

PRESS RELEASE

Text of the D.O. Letter dated 23.12.2014 addressed by Thiru O. Panneerselvam, Hon'ble Chief Minister of Tamil Nadu to Shri Narendra Modi, Hon'ble Prime Minister of India is reproduced below:

"I write this letter seeking your urgent intervention in view of the far reaching implications of The Electricity (Amendment) Bill, 2014, introduced in the Lok Sabha on 19.12.2014. These draft amendments seek to bring significant changes in the existing Electricity Act without taking the State Governments into confidence and getting their concurrence on these major changes in this Act. By separating carriage and content in the distribution sector, this Bill, in one stroke, will make all power utilities in the public sector totally unviable. This Bill seeks to give unbridled access to private players to supply power to consumers and enable them to use the already laid out distribution network of the public sector power companies. Without any investment in the distribution network or any responsibility to maintain the network, the proposed supply licensees would be able to access all the high value customers in commercially viable areas amounting to cherry picking without any social obligations, while the State public sector power utilities would only be left with the obligation of power supply to subsidised categories of consumers. This will make the State public sector power distribution companies further financially sick. Such a skewed amendment to the Act without proper consultation with the State Governments at the appropriate level, and without considering the views of the State Governments, is totally against the federal spirit of the Indian Constitution and co-operative federalism which you have been espousing.

I, therefore, request you to withdraw the Bill till a proper discussion and debate on the consequences of such amendments are considered by convening a meeting of Chief Ministers.

May I request an immediate positive response from you on this sensitive issue?"

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