



# केन्द्रीय विद्युत विनियामक आयोग

## CENTRAL ELECTRICITY REGULATORY COMMISSION



**Dr. Pramod Deo**  
Chairperson

D.O. No.: 2/8/Policy(Statutory Advice)/2009-CERC

Dated : 22<sup>nd</sup> December, 2010

**Sub : Statutory advice of CERC regarding timeframe for tariff based competitive bidding.**

Dear *Shri Uma Shankar*,

Please refer to Ministry of Power letter No.23/2/2005-R&R (Vol.-V) dated 25<sup>th</sup> November, 2010 seeking advice of CERC on the issues related to transmission sector for amendment to Tariff Policy.

2. The matter has been considered by the Commission. The Commission endorses the recommendations of the Empowered Committee (copy **enclosed**) for exemption for specific cases of transmission projects/systems from the tariff based competitive bidding. However, the Commission feels that the recommendations for exemption in respect of "works required to be done to cater to the urgent situation or which are required in a compressed time schedule" might lead to misuse unless suitably qualified.

3. In view of the above, the Commission in exercise of its statutory power under section 79 (2) of the Act, hereby advises the Central Government that

The transmission projects/systems recommended by the Empowered Committee on Transmission in its meeting held on 03<sup>rd</sup> November, 2010 may also be considered for exemption from the requirement of competitive bidding subject to the provisions that the "works required to be done to cater to the urgent situation or which are required in compressed time schedule" be qualified to mean such works as are required urgently to relieve congestion or such other similar circumstances for which prior approval of the Appropriate Commission should be obtained.

With regards,

Yours sincerely,

*Pramod Deo*  
(DR. PRAMOD DEO)

**Encl : as above.**

Shri P. Uma Shankar  
Secretary  
Ministry of Power  
Shram Shakti Marg  
Rafi Marg  
New Delhi – 110 001.



**EXTRACT FROM THE MINUTES OF THE**  
**24<sup>TH</sup> MEETING OF EMPOWERED COMMITTEE ON TRANSMISSION**  
**HELD ON 03<sup>RD</sup> NOVEMBER, 2010.**

3.5 The proposal of CEA to exclude certain items from the domain of competitive bidding was discussed in detail. Director(Trans) MoP observed that suggestions if any must be communicated immediately as the government was in the process of taking decision any time. The CTU suggested one change which was accepted. **It was decided to recommend to the MoP that the following works may be excluded from the realm of tariff based competitive bidding:**

- Providing additional equipment at existing substations.
- Re-conductoring/upgrading of old lines.
- Extension of existing sub- stations.
- Experimental works such as 1200 kV line.
- Works required to be done to cater to an urgent situation or which are required in a compressed time schedule.
- HVDC stations and bi-pole lines may not be immediately taken up for competitive bidding due to their technical complexity.