CENTRAL ELECTRICITY REGULATORY COMMISSION NEW DELHI

Petition No. 130/TL/2023

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

Date of Order: 5th July, 2023

In the matter of

Application under Section 14 and Section 15 of the Electricity Act, 2003 read with Central Electricity Regulatory Commission (Procedure, Terms and Conditions for Grant of Transmission License and other related matters) Regulations, 2009 with respect to Transmission License to ERWR Power Transmission Limited.

And In the matter of

ERWR Power Transmission Limited, (Now known as POWERGRID ERWR Power Transmission Limited) B-9, Qutab Institutional Area, Katwaria Sarai, New Delhi 110 016 Address for correspondence: Power Grid Corporation of India Limited, Saudamini, Plot No.2, Sector -29, Gurgaon 122001Petitioner

Vs

1. Central Transmission Utility of India Limited, Saudamini, Plot No.2, Sector-29, Gurgaon-122 00.

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 Dept Curti, Ponda-403401

5. Gujarat Urja Vikas Nigam Limited, Vidhyut Bhavan, Race Course, Vadodara- 390007 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

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, 4th Floor, Bandra (East), Mumbai-400051

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

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

 Bhabha Atomic Research Centre, Anushakti Nagar, Mumbai– 400085, Maharashtra

16. GMR Warora Energy Limited,
Plot B-1, Mohabala MIDC Growth Centre,
Post – Warora, District Chandrapur-442907,
Maharashtra.

17. HVDC Champa,

PGCIL RHQ, WR-I, Sampriti Nagar, Off National Highway No. 8, Taluka: Kamrej, PO: Uppal wadi, 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, Bihar-844101

21. DB Power Limited- Untied, Opp Dena Bank, C-31, G- Block, Mumbai

22. Chhattisgarh State Power Trading Company Limited,2nd 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. North Bihar Power Distribution Company Limited,3rd Floor, Vidyut Bhawan, Bailey Road,Patna - 800021, Bihar

31. South Bihar Power Distribution Company Limited,2nd Floor, Vidyut Bhawan, Bailey Road,Patna - 800001, Bihar

32. Jharkhand Bijli Vitran Nigam Limited, Engineering Building, HEC Dhurwa, Dhurwa, Ranchi- 834004, Jharkhand.

33. Damodar Valley CorporationDVC CAL CAO W A FP& WM SEC SR A/CSOff Bhabani Bhaban, Kolkata- 700054 West Bengal

34. Tata Steel Limited,2nd Floor, Commercial Complex,Bistupur, Jamshedpur - 831001, Jharkhand

35. GRIDCO Limited, Dy. General Manager(F), Janpath, Bhubneshwar- 751022 (Odisha)

36. Energy and Power Department, Sikkim,Office of the PCE cum Secretary Gangtok,Top Floor, Power Secretariat, Kazi Road, Gangtok-737101

37. Sasaram HVDC, Power Grid5th & 6th Floors Alanka Place, Boring Road,ER-I HQ, Power Grid Corporation of Patna, 800001

38. NTPC Vidyut Vyapar Nigam Limited, CORE-5 3rd Floor, Scope Complex, Institutional Area, Lodhi Road, New Delhi - 110003

39. Dans Energy Pvt. Limited,25/1 SKIP House, Museum Road, Museum Road,Bangalore - 560025, Karnataka.

40. South Eastern Railway, Kolkata-700043, West Bengal.

41. HVDC Alipurduar, Power Grid,
800 kV HVDC Alipurduar Converter Sta Falakata Road,
Topsikhata, P.O. Dist – Alipurduar-736121,
West Bengal.

42. Shiga Energy Private Limited, 5TH Floor, Tower C, Building No 8, DLF Cybercity Phase II, Gurgaon - 122002, Haryana

43. Sembcorp Energy India Limited, 6-3-1090, Level-5, Block-A, TSR Tower, Hyderabad.

Parties present:

....Respondents

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

<u>ORDER</u>

The Petitioner, ERWR Power Transmission Limited (now known as POWERGRID ERWR Power Transmission Limited), has filed the present Petition for the grant of transmission licence under Section 14 and Section 15 of the Electricity Act, 2003 (hereinafter referred to as "the Act") read with the Central Electricity Regulatory Commission (Procedure, Terms and Conditions for grant of Transmission Licence and other related matters) Regulations, 2009 (hereinafter referred to as "Transmission Licence Regulations") to establish Inter-State Transmission System for "Inter-regional ER-WR Interconnection" on build, own, operate and transfer basis (hereinafter referred to as "the Project") consisting of the following elements:

| - | Name of the Transmission Element | Scheduled COD in months from Effective Date | Element(s) which are pre- required fordeclaring the commercial operation (COD) of the respective Element |
|----|---|--|---|
| 2. | Jeypore - Jagdalpur 400 kV D/c line (Quad ACSR/AAAC/AL59 Moose equivalent) 400 kV GIS line bays at 400/220 kV Jeypore (POWERGRID) S/s)-2 Nos | 24 months from the date of SPV transfer or September, 2024, whichever is later | Elements marked at SI. No. 1, 2 & 3 are required to be commissioned simultaneously as their utilization is dependent on the commissioning of each other. |
| 3. | 400 kV line bays at Jagdalpur (CSPTCL) S/s-2 Nos | | |

Note:

a) POWERGRID to provide space for 2 no. of 400 kV line bays at Jeypore 400 kV substation for termination of Jeypore-Jagdalpur 400kV D/C line (Quad ACSR/AAAC/AL59 Moose equivalent).

b) CSPTCL to provide space for 2 no. of 400 kV line bays at Jagdalpur 400 kV substation for termination of Jeypore-Jagdalpur 400kV D/C line (Quad ACSR/AAAC/AL59 Moose equivalent).

c) The line lengths mentioned above are approximate as the exact length shall be obtained after the detailed survey.

d) The schedule of implementation would be 24 months from the date of SPV Transfer or September 2024, whichever is later.

2. The Petitioner has made the following prayers:

"(a) Grant Transmission License to the Applicant;

(b) Allow the sharing and recovery of Transmission Charges for Inter-State Transmission System for Inter-regional ER-WR Interconnection 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; and

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

Hearing dated 20.6.2023

3. During the course of the hearing on 20.6.2023, the representative of the

Petitioner submitted that the Petitioner has already served the copy of the Petitions

on the BPC, CTUIL and the Western & Eastern Regions beneficiaries. He further submitted that the Petitioner has complied with all the requirements under the Transmission Licence Regulations including publishing of notice on its website inviting suggestions/objections on its application for grant of transmission licence. However, no suggestion /objection has been received.

4. The representative of CTUIL submitted that CTUIL vide letter dated 1.5.2023 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. Vide Record of Proceedings for the hearing dated 20.6.2023, the Petitioner was directed to file the following information:

(a) Date of transfer of SPV transfer and the SCOD; and

(b) Copy of Form II posted on its website along with date of posting (required as per the Regulation 7 (7) of the Transmission Licence Regulations read with the Order No. 1/SM/2022 dated 22.1.2022.

6. The Petitioner, vide its affidavit dated 28.6.2023, has submitted as under:

(a) The date of transfer of SPV was 21.3.2023. As per TSA, SCOD of the Project is 24 months from the date of SPV or September, 2024 whichever is later. Therefore, the SCOD of the project works out to be 20.3.2025.

(b) The application along with notice in the prescribed format of Form-II could only uploaded on the Petitioner`s website on 17.6.2023 in place of within 7 days after filing of the application due to oversight. The Petitioner has submitted the act of oversight is very much regretted.

7. The Petitioner has submitted that in accordance with the "Guidelines for Encouraging Competition in Development of Transmission Projects" and "Tariff Based Competitive Bidding Guidelines for Transmission Service" (hereinafter referred to as "the Guidelines") issued by the Ministry of Power, Government of India, under Section 63 of the Act, REC Power Development and Consultancy Limited (RECPDCL) was notified by Ministry of Power, Government of India, vide Gazette Notification. No. ADVT.-III/4/Ext./189/2022-23 dated 25.7.2022 as the Bid Process Coordinator (BPC) for the purpose of selection of bidder as Transmission Service Provider (TSP) to establish Inter-State Transmission System for "Inter-regional ER-WR Interconnection", through tariff based competitive bidding process on Build, Own Operate and Transfer (BOOT) basis.

8. RECPDCL in its capacity as the BPC initiated the bid process on 21.9.2022 and completed the same on 21.3.2023 in accordance with the Guidelines. Power Grid Corporation of India Limited was selected as the successful bidder having quoted the lowest transmission charges of Rs. 290.07 million in order to provide transmission services to the beneficiaries of the transmission system.

9. BPC appointed a Consultant, namely, PARY & Co., Chartered Accountants in consortium with Legacy Law Offices for providing consultancy services in the process of selection of the project developer through tariff based competitive bidding process. RfP was issued on 21.9.2022. At RfP (Technical and Financial) stage, four bidders, namely, (i) Power Grid Corporation of India Limited, (ii) Sterlite Grid 19 Limited, (iii) Adani Transmission Limited, and (iv) GR Infraprojects Limited submitted their offers. The RfP (Technical) bids of the four bidders were opened by Bid Opening Committee in the office of Central Electricity Authority on 6.1.2023 in the presence of representative of the bidders. Based on the recommendation of the Bid Evaluation Committee (BEC), the RfP (Financial) Bids-Initial Price Offer of the four bidders were

opened on 30.1.2023. Lowest Initial Price Offer discovered (Best Deal) at MSTC portal was Rs. 297.47 million. The details of the quoted transmission charges by bidders are as under:

| Sr. No. | Name of the Bidder | Quoted Transmission Charges from the Initial Offer (in Rs. Million) | Rank |
|------------|---|---|------|
| 1. | Power Grid Corporation of India Limited | 297.47 | L1 |
| 2. | Sterlite Grid 19 Limited | 334.30 | L2 |
| 3. | Adani Transmission Limited | 349.60 | L3 |
| 4. | G R Infraprojects Limited | 391.17 | L4 |

10. As per Clause 2.5 of the RfP document, Initial Offers shall be ranked on the basis of ascending order for determination of the qualified bidders. The bidders holding first fifty percent of the ranks (with any fraction rounded off to higher integer) or four bidders, whichever is higher, shall be considered to be qualified for participating in the electronic reverse auction stage and submit their final offer. Accordingly, the rank of the bidders qualified for participating in the electronic reverse auction stage, in the ascending order of Initial Offer, is as follows:

| Sr. No. | Name of the Bidder | Quoted Transmission Charges from the Initial Offer (in Rs. Million) | Rank |
|------------|---|---|------|
| 1. | Power Grid Corporation of India Limited | 297.47 | L1 |
| 2. | Sterlite Grid 19 Limited | 334.30 | L2 |
| 3. | Adani Transmission Limited | 349.60 | L3 |
| 4. | G R Infraprojects Limited | 391.17 | L4 |

11. E-reverse auction of all four bidders was carried out at MSTC portal on 31.1.2023 and the following transmission charges for bidders (in ascending order) emerged:

| Sr. No. | Name of the Bidder | Transmission Charges from the Initial Offer (in Rs. Million) | Transmission Charges from the Final Offer (in Rs. Million) | Rank |
|------------|---|---|---|------|
| 1. | Power Grid Corporation of India Limited | 297.47 | 290.07 | L1 |
| 2. | Sterlite Grid 19 Limited | 334.30 | 290.80 | L2 |
| 3. | Adani Transmission Limited | 349.60 | No bid submitted in electronic reverse auction | L3 |
| 4. | G R Infraprojects Limited | 391.17 | No bid submitted in electronic reverse auction | L4 |

12. As per the Bid Evaluation Report dated 7.2.2023, Power Grid Corporation of India Limited emerged as the successful bidder with the lowest quoted transmission charges of Rs. 290.07 million. BEC vide its certificate dated 7.2.2023 has certified that entire bid process has been carried out in accordance with the Guidelines issued by the Ministry of Power under Section 63 of the Act. BEC has further certified that the transmission charges discovered through e-reverse auction is acceptable.

13. Consequent to its selection as the lowest bidder, Letter of Intent (LoI) was issued to Power Grid Corporation of India Limited by the BPC on 15.2.2023 which was accepted by Power Grid Corporation of India Limited. Under the terms of RfP and the Letter of Intent, the successful bidder is obligated to accomplish the following tasks:

(a) Provide Contract Performance Guarantee in favour of Central TransmissionUtility of India Limited (CTUIL);

(b) Execute Share Purchase Agreement and Transmission Service Agreement;

(c) Acquire, for the Acquisition Price, 100% share equity share holding of ERWR Power Transmission Limited from RECPDCL along with all its related assets and liabilities;

(d) Make an application to this Commission for adoption of transmission charges, as required under Section 63 of the Act; and

(e) Apply to this Commission for grant of transmission licence;

14. The Petitioner has furnished the Contract Performance Guarantee (CPG) in favour of Nodal Agency i.e. CTUIL for an aggregate value of Rs. 4.80 crore on 21.3.2023 and has acquired hundred percent equity holding in ERWR Power Transmission Limited on 21.3.2023. The Petitioner entered into Transmission Service Agreement (TSA) with CTUIL on 21.3.2023.

15. Section 14 of the Act provides that the Appropriate Commission may, on an application made under Section 15 of the Act, grant a licence to any person to transmit electricity as a transmission licensee in any area as may be specified in the licence. The word "person" has been defined in Section 2(49) of the Act to include any company or body corporate or association or body of individuals, whether incorporated or not, or artificial juridical person. The Petitioner has been incorporated under the Companies Act, 2013. The main objective of the Petitioner Company is 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 state, 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"

Section 15(1) of the Act provides that every application under Section 14 of 16. the Act shall be made in such manner and in such form as may be specified by the Appropriate Commission and shall be accompanied by such fees as may be prescribed by the Central Government. The Commission has specified Transmission Licence Regulations in this regard. Regulation 3 of the Transmission Licence Regulations provides that the Empowered Committee shall identify the Projects included in the transmission plan to be developed under the Guidelines issued under Section 63 of the Act. Regulation 4 of the Transmission Licence Regulations provides that in case of projects identified for development under the Guidelines for competitive bidding, selection of the project developer shall be made in accordance with the procedure laid down in the Guidelines. The Project under consideration has been identified for development under competitive bidding by competent authority in the Ministry of Power/ CEA. Central Electricity Authority, vide its letter No. CEA-PS-11-23(20)/1/2018-PSPA-I Division-Part (1) dated 19.12.2022 had issued prior approval to the Project under Section 68 of the Act. Selection of the Project developer, ERWR Power Transmission Limited, has certified to have been made in accordance with the Guidelines.

17. Regulation 7 of the Transmission Licence Regulations read with the order dated 22.1.2022 passed in Petition No.1/SM/2022 [whereby the Commission, in the exercise of 'Power to Relax' under Regulation 24 of the Transmission Licence Regulations, modified/amended Clause (4), Clause (7), Clause (9) and Clause (12)

and dispensed with Clause (10) of Regulation 7] provide for the procedure for grant

of transmission licence as under:

"(1) The application for grant of transmission licence shall be made to the Commission in Form-I appended to these regulations and shall be accompanied by such fees as may be prescribed by the Central Government from time to time.

(2) In case of the person selected for implementation of the project in accordance with the guidelines for competitive bidding, the application shall also contain such additional information, as may be required under these guidelines.

(3) The application shall be supported by affidavit of the person acquainted with the facts stated therein.

(4) Before making an application, the applicant shall submit the original application in electronic form along with annexures and enclosures on the efiling portal of the Commission so that the same is served electronically on all the long-term customers of the project registered on the e-filing portal of the Commission. Also, a copy of the same be served through e-mail on the long term customers of the project not registered on the e-filing portal of the Commission. Further, the applicant shall also post the complete application along with annexures and enclosures in English and in the vernacular language, on its website.

(5) The application shall be kept on the website till such time the licence is issued or the application is rejected by the Commission.

(6) Immediately on making the application, the applicant shall forward a copy of the application to the Central Transmission Utility.

(7) The applicant shall, within 7 days after filing the application, post the application on the e-filing portal of the Commission and on its website in Form-II attached to these regulations in English language and in Vernacular language of the State or Union Territory where an element of the project or a long-term customer is situated, inviting comments from the general public.

(8) As far as possible, within 7 days of receipt of the application the Secretariat of the Commission shall convey defects, if any, if noticed on preliminary scrutiny of the application for rectification and the defects conveyed shall be rectified by the applicant in such time as may be indicated in the letter conveying the defects.

(9) In the notice published on the e-filing portal of the Commission and on the applicant's website under clause (7) it shall be indicated that the suggestions and objections, if any, on the application, may be filed before the Secretary, Central Electricity Regulatory Commission, Third Floor, Chanderlok Building,

Janpath, New Delhi-110001 (or the address where the office of the Commission is situated), with a copy to the applicant, by any person, including the long-term customers, within 30 days of publication of the notice

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(10) The Central Transmission Utility shall send its recommendations, if any, to the Commission on the proposal made in the application within a period of thirty days from the date of receipt of application by it:

Provided that copy of the recommendations, if any, made by the Central Transmission Utility shall always be forwarded to the applicant:

Provided further that these recommendations of the Central Transmission Utility shall not be binding on the Commission.

(11) The applicant may file its comments, duly supported by an affidavit, on the recommendations made by the Central Transmission Utility and the suggestions and objections, if any, received in response to the notice posted on the e-filing portal of the Commission and on the applicant's website by him, within 45 days of service of copy of the application on the Central Transmission Utility or publication of notice posted on the e-filing portal of the Commission and on the applicant's website, with an advance copy to the Central Transmission Utility or the person who has filed the suggestions and objections on the proposal made in the application, as the case may be.

(12) The Commission after considering the suggestions and objections received in response to the public notice published by the applicant and the recommendations, if any, of the Central Transmission Utility may, propose to grant transmission licence or for reasons to be recorded in writing, reject the application."

18. The Petitioner has approached the Commission by a separate application for adoption of transmission charges in respect of the transmission system which is presently under consideration of the Commission and order in that Petition will be issued separately. The Petitioner has filed the present Petition for grant of transmission licence in accordance with the Transmission Licence Regulations. The Petitioner has submitted proof of service of the copies of the application on the BPC and CTUIL and proof of web posting of the complete application. The Petitioner has further undertaken to pay the applicable licence fee upon the grant of transmission licence in terms of the Central Electricity Regulatory Commission (Payment of Fees) Regulations, 2012. The Petitioner has prayed for grant of transmission licence to ERWR Power Transmission Limited with respect to the transmission system as per details given in paragraph 1 above.

19. The Petitioner has made the Application as per Form-I and paid fee of Rs. one lakh as prescribed by the Central Government. As per direction of the Commission, the Petitioner has served copy of the Application on the beneficiaries of the transmission project for the Project. The transmission charges quoted by the Petitioner which have been recommended by the Bid Evaluation Committee for acceptance, is Rs. 290.07 million. The Petitioner has also enclosed copies of the recommendations of the Bid Evaluation Committee.

20. The Petitioner has published the notices on the e-filing portal of the Commission and on its website in Form-II in English language and in Hindi (Vernacular) language. No objection has been received from the general public in the notices.

21. The Petitioner has served the copy of the Application on the Central Transmission of Utility of India Limited (CTUIL) as required under Section 15(3) of the Act and Regulation 7(6) of the Transmission Licence Regulations. CTUIL vide its letter dated 1.5.2023 has recommended for grant of transmission licence to the Petitioner. Relevant portion of the said letter dated 1.5.2023 is extracted as under:

"This has reference to the Petition with Diary No. 131/2023 dated 03.04.2023 filed by M/s ERWR Power Transmission Limited (ERWRPTL) before Hon'ble Commission vide which M/s ERWRPTL has requested CTU for issuance of its recommendation for grant of Transmission License for the subject transmission scheme. In this regard, the following is submitted:

1. M/s ERWR Power Transmission Limited has filed an application/petition under

Section 14 and 15 of the Electricity Act, 2003 read with CERC (Procedure, Terms and Conditions for grant of Transmission License and other related matters) Regulations, 2009 for grant of transmission license to establish "Inter-regional ER-WR Interconnection" project on Build, Own, Operate and Transfer (BOOT) basis as ISTS. The detailed scope of the transmission scheme is enclosed at Annexure-I.

- 2. As per section 15(3) of the Electricity Act, 2003 and Regulation 7(6) of Transmission License Regulations, 2009, a copy of the application for the grant of transmission license, for the above transmission system has been received on 03.04.2023 for recommendation required u/s 15(4) of the Electricity Act, 2003 and Regulation 7(11) of Transmission License Regulations, 2009.
- 3. In reference to the Transmission Scheme "Inter-regional ER-WR Interconnection", the following is submitted:
 - i) Jagdalpur S/s is located in the southern end of Chhattisgarh and is fed only through a 340km long 400kV D/c line section from Raita via Dhamtari (Kurud). Accordingly, Inter-regional ER-WR Interconnection scheme was planned & would facilitate in improving reliability of power supply to Jagdalpur S/s as well as to improve short circuit level at both Jagdalpur & Jeypore(Odisha) substations.
 - ii) The transmission scheme was agreed in the 2nd Joint study meeting on Transmission Planning for Western Region held on 10.12.2021. Copy of the minutes of 2nd Joint Study meeting is enclosed at **Annexure-II.**
 - iii) The transmission scheme was agreed in the 2nd Consultation Meeting for Evolving Transmission Schemes in Eastern Region (CMETS-ER) held on 27.12.2021 & 2nd Consultation Meeting for Evolving Transmission Schemes in Western Region (CMETS-WR) meeting held on 28.12.2021. Copy of the minutes of 2nd CMETS-ER & 2nd CMETS-WR meeting is enclosed at Annexure-III.
 - iv) The transmission system was discussed and agreed in the 8th NCT (reconstituted vide MOP office order 13.04.2018) meeting held on 25.03.2022. Copy of the minutes of the above referred NCT meeting is enclosed at **Annexure-IV**.
 - v) Central Electricity Authority, Government of India, vide Gazette notification dated 25.07.2022 had appointed RECPDCL as the Bid Process Coordinator (BPC) for selection of Bidder as Transmission Service Provider (TSP) to establish the subject transmission scheme through Tariff Based Competitive Bidding (TBCB) process. Copy of Gazette notification referred above is enclosed at Annexure-V.
- 4. Pursuant to the process of competitive bidding conducted by the BPC, M/s Power Grid Corporation of India Limited emerged as the successful bidder. Thereafter, the BPC issued a Letter of Intent in favour of M/s Power Grid Corporation of India Limited on 15.02.2023. Subsequently, M/s Power Grid

Corporation of India Limited has acquired 100% equity shareholding of M/s ERWRPTL on 21.03.2023, upon execution of the Share Purchase Agreement (SPA) and after completion of all procedural requirements as specified in the bid documents. The scheduled COD of Inter-regional ER-WR Interconnection scheme is 24 months from the effective date (i.e. date of acquisition of SPV).

5. In line with Section 15(4) of the Electricity Act, 2003, based on details furnished by M/s ERWR Power Transmission Limited, CTU recommends the grant of transmission license to M/s ERWR Power Transmission Limited for executing the transmission scheme as mentioned in Para-1 above."

22. We have considered the submissions of the Petitioner, BPC and CTUIL. The proviso to Clause 2.15.2 of the RfP provides that "if for any reason attributable to the BPC, the said activities are not completed by the Selected Bidder within the above period of ten (10) days as mentioned in this clause, such period of 10 days shall be extended, on a day to day basis till the end of the Bid validity period". As per the above provision, selected bidder was required to complete all the activities including acquisition of SPVs by 25.2.2023. Lol was issued on 15.2.2023. The selected bidder furnished the Contract Performance Guarantee in favour of Nodal Agency (CTUIL) for an amount of Rs. 4.80 crore on 21.3.2023 and has acquired hundred percent equityholding in the applicant company on 21.3.2023 after execution of the Share Purchase Agreement. Therefore, the BPC has completed its activities within time. As per clause 2.15.4 of the RfP, TSP is required to apply to the Commission for grant of transmission licence within five working days of the issuance of the acquisition of the SPV to the successful bidder. Successful bidder, namely Power Grid Corporation of India Limited acquired the SPV on 21.3.2023. The Petitioner has submitted that it had paid the transmission license fees on 28.3.2023, however, the same was reflected on online filing portal on 3.4.2023 and it filed the application online on 3.4.2023. The Petitioner has prayed for the condoning the delay in filing of the application. Since the Petitioner could not file the Petition due to procedural lapse, the time taken by the Petitioner for filing the Petition is condoned. It is noted that the Petitioner has also not uploaded the Form II within the specified time prescribed in the transmission Licence Regulations and uploaded with same in the website with certain delay. The Petitioner is directed to comply with the provisions of the Transmission Licence Regulations in future in letter and spirit.

23. Considering the material on record, we are *prima-facie* of the view that the Petitioner satisfies the conditions for grant of inter-State transmission licence under Section 15 of the Act read with Transmission Licence Regulations for construction, operation and maintenance of the transmission system as described in para 1 of this order. We therefore, direct that a public notice under clause (a) of sub-section (5) of Section 15 of the Act be published to invite suggestions or objections to grant of transmission licence aforesaid. The objections or suggestions, if any, be filed by any person before the Commission, by 19.7.2023.

24. It is expected that while carrying out the survey, the Petitioner has complied with the provisions of clause 2.5.7.3, clause 2.5.7.4 and clause 2.5.7.5 of the RfP. The Petitioner will comply with the provisions of bidding documents and TSA for commissioning of the Project within the SCOD.

25. The Petitioner has undertaken that it shall implement the Project as per the provisions of the TSA. The Petitioner has also undertaken that the time over run and cost overrun, if applicable, shall be claimed by the Petitioner in accordance with the applicable provisions of the TSA read with the provisions of the Act, the bidding documents and the regulations of the Central Electricity Regulatory Commission.

26. It is observed that as per Article 5.1.1 of the TSA, the TSP at its own cost and expense, shall be responsible for designing, constructing, erecting, testing and commissioning each element of the Project by scheduled COD in accordance with the various regulations of the Central Electricity Authority regarding Technical Standards and Grid Standards, Prudent Utility Practices and other applicable laws. Further, Article 5.4 of the TSA provides that the TSP shall ensure that the Project is designed, built and completed in a good workman like manner using sound engineering and construction practices and using only materials and equipment that are new and of international utility grade quality such that the useful life of the Project will be till the expiry date. Further, the design, construction and testing of all equipment, facilities, components and systems of the Project shall be in accordance with Indian Standards and Codes issued by Bureau of India Standards. In this regard, the Petitioner, has submitted that it would implement the Project as per the provisions of the TSA including the Article 16.4, Article 5.1.1 and Article 5.4 of the TSA.

27. The Petitioner, vide its affidavit dated 6.6.2023, has informed that the name of the Petitioner company has been changed from 'ERWR Power Transmission Limited' to 'POWERGRID ERWR Power Transmission Limited' with effect from 12.5.2023. The certificate of change of name from 'ERWR Power Transmission Limited' to 'POWERGRID ERWR Power Transmission Limited' dated 12.5.2023 issued by Registrar of Companies, Delhi has been placed on record. Accordingly, the name of the Petitioner has been changed to 'POWERGRID ERWR Power Transmission Limited' on the record of the Commission.

28. The Petition shall be listed for hearing on **21.7.2023.**

| Sd/- | sd/- | sd/- |
|--------------|--------------|------------|
| (P.K. Singh) | (Arun Goyal) | (I.S. Jha) |
| Member | Member | Member |