

**CENTRAL ELECTRICITY REGULATORY COMMISSION  
NEW DELHI**

**Petition No. 1/TT/2014**

**Coram:**

**Shri Gireesh B. Pradhan, Chairperson**

**Shri M. Deena Dayalan, Member**

**Shri A.K.Singhal, Member**

**Ms. Neerja Mathur, Member (EO)**

**Date of Hearing : 27.05.2014**

**Date of Order : 05.08.2014**

**In the matter of**

Application under Section 63 of the Electricity Act, 2003 for adoption of transmission charges with respect to Transmission System being established by Patran Transmission Company Limited.

**And**

**In the matter of**

Patran Transmission Company Limited  
Room No, 409, 4<sup>th</sup> Floor Skipper Corner  
88 Nehru Place,  
New Delhi-110019

**....Petitioner**

Vs

1. Haryana Power Purchase Centre  
Shakti Bhawan, Energy Exchange  
Room No. 446, Top Floor,  
Sector-6, Panchkula-134109  
Haryana
2. Punjab State Power Corporation Limited  
Shed No T-1-A, Thermal Design,  
Near 22 No. Phatak,  
Patiala, Punjab
3. Himachal Sorang Power Private Limited  
D-7, Sector-1, Lane-1, 2<sup>nd</sup> Floor



New Shimla, Shimla-171009  
Himachal Pradesh

4. Adani Power Limited  
3<sup>th</sup> Floor, Achalraj,  
Opposite Mayors Bungalow,  
Law garden, Ahmedabad-380006, Gujarat
5. Jaipur Vidyut Vitran Nigam Limited  
Vidyut Bhawan, Janpath,  
Jaipur-302005,  
Rajasthan
6. Ajmer Vidyut Vitran Nigam Limited  
Old Power House, Hathi Bhata,  
Jaipur Road,  
Ajmer, Rajasthan
7. Jodhpur Vidyut Vitran Nigam Ltd  
400 kV, GSS Building,  
Ajmer Road, Heerapur,  
Jodhpur, Rajasthan
8. Lanco Anpara Power Limited  
Plot No 397, Udyog Vihar  
Phase-3, Gurgaon-122016  
Haryana
9. Power Development Department  
Govt. of Jammu & Kashmir,  
SLDC Building, 1<sup>st</sup> Floor,  
Gladani Power House,  
Narwal, Jammu  
Jammu & Kashmir
10. Lanco Green Power Private Ltd  
Plot No 397, Udyog Vihar,  
Phase- III, Gurgaon-122016  
Haryana
11. North Central Railway



DRM Office,  
Nawab Yusuf Road,  
Allahabad, Uttar Pradesh

12. Ad Hydro Power Limited  
Bhilwara Towers,  
A-12, Sector-1, Noida-201301  
Uttar Pradesh
13. Jaiprakash Power Ventures Limited  
A Block, Sector-128,  
Noida-201304, Uttar Pradesh
14. BSES Yamuna Power Limited  
2<sup>nd</sup> Floor, B Block,  
Shakti Kiran Building,  
(Near Karkardooma Court)  
New Delhi
15. BSES Rajdhani Power Limited  
BSES Bhawan, 2<sup>nd</sup> Floor,  
B Block, Behind Nehru Place Bus Terminal  
Nehru Place, New Delhi-110019
16. Tata Power Delhi Distribution Limited  
33 kV sub-station Building,  
Hudson Lane, Kingsway Camp,  
New Delhi-110019
17. New Delhi Municipal Corporation  
Palika Kendra, Sansad Marg,  
New Delhi-110 001
18. Union Territory of Chandigarh  
Div-11, Opposite Transport Nagar,  
Industrial Phase-1,  
Chandigarh
19. Power Grid Corporation of India Limited  
B-9, Qutab Institutional Area,  
Katwaria Sarai, New Delhi-110016



20. Uttar Pradesh Power Corporation Limited  
14<sup>th</sup> Floor, Shakti Bhawan,  
Ext Building, 14, Ashok Marg,  
Lucknow, Uttar Pradesh

21. PTC India Limited  
2<sup>nd</sup> Floor, NBCC Tower,  
15, Bhikaji Cama Place,  
New Delhi-110066

22. Uttaranchal Power Corporation Limited  
Urja Bhawan, Kanwali Road,  
Near Balli Wala Chowk,  
Dehradun, Uttarakhand

23. Himachal Pradesh State Electricity Board  
Vidyut Bhawan, Kumar House Complex,  
Building No. 11, Shimla,  
Himachal Pradesh

24. PFC Consulting Ltd  
First Floor, "Ürjanidhi",  
1, Barakhamba Lane,  
Connaught Place, New Delhi-110001

...Respondents

**The following were present:**

Shri Anand Ganeshan, Advocate for the petitioner  
Shri Sanjay Nayak, PFCCCL

**ORDER**

The petitioner, Patran Transmission Company Limited has filed the present petition under Section 63 of the Electricity Act, 2003 (hereinafter referred to as "the Act") for adoption of transmission charges with respect to the Transmission



System for "Patran 400 kV sub-station" (hereinafter referred to as "the Project") comprising of the following elements:

S. No.	Transmission elements	Completion Target	Conductors per Phase
1.	Creation of 2x500 MVA, 400/220 kV sub-station at Patran with  (i) 6 Nos.400 kV Bays (ii) 8 Nos.220 kV Bays Space for spare Bays (6 Nos. 400 kV & 6 Nos. 220 kV)	30 months from effective date (25.10.2013)	
2.	LILO of both circuits of Patiala-Kaithal 400 kV D/C at Patran	30 months from effective date (25.10.2013)	<b>Triple Snowbird or equivalent AAAC.</b>  The transmission line should have to be designed for a maximum operating conductor temperature of 85 <sup>0</sup> C

2. The petitioner has made the following prayers:

“(a) Pass an order under Section 63 of the Electricity Act, 2003 adopting the tariff which has been discovered in the competitive bidding process;

(b) Pass such further order(s) as the Hon`ble Commission may deem just in the facts of the present case..”

3. The petitioner has submitted that the Central Government in exercise of the powers under Section 63 of the Act has notified the “Tariff Based Competitive Bidding Guidelines for Transmission Service” (hereinafter referred to as “the Guidelines”) vide Government of India Ministry of Power Resolution No.11/5/2005-



PG(i) dated 17.4.2006. The petitioner has further submitted that Ministry of Power vide its notification No. 15/1/2011-Trans, dated 8.10.2012 notified PFC Consulting Limited (hereinafter referred to as PFCCL) as the Bid Process Coordinator (hereinafter referred to as "the BPC") for the purpose of selection of bidder as Transmission Service Provider (TSP) to establish the transmission system for 'Patran 400 kV sub-station' on Build, Own, Operate and Maintain (BOOM) basis through competitive bidding in accordance with the Guidelines.

4. The petitioner company was incorporated on 19.12.2012 by PFCCL as its wholly owned subsidiary to take steps for execution of the transmission project and subsequently to act as the Transmission Service Provider after being acquired by the successful bidder.

5. The petitioner has submitted that PFCCL as BPC had initiated the process for selection of successful bidder in accordance with the "Guidelines for encouraging competition in development of Transmission Projects and competitive bidding for Transmission Service" and "Tariff based competitive bidding guidelines for Transmission Service" ('Guidelines') issued by Ministry of Power, Government of India. The petitioner has submitted that the key milestones in the bidding process were as under:

S. No.	Events	Date
1.	Global Invitation for Tender	23.1.2013
2.	Submission of Request for	11.3.2013



	Qualification	
3.	Submission of Request for Proposal documents	10.9.2013
4.	Opening of Non-financial Bid	10.9.2013
5.	Opening of financial bid	16.9.2013
6.	Issuance of Letter of Intent to successful bidder	17.9.2013

6. The petitioner has submitted that BPC started the process with the publication of Global Invitation for qualification on 23.1.2013 for selection of a TSP for the project and to provide transmission service on long term basis to the Long Term Transmission Customers (LTTCs). Intimation regarding the initiation of the bidding process was given by the BPC to the Commission vide its letter dated 23.1.2013. A total of seven bidders had submitted their Request for Qualification (RfQ) by 11.3.2013 and all seven bidders were qualified for participation in the next stage of bidding i.e Request for Proposal (RfP). Out of seven bidders, only following four bidders submitted their RfPs by 10.9.2013, whose financial bids were opened on same day:

- (i) Power Grid Corporation of India Limited
- (ii) Sterlite Grid Limited
- (iii) Techno Electric and Engineering Company Limited
- (iv) Ashoka Buildcon Limited

7. The petitioner has submitted that the bidding process concluded on 16.9.2013 when the Board of the BPC resolved that M/s Techno Electric and Engineering Company Limited (TEECL) has quoted the lowest levelized transmission charges of Rs 274.00 million and was declared successful bidder.



The Letter of Intent (LoI) was issued by the BPC to the successful bidder on 17.9.2013 which has been accepted by the successful bidder unconditionally. In keeping with the conditions stipulated in the bid documents, the petitioner on 13.11.2013 acquired the Patran Transmission Company Limited as its wholly owned subsidiary after executing the Share Purchase Agreement and also furnished the Contract Performance Guarantee of ₹ 4.05 crore in favour of LTTCs.

8. The petitioner has submitted that the BPC, vide its clarifications issued on 17.6.2013, has clarified that the transmission charges shall be shared and recovered as per the applicable CERC Regulation which is at present the PoC Mechanism under Central Electricity Regulatory Commission (Sharing of Inter-State Transmission Charges and Losses) Regulations, 2010.

9. In accordance with the provision of the bid documents and LoI issued in its favour, the petitioner has prayed for adoption of the transmission charges for the project which has been discovered through the process of competitive bidding.

10. On receipt of the present petition, the Commission vide its letter dated 20.1.2014 directed the BPC to submit the relevant documents regarding complete process of competitive bidding, through affidavit. The necessary details have been filed by the BPC on 29.1.2014.



11. Notices were issued to all the respondents who are the Long Term Transmission Customers of the project. None of the respondents has filed its reply. Notice was also issued to PFCCL in its capacity as Bid Process Coordinator. PFCCL has filed the copies of all relevant documents pertaining to the bidding process.

12. During the course of hearing on 18.3.2014, the representative of BPC submitted that all the provisions of the competitive bidding guidelines have been complied with in this case.

13. The petition was last heard on 27.5.2015. Learned counsel for the petitioner submitted that as per the Commission`s direction vide ROP of hearing dated 24.4.2014, copy of the TSA duly signed by LTTCs and requested to adopt the transmission charges as mentioned in the TSA. The Commission vide Record of Proceedings of hearing dated 27.5.2014 directed BPC to submit comparison of levelized tariff quoted by the successful bidder and tariff worked out as per CERC Tariff Regulations. The BPC vide its affidavit dated 26.6.2014 has filed the information called for.

14. We now proceed to examine whether the transmission charges have been discovered in accordance with Section 63 of the Act.



15. Section 63 of the Act provides as under:

*“63. Notwithstanding anything contained in Section 62, the Appropriate Commission shall adopt the tariff if such tariff has been determined through transparent process of bidding in accordance with the guidelines issued by the Central Government.”*

16. Government of India, Ministry of Power has notified the Guidelines issued by the Central Government under Section 63 of the Act vide Resolution No. 11/5/2005-PG(i) dated 17.4.2006. The salient features of the Guidelines are discussed in brief as under:

(a) The Guidelines are applicable for procurement of transmission services for transmission of electricity through tariff based competitive bidding and for selection of transmission service provider for new transmission lines and to build, own, maintain and operate the specified transmission system elements.

(b) For procurement of transmission services, required for inter-State transmission, the Central Government shall notify any Central Government Organization or any Central Public Sector Undertakings the Bid Process Coordinator (BPC) who would be responsible for coordinating the bid process.

(c) The BPC shall prepare the bid documentation in accordance with the Guidelines and obtain approval of the Appropriate Commission or alternatively, the BPC can use the standard bid documents notified by the



Ministry of Power. Approval of the Appropriate Commission would be necessary if any material deviation is proposed to be made in the Standard Bid Documents. Intimation about the initiation of the bid process shall be sent by the BPC to the Appropriate Commission.

(d) For procurement of transmission charges under the Guidelines, the BPC may adopt at its option either a two-stage process featuring separate Request for Qualifications (RFQ) and Request for Proposal (RFP) or adopt a single stage two envelope tender process combining both RFQ and RFP processes.

(e) RFQ or combined RFQ and RFP notice shall be issued in at least two national newspapers, website of the BPC and the appropriate Government and preferably in the trade magazines also to provide wide publicity. For the purpose of issue of RFQ minimum conditions to be met by the bidder shall be specified in RFQ notice. The bidding shall be by way of International Competitive Bidding.

(f) Standard documentation to be provided in the RFQ stage shall include definitions of requirements including the details of location and technical qualifications for each component of the transmission lines, construction milestones, and financial requirements to be met by the bidders; proposed Transmission Service Agreement; period of validity of offer of bidder; conditions as specified by the Appropriate Commission for



being eligible to obtain transmission licence and other technical and safety criteria to be met by the bidder/TSP including the provisions of Indian Electricity Grid Code (IEGC).

(g) Standard documentation to be provided by BPC in the RFP shall include specified target dates/months for commissioning and commercial operations and start of providing transmission services. TSA proposed to be entered with the selected bidder; bid evaluation methodology to be adopted by the BPC; Discount Factor to be used for evaluation of the bids; specification regarding the bid bond and project completion guarantee to be furnished by the bidders, proposed indemnification agreement between the TSP and the utilities, amount of contract performance guarantee as percentage of the project cost; and the liquidated damages that would apply in the case of delay in start of providing the transmission services.

(h) To ensure competitiveness, the minimum number of qualified bidders shall be two. The BPC shall constitute a committee for evaluation of the bids with at least one member from Central Electricity Authority (CEA) and the concerned Regional Power Committees. The member from CEA shall have expertise in the cost engineering of transmission projects. The bids shall be opened in public and the representative of the bidders shall be allowed to remain present. The technical bids shall be scored to ensure that only the bids that meet the minimum technical criteria set out in the RFQ shall be considered for further evaluation on the transmission charge bids.



The transmission charge bid shall be rejected if it contains any deviation from the tender conditions for submission of the same. The bidder who has quoted the lowest transmission charge as per the evaluation procedure shall be considered for the award.

(i) The Guidelines provide for suggested time tables for the bid process. The timeline suggested for a two stage bid process is 240 days and single stage two envelope bid process is 180 days. The BPC is empowered to give extended time-frame based on the prevailing circumstances and such alterations shall not be construed as the deviation from the Guidelines.

(j) The selected bidder shall make an Application for grant of transmission licence to the Appropriate Commission within ten days of issuance of LOI or signing of TSA, whichever is later. The TSA shall be signed with the selected bidder in accordance with the terms and conditions as finalized in the bid document before the RFP stage.

(k) The BPC shall make evaluation of the bid public by indicating the terms of the winning bid and anonymous comparison of all other bids. All contracts signed with the successful bidder shall also be made public. The final TSA along with the certification of BPC shall be forwarded to the Appropriate Commission for adoption of tariff in terms of section 63 of the Act.

17. In the light of the above provisions of the Guidelines, we have examined in the succeeding paragraphs the transparent process of international competitive bidding adopted in the present case for arriving at the lowest levelised transmission charges and for selection of the successful bidder.

18. PFCCL was notified by Government of India, Ministry of Power vide Notification No. 15/1/2011-PG dated 8.10.2012 as the Bid Process Coordinator for the purpose of selection of bidder as TSP to establish the project on Build, Own, Operate and Maintain (BOOM) basis through tariff based competitive bidding.

19. Patran Transmission Limited was incorporated on 19.12.2012 under the Companies Act, 1956 as a wholly owned subsidiary of PFCCL with the objective to establish the transmission system on Build, Own, Operate and Maintain basis and to act as the Transmission Service Provider after being acquired by the successful bidder. The main objects of the petitioner company in its Memorandum of Associations are as under:

*“Plan, promote and develop an integrated and efficient power transmission system network in all its respects including planning, investigations, research, design and engineering, preparation of preliminary, feasibility and definite project reports, construction, operation and maintenance of transmission lines, sub-station, load dispatch stations and communication facilities and appurtenant works, coordination of integrated operation of regional and national grid system, execution of turn-key jobs for other utilities/organizations, wheeling of power, purchase and sale of power in accordance with the policies, guidelines and objectives laid down by the Central Government from time to time”.*



20. PFCCL as the BPC prepared the bidding documents such as RfQ and RfP in accordance with the Standard Bid Documents issued by the Ministry of Power, Government of India. The BPC started the process of selection of TSP with the publication of Global Invitation for Qualification on 23.1.2013 for selection of developer on BOOM basis for the project. The notice for RfQ was published on 24.1.2013 in the Financial Times with the last date of submission of response to RfQ 11.3.2013. Intimation regarding the initiation of the bid process was given to the Central Commission in accordance with clause 4.2 of the Guidelines vide its letter No.03/New ITP/12-13/PTCL/11-RFQ, dated 23.1.2013.

21. The scope of the project as per the Request for Proposal (RfP) and the Transmission Service Agreement is as under:

S. No.	Transmission elements	Completion Target	Conductors per Phase
1.	Creation of 2x500 MVA, 400/220 kV sub-station at Patran with  (i) 6 Nos.400 kV Bays  (ii) 8 Nos.220 kV Bays  Space for spare Bays (6 Nos. 400 kV & 6 Nos. 220 kV)	30 months from effective date (25.10.2013)	
2.	LILO of both circuits of Patiala-Kaithal 400 kV D/C at Patran	30 months from effective date (25.10.2013)	<b>Triple Snowbird or equivalent AAAC.</b>  The transmission line should have to be designed for a maximum operating conductor temperature



			of 85° C
--	--	--	----------

22. The identified Long Term Transmission Customers (L TTCs) of the project along with the allocated capacity in the project are as under, namely:-

<b>S. No.</b>	<b>Name of Long Term Transmission Customers</b>
1.	AD Hydro Power Limited
2.	Haryana Power Purchase Centre
3.	Punjab State Power Corporation Limited
4.	Himachal Sorang Power Pvt. Limited
5.	Adani Power Limited
6.	Jaipur Vidyut Vitran Nigam Limited
7.	Ajmer Vidyut Vitran Nigam Limited
8.	Jodhpur Vidyut Vitran Nigam Limited
9.	Lanco Anpara Power Limited
10.	Lanco Green Power Pvt. Ltd.
11.	Power Development Department, Govt of Jammu and Kashmir
12.	North Central Railway, Allahabad
13.	Jaiprakash Power Ventures Limited
14.	BSES Yamuna Power Limited
15.	BSES Rajdhani Power Limited
16.	Tata Power Delhi Distribution Company Limited
17.	New Delhi Municipal Corporation
18.	UTC-Chandigarh
19.	Power Grid Corporation of India Limited , HVDC Dadri
20.	Power Grid Corporation of India Limited, HVDC Rihand
21.	U.P. Power Corporation Limited
22.	PTC (Budhil), PTC India Limited
23.	PTC (Everest), PTC India Limited
24.	Uttaranchal Power Corporation Limited
25.	Himachal Pradesh State Electricity Board

23. Responses to the RfQ were received from seven bidders by 11.3.2013 as per details given below:



<b>S. No</b>	<b>Name of Bidders</b>
1.	Power Grid Corporation of India Ltd., Gurgaon
2.	Sterlite Grid Ltd., New Delhi
3.	L&T Infrastructure Development Projects Limited
4.	PEL-KCL Consortium
5.	Ashoka Buildcon Limited
6.	Jyoti Energy Ltd.
7.	Techno Electric and Engineering Company Limited

24. As per the decision of the Empowered Committee on Transmission, the Bid Evaluation Committee comprising of the following was constituted:

- (a) Shri Vinod Pande, GM, SBI Capital Markets Limited ...Chairman
- (b) Ms. Shashi Prabha, Chief Engineer (Transmission),  
Punjab State Transmission Corporation Ltd. ..Member
- (c) Shri S.B.Moudgil, Chief Engineer (SO & Commercial),  
Haryana Vidyut Prasaran Nigam Ltd. ..Member
- (d) Shri N.C.Jain, Chief Engineer (F&CA), Central Electricity Authority  
...Member
- (e) Shri Ravinder Gupta, Director (SP&PA), Central Electricity Authority  
...Member
- (f) Shri P.P.Srivastava, Chairman, PTCL ... Convener

25. The responses to the RfQ were opened on 11.3.2013 in the presence of Bid Evaluation Committee and the representative of the bidders. Bid Evaluation Committee recommended all the seven bidders as qualified at RfP stage, namely:

<b>S. No.</b>	<b>Name of Bidders</b>
1.	Power Grid Corporation of India Ltd., Gurgaon
2.	Sterlite Grid Ltd., New Delhi
3.	L&T Infrastructure Development Projects Limited



4.	PEL-KCL Consortium
5.	Ashoka Buildcon Limited
6.	Jyoti Energy Ltd.
7.	Techno Electric and Engineering Company Limited

26. Out of the qualified seven bidders, following four bidders submitted their offers at RfP stage:

S. No.	Name of Bidders
1.	Power Grid Corporation of India Ltd., Gurgaon
2.	Sterlite Grid Ltd., New Delhi
3.	Techno Electric and Engineering Company Limited
4.	Ashoka Buildcon Limited

27. The RfP (Non-Financial) bids were opened on 10.9.2013 by the Bid Evaluation Committee in the presence of the representatives of the bidders. Bid Evaluation Committee carried out the responsiveness check of the non-financial bids and declared the bids of all the four bidders as responsive and recommended for opening of their RfP (Non-Financial ) Bids. RfP (Financial) bids were opened on 16.9.2013 by the Bid Evaluation Committee in the presence of the representatives of the bidders. The levelised transmission charges for each bidder, as per the bid evaluation model and the methodology specified in RfP, were found to be in order. Based on the evaluation of the RfP , the levelized Transmission charges were worked out as under:

S. No	Name of Bidders	Levelised Transmission Tariff In Indian Rupees (Millions per annum)
1.	Power Grid Corporation of India Limited	620.83



2.	Sterlite Grid Ltd., New Delhi	398.01
3.	Techno Electric and Engineering Company Limited	274.00
4.	Ashoka Buildcon Limited	595.23

28. Based on the evaluated levelised transmission charges, the Bid Evaluation Committee recommended M/s Techno Electric and Engineering Company Limited with the lowest evaluated annual levelised transmission charges of ₹ 274.00 million/annum as the successful bidder. Para 4, 5, 6 and 7 of the Minutes of the Bid Evaluation Committee dated 16.9.2013, which are relevant, are extracted as under:

" 4. The levelized tariff has been worked out using the financial model provided as in excel sheet to the Bidders along with the RFP documents and considering the indices declared by CERC in accordance with the provisions of the RFP documents. The levelized transmission charges have been worked out based on the methodology specified in the RFP document and by using the index published by the CERC as per their Notification No. Eco T1/2013-CERC dated March 25, 2013, and as prevailing on the day seven days prior to the bid deadline (September 10, 2013)

5. Based on the evaluation of the RFP (Financial) Bids carried out, the levelized Transmission Charge are as follows:

S. No.	Name of the Bidders	Levelised Transmission Tariff In Indian Rupees (Millions per annum)
1.	Power Grid Corporation of India Limited	620.83
2.	Sterlite Grid Limited	398.01
3.	Techno Electric and Engineering Company Limited	274.00
4.	Ashoka Buildcon Limited	595.23

6. As per the above and based on the evaluation carried out, the computed levelised Transmission Charge of Techno Electric and



Engineering Company Limited is the lowest and accordingly based on the ranking given below, is declared as the successful bidder, and the BPC, PFC Consulting Limited, may issue the Letter of Intent (Lol) to Techno Electric and Engineering Company Limited (L-1 Bidder).

<b>Name of the Bidders</b>	<b>Levelised Transmission Charges (In Indian Rupees Millions per annum)</b>	<b>Ranking of Bidders based on Levelised Tariffs</b>
Techno Electric and Engineering Company Limited	274.00	L-1
Sterlite Grid Limited	398.01	L-2
Ashoka Buildcon Limited	595.23	L-3
Power Grid Corporation of India Limited	620.83	L-4

7. The Bid Evaluation Committee also certifies and confirms that the Evaluation of the Responses to RFQ and RFP Bids has been carried out in accordance with the provisions of the Guidelines and the Standard Bid Documents (RFQ & RFP)"

29. Bid Evaluation Committee vide its certificate dated 16.9.2013 has certified as under:

'It is hereby certified that:

a. Techno Electric and Engineering Company Limited has emerged as the Successful Bidder with the lowest levelised Transmission Charges of Rs. 274.00 Million per annum for the subject project.

b. The rates quoted by the Successful Bidder, Techno Electric and Engineering Company Limited are in line with the prevalent market prices.

c. The entire bid process has been carried out in accordance with the "Tariff based Competitive Bidding Guidelines for Transmission Service" and "Guidelines for encouraging competition in development of the Transmission Projects" issued by Ministry of Power, Govt. of India under Section 63 of the Electricity Act, 2003 and as amended from time to time



and the Standard Bid Documents (RfQ, RfP & TSA) notified by Ministry of Power, Government of India.'

30. Letter of Intent was issued by the BPC on 17.9.2013 to the successful bidder i.e. M/s Techno Electric and Engineering Company Limited. In accordance with para 12.3 of the Guidelines, the BPC has hosted on the website of PFCCL the final results of the evaluation of the bids for selection of developer for the project.

31. In accordance with the terms of RfP and Letter of Intent, the successful bidder was required to accomplish the following tasks:

- (a) Provide Contract Performance Guarantee in favour of the LTTCs;
- (b) Execute the Share Purchase Agreement;
- (c) Acquire, for the acquisition price, one hundred percent equity shareholding of Patran Transmission Limited from PFCCL, along with all its related assets and liabilities;
- (d) Execute the RfP project Documents including the Transmission Service Agreement with LTTCs;
- (e) Make an application to the Central Electricity Regulatory Commission for adoption of charges under Section 63 of the Electricity Act, 2003;
- (f) Apply to Central Electricity Regulatory Commission for grant of transmission licence.

32. The successful bidder has furnished the Performance Guarantee to each of the Long Term Transmission Customers of the project for an amount of ₹4.05



crore and has acquired hundred percent equity holding in the applicant company on 13.11.2013 after execution of the Share Purchase Agreement. The TSP on behalf of the successful bidder is required to file the application for grant of transmission licence and adoption of tariff within ten days of issuance of LOI or signing of TSA, whichever is later. Though the Lol was issued on 17.9.2013 and the petitioner acquired the SPV on 13.11.2013, signing of TSA by all LTTCs was confirmed by the BPC only on 12.5.2014. However, without waiting for the signing of the TSA by all LTTCs, the petitioner has filed the application for grant of transmission licence and adoption of tariff on 3.1.2014.

33. In the light of the discussions in the preceding paragraphs, it emerges that selection of the successful bidder and the process of arriving at the levelised tariff of the project through competitive bidding has been carried out by the Bid Process Coordinator through a transparent process in accordance with the Guidelines and Standard Bid Documents. The Bid Evaluation Committee has certified that the process is in conformity with the MOP Guidelines. The BPC in its certificate dated 16.9.2013 has certified that the rates quoted by the successful bidder are in line with the prevailing prices. Accordingly, we approve and adopt the levelised transmission charges for the project as per the **Appendix** to this order. The sharing of the transmission charges by the LTTCs shall be governed by the provisions of the Central Electricity Regulatory Commission (Sharing of inter-State Transmission Charges and Losses) Regulations, 2010 as amended from time to time.



34. The Petition No.1/TT/2014 is disposed in terms of the above. We direct that copies of this order shall be endorsed to all Long Term Transmission Customers of the transmission system.

<b>Sd/-</b>	<b>sd/-</b>	<b>sd/-</b>	<b>sd/-</b>
<b>(Neerja Mathur)</b> <b>Member (EO)</b>	<b>(A.K.Singhal)</b> <b>Member</b>	<b>(M. Deena Dayalan)</b> <b>Member</b>	<b>(Gireesh B.Pradhan)</b> <b>Chairperson</b>



## Appendix

Year	Commencement Date of Contract Year	End Date of Contract Year	Quoted Non- Escalable Transmission Charges (Rs. Millions)	Quoted Escalable Transmission Charges (Rs. Millions)
1	Scheduled COD 24-April-2016	31-Mar-2017	213.00	4.71
2	1-Apr-2017	31-Mar-2018	220.00	Nil
3	1-Apr-2018	31-Mar-2019	252.50	Nil
4	1-Apr-2019	31-Mar-2020	282.73	Nil
5	1-Apr-2020	31-Mar-2021	299.95	Nil
6	1-Apr-2021	31-Mar-2022	299.95	Nil
7	1-Apr-2022	31-Mar-2023	299.95	Nil
8	1-Apr-2023	31-Mar-2024	299.95	Nil
9	1-Apr-2024	31-Mar-2025	299.95	Nil
10	1-Apr-2025	31-Mar-2026	299.95	Nil
11	1-Apr-2026	31-Mar-2027	299.95	Nil
12	1-Apr-2027	31-Mar-2028	299.95	Nil
13	1-Apr-2028	31-Mar-2029	299.95	Nil
14	1-Apr-2029	31-Mar-2030	299.95	Nil
15	1-Apr-2030	31-Mar-2031	299.95	Nil
16	1-Apr-2031	31-Mar-2032	237.98	Nil
17	1-Apr-2032	31-Mar-2033	237.42	Nil
18	1-Apr-2033	31-Mar-2034	236.82	Nil
19	1-Apr-2034	31-Mar-2035	236.19	Nil
20	1-Apr-2035	31-Mar-2036	255.52	Nil
21	1-Apr-2036	31-Mar-2037	254.81	Nil
22	1-Apr-2037	31-Mar-2038	254.06	Nil
23	1-Apr-2038	31-Mar-2039	253.36	Nil
24	1-Apr-2039	31-Mar-2040	252.41	Nil
25	1-Apr-2040	31-Mar-2041	251.52	Nil
26	1-Apr-2041	31-Mar-2042	260.57	Nil
27	1-Apr-2042	31-Mar-2043	259.57	Nil
28	1-Apr-2043	31-Mar-2044	258.50	Nil
29	1-Apr-2044	31-Mar-2045	257.38	Nil
30	1-Apr-2045	31-Mar-2046	256.18	Nil
31	1-Apr-2046	31-Mar-2047	254.92	Nil
32	1-Apr-2047	31-Mar-2048	253.58	Nil
33	1-Apr-2048	31-Mar-2049	252.16	Nil
34	1-Apr-2049	31-Mar-2050	250.66	Nil
35	1-Apr-2050	31-Mar-2051	249.07	Nil
36	1-Apr-2051	35th anniversary of Scheduled COD	249.00	Nil

