inserted.

5. Amendment of section 5, Act VI of 2012.- (1) In the said Act, in section 5, in sub-section (2),-

- (i) in clause (a), after the word "policies", the comma and words ", including for the utilization of alternative and renewable energy resources" shall be inserted; and

- (ii) after clause (b), the following new clauses shall be inserted, namely:-

"(ba) act as a forum for evaluating, monitoring and certification of alternative or renewable energy projects, products and proposals;

(bb) create awareness and motivation of the need to set up alternative and renewable energy projects for benefit of general public as well as evaluating concepts and

technologies from technical and financial perspective;

(bc) conducting feasibility studies and surveys to identify opportunities for power generation and other applications through alternative and renewable energy resources;

(bd) making legislative proposals to enforce use and installation of equipment utilizing renewable energy;"

6. Insertion of sections 5A and 5B, Act VI of 2012.- In the said Act, after section 5, the following new sections 5A and 5B shall be inserted, namely:-

"5A. Organization of the Board.- (1) The Board may, for carrying out its functions for promotion of alternative and renewable energy, development of alternative and renewable energy technologies, certification of alternative and renewable energy products and projects and project management, establish one or more organizations as it may consider necessary.

(2) An organization established under sub-section (1) shall be subject to control and supervision of the Board and shall function within the framework of this Act.

(3) An organization established under sub-section (1) shall perform such business as may be prescribed by regulations.

5B. Institute of alternative and renewable energy technologies.-

(1) The Board may, for carrying out its functions of commercial application of alternative or renewable energy and corresponding human resource development in the area of alternative and renewable energy, establish an institute of alternative renewable energy technologies.

(2) The institute shall conduct the business in such manner as may be prescribed by regulations."

7. Insertion of section 6A, Act VI of 2012.- In the said Act, after section 6, the following new section shall be inserted, namely:-

"6A. Dissolution of Alternative Energy Development Board.- (1) Upon commencement of the Pakistan Power and Infrastructure Board

(Amendment) Act, 2017, the Alternative Energy Development Board established under section 3 of the Alternative Energy Development Board Act, 2010 (Act XIV of 2010) shall stand dissolved and upon such dissolution-

- (a) the Alternate Energy Fund established under section 13 of the Alternative Energy Development Board Act, 2010 (Act XIV of 2010) shall stand transferred to and vest in the Pakistan Power and Infrastructure Board Fund established under section 14;
- (b) any and all assets, rights, powers, authorities and privileges and all property, cash and bank balances, reserve funds, investment and all other interests and rights in or arising out of such property and all debts, liabilities and obligations of whatever kind of the dissolved Alternative Energy Development Board subsisting immediately before its dissolution, shall stand transferred to and vest in the PPIB;
- (c) notwithstanding anything contained in this section or any other law for the time being in force or in any agreement, deed, document or other instrument, all officers, consultants, advisers, auditors and other employees and staff of the dissolved Alternative Energy Development Board shall, and be bound to, at their option to be exercised within three months of the commencement of the Pakistan Power and Infrastructure Board (Amendment) Act, 2017, either to:-

- (i) stand transferred to and be officers, consultants, advisers, auditors and employees and staff of the PPIB; or

- (ii) accept a voluntary separation allowance under a separation scheme to be determined and notified by the Federal Government:

Provided that the persons mentioned in clause (I) shall be deemed to have been appointed or engaged by the PPIB in accordance with the same terms and conditions of service as were applicable to them, immediately before such continuance in office or transfer under this section and shall not be entitled to compensation because of such continuance or transfer:

Provided further that any civil servants appointed to or working in the dissolved Alternative Energy Development Board shall upon their transfer to the PPIB continue to be governed by the Civil Servants Act, 1973 (LXXI of 1973) and rules made thereunder;

- (d) all debts and obligations incurred or contracts entered into, rights acquired and all matters and things engaged to be done by, with or for the dissolved Alternative Energy Development Board shall be deemed to have been incurred, entered into, acquired

or engaged to be done by, with or for the PPIB

- (e) all suits and other legal proceedings instituted by or against the dissolved Alternative Energy Development Board before its dissolution shall be deemed to be suits and proceedings by or against the PPIB and shall be proceeded or otherwise dealt with accordingly; and
- (f) any reference to the Alternative Energy Development Board so dissolved in any statutory instrument or document shall, unless the context otherwise requires, be read and construed as reference to be PPIB.

(2) All rules, regulations, notifications, orders or instructions in force pertaining to or in any way concerned with or affecting the dissolved Alternative Energy Development Board immediately before commencement of the Pakistan Power Infrastructure Board (Amendment) Act, 2017, shall, so far as they are not inconsistent with any of the provisions of this Act, continue to be in force until repealed, altered or rescinded by rules or regulations made under this Act.

8. Addition of section 30, Act VI of 2012.- In the said Act, after section 29, the following new section shall be added, namely:-

“30. **Repeal.-**The Alternative Energy Development Board Act, 2010 (Act XIV of 2010) is hereby repealed.”.

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3. For this reason, it is felt that the AEDB may be merged into the PPIB, which has been in existence since 1994, and has therefore developed the requisite skill set and ability to act as a one window facility for all segments of the energy sector. At the same time, the research institutes of alternative energy envisaged under the Alternative Energy Development Board Act, 2010 (Act XIV of 2010) are proposed to continue under the aegis of the PPIB to ensure continuity in the research and development functions.

4. This Bill has been developed to achieve the aforesaid objectives.

SARDAR AWAIS AHMAD KHAN LEGHARI
Minister-in-charge