F. No. 26/9/2015-IPDS(Vol.II)(Pt.)(238595) Government of India Ministry of Power

New Delhi, Dated: 07th August, 2020

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 (I/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.
- It is further reiterated that States/Discoms must switchover to smart meters in the prepaid mode and implementation may be completed within three years.
- This issues with the approval of MoSP(IC).

Yours faithfully,

(G. Swan Za Lian)

Under Secretary to the Govt. of India

Tele: 23708051

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