

**CENTRAL ELECTRICITY REGULATORY COMMISSION
NEW DELHI**

Petition No. 245/AT/2023

Coram:

Shri Jishnu Barua, Chairperson

Shri Arun Goyal, Member

Shri P.K. Singh, Member

Date of order: 29th November, 2023

In the matter of:

Petition under Section 63 of Electricity Act, 2003 seeking adoption of Transmission Charges payable by the long-term transmission customers of the "Transmission System for Evacuation of Power from REZ (20 GW) under Phase III-Part A3 in Rajasthan" being established by the Petitioner.

And

In the matter of:

Fatehgarh III Transmission Limited,
T-15 A, Third Floor, Salcon Rasvilas,
Saket, New Delhi-110017.

.....Petitioner

Versus

1. Central Transmission Utility of India Limited,
Saudamini, Plot No.2, Sector-29,
Gurgaon-122 001

2. PFC Consulting Limited,
First Floor, Urja Nidhi,
1, Barakhamba Lane,
Connaught Place, New Delhi-110001

3. Chandigarh Electricity Department,
Electricity OP Division No. 2,
Industrial Area Ph-1, BBMB Complex,
Chandigarh-60002

4. BSES Rajdhani Power Limited,
2nd Floor, B Block, BSES Bhawan,
near Kalkaji Mandir metro station,
Nehru Place, New Delhi- 110019

5. BSES Yamuna Power Limited,
Shakti Kiran Building,
Karkardooma, Delhi- 110032

6. North Delhi Municipal Corporation,
(NDMC Head Office), Palika Kendra, Parliament Street,
New Delhi- 110001

7. Tata Power Delhi Distribution Limited,
NDPL House, Hudson Lines Kingsway Camp,
New Delhi- 110009

8. Himachal Pradesh State Electricity Board,
Vidyut Bhawan Kumar House,
Shimla- 171004, Himachal Pradesh

9. Haryana Power Purchase Centre,
UHBVN, IP 3 & 4, 4th Floor,
Sector 14- Panchkula-34113, Haryana

10. Power Development Department,
Exhibition Ground, Opposite J&K High Court,
Srinagar-190009, Jammu and Kashmir.

11. Punjab State Power Corporation Limited,
DY CE/ISB, shed T-1A,
Shakti Vihar, PSPCL,
Patiala- 147001

12. HVDC Dadri, POWERGRID,
B-9 Qutab Institutional Area,
Katwaria Sarai, New Delhi-110016

13. HVDC Rihand, POWERGRID,
B-9 Qutab Institutional Area, Katwaria Sarai,
New Delhi-110016.

14. Ajmer Vidyut Vitran Nigam Limited,
Vidyut Bhawan, Makarwali Rd, Panchsheel Nagar,
Ajmer, Rajasthan- 305004.

15. Jodhpur Vidyut Vitran Nigam Limited,
New Power House, Industrial Area,
Jodhpur- 342003, Rajasthan.

16. Jaipur Vidyut Vitran Nigam Limited,
VQVX+M6J, Jan Path, Janpath,
Jyothi Nagar, Lalkothi, Jaipur- 302005,
Rajasthan.

17. North Central Railway,
M627+5R3, Shankar Road Market,
Nabi Karim, Paharganj,

New Delhi- 110060

18. Uttarakhand Power Corporation Limited,
Victoria Cross Vijeyta Gabar Singh,
Urja Bhawan, Kanwali Road,
Dehradun- 248001, Uttarakhand.

19. Uttar Pradesh Power Corporation Limited
10th Floor, Shakti Bhawan 14 Ashok Marg,
Lucknow- 226001, U.P.

20. GMR Kamalanga Energy Limited,
New Shakti Bhawan, New Udaan Bhawan,
Opp. Terminal 3, IGI Airport, New Delhi- 110037.

21. HVDC Agra,
Chintel House, POP-303, Station Road,
Lucknow, Uttar Pradesh 226001

22. HVDC Balia,
Chintel House, POP-303, Station Road,
Lucknow, Uttar Pradesh 22600.

23. HVDC Bhiwadi,
SCO Bay 5-10, near Haryana Pollution Control Board Office,
Sector 16A, Faridabad-121002, Haryana.

24. HVDC Kurukshetra,
SCO Bay 5-10, near Haryana Pollution Control Board Office,
Sector 16A, Faridabad-121002, Haryana.

25. East Central Railway,
Hajipur, Vaishali-844101, Bihar.

26. Adani Power (Mundra) Limited,
Adani Corporate House,
Shantigram Near Vaishno Devi Circle,
SG Highway, Ahmedabad- 382421, Gujarat.

27. Northern Indian Railway,
Northern Railway,
Headquarters Office, Kasturba Gandhi Marg,
New Delhi- 110001

28. Noida Power Company Limited,
Corporate Office Building, Plot No. ESS,
Knowledge Park- IV
Greater Noida- 201310, Uttar Pradesh

29. Northern Railway,

Headquarters Office,
Baroda House, New Delhi- 110001

30. North-Western Railway,
Near Jawahar Circle,
Jaipur- 302017, Rajasthan

31. GMR Bajoli Holi Hydropower Private Limited,
Airport Building 302, 1st Floor,
New Shakti Bhawan, New Udaan Bhawan Complex,
Near Terminal 3, IGI Airport,
New Delhi- 110037.

32. Delhi International Airport Limited,
New Udaan Bhawan,
Opp. Terminal 3, IGI Airport,
New Delhi- 110037

33. Azure Power India Private Limited,
Southern Park, 5th Floor, D-II,
Saket Place, New Delhi - 110017

34. Renew Surya Jyoti Private Limited,
IB Vogt Solar Seven Private Limited,
Renew Hub, Commercial Block – 1,
Zone 6, Golf Course Road,
DLF Phase V, Gurgaon - 122009

35. XL- Xergi Power Private Limited,
Energizent Power Private Limited,
8th Floor, DLF Square, DLF Phase 2,
Sector 26, Gurgaon-122002

36. ABC Renewable Energy Private Limited,
ABC RJ Lane 01 Pvt Limited,
H. No. 6-3-680/8/3,
Plot No. 3, 2nd Floor, PMR Plaza,
Somajiguda, Hyderabad - 500082

.....**Respondents**

Parties present:

Shri Aniket Prasoon, Advocate, FVITL
Ms. Priya Dhankhar, Advocate, FVITL
Shri Aman Shaikh, Advocate, FIVTL
Shri Rishabh Bhardwaj, Advocate, FVITL
Shri Sanjeev Thakur, Advocate, FIVTL
Shri Paritosh Bisen, Advocate, FVITL
Shri Yatin Sharma, CTUIL
Shri Swapnil Verma, CTUIL
Shri Ranjeet Singh, CTUIL

ORDER

The Petitioner, Fatehgarh III 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 to the "Transmission System for Evacuation of Power from REZ (20 GW) under Phase III-Part A3 in Rajasthan" (hereinafter referred to as 'the Project') on a Build, Own, Operate and Transfer (BOOT) basis. The Petitioner has made the following prayers:

"(a) Adopt the levelized Transmission Charges of INR 627.54 million discovered through a transparent competitive bidding process, for "Transmission System for Evacuation of Power from REZ in (20 GW) in Rajasthan under Phase III- Part A3", comprising of the elements/ assets as detailed in the present Petition;

(b) Allow the "Transmission System for Evacuation of Power from REZ in (20 GW) in Rajasthan under Phase III- Part A3" to be part of the Inter-State Transmission System and direct that the recovery of transmission charges shall be in accordance with the terms of the Central Electricity Regulatory Commission (Sharing of Inter-state Transmission Charges and losses 2020);

(c) Condone any inadvertent errors omissions/errors/shortcomings and permit the Petitioner to add/change/modify/alter these filings and make further submissions as may be required at a future date; and

(d) Pass any 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), PFC Consulting Limited (PFCCL), vide letter dated 30.8.2023, was directed to submit the relevant documents regarding the complete competitive bidding process. The necessary details have been filed by the BPC vide an affidavit dated 14.9.2023.

3. Vide Record of Proceedings for the hearing dated 25.10.2023, the Petitioner was directed to implead the beneficiaries of the transmission system as parties to

the Petition and to file a revised memo of parties. The parties were further directed to file their respective replies. The Petitioner, vide its affidavit dated 7.11.2023, has submitted that it has impleaded the beneficiaries of the transmission system as parties to the Petition and has placed on record a copy of the revised memo of the parties. No reply has been received from the beneficiaries of the transmission system.

4. Vide Record of Proceedings for the hearing dated 25.10.2023, CTUIL was directed to submit the approval of the Central Government for the Project as per Section 3(5) of the Electricity (Transmission System Planning, Development and Recovery of Inter-state Transmission Charges) Rules, 2021. CTUIL, vide its affidavit dated 6.11.2023, has placed on record a copy of the Gazette Notification of the Ministry of Power dated 6.12.2021 for the transmission schemes including the Project covered under the instant Petition.

5. We have considered the submissions of the Petitioner 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. The Ministry of Power, Government of India, 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 the procurement of transmission services for the transmission of electricity through tariff-based competitive bidding for the selection of the Transmission Service Provider (TSP) for a new transmission system on a Build, Own, Operate and Transfer basis.

(b) For the 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 the 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 a Request for Proposal (RFP). The entire bidding process shall be conducted online through an electronic medium under the e-reverse bidding framework.

(e) RFP notice shall be published in at least two national newspapers, the 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 an 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 the 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 the 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 the 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 & safety criteria to be met by the bidder/TSP, and the requirement of obtaining a transmission licence from the Appropriate Commission.

(g) The TSP, on the date of acquisition of the 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 the inter-State transmission system, bids shall be opened in the office of the CEA by a bid committee comprising of at least one member from the CEA and one member from BPC. For the inter-State transmission system, CEA shall constitute a committee for the 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 the 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 the 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 charges as per the evaluation procedure, shall be considered for the award.

(i) The 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 the grant of a transmission licence to the Appropriate Commission within five (5) working days from the date of execution of the share purchase agreement for acquisition of the

SPV.

(k) The BPC shall make the final result of the 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 the tariff discovered from the quoted annual transmission charges during the e-reverse bidding process in terms of Section 63 of the Act.

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

9. The Ministry of Power, Government of India, vide its Gazette Notification No. CG-DL-E-08122021-231686 dated 6.12.2021 has notified the PFC Consulting Limited (PFCCCL) as a Bid Process Coordinator (BPC) for the purpose of selection of the bidder as a Transmission Service Provider to establish the Inter-State Transmission System for the “Evacuation of Power from REZ (20 GW) under Phase III-Part A3 in Rajasthan” on a Build, Own, Operate and Transfer basis through tariff based competitive bidding process.

10. Fatehgarh III Transmission Limited (the Petitioner) was incorporated on 18.5.2022 under the Companies Act, 2013 as a wholly owned subsidiary of PFCCCL with the objective to establish the “Transmission System for Evacuation of Power from REZ (20 GW) under Phase III-Part A3 in Rajasthan” 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”.

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

12. BPC started the process of selecting the successful bidder with the publication of a Global Invitation for Qualification for the selection of a developer on a BOOT basis for the Project. The notice of the RFP was published on 7.2.2022 in all editions of the Indian Express (English), Financial Express (English), Jansatta (Hindi) and The Financial Times (Worldwide) with the last date of the submission of responses to the RFP being 18.4.2022, which was subsequently extended to 11.1.2023. Intimation regarding the initiation of the bid process was given to this Commission in accordance with Clause 4.2 of the Guidelines vide letter No. 04/ITP-47/21-22/RFP dated 8.2.2022.

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

S. No.	Events	Date
1	Publication of Request for Proposal	7.2.2022
2	RFP (Technical) & Price Bid Submission	8.2.2022
3	RFP (Technical) Bid Opening	11.1.2023
4	RFP (Financial) Initial Price Opening Offer-Opening	15.3.2023
5	e-Reverse Auction	16.3.2023
6	Final Bid Evaluation Committee Meeting	23.3.2023
7	Issuance of Lol	29.3.2023
8	Signing of Agreements & Transfer of SPV	2.8.2023

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

S.No.	Name of Transmission Element	Scheduled COD in months from Effective Date
1.	Fatehgarh-3- Bhadla-3 400 kV D/c line (Quad) line along with 63 MVAr switchable line reactor for each sector at both ends of Fatehgarh-3-Bhadla-3 400 kV D/c line <ul style="list-style-type: none"> - 400 kV 63 MVAr switchable line reactor- 4 nos. - Switching equipment for 400 kV 63 MVAr switchable line reactor- 4nos. - 400 kV line bays Bhadla-3 S/s & Fatehgarh-3 S/s – 4 nos. (2+2) 	18 months

Note:

- (i) Developer of Fatehgarh-3 S/s (new section) to provide space 2 nos. of 400 kV line bays along with space for switchable line reactors at Fatehgarh-3.
- (ii) Developer of Bhadla-3 substation to provide space for 2 nos. of 400 kV line bays along with space for switchable line reactors at Bhadla-3.

15. For the purpose of evaluating the bids, a Bid Evaluation Committee (BEC) comprising the following was constituted:

1.	Shri Umesh Kumar Madan, EVP & Regional Head, SBI Capital Market	Chairman
2.	Shri Santosh Kumar, Superintendent Engineer, Northern Regional Power Committee, New Delhi	Member
3.	Shri V.A. Kale, Superintendent Engineer (P & P), Rajasthan Rajya Vidyut Prasaran Nigam Limited, Jaipur	Member
4.	Shri Y. K. Swarnkar, Director, PSETD Division, Central Electricity Authority	Member
5.	Smt. Manjari Chaturvedi, Director, PSPA-I Division, Central Electricity Authority	Member
6.	Shri Milind M. Dafade, Chairman, Fatehgarh IV Transmission Limited	Convener-Member

16. The responses to the RfP were received from the nine bidders as per details

given below:

S. No.	Name of Bidders
1	Adani Transmission Limited
2	Apraava Energy Private Limited (Formerly CLP India Private Limited)
3	Juniper Green Transmission Private Limited
4	Megha Engineering & Infrastructures Limited
5	Power Grid Corporation of India Limited
6	Renew Transmission Ventures Private Limited
7	Sterlite Grid 9 Limited
8	The Tata Power Company Limited
9	Torrent Power Limited

17. The bidders' responses were opened on 15.3.2023 online through the MSTC portal in the presence of the representatives of the bidders. Based on the recommendations of the Bid Evaluation Committee, the following eight bidders were found eligible to participate in the next stage of bidding:

S. No.	Name of Bidders
1	Adani Transmission Limited
2	Apraava Energy Private Limited (Formerly CLP India Private Limited)
3	Juniper Green Transmission Private Limited
4	Megha Engineering & Infrastructures Limited
5	Power Grid Corporation of India Limited
6	Renew Transmission Ventures Private Limited
7	The Tata Power Company Limited
8	Torrent Power Limited

18. As per Clause 2.5 of the RfP document, Initial Offers shall be ranked on the basis of ascending order for the determination of the qualified bidders. The bidders holding the first fifty per cent of the ranks (with any fraction rounded off to a higher integer) or four qualified bidders, whichever is higher, shall be considered to be qualified to participate in the electronic reverse auction stage and submit their final offers. In the BEC meeting held on 15.3.2023, it was noted that the lowest transmission charges from the Initial Offer submitted by the bidders were Rs. 673.25

million per annum, which shall be the initial ceiling for quoting the final offer during the e-Reverse Auction. Accordingly, the rank of the bidders for participation in the e-reverse auction as under:

S. No.	Name of Bidders	Quoted transmission charges (in Rs. Million per annum)	Ranking of bidders based on quoted transmission charges
1.	Apraava Energy Private limited (Formerly CLP India Private Limited)	673.25	L-1
2.	Power Grid Corporation of India Limited	747.68	L-2
3.	The Tata Power Company Limited	861.10	L-3
4.	Adani Transmission Limited	861.50	L-4

19. As per the provisions of the RFP documents, BEC recommended the above-qualified bidders to participate in the electronic reverse auction stage and submit their final offer. E-reverse auction was carried out at the MSTC portal on 16.3.2023, in the presence of members of BEC after informing the bidders regarding the lowest initial price offer. The transmission charges for the following bidders (in ascending order) emerged as under:

S. No.	Name of the Bidder	Final quoted Transmission Charges from the Initial Offer (in Rs. million per annum)	Rank
1.	Apraava Energy Private Limited (Formerly CLP India Private Limited)	627.54	L1
2.	Power Grid Corporation of India Limited	629.12	L2
3.	The Tata Power Company Limited	861.10 (Not participated in e-RA)	L3
4.	Adani Transmission Limited	861.50 (Not participated in e-RA)	L4

20. Based on e-reverse bidding, BEC, in its meeting held on 23.3.2023, recommended Apraava Energy Private Limited (Formerly CLP India Private Limited), with the lowest transmission charges of Rs. 627.54 million per annum as the

successful bidder.

21. The BPC issued a Letter of Intent on 29.3.2023 to the successful bidder, i.e. Apraava Energy Private Limited (Formerly CLP India Private Limited). In accordance with Clause 12.3 of the Guidelines, the BPC has posted on the website of PFCCL the final result of the evaluation of the bids for the selection of a developer for the Project.

22. In accordance with the provisions of the bid documents and upon the issuance of the Lol to the successful bidder [Apraava Energy Private Limited (Formerly CLP India Private Limited)] and the acquisition of the SPV (the Petitioner) by the successful bidder, the Petitioner has prayed for the adoption of the transmission charges for the Project, which have been discovered through the process of competitive bidding.

23. In accordance with Clause 2.15.2 of the RfP, the selected bidder shall, within 10 days of the issue of the Letter of Intent, accomplish the following tasks:

(a) Provide the Contract Performance Guarantee in favour of the Central Transmission Utility of India Limited (CTUIL);

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

(c) Acquire, for the Acquisition Price, 100% share equity shareholding of Fatehgarh III Transmission Limited from PFCCL along with all its related assets and liabilities;

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

(e) Apply to this Commission for the adoption of transmission tariff;

24. In accordance with Clause 2.15.4 of the RfP, the selected bidder shall, within five (5) 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 a transmission licence and make an application to the Commission for the adoption of the transmission charges, as required under Section 63 of the Act.

25. 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, the selected bidder was required to complete all the activities, including the acquisition of SPVs, by 5.4.2023 since the Lol was issued on 29.3.2023. BPC, vide its letter dated 7.7.2023 in terms of Clause 2.8.2 of the RfP extended the bid validity period up to 8.10.2023. The selected bidder furnished the Contract Performance Guarantee in favour of Nodal Agency (CTUIL) for an amount of Rs. 12 crore on 31.7.2023 and acquired a hundred per cent equity-holding in the applicant company on 2.8.2023 after execution of the Share Purchase Agreement. As per clause 2.15.4 of the RfP, TSP is required to apply to the Commission for a grant of transmission licence within five working days of the issuance of the acquisition of the SPV to the successful bidder. The successful bidder, namely Apraava Energy Private Limited, acquired the SPV on 2.8.2023. Accordingly, the Petitioner has filed the instant Petition through e-filing for the grant of a transmission licence on 10.8.2023. The Petitioner has submitted since there was a delay in the registration of the Petitioner company by the Commission, the

Petition could not be filed within the timeline. Accordingly, the Petitioner has prayed to condone the delay of three days in this regard. Since there was a procedural lapse, we condone the delay of one day in filing the Petition.

26. The Petitioner has approached the Commission with a separate application for the grant of a transmission license. The Commission, vide order dated 26.11.2023 in Petition No. 246/TL/2023, being satisfied that the Petitioner, prima facie, qualifies for grant of a transmission licence 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.

27. In accordance with the Guidelines, BEC has to certify that the tariff has been discovered through a transparent bidding process and that the tariff discovered is in line with prevailing market prices. In the minutes of the Fourth Meeting of the Bid Evaluation Committee held on 23.3.2023, the following has been recorded:

“3. The lowest Quoted Transmission Charges from the initial offer discovered was Rs. 673.25 million per annum which was declared as the initial price for quoting the final offers during e-reverse bidding process.

4. Accordingly, following four (04) bidders were qualified to participate in the e-reverse auction:

- I. Apraava Energy Private Limited (Formerly CLP India Private Limited)*
- II. Power Grid Corporation of India Limited*
- III. The Tata Power Company Limited*
- IV. Adani Transmission Limited*

5. The lowest initial offer at MSTC portal i.e. Rs. 673.25 million per annum, was communicated (duly acknowledged by bidders) to the above five (05) bidders qualified for participating in the e-reverse bidding process which was held on MSTC Portal on March 16, 2023 at 10:00 hrs (IST) onwards.

6. The e-reverse bidding process was closed after 28 rounds, on same day i.e. March 16, 2023 at 18:10 hrs (IST). ‘The Tata Power Company Limited and ‘Adani Transmission Limited’ did not participated in e-reverse bidding.

7. The Final Offer (Quoted Transmission Charges) of each bidder as quoted at the time of closing of e-reverse bidding is as under:

Sr. No.	Name of the Bidder	Final Quoted Transmission Charges (in Indian Rupees million per annum)	Rank
1.	<i>Apraava Energy Private Limited (Formerly CLP India Private Limited)</i>	627.54	L1
2.	<i>Power Grid Corporation of India Limited</i>	629.12	L2
3.	<i>The Tata Power Company Limited</i>	861.10 (not participated in e-RA)	L3
3.	<i>Adani Transmission Limited</i>	861.50 (not participated in e-RA)	L4

8. xxxxxxxx

9. Accordingly, as per the requirements, 'Apraava Energy Private Limited (Formerly CLP India Private Limited)' (the Bidder with lowest Final Offer) has submitted the original hard copies of Annexure 3 (Power of Attorney) and Annexure 14 (Bid bond) to BPC on 20.3.2023. The other annexures were not acceptable to the bidder.

10. BPC has confirmed that the original hard copies of Annexure 3 and Annexure 14 submitted by 'Apraava Energy Private Limited' are in order and there is no discrepancy between the online submission and physical documents submitted by Apraava Energy Private Limited'.

11. In view of above, 'Apraava Energy Private Limited (Formerly CLP India Private Limited)' with the Final Offer (Quoted Transmission Charges) of Rs. 627.54 million per annum, may be declared as the successful bidder.

12. BPC, in their evaluation report has confirmed the following:

- i. The levelised tariff for this project based on CERC norms works out to Rs. 1420.62 million per annum. This has been computed based on the estimated cost as communicated by the Cost Committee constituted by CEA and methodology for calculation of tariff as per CERC norms.
- ii. 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.

13. After detailed discussions on the evaluation report prepared by BPC, the BEC decided the followings:

i. 'Apraava Energy Private limited (Formerly CLP India Private Limited)' is the successful Bidder after the conclusion of the e-reverse bidding process with the lowest Quoted Transmission Charges of Rs. 627.54 million per annum.

ii. The quoted tariff is lower than the Levelised Tariff estimated as per CERC norms. The quoted tariff discovered through e-reverse bidding process is acceptable.

iii. In view of (i) and (ii) above, 'Apraava Energy Private Limited (Formerly CLP India Private Limited)' may be issued Letter of Intent (LoI).

28. Bid Evaluation Committee (BEC), vide its certificate dated 23.3.2023 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, Government of India under Section 63 of the Electricity Act, 2003 and as amended from time to time.

*2. **Apraava Energy Private Limited** (Formerly CLP India Private Limited) emerged as the Successful Bidder after the conclusion of e-reverse bidding process with the lowest Quoted Transmission Charges of **Rs. 627.54 million per annum.***

*3. The quoted tariff is lower than the Levelised Tariff calculated based on CERC norms considering the Capital Cost for the Project "**Transmission system for evacuation of power from REZ in Rajasthan (20 GW) under Phase III-Part A3**" as assessed by Cost Committee. The quoted tariff discovered through e-reverse bidding process is acceptable."*

29. In light of the discussions in the preceding paragraphs, it emerges that the selection of the successful bidder and the discovery of the annual transmission charges of the Project have 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 Guidelines issued by the Ministry of Power. BEC, in its certificate dated 23.3.2023, has certified that Apraava Energy Private Limited (formerly CLP India Private Limited) emerged as the successful bidder after the conclusion of the e-reverse auction with the lowest transmission charges of Rs. 627.54 million per annum. Based on the certification of the BEC, we approve and adopt the single annual transmission charges of Rs. 627.54 million per annum as per the final offer of the successful bidder, subject to the grant of a transmission licence to the Petitioner. The transmission charges shall remain valid throughout the period covered by the TSA.

30. 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.

31. The Petitioner has submitted that the Ministry of Power has issued a Policy dated 15.7.2015 for incentivising early commissioning of transmission elements before the Scheduled Date of Commercial Operation (SCOD) by way of commencement of transmission charges from actual COD before SCOD. In the said Policy, it is clarified that such incentive shall be applicable to transmission project(s)/elements(s) which are under implementation/ yet to be bid out under TBCB. The Petitioner has further submitted that since the aforesaid policy is also applicable to the Petitioner's Project, the Petitioner shall undertake steps to avail the said incentives by endeavouring to commission the transmission elements before SCOD being 18 months from the effective date, i.e., 2.2.2025. The Petitioner has requested to consider the said Policy and allow recovery of transmission charges

from the actual COD of the Petitioner's Project. Since the scope of the present Petition is limited to the adoption of tariff, the said request cannot be considered at this stage.

32. Let an extract copy of this order be sent to the Nodal Agency.

33. The Petition No. 245/AT/2023 is disposed of in terms of the above.

Sd/-
(P.K. Singh)
Member

sd/-
(Arun Goyal)
Member

sd/-
(Jishnu Barua)
Chairperson