Date: 27.2.25

To,

1. The Hon. Members of MERC
2. The Secretary,  
   Maharashtra Electricity Regulatory Commission (MERC)  
   13th Floor, World Trade Centre, Cuffe Parade,  
   Colaba, Mumbai - 400005.

Cc:  
3. Addl. Municipal Commissioner (In-charge of BEST Undertaking)  
4. General Manager, BEST Undertaking, Colaba

**Subject: Notice Regarding Illegal Installation of Smart Meters Without Consumer Consent and Violations of Electricity Act, misrepresentation and concealing of mandatory information**

Dear Sir/Madam,

I, Kamlakar Ratnakar Shenoy, an alert public spirited senior citizen aged 67 years, am bringing to your attention the unlawful installation of smart meters by the BEST Undertaking in violation of established regulations and consumer rights.

**Not creating awareness of all the cost factor to every consumer before calling for public hearing**

1. There is no planning and action taken by Hon. MERC to inform every consumer the causes and effect of MYT in a simple format so that they can participate in public hearing. There is no public awareness created by using print, electronic and social media.
2. The advertisement in newspaper or bundles of hundreds and thousand so pages cannot be understood even by most educated persons except the experts and those being trained to rad such advertisement.
3. The least could be that a 3 to 4-page synopsis could have been attached to every bill sent to consumers

**Violations of MERC Directives and Government Orders**

1. As per MERC order in Case No. 203 of 2022, Para 12, every consumer must be informed in writing about their right to choose their electric meter, and BEST must obtain written permission from the consumer before replacing any existing meter. This directive is being blatantly ignored.
2. The Power Minister of Maharashtra, Shri Devendra Fadnavis, has stated on the floor of Assembly (which cannot be challenged and no electric company can show ignorance of such mandatory statement made of the Minister) that smart meters should be installed only on feeders, sub-stations, and government offices. BEST is violating this directive by forcibly installing meters in residential and commercial premises.
3. Hon. MERC shall give details explanation along with sections and provision of laws relied upon to not to act on such mandatory directions and stop the installation of smart meters.

**Illegalities and Violations of the Electricity Act**

**Unauthorized Financial Burden on Consumers**

1. **Unauthorized Cost Escalation:** The original cost of the smart meter project was ₹1300 crore, later arbitrarily increased to ₹1720 crore without proper justification or approval.
2. **Overpricing of Smart Meters:** The RDSS scheme initially sanctioned a cost of ₹6000 per smart meter, which was illegally inflated to ₹12,000 per meter without any legal basis.
3. **Unjustified Tariff Increase:** The cost per unit has been increased by 0.40 paisa, leading to a heavy financial burden on consumers. For example, a hotel owner has been forced to pay ₹2 lakhs for a smart meter originally priced at ₹6000.

**Manipulation and Misrepresentation**

1. **Fraudulent Misrepresentation (Section 420 IPC):** Consumers were deceived into believing smart meter installation is free when, in reality, the costs are embedded in future tariff hikes.
2. **Falsification of Accounts (Section 477A IPC):** BEST has merged accounts to obscure the costs associated with smart meters, misleading regulatory authorities and the public.
3. **Concealment of TOD (Time of Day) and ARR Impact:** The cost and maintenance of smart meters shall be recovered through ARR, a fact that has been deliberately hidden from consumers to justify unfair cost recoveries, prepaid meter mandates, and increased electricity prices. That there will be surging prices as per time of the day
4. **Investigation into Administrative Authority:** The Administrator of BEST issued tenders for smart meters before obtaining approval for inclusion in the RDSS scheme and began installations before receiving MERC’s principal approval. This raises serious concerns about procedural violations and misuse of authority.
5. **MERC’s Lack of Jurisdiction:** The smart meter installation is part of a central government scheme, and MERC has no jurisdiction to grant approvals or impose mandates. The sections and reasons relied upon by MERC to allow smart meter installation and all other consequential directions thereafter, which lead to increase of cost per unit after such heavy investments must be disclosed, as this overreach undermines legal and regulatory principles.

**Discriminatory Implementation**

1. **Exclusion of Agricultural Sector:** While consumers are being burdened with smart meters and increased costs, the agricultural sector, which has arrears of ₹43,000 crore and transmission losses up to 40%, has been exempted from smart meter installation. This highlights the discriminatory approach being adopted.
2. **No Justification for Smart Meters in BEST:** The transmission loss for BEST is just 3.5%, significantly lower than the national average, and there are no outstanding arrears from residential and commercial consumers. The primary objective of smart meters is to reduce distribution losses to 15%. Since BEST already operates at an efficient loss level of 3.5%, there is no valid justification for installing smart meters in its jurisdiction, making the project unnecessary and burdensome on consumers.

**Demands for Corrective Actions**

1. **Immediate halt** to the installation of smart meters unless explicit, informed consent is obtained from each consumer in writing.
2. **Reinstallation** of all previously removed electronic meters without consumer consent.
3. **Issuance of a public notice** outlining the terms, costs, and implications of smart meter installation.
4. **Refund** of any wrongful charges levied on consumers for smart meter installation and associated billing discrepancies.
5. **Compliance** with the directives of MERC and the Maharashtra Government regarding smart meter installation.
6. **A reasoned and speaking order** from MERC addressing these concerns, in line with its role as a quasi-judicial body responsible for safeguarding consumer interests.

Failure to take immediate corrective measures will compel me to pursue further legal action under civil and criminal laws.

Kindly acknowledge the receipt of this notice and provide a written response to each of the objections raised and detailing the actions taken to address these grievances.

Kamlakar Ratnakar Shenoy