



EESL achieves further reduction in smart meter price; conducts reverse auction of last week's tender

Posted On: 24 OCT 2017 12:07PM by PIB Delhi

- ITI Limited emerges as the L1 bidder with the lowest quote of Rs. 2503 per unit for 50 lakh smart meters, followed by Genus Power and KEONICS
- 8% lower price per unit achieved than previous tender
- The total procurement cost of 50 lakh smart meters has been reduced by Rs. 132 crores due to reverse auction

Energy Efficiency Services Limited (EESL) has achieved a further price reduction in the procurement of 50 lakh smart meters, basis a reverse auction of the tender conducted last week. ITI Limited has emerged as the lowest bidder (L1 bidder) in this reverse auction, followed by Genus Power and KEONICS. ITI Limited quoted the lowest price of Rs. 2503, per single phase smart meter.

L&T had emerged as the lowest bidder in the first round of bids conducted last week, where the company had quoted Rs. 2722. Through the reverse auction, the price of the single phase smart meter has come down from Rs. 2722 to Rs. 2503 which is a reduction of 8% from the previous tender quote. The lower price discovered through reverse auction will further benefit the end consumers. Seven companies including L&T were invited for the reverse auction, as per tender terms and conditions where L&T has been outbid by ITI Limited, Genus Power and KEONICS.

As per government guidelines, EESL will invite Genus Power and KEONICS, who have emerged as the L2 and L3 bidders respectively, to match the L1 price. Should the said parties match the L1 price, EESL will split the procurement of the single phase smart meter between three parties in a ratio of 50:30:20.

The meters will be installed over a period of 3 years in a phased manner in Uttar Pradesh (UP) and Haryana.

The procurement conducted by EESL, a company under the administrative control of Ministry of Power, Government of India (GoI), is the world's largest single Smart Meter procurement. 40 lakh smart meters will be deployed in UP and the remaining 10 lakh in Haryana.

Smart meters are a part of the overall Advanced Metering Infrastructure Solutions (AMI) aimed at better demand response designed to reduce energy consumption during peak hours. The overall AMI solution will also have a system integrator who will be responsible for meter installation, data storage on cloud, preparing dashboards, etc. The bids for the system integrator is expected to open on October 31, 2017.

EESL is procuring the smart meters and services of the system integrator with 100% investment and the Utilities will make zero-investment. The repayment to EESL will be through savings resulting from enhanced billing efficiency, avoided meter reading costs, etc. It is said that the average cost of meter reading is Rs. 40 per meter, which will be completely avoided.

EESL is driven by the objective of facilitating faster adoption of future-ready technology solutions while balancing economic development and environmental sustainability. EESL is committed to enabling a complete transformation of the energy infrastructure in the country with unique solutions.

RM/VM/AS

