

**CENTRAL ELECTRICITY REGULATORY COMMISSION  
NEW DELHI**

**Petition No. 129/AT/2023**

**Coram:**

**Shri I. S. Jha, Member  
Shri Arun Goyal, Member  
Shri P. K. Singh, Member**

**Date of order: 7<sup>th</sup> July, 2023**

**In the matter of:**

Application under Section 63 of the Electricity Act, 2003 for Adoption of Transmission Charges with respect to the Transmission System being established by the Khavda II-C Transmission Limited.

**And**

**In the matter of:**

**Khavda II-C Transmission Limited,**  
(now known as 'POWERGRID Khavda II-C Transmission Limited')  
B-9, Qutab Institutional Area,  
Katwaria Sarai, New Delhi 110 016

....**Petitioner**

**Vs.**

1. Central Transmission Utility of India Limited,  
Saudamini, Plot No.2, Sector-29,  
Gurgaon-122 001.
2. REC Power Development and Consulting Limited,  
REC Corporate Head Quarter, D Block, Plot No. I – 4,  
Sector 29 Gurugram – 122 001
3. Chhattisgarh State Power Distribution Company Limited,  
P.O. Sunder Nagar, Dangania,  
Raipur- 492013, Chhattisgarh
4. Goa Electricity Department-WR,  
Goa Electricity DeptCurti, Ponda403401
5. Gujarat Urja Vikas Nigam Limited,  
Vidhyut Bhavan, Race Course,  
Vadodara – 390007
6. Heavy Water Board  
O Floor, Vikram Sarabhai Bhavan, Trombay,  
Anushaktinagar, Mumbai- 400094, Maharashtra

7. HVDC Bhadrawati, PGCIL,  
PGCIL RHQ, WR-I, Sampriti Nagar,  
Off National Highway No. 8,  
Taluka: Kamrej, PO: Uppalwadi,  
Nagpur, 440026 Maharashtra
8. HVDC Vindhyachal, PGCIL,  
PGCIL RHQ, WR-I, Sampriti Nagar,  
Off National Highway No. 8, Taluka: Kamrej,  
PO: Uppalwadi, Nagpur, 440026 Maharashtra
9. M.P. Power Management Company Limited,  
14, Shakti Bhawan, Rampur,  
Jabalpur – 482008.
10. Maharashtra State Electricity Distribution Company Limited,  
Prakashgad, 4<sup>th</sup> Floor,  
Bandra (East), Mumbai-400051
11. ACB India Limited,  
7th Floor, Corporate Tower, Ambience Mall,  
NH-8, Gurgaon-122 001(Haryana)
12. Torrent Power Limited,  
Naranpura Zonal Office,  
Sola Road, Ahmedabad-380013
13. West Bengal State Electricity Distribution Company Limited,  
6th Floor Vidyut Bhawan, Karunamoyee, Salt Lake,  
Kolkata-700091, West Bengal,
14. Thermal Powertech Corporation India,  
6-3-1090, Clock C, Level 2, TSR, Towers,  
Raj Bhavan Road, Somajiguda,  
Hyderabad- 500082, Telangana
15. Bhabha Atomic Research Centre,  
Anushakti Nagar,  
Mumbai– 400085, Maharashtra
16. GMR Warora Energy Limited  
Plot B-1, Mohabala MIDC Growth Centre,  
Post – Warora, Dist – Chandrapur-442907,  
Maharashtra.
17. HVDC Champa,  
PGCIL RHQ, WR-I, Sampriti Nagar,  
Off National Highway No. 8, Taluka: Kamrej,  
PO: Uppalwadi, Nagpur- 440026, Maharashtra

18. West Central Railway Head Office,  
General Manager's Office, Electrical Branch,  
Jabalpur-482 001
19. Western Railway,  
Office of Chief Electrical Engineer,  
Mumbai
20. East Central Railway,  
CEDE, Office of Chief Electrical Engineer, ECR,  
Zonal Head Quarter, Dighikala-844101, Bihar
21. DB Power Limited- Untied  
Opp Dena Bank, C-31, G- Block, Mumbai
22. Chhattisgarh State Power Trading Company Limited,  
2<sup>nd</sup> Floor, Vidyut Sewa Bhawan, Raipur
23. TRN Energy Private Ltd-Untied,  
7th Floor, Ambience Office Block, Gurugram
24. Adani Power (Mundra) Limited.  
Adani Corporate House, Shantigram,  
Near Vaishnavdevi Circle,  
S G Road Ahmedabad - 382421
25. Raigarh HVDC Station,  
RPT HVDC Office, Hebbal, Bangalore-560094
26. Arcelor Mittal Nippon Steel India Limited,  
27, AMNS House, 2th KM Surat Hazira road,  
Hazira-394270, Gujarat
27. Central Railway  
Pcee's office, 2nd Floor,  
Parcle Building, CSMT Mumbai-400001
28. Dadra and Nagar Haveli and Daman and Power Distribution Corporation Ltd.,  
1st & 2nd Floor, Vidyut Bhavan,  
NexSilvassa & Daman
29. MPSEZ Utilities Limited,  
3rd Floor, Adani Corporate House,  
Ahmedabad
30. Gujarat State Electricity Corporation Limited,  
Vidyut Bhavan, Racecourse,  
Vadodara, Gujarat
31. General Manager (RE Projects & IT)  
Gujarat Industries Power Company Limited,

PO: Ranoli, Distt-Vadodara,  
Gujarat

32. NTPC Renewable Energy Limited,  
NETRA Building, E-3, Ecotech-II, Udyog Vihar,  
Greater Noida,  
Gautam Budh Nagar– 201306, UP

....Respondents

**Parties present:**

Shri D Sudharshan, KTL  
Shri Mani Kumar, KTL  
Shri Prashant Kumar, KTL  
Shri Swapnil Verma, CTUIL  
Shri Ajay Kumar, CTUIL  
Shri Ranjeet Rajput, CTUIL  
Ms. Kavya Bhardwaj, CTUIL  
Shri Anil Kumar Yadav, RECPDCL

**ORDER**

The Petitioner, Khavda II-C Transmission 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 in respect of "Transmission scheme for evacuation of 4.5 GW RE injection at Khavda PS under Phase II- Part C" (hereinafter referred to as 'the Transmission System' or 'the Project') to be established on Build, Own, Operate and Transfer (BOOT) basis. The Petitioner has made the following prayers:

*"a) Adoption of Transmission Charges for Inter-State Transmission System for "Transmission scheme for evacuation of 4.5GW RE injection at Khavda PS under Phase II- Part C" discovered through competitive bidding process.*

*b) Allow the sharing and recovery of Transmission Charges for Inter-State Transmission System for "Transmission scheme for evacuation of 4.5GW RE injection at Khavda PS under Phase II- Part C" as per Sharing of Inter-state Transmission Charges and Losses CERC Regulations 2020 and any other amendment thereon issued from time to time by CERC.*

*c) Pass such other order / orders, as may be deemed fit and proper in the facts and circumstances of the case."*

2. On receipt of the present Petition, the Bid Process Coordinator (BPC), REC

Power Development and Consultancy Limited, vide letter dated 9.5.2023 was directed to submit the relevant documents regarding complete process of competitive bidding. The necessary details have been filed by the BPC under affidavit dated 2.6.2023.

**Hearing dated 20.6.2023**

3. During the course of hearing on 20.6.2023, the representative of the Petitioner submitted that the Petitioner has already impleaded BPC, CTUIL and the Western Region beneficiaries as party to the Petition and has also served copy of Petitions on them. However, no suggestion /objection has been received from the beneficiaries.

4. The representative of CTUIL submitted that CTUIL vide letter dated 27.4.2023 has already recommended the grant of transmission licence to the Petitioner. He further submitted that the SCOD of the Project, as per Transmission Service Agreement, is 21.3.2025.

5. We have considered the submissions of the Petitioner, BPC and CTUIL and perused the documents available on record. Section 63 of the Act provides as under:

*“Section 63: Determination of tariff by bidding process: 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.”*

6. Government of India, Ministry of Power has notified the “Tariff based Competitive-bidding Guidelines for Transmission Service” and “Guidelines for Encouraging Competition in Development of Transmission Projects” (hereinafter referred to as “the Guidelines”) under Section 63 of the Act vide Resolution No. 15/1/2017-Trans dated 10.8.2021 as amended from time to time. The salient features

of the Guidelines are as under:

(a) The Guidelines are applicable for procurement of transmission services for transmission of electricity through tariff based competitive bidding for selection of Transmission Service Provider (TSP) for new transmission system on Build, Own, Operate and Transfer basis.

(b) For procurement of transmission services, required for any inter-State transmission Project, the Central Government shall notify the CTUIL or any Central Government Organization/ Central Public Sector Undertaking or its wholly owned subsidiary (Special Purpose Vehicle) to be the Bid Process Coordinator (BPC) who would be responsible for coordinating the bid process.

(c) The BPC shall prepare the bid documents in accordance with the Guidelines and obtain approval of the Appropriate Government or alternatively, the BPC can use the Standard Bid Documents notified by the Ministry of Power. Any material deviation from the Standard Bidding Documents shall be made only with the prior approval of the Appropriate Government. Intimation about initiation of the bidding process shall be sent by the BPC to the Appropriate Commission.

(d) For the procurement of transmission services under the guidelines, BPC shall adopt a single stage two envelope tender process featuring Request for Proposal (RFP). The entire bidding process shall be conducted online through electronic medium under e-reverse bidding framework.

(e) RFP notice should be published in at least two national newspapers,

website of the BPC and preferably in trade magazines also, so as to accord it wide publicity. The bidding shall necessarily be by way of International Competitive Bidding (ICB). For the purpose of issue of RFP, minimum conditions to be met by the bidder shall be specified in the RFP.

(f) Standard documentation to be provided in the RFP shall include definitions of requirements including brief description of the Project, commissioning milestones to be achieved by the bidders, Qualification requirements to be met by bidders including, minimum net-worth, etc. with necessary proof of the same, as outlined in the bid documents, Specified target dates/months for commissioning and commercial operations, Standard Transmission Service Agreement (TSA), agreement(s) under Central Electricity Regulatory Commission (Sharing of Inter State Transmission Charges and Losses) Regulations as amended from time to time, period of validity of offer of bidder, TSA proposed to be entered with the SPV including amendments, bid evaluation methodology to be adopted by the BPC, specification regarding bid bond as well as the Contract Performance Guarantee to be furnished by the bidders, proposed indemnification agreement between the TSP and the Nodal Agency, liquidated damages that shall apply in event of delay in start of providing the transmission services and technical, operational and safety criteria to be met by the bidder/TSP and requirement of obtaining transmission licence from Appropriate Commission.

(g) The TSP on the date of acquisition of SPV from the BPC will enter into a Transmission Service Agreement with the Nodal Agency.

(h) To ensure competitiveness, the minimum number of qualified bidders

shall be two. For inter-State transmission system, bids shall be opened in the office of CEA by a bid committee comprising of at least one member from CEA and one member from BPC. For inter-State transmission system, CEA shall constitute a committee for evaluation of the bids with at least one representative from CEA and not less than two representatives from the concerned Regional Power Committees and one independent member. Further, in case project is inter-regional, there shall be at least one representative from every concerned RPC. The technical bids shall be examined to ensure that the bids submitted meet minimum eligibility criteria set out in the bid documents on all technical evaluation parameters. Only the bids that meet all elements of the minimum technical criteria set out in the bid documents shall be considered for further evaluation on the transmission charges bids. The online initial price bids shall be electronically opened by the bid opening committee in presence of the bid evaluation committee. The bidder, who has quoted the lowest transmission charge as per the evaluation procedure, shall be considered for the award.

(i) BPC is required to complete e-reverse bidding after opening of the initial offer within 75 days. The procurer may give extended time-frame indicated herein based on the prevailing circumstances and such alterations shall not be construed to be deviation from these guidelines.

(j) The TSP shall make an application for grant of transmission licence to the Appropriate Commission within five (5) working days from the date of execution of share purchase agreement for acquisition of SPV.

(k) BPC shall make the final result of evaluation of all bids public. The final



TSA, along with the certification by the bid evaluation committee, shall be forwarded to the Appropriate Commission, for adoption of tariff discovered from the quoted annual transmission charges during the e-reverse bidding process in terms of Section 63 of the Act.

7. Therefore, we have to examine whether the Guidelines issued by the Central Government has been followed in the present case in a transparent process of bidding.

8. Ministry of Power, Government of India, vide its Gazette Notification No. F.No.15/3/2018-Trans-Pt (2) dated 23.09.2020 & 06.12.2021 has notified REC Power Development and Consultancy Limited (RECPDCL) as Bid Process Coordinator (BPC) for the purpose of selection of bidder as Transmission Service Provider to establish Inter-State Transmission System for “Transmission scheme for evacuation of 4.5GW RE injection at Khavda PS under Phase II - Part C” on Build, Own, Operate and Transfer basis through tariff based competitive bidding process.

9. Khavda II-C Transmission Limited (the Petitioner) was incorporated on 22.4.2022 under the Companies Act, 2013 as a wholly owned subsidiary of RECPDCL with the objective to establish Inter-State Transmission System for “Transmission scheme for evacuation of 4.5 GW RE injection at Khavda PS under Phase II - Part C” and to act as the Transmission Service Provider after being acquired by the successful bidder. The main objectives of the Petitioner Company in its Memorandum of Association are as under:

*“To plan, promote and develop an integrated and efficient power transmission system network in all its aspects including planning, investigation, research, design and engineering, preparation of preliminary, feasibility and definite project reports, construction, operation and maintenance of transmission lines,*

*sub-stations, 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 and wheeling of power in accordance with the policies, guidelines and objectives laid down by the Central Government from time to time”.*

10. BPC prepared the bidding document RfP in accordance with the Standard Bid Documents issued by the Ministry of Power, Government of India.

11. BPC started the process of selection of successful bidder with the publication of Global Invitation for Qualification for selection of developer on BOOT basis for the Project. The notice of RfP was published in National/International newspapers on 6.5.2022 with the last date of submission of response to RfP as 8.7.2022. Intimation regarding initiation of the bid process was given to this Commission in accordance with Clause 4.2 of the Guidelines vide letter No. RECPDCL/ISTS/TBCB/2021-22/400 dated 9.5.2022.

12. The key milestones in the bidding process were as under:

<b>S. No.</b>	<b>Events</b>	<b>Date</b>
1	Publication of Request for Proposal	06.05.2022
2	Technical & Price Bid Submission	16.01.2023
3	Technical Bid Opening	16.01.2023
4	Initial Price Opening (IPO)	08.02.2023
5	e-Reverse Auction	09.02.2023
6	Final Bid Evaluation Committee Meeting	13.02.2023
7	Issuance of Lol	16.02.2023
8	Signing of Agreements & Transfer of SPV	21.03.2023

13. The scope of the Project as per the Request for Proposal and the Transmission Service Agreement is as under:

S. No.	Name of the Transmission Element	Scheduled COD in months from Effective Date	Element(s) which are pre-required for declaring the commercial operation (COD) of the respective Element
1.	<p>Establishment of 3x1500 MVA, 765/400 kV Ahmedabad S/s with 1x330 MVAR 765 kV bus reactor and 1x125 MVAR 420 kV bus reactor.</p> <ul style="list-style-type: none"> <li>• 765/400 kV, 1500 MVA- 3 (10x500 MVA, including one spare unit)</li> <li>• 765 kV ICT bays – 3</li> <li>• 400 kV ICT bays - 3</li> <li>• 765 kV line bays-4 (2 for Lakadia-Ahmedabad and 2 for Ahmedabad to South Gujarat)</li> <li>• 400 kV line bays – 4 (for LILO of Pirana (PG) – Pirana (T) 400kV D/c line at Ahmedabad</li> <li>• 1x330 MVA, 765 kV bus reactor- 1 (4x110 MVA, including one spare unit)</li> <li>• 765 kV reactor bay – 1</li> <li>• 125 MVA, 420 kV reactor- 1</li> <li>• 400 kV Reactor bay- 1</li> </ul> <p>Future Scope: Space for</p> <p>765/400 kV, ICT along with bays- 2</p> <p>400/220 kV, ICT along with bays- 4</p> <p>765 kV Line bays- 8</p> <p>400 kV Line bays- 8</p> <p>220 kV Line bays- 7</p> <p>765 kV reactor along with bays- 1</p> <p>400 kV reactor along with bays- 1</p>	24	Elements marked at Sl. No. 1, 2 ,3 & 4 are required to be commissioned simultaneously as their utilization is dependent on commissioning of each other.
2.	Ahmedabad – South Gujarat/ Navsari (new) 765 kV D/c line with 240 MVA switchable line reactor at both ends		

3.	2 nos. of 765 kV line bays at South Gujarat/ Navsari (new) end for Ahmedabad – South Gujarat/ Navsari (new) 765 kV D/c line  765 kV line bays – 2 (GIS)*	
4.	240 MVAr switchable line reactor at both ends of Ahmedabad – South Gujarat/ Navsari (new) 765 kV D/c line  <ul style="list-style-type: none"> <li>• 1x240 MVAr, 765 kV switchable reactor- 4</li> <li>• Switching equipments for 765 kV line reactor – 4</li> </ul>	

**Note:**

(i) Transmission system for evacuation of 3 GW RE injection at Khavda is being taken up under Phase-I. Phase-II RE scheme for evacuation of 4.5 GW RE injection at Khavda needs to be taken up for evacuation requirement beyond 3 GW from Khavda RE park.

(ii) Implementation of all the transmission packages proposed for evacuation of 4.5 GW RE injection at Khavda RE park under Phase-II (Part A to Part D) needs to be taken up in similar timeframe.

(iii) Space for future 765 kV Line bays and 400 kV line bays should be kept along with space provisions for switchable line reactor.

(iv) \*Powergrid to provide space for 2 nos. of 765 kV line bays alongwith switchable line reactor at South Gujarat/ Navsari (new) end for termination of Ahmedabad – South Gujarat/ Navsari (new) 765 kV D/c line.

(v) 2 no. of 765 kV line bays for termination of Lakadia-Ahmedabad 765 kV D/c line to be implemented along with space provision for installation of switchable Line Reactor at Ahmedabad end of Lakadia-Ahmedabad 765 kV D/c line.

14. For the purpose of evaluation of bids, the Bid Evaluation Committee (BEC) comprising of the following was constituted:

1.	Sh. Umesh Kumar Madan, Head, SBI Capital Market	Chairman
2.	Sh. N.P. Jadav, Chief Engineer(P&C) Gujarat Energy Transmission Corporation Limited (GETCO)	Member
3.	Sh. Rajan Joshi, Executive Engineer, Maharashtra State Electricity Transmission Company	Member

	(MAHATRANSCO)	
4.	Shri Y. K. Swarnkar, Director, PSETD Division, Central Electricity Authority	Member
5.	Ms. Manjari Chaturvedi, Director, PSPA-I Division, Central Electricity Authority	Member
6.	Shri Daljeet Singh Khatri, Chairman, Khavda II-C Transmission Limited,	Convener- Member of the Committee

15. Responses to RfP were received from the following four bidders:

Sr. No.	Name of Bidders
1	Adani Transmission Limited
2	Dineshchandra R. Agrawal Infracon Private Limited
3	Power Grid Corporation of India Limited
4	Sterlite Grid 33 Limited

16. The responses of the Bidders were opened on 16.1.2023 in the presence of the representatives of the bidders. Based on the recommendations of the Bid Evaluation Committee, the Initial Offer of all the four bidders were opened on 8.2.2023 in the presence of Bid Evaluation Committee. In BEC meeting held on 8.2.2023 it was noted that the lowest transmission charges from the Initial Offer submitted by the bidders was Rs. 2961.70 million which shall be the initial ceiling for quoting the final offer during e-Reverse Auction. Accordingly, the rank of the bidders for participation in e-reverse auction is as under:

Sr. No	Name of Bidder	Single Annual Transmission Charges from Initial Offer (Rs.in Million)	Rank
1.	Power Grid Corporation of India Limited	2961.70	L1
2.	Dineshchandra R. Agrawal Infracon Private Limited	3170.00	L2
3.	Adani Transmission Limited	3510.00	L3
4.	Sterlite Grid 33 Limited	3567.00	L4

17. As per the provisions of RfP documents, BEC recommended four qualified bidders to participate in the electronic reverse auction stage and submit their Final Offer.

18. E-reverse auction was carried out at MSTC portal on 9.2.2023 in the presence of members of BEC after intimating to the bidders regarding lowest initial price offer. However, only three bidders participated in e-reverse auction. The transmission charges for four bidders (in ascending order) emerged as under:

<b>S. No.</b>	<b>Name of Bidder</b>	<b>Single Annual Transmission Charges from the Final Offer (Rs.in Million)</b>	<b>Rank</b>
1.	Power Grid Corporation of India Limited	2816.96	L-1
2.	Dineshchandra R. Agrawal Infracon Private Limited	2824.03	L-2
3.	Adani Transmission Limited	2866.81	L-3
4.	Sterlite Grid 33 Limited	No bid received	L-4

19. Based on e-reverse bidding, BEC in its meeting held on 13.2.2023 recommended Power Grid Corporation of India Limited with the lowest transmission charges of Rs. 2816.96 million per annum as the successful bidder.

20. Letter of Intent was issued by the BPC on 16.2.2023 to the successful bidder i.e. Power Grid Corporation of India Limited. In accordance with Clause 12.3 of the Guidelines, the BPC has hosted on the website of RECPDCL, the final result of the evaluation of the bids for selection of developer for the Project.

21. In accordance with the provisions of the bid documents and upon issuance of Lol to the successful bidder (Power Grid Corporation of India Ltd.) and acquisition of SPV (the Petitioner) by the successful bidder, the Petitioner has prayed for adoption of transmission charges for the Project which has been discovered through the process of competitive bidding.

22. In accordance with Clause 2.15.2 of RfP, the selected bidder shall within 10

days of issue of the Letter of Intent, accomplish the following tasks:

- a) Provide the Contract Performance Guarantee in favour of the Nodal Agency;
- b) Execute the Share Purchase Agreement and the Transmission Service Agreement;
- c) Acquire, for the Acquisition Price, one hundred percent (100%) equity shareholding of Khavda II-C Transmission Limited from REC Power Development and Consultancy Limited, along with all its related assets and liabilities.

23. In accordance with Clause 2.15.4 of RfP, the selected bidder shall within five working days of the issue of the acquisition of the SPV by the successful bidder, the TSP shall apply to the Commission for the grant of transmission licence and make an application to the Commission for the adoption of transmission charges, as required under Section 63 of Act.

24. The proviso to Clause 2.15.2 of the RfP provides that "if for any reason attributable to the BPC, the above activities are not completed by the Selected Bidder within the above period of ten (10) days as mentioned in this Clause, such period of ten (10) days shall be extended, on a day for day basis till the end of the Bid validity period.". Though Lol was issued on 16.2.2023, BPC, vide its letter dated 21.3.2023 in terms of Clauses 2.15.2 of RfP extended the date upto 28.3.2023 for completion of all activities by the successful bidder. The selected bidder furnished the Contract Performance Guarantee in favour of Nodal Agency (CTUIL) for an amount of Rs. 39.90 crore and has acquired hundred percent equity-holding in the

applicant company on 21.3.2023 after execution of the Share Purchase Agreement. The Petitioner entered Transmission Service Agreement with the Nodal Agency (CTUIL) on 21.3.2023. The Petitioner has submitted that it had paid the transmission licence fees on 28.3.2023, however, the same was reflected on online filing portal on 3.4.2023 and accordingly the application was filed online on 3.4.2023. The Petitioner has prayed for the condoning the delay in filing of application. Since the Petitioner could not file the application due to procedural laps, the same is condoned. However, the Petitioner is directed to comply with the provisions of the Transmission Licence Regulations in future in letter and spirit.

25. The Petitioner has approached the Commission by a separate application for grant of transmission license. The Commission vide order dated 5.7.2023 in Petition No. 128/TL/2023 on being satisfied that the Petitioner, *prime facie*, qualifies for grant of transmission license as prayed for, directed publication of notices under clause (a) of sub-section (5) of Section 15 of the Act, inviting suggestions/ objections to the proposal of the Commission.

26. In accordance with the Guidelines, BEC has to certify that the tariff has been discovered through a transparent process of bidding and the tariff discovered is in line with prevailing market prices. In the minutes of Fourth Meeting of Bid Evaluation Committee meeting held on 13.2.2023, the following has been recorded:

*“..... As per the provisions of RFP document, following four (4) bidders were qualified to participate in the electronic reverse auction stage and submit their Final Offer:*



<b>S. No.</b>	<b>Name of the Bidder</b>	<b>Transmission Charges from Initial Offer (in Rs. Million)</b>	<b>Rank</b>
1.	M/s Power Grid Corporation of India Limited	2961.70	L1
2.	M/s Dineshchandra R. Agrawal Infracon Private Limited	3170.00	L2
3.	M/s Adani Transmission Limited	3510.00	L3
4.	M/s Sterlite Grid 33 Limited	3567.00	L4

- To start e-Reverse auction on 09.02.2023 at 1030 Hrs (IST) after intimation to all the four (04) qualified bidders regarding lowest initial price offer.

3. Pursuant to the above, BPC confirmed to BEC that all the above four (04) qualified bidders were informed on 08.02.2023 (duly acknowledged by them) regarding the e-reverse auction start time and lowest initial offer.

4. The e-Reverse Auction started on 09.02.2023 at 1030 Hrs (IST) on MSTC portal. After 19 rounds of bidding, following transmission charges, as quoted by each bidder, emerged:

<b>Sr. No.</b>	<b>Name of the Bidder</b>	<b>Transmission Charges from the Initial Offer (in Rs. Million)</b>	<b>Transmission Charges from the Final Offer (in Rs. Million)</b>	<b>Rank</b>
1	M/s Power Grid Corporation of India Limited	2961.70	2816.96	L1
2	M/s Dineshchandra R. Agrawal Infracon Private Limited	3170.00	2824.03	L2
3	M/s Adani Transmission Limited	3510.00	2866.81	L3
4	M/s Sterlite Grid 33 Limited	3567.00	No bid received in electronic reverse auction	L4

The system generated bid history of e-reverse auction is enclosed at Annex-1.

5. As per above table, M/s Power Grid Corporation of India Limited emerged as the successful Bidder after the conclusion of e-Reverse Auction with the lowest annual transmission charges of Rs. 2816.96 Million which is also the Final Offer.

6. BPC, in their evaluation report (Annex-2) has confirmed the following:

- Lowest annual transmission charges of Rs. 2816.96 Million discovered through electronic reverse auction is less than the estimated annual transmission charges of Rs. 3841.09 Million, which is computed

*based on the estimated cost as communicated by cost committee and as per prevailing CERC norms.*

*b. As per provision of RFP document, successful bidder i.e. M/s Power Grid Corporation of India Limited has submitted original hard copies of Annexure-3 and Annexure-14 and the same are found to be in order.*

*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.*

*7. After detailed discussions on the evaluation report prepared by BPC (Annex-2), the Bid Evaluation Committee decided the following:*

*a) “M/s Power Grid Corporation of India Limited” with the lowest annual transmission charges of Rs. 2816.96 Million, is the successful Bidder after the conclusion of the e-reverse auction.*

*b) The transmission charges discovered after electronic reverse auction is lower than the transmission charges estimated by BPC (para 6(a)) and is acceptable.*

*8. In view of para 7 above, BEC recommends to issue the Letter of Intent (LOI) to M/s Power Grid Corporation of India Limited.”*

27. Bid Evaluation Committee (BEC) vide its certificate dated 13.2.2023 certified as under:

*“It is hereby certified that:*

*1. 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.*

*2. M/s Power Grid Corporation of India Limited, with the lowest annual transmission charges of Rs. 2816.96 Million, emerged as the successful bidder after the conclusion of e-Reverse Auction.*

*3. Thus, transmission charges of Rs. 2816.96 Million discovered through e-reverse auction is acceptable.”*

28. In the light of the discussions in preceding paragraphs, it emerges that

selection of the successful bidder and the discovery of the annual transmission charges of the Project has been carried out by the BPC through a transparent process of competitive bidding in accordance with the Guidelines issued by the Ministry of Power, Government of India under Section 63 of the Act. BEC has certified that the process is in conformity with the Ministry of Power Guidelines. BEC in its certificate dated 13.02.2023 has certified that Power Grid Corporation of India Limited has emerged as the successful bidder after conclusion of e-reverse auction with lowest transmission charges of Rs. 2816.96 million per annum. Based on the certification of the BEC, we approve and adopt the single annual Transmission Charges of Rs. 2816.96 million as per the final offer of the successful bidder subject to the grant of transmission license to the Petitioner. The transmission charges shall remain valid throughout the period covered in the TSA.

29. The sharing of the transmission charges by the designated ISTS customers (DICs) shall be governed by the provisions of the Central Electricity Regulatory Commission (Sharing of inter-State Transmission Charges and Losses) Regulations, 2020 as amended from time to time.

30. The Petitioner, vide its affidavit dated 7.6.2023, has informed that the name of the Petitioner company has been changed from 'Khavda II-C Transmission Limited' to 'POWERGRID Khavda II-C Transmission Limited' with effect from 22.5.2023. The certificate of change of name from 'Khavda II-C Transmission Limited' to 'POWERGRID Khavda II-C Transmission Limited' dated 22.5.2023 issued by Registrar of Companies, Delhi has been placed on record. Accordingly, the name of the Petitioner has been changed to 'POWERGRID Khavda II-C Transmission Limited' on the record of the Commission.

31. Let an extract copy of this order be sent to the Nodal agency.
32. The Petition No. 129/AT/2023 is disposed of in terms of the above.

Sd/-  
**(P.K. Singh)**  
Member

Sd/-  
**(Arun Goyal)**  
Member

Sd/-  
**(I.S. Jha)**  
Member