

**CENTRAL ELECTRICITY REGULATORY COMMISSION  
NEW DELHI**

**Petition No. 141/TL/2023**

**Coram:  
Shri Jishnu Barua, Chairperson  
Shri I.S. Jha, Member  
Shri Arun Goyal, Member  
Shri P.K. Singh, Member**

**Date of Order: 22<sup>nd</sup> August, 2023**

**In the matter of**

Application under Sections 14 & 15 of the Electricity Act, 2003 read with the Central Electricity Regulatory Commission (Procedure, Terms and Conditions for Grant of Transmission License and other related matters) Regulations, 2009 with respect to Transmission Licence to Khavda II-B Transmission Limited.

**And  
In the matter of**

Khavda II-B Transmission Limited,  
(Now known as 'POWERGRID Khavda II-B 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, Ponda-403401

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, Sampriiti Nagar,  
Off National Highway No. 8,  
Taluka: Kamrej, PO: Uppalwadi,  
Nagpur-440026, Maharashtra.
8. HVDC Vindhyaachal, PGCIL,  
PGCIL RHQ, WR-I, Sampriiti 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, District– Chandrapur-442907,  
Maharashtra
17. HVDC Champa,  
PGCIL RHQ, WR-I, Sampri 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, Maharashtra
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, Maharashtra
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, Gujarat.

30. Gujarat State Electricity Corporation Limited,  
Vidyut Bhavan, Race Course,  
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 Ashwini Kumar Das, KIIBTL  
Shri Mani Kumar, KIIBTL  
Shri Shashank Shekhar, CTUIL  
Shri Ranjeet Rajput, CTUIL  
Shri Ashish Kr Singh, RECPDCL

**ORDER**

The Petitioner, Khavda II-B Transmission Limited (Now known as POWERGRID Khavda II-B Transmission Limited), has filed the present Petition for the grant of a transmission licence under Sections 14 and 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 the transmission scheme for

evacuation of 4.5 GW RE injection at Khavda PS under Phase II- Part B on a Build, Own, Operate and Transfer basis (hereinafter referred to as “the Project”) consisting of the following elements:

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.	Lakadia PS- Ahmedabad 765kV D/c line	24	Elements marked at Sl. No. 1, 2 & 3 are required to be commissioned simultaneously as their utilization is dependent on commissioning of each other.
2.	2 nos. of 765 kV line bays at Lakadia PS for Lakadia PS- Ahmedabad 765 kV D/c line 765 kV line bays- 2 nos		
3.	240 MVA <sub>r</sub> , 765 kV switchable line reactor for each circuit at Ahmedabad end of Lakadia PS- Ahmedabad 765kV D/c line  <ul style="list-style-type: none"> <li>• 1x240 MVA<sub>r</sub>, 765 kV switchable line reactor- 2 nos. (for each circuit at Ahmedabad end of Lakadia PS- Ahmedabad 765kV D/c line)</li> <li>• Switching equipments for 765 kV line reactor-2 nos.</li> <li>• 1x80 MVA<sub>r</sub> spare reactor-1 no. (for Ahmedabad end)</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) Developer of Lakadia P.S. shall provide space for 2 no. of 765 kV line bays alongwith Switchable Line Reactor at Lakadia PS end for termination of Lakadia PS- Ahmedabad 765kV D/c line.

(iv) 2 no. of 765 KV line bays at Ahmedabad sub-station for termination of Lakadia PS- Ahmedabad 765 kV D/C line is within the scope of developer of Ahmedabad S/S. Developer of Ahmedabad S/S to provide 2 no. of 765 kV line bays along with space for installation of Switchable Line Reactor at Ahmedabad end of Lakadia-Ahmedabad 765 kV D/C line.

2. Based on the competitive bidding carried out by REC Power Development and Consultancy Limited (hereinafter referred to as "RECPDCL") in its capacity as the Bid Process Coordinator (BPC) in accordance with the Guidelines issued by the Ministry of Power, Government of India under Section 63 of the Act, Power Grid Corporation of India Limited (PGCIL) was declared the successful bidder with the lowest quoted annual transmission charges of Rs. 1106.38 million.

3. The Commission, after considering the application of the Petitioner in light of the provisions of the Act and the Transmission Licence Regulations, in its order dated 13.7.2023, *prima facie* proposed to grant a transmission licence to the Petitioner. Relevant extracts of order dated 13.7.2023 are extracted as under:

*"24. 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 4.8.2023."*

4. A public notice under Sub-section (5) of Section 15 of the Act was published on 21.7.2023 in all editions of the Hindustan Times (English) and Dainik Jagran (Hindi). No suggestions/ objections have been received from members of the public in response to the public notice.

5. The Commission, vide its order dated 20.7.2023 in Petition No. 142/AT/2023, was directed to clarify the 'Notes' under the scope of the project, which provide that 'Developer of Lakadia P.S. shall provide space for 2 no. of 765 kV line bays along

with a Switchable Line Reactor at Lakadia PS end for termination of the Lakadia PS-Ahmedabad 765kV D/c line”, while the scope of the instant project developer does not include Switchable Line Reactors at Lakadia PS end.

6. CTUIL, vide its affidavit dated 4.8.2023, has submitted that CTUIL, vide its letter dated 24.7.2023, has modified the Note No. (iii) under the scope of works mentioned in Annexure-I of its recommendation. The relevant extracts of the letter dated 24.7.2023 are as under:

“.....  
*Accordingly, Note No. (iii) under the scope of works mentioned at Annexure-I of the letter dated 27.4.2023 i.r.o. recommendations for grant of transmission licence to M/s KIIBTL is modified as below:*

*“(iii) Developer of Lakadia P.S. shall provide space for 2 no. of 765 kV line bays at Lakadia PS end for termination of Lakadia PS – Ahmedabad 765 kV D/c line....”*

7. We note the above submissions of the CTUIL in light of the scope of work for this project, wherein the TSP is not required to provide switchable line reactors at each circuit for the termination of the 765 kV D/c Lakadia-Ahmedabad transmission line at Lakadia end.

8. The case was called out for the hearing on 11.8.2023. It was submitted by the representative of the Petitioner that, in response to the public notice published by the Commission, no objection has been received. In response to the query of the Commission regarding the date of the commissioning of the transmission project, the representative of the Petitioner submitted that the SCOD of the transmission project is 21.3.2025.

9. As regards the grant of a transmission licence, Clauses (15) and (16) of Regulation 7 of the Transmission Licence Regulations provide as under:

*“(15) The Commission may after consideration of the further suggestions and objections, if any, received in response to the public notice as aforesaid, grant licence as nearly as practicable in Form-III attached to these regulations or for reasons to be recorded in writing, reject the application if such application is not in accordance with the provisions of the Act, the rules or regulations made thereunder or any other law for the time being in force or for any other valid reason.*

*(16) The Commission may, before granting licence or rejecting the application, provide an opportunity of hearing to the applicant, the Central Transmission Utility, the long-term customers, or the person who has filed suggestions and objections, or any other person: Provided further that the applicant shall always be given a reasonable opportunity of being heard before rejecting the application.”*

10. In our order dated 13.7.2023, we had proposed to grant a transmission licence to the Petitioner company and directed the issue of a public notice. In response to the public notice, no suggestions/objections have been received. CTUIL, in its letter dated 27.4.2023, has recommended the grant of a transmission licence to the Petitioner. We find that the Petitioner company meets the requirements of the Act and the Transmission Licence Regulations for the grant of a transmission licence for the subject Transmission System mentioned at paragraph 1 of this order. Accordingly, we direct that a transmission licence be granted to the Petitioner, 'POWERGRID Khavda II-B Transmission Limited,' to establish the transmission scheme for evacuation of the 4.5GW RE injection at Khavda PS under Phase II- Part B on a Build, Own, Operate and Transfer (BOOT) basis as per the details given in paragraph 1 above.

11 The grant of the transmission licence to the Petitioner (hereinafter referred to as “the licensee”) is subject to the fulfilment of the following conditions throughout the period of licence:



(a) The transmission licence shall, unless revoked earlier, remain in force for a period of 25 years from the date of issue;

(b) The transmission licensee shall comply with the provisions of the Transmission Licence Regulations or any subsequent enactment thereof and the terms and conditions of the TSA during the period of subsistence of the licence;

(c) Since the expiry date as per the TSA is 35 years from the scheduled COD of the Project, the licensee may make an application, two years before the expiry of the initial licence period, for the grant of licence for another term in accordance with Regulation 13(2) of the Transmission Licence Regulations, which shall be considered by the Commission in accordance with law;

(d) The licensee shall not enter into any contract for or otherwise engage in the business of trading in electricity during the period of subsistence of the transmission licence;

(e) The licensee shall have the liability to pay the licence fee in accordance with the provisions of the Central Electricity Regulatory Commission (Payment of Fees) Regulations, 2012, as amended from time to time, or any subsequent enactment thereof. Delay in payment or non-payment of licence fee or a part thereof for a period exceeding sixty days shall be construed as a breach of the terms and conditions of the licence;

(f) The licensee shall comply with the directions of the National Load Despatch Centre under Section 26 of the Act, or the Regional Load Despatch

Centre under sub-section (3) of Section 28 or sub-section (1) of Section 29 of the Act, as may be issued from time to time for maintaining the availability of the transmission system;

(g)The licensee shall remain bound by the provisions of the Central Electricity Regulatory Commission (Standard of Performance of inter-State transmission licensees) Regulations, 2012, or subsequent enactment thereof;

(h)The licensee shall provide non-discriminatory open access to its Transmission System for use by any other licensee, including a distribution licensee or an electricity trader, or generating company or any other person in accordance with the Act; the Central Electricity Regulatory Commission (Open Access in inter-State Transmission) Regulations, 2008; the Central Electricity Regulatory Commission (Grant of Connectivity, Long-term Access and Medium-term Open Access in inter-State Transmission and related matters) Regulations, 2009; the Central Electricity Regulatory Commission (Indian Electricity Grid Code) Regulations, 2010, as amended from time to time or any subsequent re-enactments thereof; and the Central Electricity Regulatory Commission (Connectivity and General Network Access to the inter-State Transmission System) Regulations, 2022;

(i) The licensee shall not undertake any other business for optimum utilization of the Transmission System without prior intimation to the Commission and shall comply with the provisions of the Central Electricity Regulatory Commission (Sharing of Revenue Derived from Utilization of Transmission Assets for other business) Regulations, 2020;

(j) The licensee shall remain bound 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;

(k) The licensee shall remain bound by the provisions of the Act, the rules and regulations framed thereunder, in particular, the Transmission Licence Regulations, the Grid Code, the Standards specified by the Central Electricity Authority, orders and directions of the Commission issued from time to time;

(l) The licensee shall ensure execution of the Project within the timeline specified in Schedule 3 of the TSA and as per the Technical Standards and Grid Standards of the CEA prescribed in Article 5.1.1 and Article 5.4 of the TSA;

(m) The licensee shall coordinate with the licensees (including deemed licensees) executing the upstream or downstream transmission projects, the Central Electricity Authority and CTUIL to ensure smooth execution and commissioning of the Project;

(n) The licensee shall submit all such reports or information as may be required under Transmission Licence Regulations, Standard of Performance Regulations, Transmission Service Agreement, or any other regulation of the Commission, or as per the directions of the Commission as may be issued from time to time;

(o) The licensee shall ensure compliance with the Crisis Management Plan of the Government of India prepared by the Cabinet Secretariat under Section 37 of the Disaster Management Act, 2005; and

(p) The licensee shall upload the asset-wise information and regularly update the status of the assets on the transmission e-portal of the Commission.

12. CTUIL / its appointed Independent Engineer and the Central Electricity Authority shall monitor the execution of the Project and bring to the notice of the Commission any lapse on the part of the licensee to meet the schedule for further appropriate action in accordance with the provisions of the Transmission Service Agreement executed between the licensee & Nodal Agency, the Act and the Transmission Licence Regulations.

13. Let an extract copy of this order be sent to CTUIL and CEA for information and necessary action.

14. Petition No. 141/TL/2023 is allowed in terms of the above.

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

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

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

sd/-  
**(Jishnu Barua)**  
Chairperson