

**Terms of Reference for
Chief Executive Officer
Bhutan Power Corporation Limited**

Terms of Reference for Chief Executive Officer (CEO), Bhutan Power Corporation Ltd.

1. Overview

Employer:	Bhutan Power Corporation Limited
Industry:	Energy and Resources
Location:	Thimphu Bhutan
Position:	CEO
Employment Type:	Contract for 3 years

2. Introduction

Bhutan Power Corporation Limited was established as a public utility company on the 1st of July 2002 with the mandate of distributing electricity throughout the country and also to provide transmission access for generating stations for domestic supply as well as export. One of BPC's core mandates is to ensure that electricity is made available to all citizens reliably, adequately and in an affordable manner.

3. Summary

The Chief Executive Officer (CEO) is the senior most executive officer of the company. The CEO reports to the Board of Directors. The Board of Directors appoints the CEO, evaluates the performance, and may, at its discretion, remove or replace the CEO. The primary responsibilities of the CEO are to:

- a. Provide overall leadership and management of company affairs under the guidance of the Board;
- b. Formulate and execute Corporate Strategic Plans of the company to realize and fulfill the mandates of the company;
- c. Lead and manage the company within the parameters established by the Board and relevant Board committees;
- d. Plan, monitor and evaluate the performance of the company and executive team in realizing the mandates of the company; and
- e. Create sustainable long-term shareholder value.

4. Responsibilities

In addition to the responsibilities assigned by the Board, those stated in the Companies Act of Bhutan 2016 and the Ownership Policy document of Druk Holding and Investments (DHI), the following are the specific roles and responsibilities of the CEO.

4.1 General Management

The Chief Executive Officer shall report to the Board of Directors of BPC. His/her primary responsibilities shall include the following:

- a. Manage the company within the guidelines, rules, policies and directives issued by the Board;

- b. Appoint and maintain a strong executive management team to assist in the execution of the tasks delegated by the board, including organization and operation of the company;
- c. Implement all plans, policies and performance targets approved by the board;
- d. Complete all Associated Transmission System (ATS) for the upcoming generating plants in time for ensuring availability of power evacuation system;
- e. Operationalize SAIFI and SAIDI in calculation of system losses;
- f. Ensure all systems within the company are safeguarded against security breaches that includes cyber security protection, detection, response and recovery;
- g. Represent BPC on various strategic and technical committees established by the Government for implementation of hydropower projects;
- h. Ensure that the authorities delegated by the Board are exercised in a competent manner and within the intent of such delegation and referring all matters outside his delegations to the Board for approval;
- i. Promote leadership development and proper succession planning for key positions in the company;
- j. Develop/revise systems and processes for effective and efficient management of the company;
- k. Apprise board on all matters of significance;
- l. Keep the Board Chairman apprised of all matters of significance that occur between the Board meetings;
- m. Provide the Board with accurate, relevant, timely and complete information;
- n. Manage the overall business to ensure strategic and business plans are effectively implemented within the authority delegated by the Board, the results are monitored and reported to the Board, and financial and operational objectives are attained;
- o. Ensure the identification and communication to the Board of all material risks to the Company along with mitigation plans and procedures; and
- p. Other responsibilities as designated by the Board from time to time.

4.2 Strategic Management

- a. Recommend long term vision and strategy for the company to the board in close alignment with the broader vision the shareholder is pursuing;
- b. Implement and execute the strategic plan approved by the board by developing operational plans;
- c. Measure and evaluate the effectiveness of the strategic plan on annual basis and recommend necessary changes to the board; and
- d. Review and revise the corporate strategic plan based on the changing market conditions.

4.3 Operational Management

- a. Develop annual operating forecasts of revenue, expenditure, growth pattern, operational results and financial performance and ensure financial growth of the company;
- b. Develop innovative business models to increase profitability and reducing cost and to attain the broader objectives of the company;
- c. Ensure to provide reliable, stable and safe electricity supply services at all times in the entire country.

- d. Ensure proper implementation of processes in operation and maintenance of the power system including safety;
- e. Develop and secure approval of the board, the annual budgets, both current and capital investments;
- f. Ensure proper project implementation in line with the requirements of other stake-holders with all back-up plans as necessary including internal requirements as well as requirements of implementation of the ATS for the upcoming generating plants;
- g. Complete all pending ATS projects and resolve issues, if any;
- h. Authorize commitment of corporate resources so that operational plans are executed efficiently and on time;
- i. Enter into agreements contracts, leases, etc. in the ordinary course of business, in order to pursue the approved strategies, business plans, and objectives of the company, provided, that major commitments, exposures, and risks will be reported to the Board on a regular and timely basis;
- j. Ensure that the members of the board receive accurate, timely and clear information, in particular about the company's performance, significant financial arrangements, the development of rationale investments and others areas of significance to enable the board to take sound decisions, monitor effectively and provide advice to promote the success of the company;
- k. Resolve issues concerning materials mismatch across all offices of BPC. Take actual stock of all materials annually and ensure that system balance and physical balance matches in all stores of BPC;
- l. Enforce accountability and transparency while executing any projects; and
- m. Keep the Board fully informed on all aspects of the Company's operational and financial affairs, and on all matters of significant relevance to the Company including those items emanating from government and regulators on issues such as fiscal, monetary and environmental policies and legislation affecting operations and regulatory oversight etc.
- n. Start Research & Development wing applicable to the company's business needs, that will eventually result in new or improved processes, systems, or services.

4.4 Human Resource Management and Development

- a. Develop a robust organizational structure supported by appropriate manpower planning to ensure that the business objectives enshrined in the Corporate Strategic Plan is realized;
- b. Promote leadership development and proper succession planning for key position in the company;
- c. Inculcate performance culture in the company by implementing Performance Management System and as per relevant policies issued by DHI from time to time.
- d. Develop and implement HR Master Plan to identify and prioritize actions for continued and efficient delivery of core operational services. This shall also include the manpower planning and sizing for optimum utilization of human resources;
- e. Undertake Training Needs Assessments to determine what training needs to be provided to help individuals and the organization accomplish their goals and objectives;
- f. Undertake Employee Engagement Survey to understand the motivation level of employees for efficient operation of the company;
- g. Implement the HR Service Manual as approved by the board for day to day management of the company;

- h. Foster a corporate culture that promotes ethical practices and encourages individual integrity and social responsibility; and
- i. Study on possibility of redeployment in order to reduce employee intake and to achieve optimum number of employees.

4.5 Relationship Management

- a. Ensure effective communication, appropriate and constructive relationships are maintained with the shareholder and relevant stakeholders;
- b. Protect and enhance the image and reputation of the Company;
- c. Represent company as and when required including in important national events, business meetings and public forums; and
- d. Act as the Company's interface with its operating environment, the business community, customers, statutory bodies and government agencies. He/She shall also act as the principal spokesperson for the Company.

4.6 Compliances, Risk Management and Corporate Governance

- a. Authorize and ensure that effective control and co-ordination mechanisms for all operations and activities are in place including the establishment and development of effective internal controls over financial reporting;
- b. Ensure the Company's assets are adequately safeguarded and optimized in the best interests of the company;
- c. Maintain a high level of integrity work ethics and Corporate Governance standards;
- d. Develop Risk Management framework including risk register and mitigation measures. Also ensure that the risk register so developed is being implemented, monitored and results evaluated;
- e. Resolve all past audit issues and design appropriate checks and balances to ensure that such lapses do not recur;
- f. Strengthen the function of internal audit to ensure internal checks and balances; and
- g. Ensure compliance with any legal and regulatory obligations.

5. Qualification & Experience

- a. Minimum of Bachelor's Degree obtained from a recognized university through regular (full time) program.
- b. Minimum Fifteen (15) years' work experience, which should include a minimum of three years of active service at General Manager level & above for corporate or equivalent position and P1 A level & above for civil servants. 1.5 years of study period shall be considered as active service.

6. Skills, knowledge and Attributes Required

- a. Excellent leadership skills;
- b. Excellent managerial and technical capabilities;
- c. Excellent analytical, problem solving and decision-making skills;

- d. Strong strategic orientation and competence in translating the board strategic decision into well-thought-out actions;
- e. Strong negotiation and client management skills;
- f. Strong oral and written communication skills;
- g. Impeccable integrity or business ethics;
- h. Strong inter-personal skills and ability to develop and foster meaningful relationship with relevant stakeholder;
- i. Ability and desire to complete works/projects under deadlines.

7. Employment Type and Tenure

The CEO shall be recruited for contract term of three (3) years, which may be renewed based on performance.

8. Salary & Others Benefits

Basic pay:	Nu. 80,000 per month
Contract Allowance:	60% - 100% of the Basic pay (to be negotiated)
PBVA:	Maximum of 25% of the annual basic pay subject to fulfillment of annual Compact signed between DHI and BPC.

Other benefits shall be as per the Service Rules and Regulations.

9. Mandatory documents (required to submit along with application)

- a. Curriculum vitae (CV) indicating clearly the details of applicant and with names and details of two referees.
- b. Bachelors Degree certificate and mark-sheet
- c. Masters Degree certificate and mark-sheet (if applicable)
- d. A valid document proof/evidence to show 15 years of work experience
- e. A valid office order of appointment/promotion to GM/P1 A or equivalent position level
- f. A valid Citizenship Identity Card
- g. A valid audit clearance certificate (for public servants such as civil service, corporations, NGOs, CSO, autonomous agencies etc.)
- h. A valid security clearance

Additionally, the following documents shall be produced by the candidate selected as CEO, prior to his/her appointment:

- a. Valid medical fitness certificate
- b. No objection certificate letter from the employer, if currently employed.