

# ALL INDIA POWER ENGINEERS FEDERATION



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No. 05 - 2026 / EA Bill

21-01-2026

To

**Hon'ble Chief Minister**  
Government of \_\_ (All States / UTs)

**Subject: Request to Oppose Electricity Privatisation and Reject the Electricity (Amendment) Bill 2025 in the Upcoming 22–23 January Meeting**

Hon'ble Chief Minister Sir,

On behalf of the All India Power Engineers Federation (AIPEF), I extend this earnest appeal to you ahead of the scheduled meeting of Hon'ble Union Power Minister with State Power/Energy Ministers on 22–23 January.

India's electricity sector is a Concurrent List subject, and the States play a central role in ensuring affordable, reliable electricity to all citizens. It is therefore essential that the collective voice of States be strongly represented, particularly at a time when major structural changes are being proposed through the Electricity (Amendment) Bill and various privatisation frameworks.

After in-depth analysis, AIPEF believes that the proposed amendments pose serious risks to the federal structure, finances of State DISCOMs, and the rights of ordinary consumers, farmers, employees, and small industries.

Major Concerns Requiring Firm Opposition by States

## **1. Backdoor Privatisation Through “Shared Distribution Systems” (Section 14)**

The proposal allows private licensees to use public networks without investment, enabling revenue cherry-picking from industrial and commercial consumers. This will deprive DISCOMs of 40–50% of their income, pushing them into irreversible financial crisis.

## **2. Mandatory Open Access and Cross-Subsidy Erosion**

Forced open access and elimination of cross-subsidies (within 5 years) will sharply raise tariffs for agricultural and domestic consumers. States will lose control over tariff design, subsidy delivery, and rural electrification policies.

## **3. Universal Supply Obligation Removal for Large Consumers**

Exempting >1 MW consumers from supply obligations will leave DISCOMs with only loss-making rural and household consumers, accelerating their collapse and pushing States towards privatisation.

## **4. Threat to Federalism Through Centralised Bodies**

The creation of a Central Electricity Council and expanded rule-making powers dilute State authority in a Concurrent subject, undermining the constitutional federal balance.

## **5. Introduction of Speculative Power Markets**

Expanding market mechanisms at the cost of long-term PPAs risks tariff volatility, grid instability, and financial stress for State utilities.

## 6. Electric Line Authority – Fragmentation of Responsibilities

A parallel authority for line management will create jurisdictional confusion, weaken State utilities, and open doors to outsourcing and asset transfer.

### Why States Must Take a Unified Stand

- The proposed amendments will severely undermine financial viability of State DISCOMs.
- Tariff shocks of 30–50% for farmers, rural households, and small consumers will become unavoidable.
- Long-term power purchase commitments of States will become stranded, creating massive liabilities.
- Public assets built over decades will be opened to private profit without investment or accountability.
- State autonomy in a Concurrent subject will weaken substantially.
- States bear the responsibility of ensuring that electricity remains an essential public service, not a profit-driven commodity controlled by a few private players.

### AIPEF's Appeal

In light of the above, AIPEF respectfully urges you to:

1. Strongly oppose the Electricity (Amendment) Bill in the meeting on 22–23 January.
2. Reject all proposals of distribution privatisation or shared networks.
3. Assert State rights and federal autonomy, emphasising that electricity is a Concurrent subject.
4. Demand meaningful consultation with States, power engineers, and employees before any structural change.
5. Advocate for strengthening public-sector DISCOMs through investments, loss-reduction measures, and transparent regulatory processes—not privatisation.

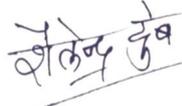
### Conclusion

The proposed reforms will have long-term and irreversible consequences for State finances, consumer welfare, agricultural operations, and energy security. States must act collectively and firmly to safeguard the public electricity system.

AIPEF stands with all State Governments in their efforts to protect affordable, reliable, and equitable electricity supply. We remain available for any technical support or consultation your office may require.

With respectful regards,

Yours sincerely



**Shailendra Dubey**  
Chairman

CC:

Honorable Energy Minister - All States/UTs