

Er. Sachin Tickoo

Convenor, Jammu and Kashmir Power Employees and Engineers Coordination Committee (JKPEECC) & General Secretary Jammu and Kashmir Electrical Engineering Graduates Association (JKEEGA)

Fight for electricity as a Fundamental right at affordable price

Is right to electricity a fundamental right?

"Electricity is a basic amenity in life. Water and electricity are integral part of right to life within the meaning of Article 21 of the Constitution of India."

In the year 2018, the High Court of Himachal Pradesh in *Madan Lal vs. State of Himachal Pradesh & Ors.* resonated the views of the Madras High Court judgment. In its judgment, the court pronounced that the right to electricity and water comes under the purview of Article 21, i.e., Right to Life, and hence, cannot be denied to any citizen.

The High Court opined that when socio-economic justice is the mandate of constitution it is travesty of justice to deny electricity to the petitioners. Lack of electricity denies people equal opportunities in the matter of education and consequently suitable employment, health and sanitation, and other socio-economic rights.

Several studies conducted in India and internationally have each come to the conclusion that the availability of energy, especially electricity, is a must if we are to reduce poverty. An ambitious underprivileged student who requires light to study in the dark, a poor woman who travels on foot for kilometers to collect firewood, or a young rural entrepreneur working on his startup—all benefit from the provision of electricity. The World Bank Enterprise Report for India estimates a 29% increase in rural household incomes if they are electrified by a reliable power grid

The World Bank Report (2014) also highlights how the lack of access to electricity has impacted the economy adversely, and will continue to do so.

Imagine a life without electricity. The world comes to a standstill as the sun goes down. No engine to fire transportation. No television. No internet. No mobile phone. Health services are affected. And then there is our primal fear of darkness.

World Resources Institute India (WRI India) reiterates that without a reliable source of electricity, health care facilities struggle to deliver vital services to communities,

and those providing agricultural and non-farm enterprise support services are held back all along the value chain. More than 30,000 health centers across rural India, and scores of schools, community centers, and anganwadis are not yet connected to the grid. A vast majority of them are in a few states of India. Without basic access, outcomes in the health, education and livelihoods sectors will remain difficult.

Definition of an electrified village in India- An electrified village is defined as one that has the following: (i) provision of basic infrastructure such as distribution Transformers and lines in the inhabited locality, (ii) provision of electricity in public places like schools, panchayat office, health centers, dispensaries, and community centers, and (iii) at least 10% of the total number of households in the village are electrified.

Therefore, a village is considered to be electrified if 10% of the total number of households in the village have been electrified. This is apart from the basic infrastructure and electrification of certain public centers in the village.

The government's own data reveal that 31 million households are still in the dark even after implementation of the Saubhagya scheme.

National Electricity Policy -In compliance with section 3 of the Electricity Act 2003 the Central Government in 2005 notified the National Electricity Policy. The first postulate is reproduced hereunder-

“Electricity is an essential requirement for all facets of our life. It has been recognized as a basic human need. It is a critical infrastructure on which the socio-economic development of the country depends. Supply of electricity at reasonable rate to rural India is essential for its overall development. Equally important is availability of reliable and quality power at competitive rates to Indian industry to make it globally competitive and to enable it to exploit the tremendous potential of employment generation. Services sector has made significant contribution to the growth of our economy. Availability of quality supply of electricity is very crucial to sustained growth of this segment.”

Present scenario of tariff across the Country

DAMAN & DIU, DADRA & NAGAR HAVELI, SIKKIM & GOA HOUSEHOLDS DRAW CHEAPEST POWER

10 states/UTs with the cheapest rates

Rank^^	State/Utility	Avg tariff, ₹/unit#
1	Daman & Diu	1.71
2	Dadra & Nagar Haveli	1.93
3	Goa	2.43
4	Puducherry	2.84
5	Jammu & Kashmir	2.94
6	Himachal Pradesh	3.04
7	Sikkim	3.63
8	Lakshadweep	3.9
9	Arunachal Pradesh	4
10	Chandigarh	4.15

^^ 1=cheapest
domestic consumption of 400 unit/ month at 4 kW load

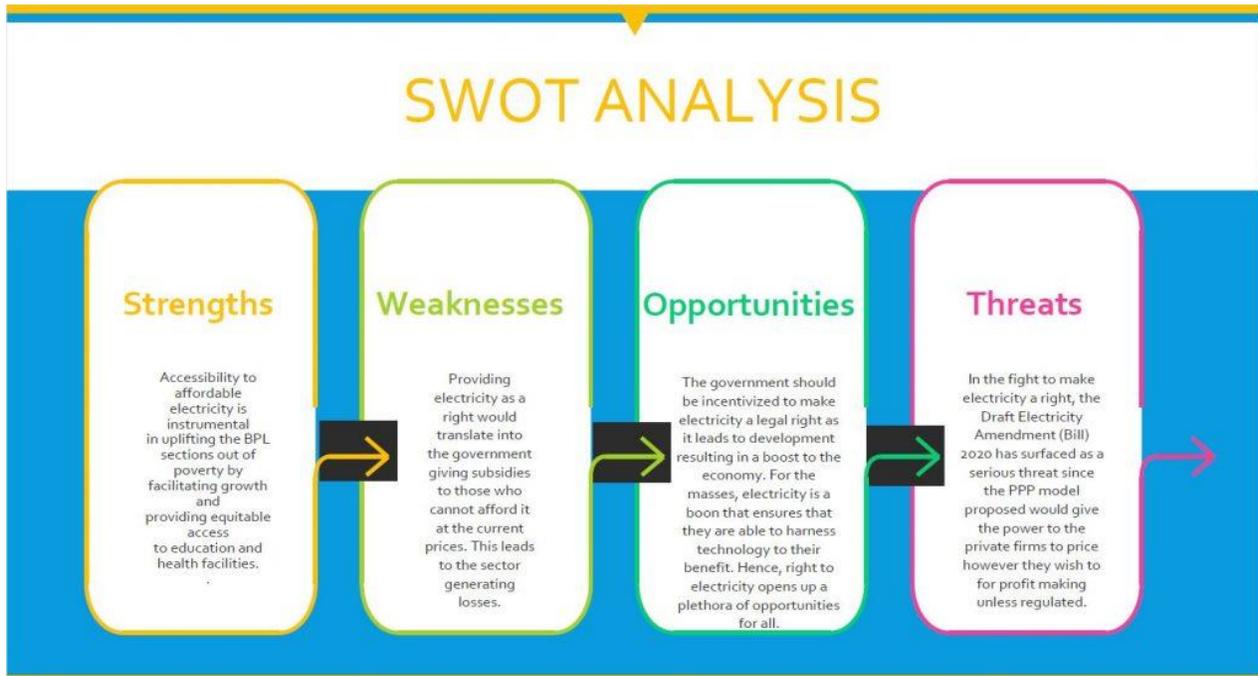
MAHARASHTRA TOPS IN DOMESTIC POWER TARIFF

Top 10 states/utilities with the costliest rates

Rank^	State/Utility	Consumer category	Avg tariff, ₹/unit#
1	Maharashtra	Rural & urban	9.76
2	Madhya Pradesh	Urban	8.73
3	Mumbai (Adani Electricity) *	Urban	8.69
4	Madhya Pradesh	Rural	8.61
5	West Bengal	Urban	8.44
6	West Bengal	Rural	8.31
7	CESC Ltd (Kolkata)	Urban	8.2
8	Mumbai (Tata's)	Urban	7.78
9	Bihar	Urban & Rural	7.71
10	Tripura	Urban & Rural	7.55
17	Mumbai (BEST)	Urban	6.88
25	Delhi (NDMC)	Urban	5.43
26	Delhi (BYPL/BRPL/NDPL) **	Urban	5.32

^ 1= Highest tariff, ranking based on study of tariffs of all states/UTs
*Erstwhile Reliance Energy; ** BYPL - BSES Yamuna Power Ltd; BRPL - BSES Rajdhani Power Ltd; Tata Power Delhi Distribution Ltd (Erstwhile NDPL)

SWOT Analysis of Providing Right to Electricity as a Fundamental right



Draft Electricity Amendment (Bill) 2021-Legalising the Cherry picking of profitable ventures

Instead of taking proactive steps to make electricity a legal right, the Draft electricity amendment Bill 2021 if passed will take the country decades back in its journey of equality and opportunity. It will ultimately lead to “Privatizing the profits and nationalizing the losses” by cherry picking of the profitable ventures by the Private entities.

The Draft Electricity Amendment (Bill) 2021, put forward by the Ministry of Power, proposes eliminating the subsidies and cross-subsidies that have been extended for farmers and industries thus far.

The Bill is seen as vehemently anti-poor, especially anti-peasantry in its approach since it leads the way for the establishment of the public-private-partnership (PPP) model for the entire power sector—an approach that has been considered a failure internationally. It is estimated that the Bill, if passed, would accrue a cost of INR 5000 to INR 6000 per month to the farmers (Economic Times 2020). The removal of cross-subsidies—a measure that ensures that the poorer households, including BPL families and farmers, are not devoid of this human right of access to electricity—will rob them of a better socioeconomic future. Furthermore, the rural consumer base will be disproportionately affected as they will have to pay the steepest hike in tariffs.

It is worthwhile to mention that Section 131 (2) of the Electricity Act 2003, stipulates that: “Provided that the transfers value of any assets transferred hereunder shall be determined, as far as may be based on the revenue potential of such assets...” Therefore, any provision that assets will be transferred at Net Asset Value and that Land shall be provided at nominal charges, violates the Electricity Act 2003. Furthermore, the net value of the assets are to be evaluated by the State Electricity Regulatory Commission (SERC).

India’s economy has suffered a deep plunge in the past five years, and the barriers to procuring basic amenities like electricity will come at the unforgivable cost of human suffering. The amendment bill should be strongly opposed both within and outside the parliament, with active interventions from the power sector employees, and the public itself.’

What needs to be done then? Provide affordable electricity to All

- Identify and electrify the remaining 2.43 per cent unelectrified households and improve the infrastructure to make pilferages minimum by LT ABC and metering initiatives.

- Review and consistently implement ultra-low tariffs for poor households with lifeline consumption to sustain electricity use affordably.
- Improve information on real-time supply quality through the meters installed in distribution transformers to identify areas with poor supply quality.
- Leverage technology and innovative solutions to ensure universal and timely metering, billing, and collection, especially considering the challenges encountered during COVID-19.
- Recover the huge arrears from Government departments/PSUs on account of use of electricity and utilize this amount for infrastructure improvement in DISCOMs.
- Institutionalize nationally representative surveys to understand the progress towards the goal of 24x7 power for all.

Why Privatise Discoms in UTs.?

The systematic Policy decision to Privatize the DISCOMS in Union Territories without the mandate of the Parliament and handing over the profitable ventures like Daman and Du, Chandigarh, Pondicherry at throw away prices irrespective of the fact that such decision had been even questioned by the Hon'ble High Court of Punjab and Haryana as being devoid of merit. On one hand the Govt claims that the Privatization is needed to reduce the AT&C losses, then why Privatize the most profitable Chandigarh and Daman and Du where losses are even less than the national average and are profit making ventures, providing electricity at affordable rates in comparison to the other states.

Incidentally the states where the Privatization of Discoms was carried out , are today witnessing sky rocketing tariff and people are suffering as they have been deprived for right to electricity at affordable price.

Why States/UTs advised to go for Joint Venture in Transmission utility across India in the month of Oct 2021?

Similarly, the indirect mode of Privatization adopted through the lateral entry of the PGCIL in to the Joint Ventures with the State/UT transmission utility initiated by the Ministry of Power has the potential of the further burdening the already debt ridden DISCOMS and making the affordable power out of reach of a common man.

The service rights of the thousands of the Public Power Sector employees would be compromised in a stroke of these Joint Ventures and could further lead to the deterioration of the conditions of the service class at the hands of the capitalists.

Struggle against the Privatization Policy and Way Forward

Jammu and Kashmir became the first Union territory to have successfully thwarted this proposal of the Indirect Privatization model that would have compromised the rights of not only the people of Jammu and Kashmir for affordable electricity but also had the potential to put the career of twenty thousand power employees of Jammu Kashmir into jittery.

The sustained struggle put up first by Uttar Pradesh Power Employees, Uttarakhand Power Employees, Puducherry Power Employees and now by Chandigarh which is entering its decisive phase with the support of the National Coordination committee of Electricity Employees and Engineers and All India Power Engineers Federation led by Sh. Shailendra Dubey has been a staggering success.

The need of hour is unity across India among all the stakeholders who are likely to be adversely affected by the Privatization Policies in the Power Sector and fight tooth and nail to stop any attempt to derail the fight for right to electricity at affordable price.

Thank you....