

**NATIONAL COORDINATION COMMITTEE OF  
ELECTRICITY EMPLOYEES & ENGINEERS**

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To

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Sub: Fervent Appeal for your support towards ensuring access to electricity for poor people and farmers.

Revered Sir / Madam,

National Co-ordination Committee of Electricity Employees & Engineers (**NCCOEEEE**), the broad based united platform of almost all the National Federations of Electricity Employees & Engineers constituted 20 years ago; fervently seek your attention to the alarming step Ministry of Power, Government of India is exploring to adopt through their proposed legislation.

When the whole country is integrally combating menace of COVID-19 pandemic under lock down declared in exercise of power of the Government within the ambit of Disaster Management Act, 2005; on 17<sup>th</sup> April, MoP notified the Electricity (Amendment) Bill, 2020 seeking public comments within 3 weeks. Main object of the Bill is transferring assets of the power network from Generating Station Bus to doors of 25 crore households and farmers' fields, developed through seven decades at the cost of public exchequer to private hands, in other terms cronies closer to government.

You might be aware that when the Electricity Bill, 2000 was drafted to unbundle SEBs, series of alluring words like cheaper power for all through promotion of competition & efficiency were floated. Electricity Act, 2003 was passed and in force for a period over 15 years, but none of the words like cheaper power used in the vocal jugglery found visible. Newly Privatized area like Delhi faced 7 times tariff hike over a period of 12 years. So called efficient multinational AES & indigenous private company BSES of Reliance Energy Ltd miserably failed in Odisha including the creamy layer of the state. OERC revoked its license & the decision of the regulator was endorsed by the Hon'ble Supreme Court. Franchises experiences of Gaya & other cities in Bihar, Kanpur in UP, Gwalior & Ujjain in MP, Ranchi & Jamshedpur in Jharkhand was worst. Tata & Reliance (now Adani) pushed the tariff level highest in Mumbai. We are astonished to note that Government's concern over bad debt of private players & NPAs of Banks posed priority and all aspects related to access / right to electricity for poor people has been set aside. The proposed Bill has prescribed 3Tier privatization in Distribution business. Last tier i.e. franchises will not require any license. The proposition transpires; MoP is conceiving innovative idea of informalisation of risk prone electricity distribution job requiring high level of skill and acumen. We cannot accept this odd intention of the government to make the workmen scapegoat of surrendering safety by the lawmakers. We are thankful to quote Shri Pinarayi Vijayan, Hon'ble Chief Minister, Govt of Kerala in this context from his letter addressed to Shri R. K. Singh, Hon'ble Power Minister: ***"This will be against the policy of having a check on the enteritis coming into an important sector like power distribution."***

Government has mentioned its utopian explanation in the paragraphs under objects & reasons placed with the draft bill “the act have brought huge direct investment, Public Private Partnership, market development, transparent tariff mechanism etc.” but suppressed the fact of spiraling escalation of tariff, highest contribution of the sector in NPA for the Nationalised Banks and financial institutions, huge debt burden of the Discoms, failure of its much trumpeted UDAY, failure of independent power producers & developers of Ultra Mega Power Projects to comply their contractual obligations. UMP Projects was assigned on the for 25 years firm tariff based International Competitive Bidding. All of the successful bidders demanded tariff revision within 5 years, Supreme Court denied & government did it through escape route of high power committee, in gross travesty of International Trade Practice. Now, the Bill proposed to establish an ultra-judicial body named “Electricity Contract Enforcement Authority” to ensure coercive realisation of fixed charge from the DISCOMS even without consuming a single KWH of energy in the pattern of worst ever ENRON scam.

Bill has emphatically proposed to promote hydro & renewable power through RPO. But astonishing fact is that only one third of Hydro-electric potential of our country has so far been harnessed and exploration of balance potential kept under the carpet.

As a lawmaker you are aware of the policy of cross-subsidy introduced to provide electricity to poorer citizens and farmers from the initial days of establishment of SEBs. The policy permeated socio-economic development of the country to the extent possible and converting our country from food scarce one to food surplus. Electricity Act 2003 intended to abolish the system. Upon public pressure the Act was amended in 2007 and benefit of cross subsidy continues till date. Once again, the same draconian policy towards snatching away the rights of access to electricity for the poor people and farmers have been proposed in a new shape. The Bill proposed direct benefit transfer by the state Governments. All are to note the contradiction in the proposition of the Bill. Electricity will be virtually removed from the concurrent list of the constitution and set to subject of centre even up to selection of the members of the regulatory commission but the states are to bear the subsidy burden irrespective of financial health of the state. Let us examine the case of the agricultural consumers: a) Only the land owners would be eligible to subsidies, whereas cultivation is often done by tillers/share croppers who pay for the electricity. b) The large difference between the cost of water provided by irrigation canals and ground water extracted by electricity will become more unsustainable with increase in the cost of electricity vis-à-vis cost of agro products. It is envisaged that right to electricity for the consumers will be factored by DBT. Productivity of farmers’ crops might be left upon the fate of DBT or rain fed irrigation only.

Respected Sir/Madam, herein above, we have submitted some glaring points why the Bill should be dropped in its totality. NCCOEEE, being the most vibrant united forum of national federations of electricity employees and engineers will oppose the Bill clause to clause. But we cannot play the role of lawmakers. You, being a leader of the society, apart from your political identity, can only play the role to ensure continuance of the right of access to electricity poor countrymen and food producers of the nation.

Thank you.

Sincerely Yours,

**AIPEF**

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**[ON BEHALF OF NCCOEEE**

**STATE CHAPTER]**