

ALL INDIA FORUM AGAINST PRIVATISATION (AIFAP)

AN ATTACK ON ONE IS AN ATTACK ON ALL!

Website: <https://aifap.org.in>

Email: contact@aifap.org.in

WhatsApp Number:

+918454018757

28/10/2024

To,

Shri K. Venugopal Bhat,
General Secretary,

All India Electricity Consumers Association

The All India Forum Against Privatisation (AIFAP) sends its warmest greetings to the Eastern Zonal Electricity Consumers Convention of All India Electricity Consumers Association being held in Guwahati today.

We heartily support your struggle against Privatisation of Power Sector and Installation of Prepaid Smart Meter Scheme.

AIFAP along with 46 trade unions, farmers' organisations and people's organisations has issued a booklet opposing Smart Meters. This booklet has been distributed all over India among workers of electricity, railway, coal, defence, steel, banks, insurance sectors and farmers, etc. and we have dispatched some booklets for this conference also.

AIFAP consists of nearly 110 National Federations, Unions and Associations of workers and officers of electricity, railway, road transport, shipping, coal, defence, steel, banks, insurance, teachers, etc. as well as people's organisations. Our website www.aifap.org has reached nearly 5 lakh viewers all over India and abroad.

Dear Delegates,

The installation of smart meters is a part of the Revamped Distribution Sector Scheme (RDSS), which was launched by the Central Government in July 2021 and no state government can override the Central Government's Scheme.

The budget for the RDSS is Rs. 3 lakh crore. 25 crore smart meters are to be installed as per the scheme all over the country for consumers other than agricultural consumers. This means more than 125 crore people will get covered. Apart from smart meters, the RDSS also covers the upgradation of the electricity distribution sector.

There is a proviso that smart meters will be installed only via public-private partnership (PPP). Government owned Discoms (Distribution Companies) cannot install smart meters on their own under the Scheme. The Central government will give an incentive of Rs. 900 per smart meter, and Rs. 1200 per smart meter in the north eastern and hill states to the Discom.

Why are smart meters anti-people?

Governments are going out of their way to tell us consumers that we will benefit by installation of smart meters. It is important for us to understand that these assurances are a pack of lies spread at the behest of the monopoly capitalists who stand to benefit from them.

Today we get credit on our monthly electricity bill for a period of twenty days after the billing cycle of one month. However, smart meters under the RDSS are to be prepaid. This means that we will have to "charge" the smart meter like we do our cellphones, or in other words pay the capitalist distribution company before we use the power! This means that our budgets go for a toss, while the capitalist gets thousands of crores of rupees interest-free money by way of the advance paid by consumers.

Once the "charge" gets used up, the power will be remotely switched off. Even after we charge the meter, it may take a few hours to a few days before the power is restored. There will be no one nearby who we can complain to. Even if the bills are grossly inflated, they will insist that we pay before the complaint is even looked into to get the power supply restored. This is already the experience of consumers who get electricity from private distribution companies.

The Central government has announced the plan to introduce Time of Day (ToD) tariff system from the end of 2025. Under the ToD system, the power rate will be lower by 10-20% during the sunshine hours and higher by 10-20% after sunshine hours. This is being widely promoted as beneficial for consumers. It is claimed that consumers could use power when it is cheaper, and refrain when it is more expensive. This argument is totally bogus, because rates will be high when the demand is high, just as it is today for train or plane tickets. How can consumers sit at home instead of going for work and use power during the afternoons when it is cheaper instead of in the evenings or nights. The ToD tariff system cannot be implemented without smart meters. Smart meters will allow the company to change its power rates throughout the day, hour by hour, if need be.

The RDSS proposes to stop all subsidies and if any subsidy is to be given to a group of consumers, the state government must give it through the Direct Benefit Transfer (DBT) system. This means every consumer must first pay the full rate for power supply. We all know what a big fraud the DBT system was in the case of gas cylinders! This case will be no different.

Smart meters will enable the company to increase the tariff quietly. Already the bills have shot up where they have been installed. Consumers find that what they paid earlier for a month is getting used up in a week!

Smart meters will have a limited life, and of course the burden of new meter will be put on the backs of the consumers!

Whether meters will be prepaid or not is beside the point. Even if they are post-paid to start with, they can be converted to prepaid with a simple computer command!

Governments are lying when they claim that smart meters will be free. They will be charged in instalments through electricity charges.

Who benefits from the RDSS?

Over 60% of electricity generation in our country is already in private hands and is extremely lucrative for the big monopolies like Tatas, Adani, Goenka, Jindal and Torrent involved in power generation. These big monopolies want to control the power distribution which so far is mainly in the hands of state owned Discoms. The RDSS will ensure that government's (that is people's) money will be used for the upgradation of distribution before it is handed over on a platter to private companies. The RDSS will also ensure that there are no over-due bills consumers for supply of power. This will make the distribution sector financially very attractive for Tatas, Adani, Torrent, Goenka, Jindal, etc.

We should challenge the thinking that electricity should be a source of profiteering. Basic services like electricity, transport, supply of water, health, education and sanitation services cannot be regarded as a source of profit!

The government is giving up its responsibility to ensure basic services to everyone at affordable rates. The government collects taxes only because it has the duty of ensuring a good life for all. Indirect taxes are paid by all, no matter how poor they are. They form the largest fraction of taxes.

The smart metering scheme will deprive many people of our country of electricity, which is a basic necessity today. We workers and toilers must insist on policies which would ensure that no citizen of the country is deprived of electricity.

We can certainly stop the installation of smart meters as long as we fight unitedly and strongly.

"Electricity is a basic necessity and that is why it is the primary duty of the government to provide it to all citizens at affordable rates. We do not accept electricity to be looked upon as a source of profit."

Your Conference is very important from the point of view of mobilising the ordinary consumers of electricity against privatisation of electricity and installation of Smart Meters. Please send us the report of your Convention, which we can publicize on the AIFAP website.

All Success to the Eastern Zonal Electricity Consumers Convention of All India Electricity Consumers Association being held in Guwahati today!!

Long Live Unity of Consumers, Workers and Farmers!

Down with Smart Meters!

Oppose Privatisation of Electricity!


Dr. A. Mathew

Convenor

AIFAP

9833387137