To

Pr. Secretary/Secretary (Energy) of all States/MDs of all DISCOMs

Subject- Road map for shifting over to smart/prepaid meters within the next 3 years.

Sir/Madam,

Kindly refer to this Ministry's letter of even number dated 02.08.2019 and letter dated 16.08.2018 (copies enclosed) requesting for drawing up a road map for shifting over to smart prepaid meters or prepaid meters within the next 3 years. The replies including the road map is still awaited.

2. The major reasons for high AT&C losses include non-billing, wrong billing, thefts, non-collection of the billed energy etc. All these reasons have an underlying factor, i.e a human interface. Prepaid metering will allow Utilities to address these issues by replacing human interface by technology. It will also enable consumers to use electricity as per their own requirements and budgets. In areas where prepaid metering has been introduced the AT&C losses have gone down sharply. In Manipur, the losses have come down from 47 percent to 15 percent.

3. It is therefore in the interest of Utilities to shift to prepaid mode- whether prepaid smart metering or simple prepaid metering – at the earliest. Prepaid smart metering would have some added advantages such as remote tariff updates; real time energy audits and TOD tariff- but the choice of whether to go in for prepaid smart metering or simple prepaid metering vests with the States. The essential requirement is to shift to prepaid to do away with manual interface and reduce transaction costs. It is requested that the shift to the prepaid system may be taken up and progressed phase wise. It is requested that this Ministry may be kept apprised of the action taken.

4. This issues with the approval of Hon'ble Minister of State (l/c) for Power, & NRE and MoS for Skill Development & Entrepreneurship.

Yours faithfully,

(Mritunjay Kumar Narayan)
Joint Secretary (Distribution)

Copy to:

1. PS to Hon'ble MoSP(I/c)
2. Sr. PPS to Secretary(Power), Ministry of Power
3. Sr. PPS to AS(D), Ministry of Power
4. PPS to JS(Distribution, Ministry of Power
5. PS to Dir(D)
6. CMD,PFC
7. Director, NSGM/NPMU
F. No. 26/9/2015-IPDS(Vol-II)
Government of India
Ministry of Power
Shram Shakti Bhawan, Rafi Marg, New Delhi - 110001
****
Dated: 2nd August, 2019

To

Pr. Secretary/Secretary (Energy) of all States/MDs of all DISCOMs

Subject—Road map for shifting over to smart/prepaid meters within the next three years-reg.

Sir,

Kindly refer to DO letter dated 28.05.2018 from Hon'ble Minister of State (IC) for Power and New and Renewable Energy (Copy enclosed) and letter dated 16.08.2018 (copy enclosed) requesting drawing up a road map for shifting over to smart prepaid meters within the next three years.

2. Benefits of smart metering in the prepaid mode are well known. Smart Meters in the prepaid mode do away with the problem of billing and collection, reduce the cost of collection, do away with the problems associated with the disconnection in case of non-payment, reduce carrying costs, enable accurate demand forecasting, and energy conservation. It increases the consumers' engagement as well as enhances the revenue and reduces transaction costs.

3. Progress would have been made by the States/DISCOMs in the interim on the roadmap, as well as installation of Smart meters in prepaid mode. The Ministry of Power has also sanctioned funds to the tune of Rs. 830 Crores for almost 41 lakh Smart meters under IPDS to the States that had requested assistance. Funding has also been done for Smart meters under the National smart Grid mission under Smart grid projects. All the smart meters procured under these schemes must be configured in the prepaid mode.

4. It is therefore requested that the States should submit their roadmaps for smart prepaid metering of all consumers as well as on the progress of Smart metering projects already undertaken/in process at the earliest.

5. It is further reiterated that States/Discoms must switch over to smart meters in the prepaid mode and implementation may be completed within three years.

6. This issues with the approval of MoSP(IC).

Yours faithfully,

(G. Swan Zia Lian)
Under Secretary to the Govt. of India
Tele: 23708051

Copy to:
PS to Hon’ble MOSP(I)/Sr. PPS to S(P)/ PPS to SS(SNS)
PPS to JS(D)/PS to Dir(D)
CMD,PFC
Director,NSGM/NPMU
Dear Biplab Jee,

As the number of consumers have increased so have the difficulties in meter reading, service of bills and disconnection in case of non-payment of bills. The difficulties are especially acute in rural areas where the meter reading happens infrequently and the bills reach the consumers in two to three months and disconnections in case of non-payment are becoming more and more difficult. Under SAUBHAGYA, we are going to add an additional 3.70 Crores consumers. This will further increase the difficulties in meter reading, billing, collection and disconnection. We, therefore, need to take the assistance of technology. Accordingly, we propose to shift electricity supply from post-paid mode to the pre-paid mode. This will do away with the necessity for meter reading, service of bills or manual disconnection in case of non-payment. We propose to make the shift in a time frame of three years; beginning at once.

2 The prepaid mode is advantageous for poor people in that they can re-charge any number of times in a month and the re-charge can be even for Rs 50 or Rs 100/- at a time. This will enable the poor people to stay connected. They will find it easy to pay for five to six days at a time rather than 30 days at a time which is the requirement in post-paid. It will be advantageous to the Distribution Companies because, they will be freed of the requirement of meter reading / service of bills / collection and disconnection. We would prefer smart meters programmed in the prepaid mode. These may be installed in all urban areas. In rural areas, simple pre-paid meters will also suffice.

3 I shall be grateful, if you could direct the Energy Department and the Discoms of your State to draw up a road map for shifting over to smart / prepaid meters within the next three years and share it with us.

With regards,

Yours sincerely,

( R. K. Singh )

Shri Biplab Kumar Deb
Hon'ble Chief Minister of Tripura
Government of Tripura
Secretariat
AGARTALA : 799 001
F. No. 26/9/2015-IPDS  
Government of India  
Ministry of Power  

New Delhi, the 16th August, 2018

To

Pr. Secretary/Secretary (Energy) of all States/MDs of all DISCOMs

Subject – Road map for shifting over to smart/prepaid meters within the next three years-reg.

Sir,

Kindly refer to DO letter dated 28.05.2018 from Hon’ble Minister of State (IC) for Power and New and Renewable Energy requesting drawing up a road map for shifting over to smart/prepaid meters within the next three years. The National Tariff policy, 2016 already mandates installation of Smart meters for consumers drawing upto 200 units per month by December, 2019. It also indicates that progressively all the meters for all consumers should be converted to Smart meters progressively.

2. Based on the requirements projected by the States, the Government of India has sanctioned funds to the tune of Rs. 830 Crores for Smart metering under IPDS. Funding has also been done for Smart meters under the National smart Grid mission under Smart grid projects. Besides this, it is understood that several States have also started projects of Smart metering under business models with EESL as well as under multilateral funding.

3. Smart meters have an added benefit of possibility of operation in prepaid mode. Smart meter in the prepaid mode or simple prepaid meters will do away with the problems of meter reading and billing. Smart meters in prepaid mode will detect thefts as such meters would enable real time energy audit, thereby being a major enabler for reduction of AT&C losses. Prepaid mode also empowers the consumers, including those in rural areas, to use electricity as per need, and would enable energy conservation measures by making the cost of electricity salient to them in real time.

4. It is therefore advised with the approval of Hon’ble Minister of State (IC) for Power that States may consider switching over to Smart meters in prepaid mode/simple prepaid meters over a period of next three years, say by March, 2021. A roadmap for the same may please be sent to this Ministry at the earliest.

Yours faithfully,

(G. Swan Za Lian)  
Under Secretary to the Govt. of India  
Tel: 23708051