

CAYMAN ISLANDS



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**A BILL FOR A LAW TO AMEND THE ELECTRICITY REGULATORY  
AUTHORITY LAW (2008 REVISION) TO MAKE FURTHER  
PROVISION IN RESPECT OF THE COMPOSITION OF THE BOARD  
OF DIRECTORS OF THE ELECTRICITY REGULATORY  
AUTHORITY; AND TO MAKE PROVISION FOR RELATED MATTERS**



**THE ELECTRICITY REGULATORY AUTHORITY (AMENDMENT)  
BILL, 2009**

**MEMORANDUM OF OBJECTS AND REASONS**

This Bill amends the Electricity Regulatory Authority Law (2008 Revision).

Clause 1 of the Bill sets out the short title of the legislation.

Clause 2 amends section 4 of the principal Law to increase the membership of the Board of directors of the Electricity Regulatory Authority.

Clause 3 amends section 5 of the principal Law to provide that directors shall hold office at the pleasure of the Governor in Cabinet and to remove the requirement for directors to have substantial knowledge in specialised areas.

Clause 4 of the Bill amends section 6 of the principal Law to enable the appointment of a Managing Director from among individuals other than the appointed directors.

Clause 5 amends section 7 of the principal Law to confer upon the Governor in Cabinet a discretion to terminate the appointment of a director. This discretion would be exercisable in addition to the existing power to terminate a director's appointment for a specified cause.

Clause 6 amends the First Schedule to vary the quorum required for meetings of the Board.

Clause 7 contains savings and transitional provisions.

**THE ELECTRICITY REGULATORY AUTHORITY (AMENDMENT)  
BILL, 2009**

**ARRANGEMENT OF CLAUSES**

1. Short title
2. Amendment of section 4 of the Electricity Regulatory Authority Law (2008 Revision) - Board of directors
3. Amendment of section 5 - appointment of directors
4. Amendment of section 6 - Managing director of Authority
5. Amendment of section 7 - resignation of directors and termination of office
6. Amendment of First Schedule – procedure of Board
7. Savings and transitional provisions

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AUTHORITY; AND TO MAKE PROVISION FOR RELATED MATTERS**

Enacted by the Legislature of the Cayman Islands.

1. This Law may be cited as the Electricity Regulatory Authority (Amendment) Law, 2009. Short title
  
2. The Electricity Regulatory Authority Law (2008 Revision), in this Law referred to as the “principal Law”, is amended in section 4(1) by deleting the words “four and not more than six” and substituting the words “eight and not more than ten”. Amendment of section 4  
of the Electricity  
Regulatory Authority  
Law (2008 Revision) -  
Board of directors
  
3. The principal Law is amended in section 5 as follows - Amendment of section  
5 - appointment of  
directors
  - (a) by repealing subsection (3);
  - (b) in subsection (6) by inserting after the word “Governor” the words “; but directors shall hold office at the pleasure of the Governor”; and
  - (c) in subsection (9) by deleting the words “and subsections (2), (3) and (4)” and substituting the words “and subsections (2) and (4)”.

Amendment of section 6 - Managing director of Authority

4. The principal Law is amended in section 6 by repealing subsection (1) and substituting the following subsection -

“ (1) The Governor shall appoint any individual to be the managing director; but, if a managing director is appointed from among individuals other than the directors appointed under section 5, he shall by virtue of his office be deemed to be a director appointed under section 5.”.

Amendment of section 7 - resignation of directors and termination of office

5. The principal Law is amended in section 7 as follows -

- (a) by re-numbering section 7 as section 7(1); and
- (b) by inserting after section 7(1) as re-numbered the following subsection -

“ (2) Without prejudice to the provisions of subsection (1), the Governor acting in his discretion may terminate the appointment of any director, whether the director was appointed before, on or after the date of commencement of the Electricity Regulatory Authority (Amendment) Law, 2009.”.

Amendment of First Schedule – procedure of Board

6. The principal Law is amended in paragraph 6(1) of the First Schedule by deleting the words “a quorum shall consist of three directors” and substituting the words “a quorum shall consist of a majority of the appointed directors”.

Savings and transitional provisions

7. (1) Every matter commenced under the former Law and partly dealt with by the former Board when the new Law comes into force, is to be continued and dealt with in all respects under the new Law and the provisions of the new Law are to apply accordingly.

(2) Every matter commenced under the former Law and not wholly or partly dealt with by the former Board when the new Law comes into force, is to be taken to be a matter commenced under the new Law and the provisions of the new Law are to apply accordingly.

(3) In this section -

“former Board” means the Board of directors of the Electricity Regulatory Authority established under section 8 of the former Law;

“former Law” means the principal Law in force immediately before the date of commencement of this Law; and

“new Law” means the principal Law as amended by this Law.

Passed by the Legislative Assembly the        day of                                , 2009.

Speaker.

Clerk of the Legislative Assembly.