CENTRAL ELECTRICITY REGULATORY COMMISSION NEW DELHI

Petition No. 122/TL/2024

Coram: Shri Jishnu Barua, Chairperson Shri Arun Goyal, Member

Date of Order: 30th April, 2024

In the matter of

Application under Sections 14, 15, 79(1)(e) of the Electricity Act, 2003 read with Central Electricity Regulatory Commission (Procedure, Terms and Conditions for Grant of Transmission Licence and other related matters) Regulations, 2009 seeking Transmission Licence to Fatehgarh IV Transmission Limited for the Transmission Project to be constructed through regulated tariff mechanism (RTM).

And In the matter of

Fatehgarh IV 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

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

 Chandigarh Electricity Department, Electricity Op Division No. 2, Industrial Area Ph-1, BBMB Complex, Chandigarh– 160002

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

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

 Haryana Power Purchase Centre, UHBVN, IP 3 & 4, 4th Floor,
 Sector 14- Panchkula-134113,
 Haryana

10. Power Development Department, Jammu, 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

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, Rajasthan- 342003.

16. Jaipur Vidyut Vitran Nigam Limited,

VQVX+M6J, Jan Path, Janpath, Jyoti Nagar, Lalkothi, Jaipur- 302005, Rajasthan

17. North Central Railway,M627+5R3, Shankar Road Market,Nabi Karim, Paharganj,New Delhi- 110060

 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- 22600, 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-226001, Uttar Pradesh

22. HVDC Balia, Chintel House, POP-303, Station Road, Lucknow-226001, Uttar Pradesh

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, Haryana 121002

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

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. ABC Renewable Energy Private Limited,
ABC RJ Land 01 Private Limited,
H.No.6-3-680/8/3, Plot no.3,2nd Floor, PMR Plaza
Thakur Mansion Lane, Somajiguda
Hyderabad - 500082,Telangana

34. Amp Energy Green Private Limited,309, Rectangle One, Behind Sheraton Hotel, Saket,New Delhi, Delhi 110017, Delhi

35. Juniper Green Stellar Private Limited, Plot No. 18, 1st Floor, Institutional Area, Sector 32, Gurugram, 122022, Haryana, India

36. Luceo Solar Private Limited, Unit Nos. 3, 4 & 5, Sixth Floor, Fountainhead Tower 2, Viman Nagar-411014, Pune

Parties present:

Shri Aniket Prasoon, Advocate, F4TL Shri Aman Seikh, Advocate, F4TL Ms. Archita Kashyap, Advocate, F4TL Ms. Priyadarshini, Advocate, PFCCL Shri Anushav Kansal, PFCCL Shri Siddharth Sharma, CTUIL Shri Akshyvat Kislay, CTUIL Shri Yatin Sharma, CTUIL

<u>ORDER</u>

The Petitioner, Fatehgarh IV Transmission Limited (FIVTL), has filed the present Petition under Sections 14 and 15 of the Electricity Act, 2003 (hereinafter referred to as 'the Act') read with the provisions of the Central Electricity Regulatory Commission (Terms and Conditions for grant of Transmission Licence and other related matters) Regulations, 2009 (hereinafter referred to as 'the Transmission Licence Regulations') for the grant of a separate transmission licence for implementation of the 'Bus Sectionalizer at 220 kV level of 400/220 kV Fatehgarh-IV PS (Section-1)" under the Regulated Tariff Mechanism (RTM) mode (hereinafter referred to as the 'transmission scheme'). The scope of the project for which the transmission licence has been sought is as under:

S.	Scope of the	ltem	Implementation
No.	Transmission Scheme	Description	Timeframe
1.	One set of bus sectionalizer	220 kV Bus	1.2.2025
	at 220 kV level of 400/220	Sectionalizer-	
	kV Fatehgarh-IV PS	1 no.	
	(Section-1)		
Total Estimated Cost:			Rs. 11.74 crore

2. The Petitioner has made the following prayers:

"(a) Issue/Grant the Transmission Licence to the Applicant i.e., Fatehgarh IV Transmission Limited for establishing, operating and maintaining the Transmission System i.e., 'One set of bus sectionalizer at 220 kV level of 400/220 kV Fatehgarh-IV PS (Section-1)' in terms of Sections 14, 15 and 79 (1) of the Electricity Act.

(b) Condone any inadvertent errors omissions/ errors/ shortcomings and permit the Applicant to add/change/modify/ alter these pleadings and make further submissions as may be required at a future date; (c) Pass any such other order/ orders, as may be deemed fit and proper in the facts and circumstances of the case."

3. The Petitioner company was incorporated as a special purpose vehicle by PFC Consulting Limited (PFCCL) as part of the Tariff Based Competitive Bidding ('TBCB') process for implementation of the "Transmission system for evacuation of power from REZ in Rajasthan (20 GW) under phase III-Part A1" ("Project") on a Build, Own, Operate and Transfer (BOOT) basis (hereinafter referred to as "the Project"). Apraava Energy Private Limited (AEPL) (Formerly CLP India Private Limited), participated in the competitive bidding process conducted by PFCCL and upon emerging as the successful bidder, a Letter of Intent (LOI) was issued by PFCCL to AEPL on 29.3.2023. In accordance with the bidding documents, AEPL acquired 100% of the shareholding in FIVTL by executing a Share Purchase Agreement with PFCCL on 2.8.2023. FIVTL entered into a Transmission Service Agreement (TSA) with the CTUIL on 2.8.2023. The Commission, in its order dated 30.1.2024 in Petition No. 244/TL/2023, granted a transmission licence to FIVTL to establish a transmission system for the "Transmission system for evacuation of power from REZ in Rajasthan (20 GW) under phase III-Part A1" consisting of the following elements:

S. No.	Name of Transmission Element	Scheduled COD in months from Effective Date
1.	 Establishment of 5x500 MVA, 400/220 kV pooling station at Fatehgarh-4 PS along with 2x125 MVAr Bus Reactor 400/220 kV, 500 MVA ICT- 5 Nos. 400 kV ICT bays – 5 nos. 220 kV ICT bays – 5 nos. 400 kV line bays – 2 nos. 220 kV line bays – As per connectivity granted to RE developers (7 no. of bays 	18 months

	considered at present).
	 125 MVAr, 420 kV bus reactor – 2 nos.
	 420 kV reactor bay – 2 nos.
	220 kV Sectionalization bay: 1 set
	 220 kV Bus Coupler (BC) Bay -2 nos.
	 220 kV Transfer Bus Coupler (TBC) Bey -
	2 nos
	Future provisions: Space for:
	 765/400kV ICTs along with bays: 6 nos.
	 765kV line bay along with switchable line
	reactor: 6 nos.
	 765kV Bus Reactor along with bays: 3
	nos.
	 400/220 kV ICTs along with bays: 8 nos.
	400 kV line bays along with switchable
	line reactor: 10 nos.
	 400kV Bus Reactor along with bays: 2
	nos.
	 400kV Sectionalization bay: 2 sets
	• 220 kV line bays: 13 nos.
	220 kV Sectionalization bay: 3 sets
	• 220 kV Bus Coupler (BC) Bay -3nos
	• 220 kV Transfer Bus Coupler (TBC) Bay -
	3nos.
2.	Fatehgarh-4 PS- Fatehgarh-3 PS 400 kV D/c
	twin HLTS* line
З.	2 no. of 400 kV line bays at Fatehgarh-3 PS
• 1//	ith a minimum capacity of 2100 MVA on each circuit at a nomi

With a minimum capacity of 2100 MVA on each circuit at a nominal voltage

Note:

i. Developer of Fatehgarh-3 S/s(new section) to provide space for 2 nos. of 400 kV line bays at Fatehgarh-3 S/s for termination of Fatehgarh-4 Fatehgarh-3 400 kV D/c twin HLTS line.

ii. Scheme to be awarded after SECI//REIA awards first bid of RE project at Fatehgarh-4 pooling station."

4. The Petitioner has submitted that after the grant of a separate transmission licence, the Petitioner shall proceed to implement the transmission scheme under the RTM mode. The estimated completion cost of the transmission scheme, as per CTUIL's Office Memorandum (OM), is Rs. 11.74 crore. After completion of the transmission scheme, the Petitioner shall approach the Commission for determination of transmission charges in accordance with the Transmission Licence Regulations.

Hearing dated 10.4.2024

5. The matter was called out for the hearing on 10.4.2024. During the course of the hearing, the learned counsel for the Petitioner submitted that the Petitioner has complied with all the requirements under the Transmission Licence Regulations, and CTUIL has submitted its recommendations for the grant of a transmission licence to the Petitioner under RTM mode under Section 15(4) of the Act.

6. Vide Record of Proceedings for the hearing dated 10.4.2024, notices were issued to Respondents to file their replies. However, no reply has been received from them.

Analysis and Decision

7. We have considered the submissions of the Petitioner and CTUIL. The Petitioner has filed the present Petition for the grant of a separate transmission licence for the implementation of the 'Bus Sectionalizer at 220 kV level of 400/220 kV Fatehgarh-IV PS (Section-1)" through the Regulated Tariff Mechanism (RTM) mode.

8. The Ministry of Power, Government of India, vide its letter dated 28.10.2021, issued terms of reference to the NCT and, *inter alia*, directed that the NCT will approve the ISTS costing between Rs.100 crore and Rs. 500 crore or such limit as prescribed by the Ministry of Power from time to time, along with their mode of implementation under intimation to the Ministry of Power. The Ministry of Power further directed that ISTS costing less than or equal to Rs. 100 crore, or such limit as prescribed by the Ministry of Power from time to time, will be approved by the

Central Transmission Utility of India Limited (CTUIL) along with the mode of implementation under intimation to the NCT and the Ministry of Power, Government of India. The relevant portion of the said order dated 28.10.2021 is extracted as under:

VIII. The NCT shall recommend to Ministry of Power (MoP) for implementation of the ISTS for projects with cost more than Rs 500 crore, along with their mode of implementation i.e. Tariff Based Competitive Bidding (TBCB) / Regulated Tariff Mechanism (RTM), as per the existing Tariff Policy. However, the NCT shall approve the ISTS costing between Rs100 crore to Rs.500 crore or such limit as prescribed by MoP from time to time, along with their mode of implementation under intimation to MoP. The ISTS costing less than or equal to Rs. 100 crores, or such limit as prescribed by MoP from time to time, will be approved by the CTU along with their mode of implementation under intimation to the NCT and MoP. After approval of the ISTS by the NCT or the CTU (as the case may be), the TBCB project shall be allocated to Bid Process Coordinators through Gazette Notification, while the RTM project shall be allocated to CTU."

9. Based on the above, CTUIL, vide its Office Memorandum dated 26.10.2023,

approved the implementation of the 'Bus Sectionalizer at 220 kV level of 400/220 kV

Fatehgarh-IV PS (Section-1)" on RTM mode along with identifying the implementing

agency and also addressing the same to the Ministry of Power, Government of India,

and NCT. The relevant portions of the OM dated 26.10.2023 are extracted as under:

"OFFICE MEMORANDUM

Sub: Inter-State Transmission Schemes (costing up to Rs. 100 Cr.) to be taken up for implementation under Regulated Tariff Mechanism (RTM)

The undersigned is directed to inform that CTU has approved the implementation of the following ISTS costing less than or equal to Rs. 100 Cr. In line with the MoP office order dated 28.10.2021 under the Regulated Tariff Mechanism (RTM) mode by the implementing agencies as indicated in the table below:

SI. No.	Name of Transmission Scheme	Implementation Agency			
North	Northern Region				
1.	Implementation of Bus Sectionalizer at 220kV level of 400/220kV Fatehgarh-IV PS (Section-1)	Fatehgarh IV Transmission Ltd. (a subsidiary of Apraava Energy Pvt. Ltd.)			

The detailed scope of works for the above transmission schemes is given at **Annexure-I.**

The above transmission schemes are awarded to the Implementing Agency for its implementation under RTM mode. The implementing agency shall enter into a concession agreement with CTU for the implementation of the above-mentioned transmission schemes through the Regulated Tariff Mechanism (RTM).

This issues with the approval of Competent Authority."

10. 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 company has been incorporated under the Companies Act 2013 and is already a transmission licensee. 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, substations, 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"

11. 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 Clauses (4), (7), (9) and (12) and dispensed with

Clause (10) of Regulation 7], provides for the procedure for the grant of a

transmission licence as under:

"(1) The application for grant of 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 e-filing 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.

(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.

12. The Petitioner has filed the present Petition for the grant of a separate transmission licence in accordance with the Transmission Licence Regulations. The

Petitioner has submitted proof of web posting of the complete application. On

perusal of the application, it is also noted that the Petitioner has served a copy of the

application on the Respondents.

13. The Petitioner has made the application as per Form-I prescribed in the Transmission Licence Regulations. The Petitioner posted its application on its website in Form-II on 6.3.2024 in English and Hindi. It has been submitted by the Petitioner that no objection has been received in response to the public notices.

14. The Petitioner has served a copy of the application on CTUIL as required under Section 15(3) of the Act and Regulation 7(6) of the Transmission Licence Regulations. CTUIL, vide its letters dated 9.4.2024, has recommended the grant of a transmission licence to the Petitioner. The relevant portions of the said letter dated 9.4.2024 are extracted as under:

"This is with reference to petition having Petition No. 122/TL/2024 filed by M/s Fatehgarh IV Transmission Ltd. before Hon'ble Commission for grant of Transmission License for Implementation of Bus Sectionalizer at 220kV level of 400/220kV Fatehgarh-IV PS (Section-1). In this regard, following is submitted:

- Fatehgarh-IV PS is to be implemented in two sections i.e. Section-I and Section-II. Section-I comprising of 5x500MVA, 400/220kV ICTs, Fatehgarh-IV Fatehgarh-III PS 400kV D/c line (Twin HTLS) and 7 nos. of 220kV bays is under implementation as part of Rajasthan SEZ Ph-III Part-A1 with commissioning schedule as 01.02.2025. It is also to inform that Fatehgarh-IV Fatehgarh-III PS 400kV D/c line (Twin HTLS) shall be implemented with minimum capacity of 2100 MVA on each circuit at nominal voltage. Fatehgarh-IV PS (Section-II) shall be implemented as part of Rajasthan SEZ Ph-IV (Part-2: 5.5GW) which is currently under bidding.
- Matter regarding requirement of subject bus sectionalizer was discussed in 24th CMETS-NR meeting held on 20.09.2023 wherein it was informed that at present 2345 MW connectivity on 7 nos. of 220kV line bays were granted/agreed for grant at 220kV level of Fatehgarh-IV (Section-I). In view of technical limitation on onward evacuation system through 400 kV Fatehgarh-IV- Fatehgarh-III 400kV (twin HLTS) D/c line(min. 2100 MVA/ckt), 2025 MW capacity (on 6 nos. of 220kV line bays) shall be evacuated through Phase-III scheme (Part A1 and other Ph-III elements) and balance 320MW capacity on 7th 220kV line bay shall be evacuated through Fatehgarh-IV (Section-II) & associated transmission system as part of Ph-IV (Part-2. :5.5GW) scheme. Considering above a bus sectionalizer is required at 220kV level of 400/220kV Fatehgarh-IV PS (Section-1) for reliable evacuation of RE power from Fatehgarh-IV PS (Sec-1). In view of these deliberations, one set of bus sectionalizer at 220kV level of 400/220kV Fatehgarh-IV PS (Section-I) was agreed with implementation schedule as matching with Ph-IV (Part-2: 5.5 GW scheme). Further, implementation schedule was modified in 25th CMETS-NR meeting held on 31.10.2023 as 01.02.2025 (matching with Ph-III Part-A1 scheme). Relevant extracts of 24th and 25th CMETS-NR meeting are attached at Annexure-I.
- As per Ministry of Power, Govt, of India vide office order dated 28/10/2021, responsibility for approval of ISTS transmission projects costing (up to Rs. 100 Cr.) along with their mode of implementation was entrusted to CTUIL. In line with

above notification, Implementation of Bus Sectionalizer at 220kV level of 400/220kV Fatehgarh-IV PS (Section-1) was awarded to M/s Fatehgarh IV Transmission Ltd. vide CTU OM dated 26.10.2023 with a copy to MoP and NCT with following details:

SI. No.	Scope of the Transmission Scheme		Implementation timeframe
1	One set of bus sectionalizer at 220kV level of 400/220kV Fatehgarh-IV PS (Section-1)	• 220kV Bus Sectionalizer - 1 no.	01.02.2025

Copy of CTU OM dated 26.10.2023 is attached at Annexure-II.

• Earlier M/s Fatehgarh IV Transmission Ltd. was granted ISTS Transmission License for implementation of "Transmission system for evacuation of power from REZ in Rajasthan (20 GW) under Phase III-Part A1" by Hon'ble Commission vide order dated 30.01.2024 in Petition No. 244/TL/2023.

Keeping above in view and based on details furnished by M/s Fatehgarh IV Transmission Ltd., CTU, in line with Section 15(4) of the Electricity Act, 2003, recommends grant of separate transmission license to M/s Fatehgarh IV Transmission Ltd. for executing the subject transmission scheme.

15. Section 14 of the Act provides that the Appropriate Commission may, on an application made to it under Section 15, grant a licence to any person to transmit electricity as a transmission licensee in any area as may be specified in the licensee. Section 16 of the Act provides that the Appropriate Commission may specify any general or specific conditions which shall apply either to a licensee or class of licensees, and such conditions shall be deemed to be conditions of such licence. The Commission has specified the Transmission Licence Regulations. Regulation 6 of the said Regulation lays down the eligibility criteria for the grant of transmission licence as under:

"6. Eligibility for Grant of licence: (a) No person shall be eligible for grant of licence unless it is– (a) selected through the process under the guidelines for competitive

(b) a State owned or controlled company identified as a project developer on or before 5.1.2011, or

bidding, or

(c) a generating company which has established the dedicated transmission line, and intends to use such dedicated transmission line as the main transmission line and part of the inter-State transmission system."

16. In the present case, the Petitioner does not fulfil any of the eligibility conditions for the grant of a transmission licence. However, in the 6th meeting of the National Committee on Transmission, it was indicated that as per the revised Terms of Reference issued by the Ministry of Power, Government of India, ISTS projects costing up to Rs. 100 crore to 500 crore or such limit as may be prescribed by the Ministry of Power from time to time would be approved by the CTUIL including its mode of implementation. The scheme has been identified for implementation through RTM mode by CTUIL. Non-grant of transmission licence to any agency nominated by the NCT to implement a transmission system through a regulated tariff mechanism in view of the provisions of Regulation 6 defeats the purpose of the Policy decision of the Government. We are of the view that considering the strategic importance of the transmission line, it is a fit case for relaxation of the provisions of Regulation 6 by invoking the power vested under Regulation 24 of the Transmission Licence Regulations.

17. Regulation 24 of the Transmission Licence Regulations, dealing with the power to relax in appropriate cases, provides as under:

"24. The Commission may, when it considers necessary or expedient to do so and for reasons to be recorded in writing, relax or depart from any of the provisions of these regulations."

18. It is an established principle of law that the power to relax has to be strictly construed and is to be exercised judiciously and with caution. Further, the power to

relax is to be exercised only when undue hardship is caused by the application of the rules or regulations. In the present case, the Petitioner is a transmission licensee who is already implementing the project defined under its scope through the TBCB mechanism. The present Petition is consequent to the office order 28.10.2021 notified by the Ministry of Power Government of India wherein CTUIL has been authorized to determine the mode of implementation of ISTS projects costing up to Rs. 100 crore to 500 crore. Pursuant to the direction of the Ministry of Power, CTUIL, vide its Office Memorandum dated 26.10.2023, has determined a list of Projects to be implemented through a Regulated Tariff Mechanism, which also includes the instant Petition for the subject transmission system.

19. Since the Petitioner is already an inter-State transmission licensee and has been identified as an agency to implement the project as per the RTM, the Commission, in the exercise of power under Regulation 24, hereby relaxes the provision of Regulation 6 of the Transmission Licence Regulations and holds that the Petitioner is eligible for the grant of a transmission licence. We, hereby, 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 a transmission licence aforesaid. The objections or suggestions, if any, shall be filed by any person before the Commission, by **20.5.2024**.

20. The CTUIL is directed to file on an affidavit a copy of the approval of the Central Government for the transmission scheme 'Bus Sectionalizer at 220 kV level of 400/220 kV Fatehgarh-IV PS (Section-1)" on RTM basis in terms of the Electricity

(Transmission System Planning, Development and Recovery of Inter-state Transmission Charges) Rules, 2021 notified by the Ministry of Power on 1.10.2021.

21. The Petition shall be listed for hearing on **22.5.2024**.

Sd/-

sd/-

(Arun Goyal) Member (Jishnu Barua) Chairperson