THE UTTAR PRADESH ELECTRICITY REGULATORY COMMISSION

LUCKNOW

Petition No. 73SM of 2026

QUORUM

Hon'ble Shri Arvind Kumar, Chairman

Hon'ble Shri Sanjay Kumar Singh, Member

Hon'ble Shri Griesh Kumar Vaish, Member (Law)

IN THE MATTER OF

Charging the Smart Prepaid meters cost for new electricity connections by Discoms in violation of the Orders of the Commission.

AND

IN THE MATTER OF

1. **Uttar Pradesh Power Corporation Limited,**
   (Through its Managing Director) Shakti Bhawan 14 Ashok Marg, Lucknow, Uttar Pradesh-226001.
2. **Paschimanchal Vidyut Vitran Nigam Limited,**
   (Through its Managing Director) Victoria Park, Meerut, Uttar Pradesh – 250001.
3. **Purvanchal Vidyut Vitaran Nigam Limited,**
   (Through its Managing Director) DLW Bhikharipur, Varanasi, Uttar Pradesh – 221004.
4. **Madhyanchal Vidyut Vitran Nigam Limited,**
   (Through its Managing Director) 4A, Gokhale Marg, Block I, Gokhale Vihar, Butler Colony, Lucknow, Uttar Pradesh – 226001.
5. **Dakshinanchal Vidyut Vitran Nigam Limited,**
   (Through its Managing Director) Urja Bhawan, 220 KV Sub Station, Bypass Road, Sikandra, Agra, Uttar Pradesh - 282007.
6. **Kanpur Electricity Supply Company Ltd.,**
   (Through its Managing Director) 14/71, Civil Lines, KESA House, Kanpur-208001.

……. Respondents

THE FOLLOWING WERE PRESENT

1. Shri Prashant Verma, Director (Commercial), UPPCL
2. Shri V.K. Arya, Chief Engineer (Com.), MVVNL

3. Shri Pankaj Saxena, Chief Engineer (RAU), UPPCL
4. Shri Vivek Srivastava, SE, PVVNL
5. Shri Avadhesh Kumar Verma, Chairman, UP Rajya Vidyut Upbhokta Parishad

ORDER

(DATE OF HEARING: 11.08.2026)

1. It had come to the notice of the Commission that UPPCL had issued directions to the state Discoms to charge the cost of single phase and three phase whole current prepaid meters conforming to IS 15884, as approved by the Commission in the Cost Data Book 2019, for releasing new connections through Smart Meters conforming to IS 16444, which was not as per approval granted by the Commission and also not in accordance with the provisions of section 46 of the Electricity Act, 2003, which requires authorization from the Commission for recovery of expenses reasonably incurred in providing any electric line or electric plant for the purpose of giving that supply.

2. The Commission taking Suo-moto cognizance of the matter, sought status report from UPPCL on the basis and rationale for charging smart meter cost as the same was at variance with approval granted by the Commission along with reasons as to why actions under various provisions including section 142 of the Electricity Act, 2003 should not be initiated.

3. UPPCL, in its reply dated 30.10.2025, cited CEA notification dated 23.12.2019, Electricity (Rights of Consumers) Rules, 2020, MoP notification dated 26.02.2021 and also the RDSS guidelines issued by MoP on 29.07.2021, to corroborate its defense that under these policy and regulatory directives, Discoms were mandated to install Smart pre-paid Meters for all new service connections and replacement of existing meters.

4. UPPCL, in its reply also submitted that Cost Data Book had not been revised since 2019 and went on further to submit that:

"In the absence of any approved rate for Smart Meters (IS 16444), UPPCL was constrained to adopt a rational and interim approach by recovering from consumer the meter cost equivalent to the UPERC approved rate of 6016/- for single-phase prepaid

meters, as per the Cost Data Book (2019), although smart meter (IS 16444) is superior to the smart meter (IS 15884), whose cost is approved in the Cost Data Book 2019."

5. After due consideration of the UPPCL's reply, the Commission, in its Suo-moto Order dated 06.03.2026, had observed that the cost of smart meters recovered by UPPCL/Discoms for release of new connections was much more than what was allowed to be recovered by this Commission and therefore had directed that all such consumers be provided adjustment for the excess amount charged by way of the difference in the smart meter cost actually recovered less the corresponding smart meter cost approved in the Cost Data Book dated 31.12.2025, against their pending electricity bill, if any. In the said Order it had further been directed that the credit for the balance amount, if any, post adjustment of pending electricity bill should be provided in the electricity bills of such consumers generated from 1st April 2026 onwards, till such excess recovery was fully adjusted whereas, for prepaid consumers such excess amount should be passed on as credit balance in their account.

6. The Commission, in the said Order, directed all Discoms/Licensees to submit the compliance report, in the format provided therein, latest by 31st July 2026 and also instructed Director (Commercial) of UPPCL and other state Discoms to be personally present during the next hearing scheduled on 11.08.2026.

7. The Commission had received a request dated 10th August 2026 from Shri Avadhesh Kumar Verma, Chairman, UP Rajya Vidyut Upbhokta Parishad, for an opportunity to be heard in the matter, in the larger public interest as he had important facts, records and evidence related to the matter, which were necessary to be placed before the Commission. The request was allowed by the Commission in terms of the Regulation 20(d)(ii) of the UPERC (Conduct of Business) Regulations, 2019.

8. During the present hearing, the Commission observed that none of the Discoms had filed their compliance report, either by the stipulated deadline of 31st July or till the date of the hearing. It was further observed that Chief Engineer (RAU), on behalf of UPPCL, had merely emailed a single-page letter dated 10.08.2026 in the evening preceding the date of hearing.

9. The Commission further observed that despite its clear and unambiguous directions that *"Director (Commercial) of UPPCL and other state Discoms should remain personally present during the hearing"*, Director (commercial) of all the discoms chose not to appear for the hearing.

10. Chief Engineer (RAU), UPPCL through his letter dated 10.08.2026 has submitted the following information as compliance:

a. Date of start of levying prepaid meter cost as per Cost Data Book 2019 for providing new electricity connections through Smart prepaid meters: Date 10.09.2025

b. Date of implementation of the new Cost Data Book by the Discom: Date 12.01.2026

S.No	Description of meter	No. of connections issued levying prepaid meters cost as per Annexure-26 of CDB 2019 & 'Labour & Overhead charges' thereon (From 10.09.2025 to 12.01.2026) (Nos.)	Total excess meter cost recovered (In Rs.Lac)	Total excess 'Labour & Overhead charges' recovered (In Rs.Lac)	No. of connections provided credit of excess meter cost & 'Labour & Overhead charges' from the date of this Order (Nos.)	Total excess meter cost credited from the date of this Order (In Rs. Lac)	Total excess 'Labour & Overhead charges' credited from the date of this Order (In Rs.Lac)
1	**2**	**3**	**4**	**5**	**6**	**7**	**8**
1	1Ph-2W Smart meter	85,458	2,764.54	0	79,761	2565.11	0
2	3Ph-4W Smart meter	7,680	557.02	0	7,189	520.56	0

From the above information it can be inferred that for 6,188 consumers, out of a total of 93,138 which comes to 6.7%, excess meter cost is still to be credited by UPPCL/Discoms. A note in the above letter further states that "*Credit towards the excess meter cost has been processed in the bills as per above table and for remaining* *consumers, the credit could not be processed due to a technical issue in the billing system."*

11. The above submission essentially means that even after 7 months of installation of smart meters, even the first bill of about 6.7% new consumers could not be generated, which in itself is a cause of serious concern. Even if the bill could not have been generated for any technical reason, the excess amount could have been easily credited in the consumers billing account with a simple command.

12. During the hearing, Shri Avadhesh Kumar Verma, Chairman, UP Rajya Vidyut Upbhokta Parishad made submission before the Commission wherein it has been averred that as per the discom wise Progress Summary Report available on the official UPPCL Portal a total of 3,73,509 new electricity connections were released during the period 10.09.2025 to 31.12.2025. He further submitted that these figures are significant, considering the present proceedings concerning the recovery of excess meter cost from the consumers, who obtained new electricity connections during the relevant period. The breakup submitted by him is as follows:

S.No.	Name of the Discom	New electricity connections released from 10.09.2025 to 31.12.2025
1	MVVNL	1,13,451
2	PVVNL	81,547
3	DVVNL	61,264
4	PuVVNL	1,11,651
5	Kesco	5,596
TOTAL		**3,73,509**

This casts a doubt on the figures submitted by UPPCL.

13. The Commission observes that UPPCL/Discoms have willfully violated the Order dated 06.03.2026 on multiple counts. Such audacious non-compliance of the Commission's Order is viewed by the Commission with grave concern. In light of the foregoing, the Commission directs as follows:

a. Managing Director, UPPCL and Managing Directors of all State Discoms should file a compliance affidavit annexing information on the format prescribed in Commission's Order dated 06.03.2026. The affidavit should further spell out the reasons for non-submission of information by due date and non-appearance of Director (Commercial) of their Discom in the hearing despite clear orders. The deviation from the figures submitted by Shri. Avadhesh Kumar Verma must be taken into cognizance & cross checked. Credit should be passed on to 100% eligible consumers. Any deviations need to be explained in detail.

b. Managing Director of UPPCL and that of State Discoms should remain personally present during the next hearing.

14. The next date of hearing is scheduled for 20.08.2026.

Griesh	Sanjay	
Griesh Kumar Vaish	**(Sanjay Kumar Singh)**	**(Arvind Kumar)**
Member(Law)	**Member**	**Chairman**

Place: Lucknow

Dated: 12.08.2026

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