

Text of the memorandum to be submitted to Lt. Governor Chandigarh opposing Privatization of Electricity Department UT Chandigarh. Mail ID: **admr-chd@nic.in**

February 1, 2022

The Hon'ble Governor, Punjab and

Administrator, UT Administration, Chandigarh

Governor House

Sector- 7 Chandigarh

Sub: Nationwide protest by Electricity Employees & Engineers against unscrupulous decision on the part of Government of India towards privatisation of efficiently managed revenue potential power utilities to its cronies.

Dear Sir,

The National Coordination Committee of Electricity Employees & Engineers (NCCOEEE), the broad based platform of all national federations of electricity employees and engineers of the country, is functionally vibrant over two decades. NCCOEEE, from its inception opposed anti-people policy of Govt. of India to privatize the power sector making changes in law and coercion.

We vehemently oppose selective privatization with commercially lucrative revenue potential area of distribution utilities decried as the process of cherry picking, known as the policy of privatization of profits and nationalizing the losses. The Govt. of India and particularly the Minister of Power Govt. of India Sh. R.K. Singh had categorically declared that there would be no cherry picking.

The cases of UT Chandigarh is a clear cut example of cherry picking, as its technical, financial and commercial parameters like exemplary level of distribution loss @ 9.2% and Revenue surplus for the concurrent years Rs. 151.62 crores (19-20) Rs 225,43 Crores(20-21) & projected for 21-22 (+/-) Rs.261 Crores.

As UT Chandigarh is the common capital of Punjab and Haryana, it has been given favorable energy allocation from Bhakra Beas Management Board (ensuring low cost hydro power) as well as allocations from central sector generating stations ensuring comfortable energy security. All these advantages have been dubiously planned to transfer to the cronies of the persons in power.

NCCOEEE condemns the unscrupulous bidding process. Use of prime land in the states of Punjab and Haryana has been allowed @ Re. 1 per month. Assets have been

valued at Rs. 1 per item on flimsy excuse that value of assets is not available in Assets registers.

NCCOEEE noted that once the assets of UT electricity department have been handed over to the chosen bidder, the financial and cost aspects would be beyond the scrutiny of CAG Audit. Therefore, all the financial data as adopted in RFP and tender documents must be audited and verified by CAG BEFORE the assets are handed over to Pvt. Party.

Section 133 of Electricity Act 2003 has been provided specifically to protect the service conditions of employees while implementing a transfer scheme. Section 133 is of utmost importance in the matter of implementing a transfer scheme. The provision of section 133 has not been taken into account

The transfer scheme as proposed for UT Chandigarh, the employees will be shifted from service under UT Govt. Department to service under the private company.

It is a fact beyond dispute that service under private companies can never be equated to service under state/ central Govt. The security of service and terms of pay, pension, etc. can never be equated for Private service as compared to govt. service.

A transfer scheme which places existing govt. employees under service of private party is a clear case of coercion to accept inferior service conditions. With inferior conditions under private parties, section 131 gets violated, and the entire transfer scheme becomes invalid as it would infringe section 131.

The most important stakeholders in UT electricity working are the consumers of Chandigarh who are to be given power supply. There is no safeguard provided to protect the consumer from profiteering and inflated tariffs by private parties. The RFP document should have provided safeguard to consumers against price -gouging and excessive profits by private parties. Private sector companies are outside the purview of CAG Audit, it becomes all the more important to provide safeguard to consumers against inflated tariffs. So the privatization model exposes the consumer to the market risks that would cause steep and uncontrolled tariff hikes. Most business and ease of livelihood rely upon affordable electricity tariffs for their existence. The guarantee of low tariffs is available to consumers of UT Chandigarh, but with private sector power utility benefit of low tariff cannot be ensured.

All forms of democratic movement and activities to oppose unlawful process of privatisation has been resorted to by the consumers and employees of Chandigarh power department. Employees are knocking the doors of the judiciary and employer resulting into nil.Organisation

Electricity employees and engineers all over the country is demonstrating in solidarity on this 1st February, 2022, while their counterparts in Chandigarh have resorted to Strike.

NCCOEEE, on the part of electricity employees and engineers of India, urges upon you to drop the entire unlawful process of privatisation of Chandigarh power department. NCCOEEE also submits this Memorandum to you in combination with 2.5 Million demonstrating power sector colleagues in their respective workplaces and to apprise you that, if the ambience of threat, coercion and repression is imposed upon the Chandigarh employees, reciprocation will be voiced from all parts of the country.

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