

# **Defend Your Right to Electricity Oppose Electricity (Amendment) Bill, 2014**

## **A Public appeal from EEFI (Electricity Employees Federation of India)**

**Dear Friends, Brothers and Sisters of India,**

You are aware that since initial days after independence, newly independent sovereign republic of India resolved to usher its economic independence through rapid expansion of use of Electricity. Public enterprises set up for development of infrastructure, capital intensive manufacturing like, steel, fertilizers and heavy machineries towards economic progress. Electricity (Supply) Act, 1948 was enacted with the object to assign legal and organizational structure for Generation, Transmission and Distribution of Electricity by both Central & State Governments.

Central Electricity Authority (CEA), State Electricity Board (SEB)s constituted for making all the territories of the country electrified towards rapid development of agriculture, commercial & industry, health, education, transport and communication.

From the initial days after independence of India, Electricity was conceived as an essential service for over all socio Economic development of the country in 1948 Act. SEBs were not impressed to make profit, only cost of supply was realized from the consumers commensurating consumption pattern. Poor people, having limited financial capacity were cross subsidized with the margin kept from supply of Electricity to higher income group of consumers.

In first four decades since independence, SEBs could not make huge profit, following national policy but energized 1.5 crore irrigation pumps to convert India from a starving nation to food surplus country.

With the adoption of neo liberal economic policy by the Government of India, interest of business community started over riding the interest of common people. Hence, approach to Electricity on the part of the Government was radically changed along with all social as well human development parameters including health, education, public transport. Private players were given broad in road in all these spheres.

On the insistence of Government of India in the name of reform, SEBs were truncated on the plea of making loss. Odisha became the pioneer inviting US company AES in the state. They failed to serve. Ambani owned Reliance came and failed. Now, entire the state of Odisha is being served by Government owned companies.

Prescriptions of Government of India in various names did not yield any result. SEBs were blamed for making loss and unbundled through Electricity Act 2003. Accumulated loss of all the SEBs stood to Rs. 30,000 crore through a span of five decades. Now it has been revealed that within 14 years of corporatisation of SEBs, accumulated loss of all DISCOMs stood to Rs. 4.3 lakh crores besides debt burden over 5 lakh crores to financial institutions, while tariff burden of 6 to 8 times was thrashed upon consumers.

National Co-ordination Committee of Electricity Employees & Engineers (NCCOEEE) requested Government of India to issue white paper on the impact of implementation of Electricity Act, 2003 through study by independent experts. That has not been complied to. But Government favoured Pvt. Companies were given the scope of loot and arson in the arena of Energy resources as well Generation, Distribution and Transmission, while 25% of people of our country were kept beyond access to Electricity. Government of India shook off its responsibility towards rural electrification through article 6 of the original Electricity Act, 2003. The pressure on the part of people as well Electricity Employees & Engineers compelled the Government to repeal the Article.

Implementation of the Proposed Act with object of more & more privatization, franchises, contractorisation and out sourcing failed to fulfill its goal of cheaper electricity. Ultra Mega Power Projects (UMPP) developed through Tariff Based International Competitive Bidding has been proved to be hoax. Only 3 out of 16 projects implemented are exploring back door procedure to increase tariff utilizing their lobbying capacity. Ambanis in Sasan, Adani in Mundra lost their legal battle in Supreme Court to legalize their unlawful business. 10 DISCOMs who signed PPAs with these projects could have saved their consumers from payment of thousands of crores of rupees throughout future two decades. Adanis' *'deep sea trading of coal'* has opened a new history of cheating at the courtesy of unscrupulous political leaders in power.

Upon this background of cheating and looting of Electricity consumers, Government of India has come forward to widen the scope of super profit for the business community in power sector. As proposed in the Electricity (Amendment) Bill, 2014, Electricity Distribution business will be segregated into two components, i.e. carriage and content.

As proposed in the Bill, whoever may be the Distributing Agency in a particular area with Distribution network, anyone can supply Electricity through that network. This system is termed as **Open Access**. Government is canvassing this system like street vendors. Consumers are being allured with the campaign of multiple choice of suppliers. What they are hiding that poor consumers will have no choice, other than the Government owned supply company at escalating cost of supply. Private suppliers will be interested to make business in the revenue potential cities and industrial hubs. Government owned distribution company will have to bear the loss with low consuming poor consumers, without scope of cross subsidisation. If it is viewed from other end, higher consuming financially sound sectors of consumers will enjoy the scope of lower cost of supply.

While cost of Electricity rose high due to profit greediness of private players, Electricity workers transformed from regular workers to casual, out sourced and workers of contractors as well franchises. Everything in the market will go high electricity workers will be paid at the lowest possible rate, in gross defiance of laws of the land. In practice, ELECTRICITY has been named as EXPLOITRICITY in the jaws of both public and private enterprises. Now, the time has come not only for the electricity workers but society as a whole to oppose this exploitation of consumers and workers in combination.

EEFI, put its fervent appeal to people of all walks of life to come forward to oppose Electricity (Amendment) Bill, 2014 likely to be placed in the Parliament in ensuing Budget Session as well stand by the Electricity workers in their struggle of exploitation consumers along with Electricity workers.

**Save Public Sector, Save Nation.**

**Long Live Unity of Electricity Consumers, Employees and Engineers.**

**Long Live EEFI.**

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