

States spark smart meter adoption with mega tenders

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After years of slow growth and a lukewarm response from states, the smart meter infrastructure is set to receive a boost, with nearly 150 million meters at various stages of tendering this year. The Centre has set an ambitious target of installing 250 million smart meters across the country by 2025, which has also piqued industry interest. These tenders are witnessing the participation of major meter manufacturers and leading players in the energy sector.

Currently, 7 million smart meters are installed across the country. Of the 150 million under tendering, L1, or the winning bidder, has been announced for close to 80 million meters, according to senior industry executives.

Among the significant tenders, Adani Energy Solutions recently secured a tender worth ₹13,000 crore to install 11 million meters in various zones of the Maharashtra State Electricity Distribution Company.

GMR Smart Metering also won a tender in Uttar Pradesh (UP) to install 7.5 million smart meters. Similarly, IntelliSmart, a joint venture of National Investment and Infrastructure Fund and state-owned Energy Efficiency Services, secured a tender to install 6 million meters in 14 districts of UP. Tata Power won a tender to install 1.8 million meters in Chhattisgarh.

Genus Power Infrastructures, one of the leading meter manufacturers in the country, announced earlier this month that it has received two letters of award worth ₹3,115.01 crore for the appointment of Advanced Metering Infrastructure Service Providers with supply, installation, and commissioning of 3.4 million smart prepaid meters.

In April this year, Secure Meters announced that in partnership with Bharti Airtel, it would install 1.3 million smart meters in Bihar.

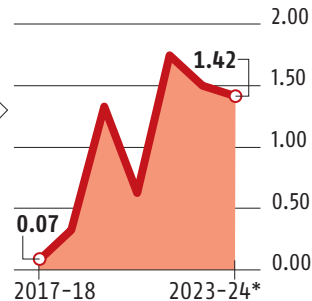
Smart meter tenders have gained momentum in states, thanks to the new power distribution reforms scheme of the Centre.



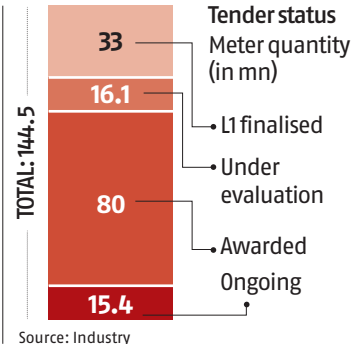
ON THE RISE

Smart meters - installations per year

In million



* Till September 2023
Source: National Smart Grid Mission



The ₹3 trillion Revamped Distribution Sector Scheme (RDSS) aims to improve the operational efficiencies and financial sustainability of state-owned distribution companies (discoms)/power departments by providing conditional financial assistance. The scheme, which has an outlay of ₹3.03 trillion, allocates ₹10,000 crore for smart prepaid metering

infrastructure across the country.

Government estimates indicate the deployment of 250 million smart meters for domestic consumers under this outlay. RDSS envisions smart metering in operational expenditure mode and provides financial support to discoms opting for prepaid smart metering.

"Until now, the meters that have been installed are non-RDSS. The RDSS

meters will now be awarded. In the next three to four years, when the smart meter deployment is successful, the aggregate technical & commercial losses are estimated to drop to 6-8 per cent nationally," said Anil Rawal, managing director and chief executive officer of IntelliSmart.

Rawal said smart meters would transform power supply monitoring in

the country.

"Smart meters will have a significant impact on demand-side management, renewable energy integration, consumer electricity consumption data management, especially with regards to grid management," he said.

The cost of smart meters, which was a point of contention for a few states, has also eased, thanks to bulk tenders. It could further decrease if the market is stable, said a senior meter executive. The cost of procuring smart meters is ₹3,000-3,500 per single-phase meter and ₹5,000-6,500 per three-phase meter.

In January this year, UP cancelled smart meter tenders that were awarded to Adani and GMR, worth ₹7,000 crore and ₹9,000 crore, respectively. Sector executives said the state was expecting the price of the smart meter to decrease further than what was quoted in the bidding. Rawal also pointed out that the prices of smart meters have "remained within a reasonable range" despite inflation and market trends.

"RDSS and consistency in bidding design across the states have helped to keep them in a reasonable range," he said.

With inputs from Samreen Wani