



**ARUNACHAL PRADESH STATE ELECTRICITY REGULATORY COMMISSION
ITANAGAR**

No. APSERC/RA-23/II/2026-27/10

Suo Moto-01 of 2026.

IN THE MATTER OF:

Suo Moto Proceeding for non-compliance of the Commission's direction to submit detailed information pertaining to division wise unmetered connections in format specified in its letter dated 17.10.2025.

Coram:

Mr. R K Joshi Hon'ble Chairperson

Mr. Nich Rika Hon'ble Member (Law).

Impleaded Respondent: Department of Power, Government of Arunachal Pradesh represented through The Chief Engineer (Commercial) cum CEI, Itanagar. (DOP, AP)

Appearance:

1. Er. Dagyom Ango, Chief Engineer (Commercial) cum CEI.
2. Er. Jomge Dulom, Executive Engineer (E), KKED.
3. Er. N K Jha, Executive Engineer (E) (Commercial)

Date of Hearing: 02.04.2026.

Date of Order: 08.04.2026

ORDER

(ON SUO MOTU PROCEEDINGS IN THE MATTER OF ISSUE OF SHOW CAUSE NOTICE DATED 23.02.2026 FOR NON-COMPLIANCE OF THE COMMISSION'S DIRECTION TO SUBMIT DETAILED INFORMATION PERTAINING TO DIVISION WISE UNMETERED CONNECTIONS IN FORMAT SPECIFIED IN ITS LETTER DATED 17.10.2025.)

Secretary (In-Charge)
State Electricity Regulatory Commission
Arunachal Pradesh

1. Issue of Commission's letter No APERC/RA-9/I/2025-26/450 dated 17th October 2025:

- 1.1 The Commission during its 8th State Advisory Committee (SAC) meeting held on 14.10.2025 observed that a significant number of consumer connections still remains unmetered. As out of 3.13 lakh consumers it is brought on record that 1.64 lakhs consumers have been shown as unmetered due to either defective meters or absence of meters. A letter No. APERC/RA-9/I/2025-26/450 dated 17-10-2025 was issued to the impleaded Respondent.
- 1.2 The Commission in its letter reiterated that as per the provisions of the APERC (Electricity Supply code) Regulations, 2024 and the Electricity (Rights of Consumers) Rules, 2020, the DISCOM shall ensure compliance that no electricity connection shall be provided to any consumer without a meter, furthermore defective meters must be replaced within the stipulated timelines prescribed in the Regulations.
- 1.3 It was seen that the unmetered connections have increased as compared with data on record placed in the 8th SAC meeting and also through energy audit report for FY 2024-25. Table is reproduced for easy reference:

Status of Unmetered Connection:

Table 1 Status as per Energy Audit FY 2024-25

Consumer Type	Metered	Unmetered	Total	Total Billed (MU)	Total Input (MU)
Residential	123254	150384	273638	728.160	1244.203
Agricultural	6	19	25		
Commercial/Industrial-LT	24594	12026	36620		
Commercial/Industrial-HT	334	179	513		
Others	905	1369	2274		
Total	149093	163977	313070		

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Table 2 Status as on 31st August 2025 submitted during 8th SAC meeting

Consumer Type	Number of consumers (No)				
	Metered	Unmetered			Total
		Defective Meter	Without Meter	Sub Total	
Domestic(non-commercial)	122706	40884	110455	151339	274045
Commercial(non-industrial)	25687	4071	9108	13179	38866
Public Lighting & Water Supply	288	122	958	1080	1368
Agriculture Consumers	7	5	12	17	24
Industrial Consumers	265	44	67	111	376
Bulk Mixed Consumers	105	30	63	93	198
Temporary Consumers	252	68	74	142	394
	149093	45034	119705	164739	313509

1.4 The issue being a one of the major causes of revenue loss as well energy loss, the Commission directed the impleaded Respondent to submit a detailed division-wise break-up of unmetered connections along with reasons in the prescribe format within 15 days from the issuance of the letter.

2. Additional time allowed to the impleaded Respondent:

2.1 The impleaded Respondent through letter vide No. CE(COM)/SERC/29/2025-26/3233 dated 30th October 2025 inform that the process of collating data on defective /unmetered connections from field divisions. The information being sought is not yet furnished by all the field divisions. Thus, requested to allow an additional period of 30 days for its submission.

Bangor

- 2.2 The Commission by its letter No. APSERC/RA-9/I/2025-26/469 dated 3rd November 2025 allowed additional time as prayed for. Further it was directed to submit the complete information as sought by its letter dated 17.10.2025 in all aspects by 30th November 2025 without fail.
- 2.3 By letter No. CE(COM)SERC/29/2025-26/3782-83 dated 28th November 2025, the impleaded Respondent again requested for short extension of at least 15 days to enable submission of complete and authenticated division wise details of unmetered connections.
- 2.4 Subsequently, the Commission through letter No. APSERC/RA-9/I/2025-26/568 dated 12 December 2025 as a final opportunity, allowed the impleaded Respondent to submit the requisite details on or before 31st December 2025.

3. Provisions of the Electricity Act, 2003 in regard to punishment for contravention of the directions by Appropriate Commission:

- 3.1 Sections 142 and 146 of the Electricity Act, 2003 (Central Act 36 of 2003) contain provisions with regard to punishment for contravention of directions or orders. The said sections are reproduced below.

“142. Punishment for non-compliance of directions by Appropriate Commission. –

In case any complaint is filed before the Appropriate Commission by any person or if that Commission is satisfied that any person has contravened any of the provisions of this Act or the rules or regulations made thereunder, or any direction issued by the Commission, the Appropriate Commission may after giving such person an opportunity of being heard in the matter, by order in writing, direct that, without prejudice to any other penalty to which he may be liable under this Act, such person shall pay, by way of penalty, which shall not exceed one lakh rupees for each contravention and in case of a continuing failure with an additional

penalty which may extend to six thousand rupees for every day during which the failure continues after contravention of the first such direction.”

146. Punishment for non-compliance of orders or directions. –

Whoever, fails to comply with any order or direction given under this Act, within such time as may be specified in the said order or direction or contravenes or attempts or abets the contravention of any of the provisions of this Act or any rules or regulations made thereunder, shall be punishable with imprisonment for a term which may extend to three months or with fine which may extend to one lakh rupees, or with both in respect of each offence and in the case of a continuing failure, with an additional fine which may extend to five thousand rupees for every day during which the failure continues after conviction of the first such offence:

Provided that nothing contained in this section shall apply to the orders, instructions or directions issued under section 121.”

4. Initiation of proceedings and issue of Show Cause Notice vide No. APSERC/RA-9/I/2025-26/704 dated 23rd February 2026.

- 4.1 In view of the non-compliance of the letter dated 17.10.2025, where it was directed the impleaded Respondent to submit a detailed division-wise break-up of unmetered connections along with reasons in the prescribe format within 15 days from the issuance of the letter.
- 4.2 And whereas, the impleaded Respondent vide Letter No. CE (Com/SERC/29/2025-26/4095-4138 dated 19th December 2025 had only submitted data of 18 divisions out of 31 divisions.
- 4.3 And whereas, the commission observes that despite lapse of more than three months and additional time allowed, the impleaded Respondent has failed to submit the details as directed.
- 4.4 Taking cognizance of the causal and non-compliance, the Commission issued a Suo Moto notice vide No. APSERC/RA-9/I/2025-26/704 dated

23rd February 2026. The matter was to be heard on 06.03.2026 at Commission's court room.

- 4.5 On a representation dated 03.03.2026 submitted by the impleaded Respondent, the matter was rescheduled vide No. APSERC/RA-9/I/2025-26/725 dated 05.03.2026. The matter was to be listed as Suo Moto Proceeding No.1 of 2026 and rescheduled from 06.03.2026 to 02.04.2026 at Commission's court room.

5. Respondent submissions:

- 5.1 On 02.04.2026 the matter was taken up for hearing.
- 5.2 The Department of Power, Government of Arunachal Pradesh is represented by the Er. Dagyom Ango, Chief Engineer (Commercial) cum CEI, Er. Jomge Dulom, Executive Engineer (E), KKED and Er. N K Jha, Executive Engineer (E) (Commercial).
- 5.3 The respondent authorities have placed on record a revised table data pertaining to consumer detail of the State overall for FY 2025-2026. Apart from the document no proper cause or explanation has been put forth as to why the authorities has allowed electricity connections without any meter which is in contravention with the provisions of the APSERC (Electricity Supply code) Regulations, 2024 and the Electricity (Rights of Consumers) Rules, 2020.
- 5.4 The impleaded respondent submitted that as smart metering under the Central scheme "Revamped Distribution Sector Scheme (RDSS)" has been implemented through third party, there is no such control over its performance or compliance as of this day. The Department of Power, Government of Arunachal Pradesh can take its stand only after the time line expires in September 2026.
- 5.5 Fairly admitting the lapses on the part of Respondent authorities in failing to get meter installed for every consumer, the Chief Engineer

(Commercial) cum CEI, assured to convene a department meeting and initiate cause of actions to mandatory implementation of the provisions as there under given.

5.6 Furtherance of his submission, the Chief Engineer (Commercial) cum CEI has categorically states that divisions are not under his direct administration, the correspondence usually takes longer time than expected.

5.7 Assuring the Commission to take appropriate steps, the Respondent seeks four [4] months' time to place all the relevant documents pertaining to unmetered connection and also to submit the actions initiated for mandatory installation of meter to all the categories of consumer.

5.8 On the submission of personal ground that the respondent's authorities have recently been posted, the Commission may consider to allow the additional time as prayed for.

6. Commission's observation:

6.1 On perusal of the available records and issue raised during the 8th SAC meeting held on 14.10.2025, the Commission had initiated the Suo-Moto proceeding against the impleaded Respondent, but before going any further, we may look at the legal propositions inter alia to mandatory meter installation for all categories of consumers.

6.2 Section 55. (Use, etc., of meters) of the Electricity Act 2003: ---

"(1) No licensee shall supply electricity, after the expiry of two years from the appointed date, except through installation of a correct meter in accordance with the regulations to be made in this behalf by the Authority:"...

6.3 We may refer to Clause 5 of the Electricity (Right of Consumers) Rules, 2020, which reads as:

"5. Metering –

(1) No connection shall be given without a meter and such meter shall be the smart prepayment meter or pre-payment meter. Any exception to the smart meter or prepayment meter shall have to be duly approved by the Commission. The Commission, while doing so, shall record proper justification for allowing the deviation from installation of the smart pre-payment meter or prepayment meter.”

6.4 Also going by Clause 13 of the Rules, 2020, which reads as:

“(13) Replacement of defective or burnt or stolen meters shall be done, -

(a) either on consumer’s complaint or upon inspection by the distribution licensee, if the meter is prima facie found to be defective or burnt or stolen not due to causes attributable to the consumer, the licensee shall restore supply through a new meter at its own cost within the timelines as specified by the Commission;

(b) if, after investigation, it is found that the meter has become defective or burnt or stolen due to causes attributable to the consumer, the necessary charges shall be recovered from the consumer as specified by the Commission;

(c) within a time period, to be specified by the Commission not exceeding twenty-four hours in urban areas and seventy-two hours in rural areas by the distribution licensee.”

6.5 That under Clause 5.1 of the “Arunachal Pradesh State Electricity Regulatory Commission (Electricity Supply Code) Regulations, 2024”.

Which reads as:

“ 5.1 Metering

5.1.1. Requirement of Meters *(1) No connection shall be given without a meter and such meter shall be the smart prepayment meter or pre-payment meter. Any exception to the smart meter or prepayment meter shall have to be duly*



approved by the Commission. The Commission, while doing so, shall record proper justification for allowing the deviation from installation of the smart pre-payment meter or pre-payment meter.”

6.6 Similarly in Clause 5.1.5 of the same Regulation, 2024, it provides that:

“ 5.1.5 Replacement of Defective or burnt or stolen meters

(1) Replacement of defective/stolen/burnt meters shall be done either on consumer's complaint or upon inspection by the distribution licensee.

(2) If the meter is prima facie found to be defective/stolen/burnt not due to causes attributable to the consumer, the licensee shall restore supply through a new meter at its own cost within the timelines as specified in clause 5.1.5 (4) below.

(3) If, after investigation, it is found that the meter has become defective/stolen/burnt due to causes attributable to the consumer, the necessary charges shall be recovered from the consumer as specified by the Commission in the Retail Supply Tariff Orders issued from time to time;

(4) The licensee shall replace the defective/stolen/burnt meter within twenty-four hours in urban areas, seventy-two hours in rural areas and 7 working days in remote areas.

(5) Non-availability of meter shall not be a reason for delay in restoration of supply.

(6) If the meter is installed outside the consumer's premises, distribution licensee shall be responsible for safe custody of the meter, and if the same is installed within the consumer's premises, the consumer shall be responsible for the safe custody of meter.”



6.7 From the plain reading of the provisions of law above, it is crystal clear that no connections for electricity can be availed by any categories of consumers without installation of meter. it is the responsibility of the DISCOM to make sure that meter is installed prior to its connection and there are no exceptions to it. Further if the meter is found to defective, stolen, or burnt the authorities has to replace it within the specified time lines.

6.8 The Commission being the creation of The Electricity Act, 2003, having the role of regulating the power sector within the state, the Suo -Moto was initiated to address the adverse impact of unmetered electricity connections, which create significant inefficiencies in the State power system. This practice has resulted to high commercial losses and encourages energy wastage. It can also be acknowledged that issue of unmetered connections is the primary driver of Aggregate Technical & Commercial (AT&C) losses.

6.9 The commission as a part of its directives issued on dated 26.07.2024 in TP - 03 of 2024 had directed the respondent authorities to comply with the mandatory procedure for installation of meter for every category of consumers.

6.10 We have in our hand, the revised details data as submitted by the Respondent authorities during the hearing. The data in table sheet is reproduced below for easy reference:

Consumer Detail (August 2025–2026)

Category	Subcategory	Metered	Defective	Without Meter	Sub-total	Total
Non-Commercial (Domestic)	AC 50Hz 1ph 230V	103812	27135	78269	105404	209216

	AC 50Hz 3ph 400V	2815	391	878	1269	4084
	KJP & BPL	15974	13336	31271	44607	60581
	AC 50Hz 3ph 11kV	96	22	24	46	142
	AC 50Hz 3ph 33kV	9	0	13	13	22
Commercial (non- industrial)	AC 50Hz 1ph 230V	22185	3612	7632	11244	33429
	AC 50Hz 3ph 400V	2868	242	421	663	3531
	AC 50Hz 3ph 11kV	338	86	97	183	521
	AC 50Hz 3ph 33kV	8	9	0	9	17
Public Lighting & Water Supply	AC 50Hz 1ph 230V	126	81	796	877	1003
	AC 50Hz 3ph 400V	161	38	158	196	357
	AC 50Hz 3ph 11kV	1	3	4	7	8
	AC 50Hz 3ph 33kV	0	0	0	0	0
Agriculture	AC 50Hz 1ph 230V	2	4	4	8	10
	AC 50Hz 3ph 400V	5	1	3	4	9
	AC 50Hz 3ph 11kV	0	0	5	5	5
Industrial	AC 50Hz 1ph 230V	33	7	17	24	57

	AC 50Hz 3ph 400V	126	29	32	61	187
	AC 50Hz 3ph 11kV	74	6	17	23	97
	AC 50Hz 3ph 33kV	28	2	1	3	31
	AC 50Hz 3ph 132kV	4	0	0	0	4
Bulk Mixed	AC 50Hz 1ph 11V	91	28	60	88	179
	AC 50Hz 3ph 33V	13	2	3	5	18
	AC 50Hz 3ph 132kV	1	0	0	0	1
Temporary	As per Meter Supply	252	68	74	142	394
TOTAL		1,49,022	45,102	1,19,779	1,64,881	3,13,903

6.11 From the data it reflects that out of total 3,13,903 consumers, 1,19,779 consumers are without meter and 45,102 consumers having defective meters [consumer without meter + defective meters = 1,64,881 consumers]. The Commission cannot overlook the lapses on the part of Respondent authorities. The data before us tell the griming tale of the authorities responsible to adhere with the mandatory provisions for installation of meter for every connection. The negligence or whatever excuse put forward shall consequently will be detrimental for all the consumers and State as a whole as ultimately its cumulative revenue loss as well as energy loss.

6.12 By analysing the data, it is brought before us that majority of the consumer comes under non- commercial consumers and it would be an impossible task to

complete the installation of smart meter to every consumer under RDSS scheme in the specific time line of September 2026.

6.13 On bare perusal, the Commission is somewhat astonished to the reflected data for Industrial Consumers and Bulk Mixed Consumers. Out of total 376 industrial consumers, 67 consumers are without meter and 44 are with defective meter [without meter + defective meter = 111 consumer]. For Bulk Mixed Consumers, out of 198 total consumers, 63 are without meter and 30 consumers with defective meter [without meter + defective meter = 93 consumer]. This category of consumers though less in number as compared to non- commercial consumers, but these industrial and bulk mixed consumers are significant in term of load consumption and revenue generation. The Commission could somehow consider for some time the reasons forward by the respondent authorities in regard to non- commercial consumers, but no way shall give free hand to those official responsible in contravene the provisions of law by giving access to electricity connection to industrial and bulk mixed consumers without any meter.

6.14 Entrusted with a regulatory responsibility, the Commission just cannot act as a mere spectator and overlooked acts that are against the reasons and objects of the very Act. Furthermore, regulatory frameworks prevent, ensure compliance with established norms and enforcement in true spirit.

6.15 The Commission having serious concern regarding large numbers of unmetered electricity connections in all categories of consumer. The suo-moto proceedings have been initiated with main focus on eliminating unmetered supply, to improve efficiency, reduce distribution losses, and ensure accurate billing. Saying so, the Commission this time taking a lenient approach and considering the submission placed by the impleaded Respondent pass the following direction:

7. Direction:

7.1. On assurances given by impleaded Respondent to comply with the direction, the Commission as final opportunity further allowed four [4] months time. The impleaded Respondent, Department of Power, Govt. of Arunachal Pradesh, shall initiate actions plan to mandatorily adhere with the provisions of Electricity (Rights of Consumers) Rules, 2020 and APSERC (Electricity Supply code) Regulations, 2024.

7.2 Strict and concrete steps be adopted for mandatory installation of meter for every category of consumers prior to connection. In event of non-compliance, show cause notice may be issued, disciplinary action be initiated against the official involved in such act.

7.3 As a part of our observation, the impleaded Respondent in priority basis shall undertake to trace the unmetered consumer and defective meter consumer for Industrial Consumers and Bulk Mixed Consumers. In both categories the consumer is relatively low as compared to non- commercial consumers. Strict action may be initiate to enforce its compliance.

7.4 The impleaded Respondent shall submit Monthly Progress Report [MPR] of the action plan initiate in regard to direction set in paragraph 7.3 of this Order.

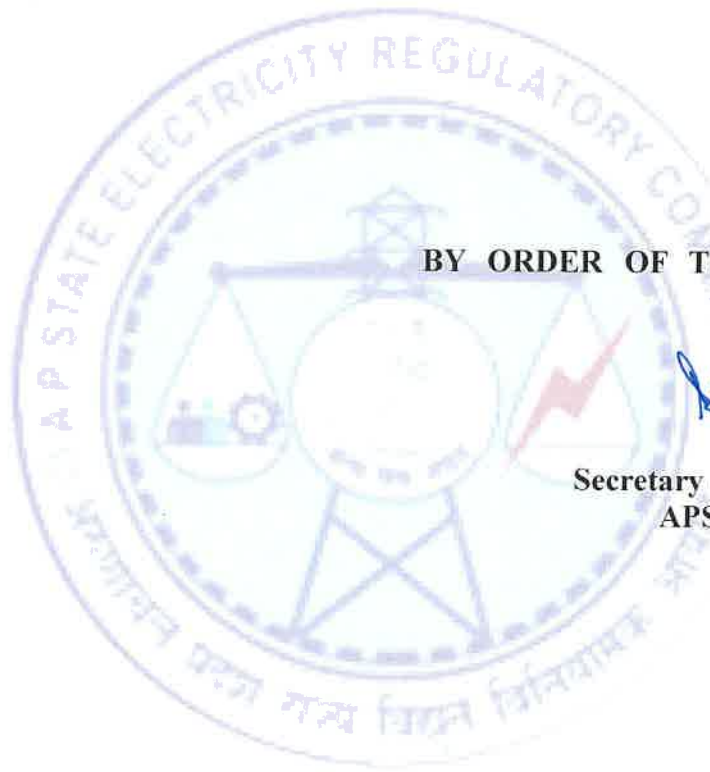
7.5 In event of non-compliance of the above direction due to influence or non-seriousness from any official, the Impleaded Respondent has liberty to approach the Commission. Affidavit supported with documents must be placed before the Commission for any consideration.

7.6 The Commission shall not hesitate to initiate further legal actions under Section 142 and Section 146 of the Electricity Act, 2003 if the directions are not complied as per the Order.

7.7 In case of negligence or wilful acts by the official, the Commission empowered under Section 96 of the Electricity Act, 2003 shall authorise official on behalf of the Commission to enter the office building or premises and seize any such documents connected, thereby to initiate legal actions accorded under provisions of laws.

7.8. The four [4] months period shall be considered from the date of this Order.

7.9. With the above directions, the petition Suo-Moto No-1 of 2026 stand disposed of.



BY ORDER OF THE COMMISSION

[Signature]
Secretary (In-Charge)
AP SERC