CENTRAL ELECTRICITY REGULATORY COMMISSION NEW DELHI

Petition No. 200/TL/2024

Coram:

Shri Jishnu Barua, Chairperson Shri Ramesh Babu V., Member Shri Harish Dudani, Member

Date of Order: 19th September, 2024

In the matter of

Petition under Sections 14, 15 and 79(1)(e) of 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 seeking grant of the transmission licence for Kallam Transco Limited.

And In the matter of

Kallam Transco Limited, Windsor, 1st Floor, Unit No. 101, Kalina Santracruz, East Mumbai- 400098 Maharastra.

....Petitioner

Vs

- 1. Central Transmission Utility of India Limited, Saudamini, Plot No.2, Sector-29, Gurgaon-122 001.
- 2. REC Power Development & Consultancy Limited, D-Block, REC Headquarter, Plot No. I-4, Sector-29, Gurgaon-122001.
- 3. Madhya Pradesh Power Transmission Company Limited, Block No. 11, 1st Floor, Shakti Bhawan, Rampur, Jabalpur– 482008, Madhya Pradesh.
- 4. Chhattisgarh State Power Distribution Company Limited, Chhattisgarh State Power Trading Company Limited, 2nd floor Vidyut Seva Bhawan, Dangania, Raipur -492010, Chhattisgarh,
- 5. Goa Electricity Department,

3rd floor, Vidhyut Bhavan, Electricity Department, Government of Goa, Panaji– 403001, Goa, (Panjim),

- 6. Gujarat Urja Vikas Nigam Limited, Commerce Department 2nd Floor, Sardar Patel Vidyut Bhavan, Race Course, Vadodara– 390007, Gujarat.
- 7. Heavy Water Board, O Floor, Vikram Sarabhai Bhavan, Trombay, Anushaktinagar, Mumbai - 400094, Maharashtra.
- 8. HVDC Bhadrawati, PGCIL, PGCIL RHQ, WR-I, Sampriti Nagar, Off National Highway No. 8, Taluka: Kamrej, PO: Uppalwadi, Nagpur, 440026, Maharashtra.
- 9. HVDC Vindhyachal, PGCIL, Power Grid Corporation of India Ltd, P.O. Vindhyanagar, P.Box.No.12, Singrauli– 486885, Madhya Pradesh.
- 10. M.P. Power Management Company Limited, Block No. 11, 1st Floor, Shakti Bhawan, Rampur, Jabalpur– 482008, Madhya Pradesh.
- 11. Maharashtra State Electricity, Prakashgad,plot No G-9, A K Marg, Bandra (East), Mumbai-400051, Maharashtra.
- 12. ACB India Limited, 7th Floor, Corporate Tower, Ambience Mall, NH-8, Gurgaon-122 001(Haryana).
- 13. Torrent Power Limited, Samanvay, 600, Tapovan, Ambavadi, Ahmedabad– 380015, Gujarat.
- 14. West Bengal State Elect. Dist. Co. Limited, Vidyut Bhavan, Block-DJ, Sector-II, Salt Lake, Kolkata-700091, West Bengal.
- 15. Thermal Powertech Corporation India, 6-3-1090, Block-A, Level-5, TSR Towers, Raj Bhavan Road, Somajiguda, Hyderabad– 500082, Andhra Pradesh.

- 16. Bhabha Atomic Research Centre, Anushakti Nagar, Mumbai– 400085, Maharashtra
- 17. GMR Warora Energy Limited, New Shakti Bhavan Bldg. No. 302, New Udaan Bhavan Complex, Adjacent to Terminal 3, IGI Airport, New Delhi – 110037
- 18. HVDC Champa, Saudamini, Plot No.2, Sector 29, Gurgaon - 122001 (Haryana),
- 19. West Central Railway Head Office, General Manager's Office, Electrical Branch, Jabalpur– 482 001.
- 20. Western Railway, Office of Chief Electrical Engineer, Mumbai.
- 21. East Central Railway, CEDE, Office of Chief Electrical Engineer, ECR, Zonal Head Quarter, Dighikala, Patna- 844101, Bihar.
- 22. DB Power Limited- Untied, 3rd floor, Naman Corporate Link, Opp Dena Bank, C-31, G block, Bandra Kurla Complex, Bandra (East), Mumbai-400051.
- 23. Chhattisgarh State Power Trading Company Limited, 2nd floor Vidyut Seva Bhawan, Dangania, Raipur- 492010, Chhattisgarh.
- 24. TRN Energy Private Ltd-Untied, 18, Vasant Enclave, Rao Tula Ram Marg, New Delhi, 110057.
- 25. Adani Power (Mundra) Limited, Adani Corporate House, Shantigram Near Vaishno Devi circle, S G Highway, Ahmedabad-382421, Gujarat.
- 26. Raigarh HVDC Station, RPT HVDC Office, Hebbal, Bangalore 560094, Karnataka.

- 27. Arcelor Mittal Nippon Steel India Limited,27 KM Surat Hazira Road, Surat Hazira,Surat 394270, Guiarat.
- 28. Central Railway, Electrical Branch (HQ), 2nd Floor, Parcel Office Bldg., Mumbai – 400001, Maharashtra.
- 29. Dadra and Nagar Haveli and Daman Diu, 1st & 2nd Floor, Vidyut Bhavan, Silvassa, Dadra and Nagar Haveli 390 623
- 30. MPSEZ Utilities Limited, Adani Corporate House, Shantigram, Near Vaishno Devi Circle, S.G. Highway, Khodiyar, Ahmedabad– 382421, Gujarat
- 31. REC Transmission Projects Company Limited, Core-4, Scope Complex, 7, Lodhi Road, New Delhi-110003.

....Respondents

Parties present:

Ms. Aparajita Upadhyay, Advocate, KTL Shri Shashank Singh, RECPDCL Shri Ranjeet Singh Rajput, CTUIL Shri Swapnil Verma, CTUIL Shri Akshyavat Kislay, CTUIL

<u>ORDER</u>

The Petitioner, Kallam Transco Limited (hereinafter referred to as 'Kallam Transco/Petitioner'), has filed the present Petition for the grant of a transmission licence under Sections 14, 15, and 79(1)(e) 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 implement the transmission system for "Western Region Network Expansion Scheme in Kallam area of Maharashtra" on a Build, Own, Operate and

Transfer basis (hereinafter referred to as "the Project") consisting of the following elements:

S. No.	Name of Transmission Element	Scheduled COD in months from Effective Date
1.	LILO of both circuits of Parli(M)– Karjat(M)/Lonikand-II (M) 400 kV D/c line (twin moose) at Kallam PS	
2.	4 Nos. 400 kV line bays at Kallam PS for LILO of both circuits of Parli(M)-Karjat(M)/Lonikand-II(M) 400 kV D/c line (twin moose) at Kallam PS • 400 kV line bays (AIS)-4 Nos. (for Kallam PS end)	18 months
3.	63 MVAR, 420 kV switchable line reactor (with NGR bypassing arrangement) on each ckt at Kallam PS end of Karjat – Kallam 400 kV D/c line (~140km) • 63 MVAR, 420 kV switchable line reactor including Switching equipment - 2 Nos. (at Kallam end)	

- 2. Based on the competitive bidding carried out by the REC Power Development & Consultancy Limited (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, Consortium of M/s Indigrid 2 Limited and Indigrid 1 Limited was declared a successful bidder with the lowest quoted annual transmission charges of Rs. 152.50 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 7.8.2024, *prima facie* proposed to grant a transmission licence to the Petitioner. The relevant extracts of the order dated 7.8.2024 are extracted as under:

- "21. Considering the material on record, we are prima-facie of the view that the Petitioner satisfies the conditions for the grant of inter-State transmission licence under Section 15 of the Act read with the Transmission Licence Regulations for 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 the grant of transmission licence aforesaid. The objections or suggestions, if any, be filed by any person before the Commission by **15.8.2024.**"
- 4. A public notice under Sub-section (5) of Section 15 of the Act was published in all editions of the Indian Express (English) and Rashtriya Sahara (Hindi) on 10.8.2024. No suggestions/ objections have been received from members of the public in response to the public notice.
- 5. The case was called out for a hearing on 20.8.2024. The learned counsel for the Petitioner submitted that no objection had been received in response to the public notice published by the Commission under sub-section (5) of Section 15 of the Act. Accordingly, it was requested that a separate transmission licence be granted to the Petitioner Company. The representative of CTUIL further submitted that CTUIL has already recommended the grant of the transmission licence.
- 6. As regards the grant of a transmission licence, Clauses (13) and (14) of Regulation 5 of the 2024 Transmission Licence Regulations provide as under:
 - "(13) The Commission may, after consideration of the further suggestions and objections, if any, received in response to the public notice in terms of Clause (12) of this Regulation, grant licence to the applicant in Form-III appended to these regulations or for reasons to be recorded in writing, reject the application.
 - (14) The Commission shall before granting licence or rejecting the application under the provisions of this Regulation provide an opportunity of hearing to the applicant, CTUIL, the concerned DICs, or the person who has filed suggestions and objections, or any other interested person."
- 7. In our order dated 7.8.2024, we had proposed to grant a transmission licence to the Petitioner company and directed the issue of public notice. In response to the

public notice, no suggestions/objections have been received. CTUIL, in its letter dated 23.4.2024, 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 (now repealed) for the grant of a transmission licence for the subject Transmission System mentioned in paragraph 1 of this order. Considering the submissions of the Petitioner and CTUIL, we direct that a transmission licence be granted to the Petitioner, 'Kallam Transco Limited,' for the grant of a transmission licence in order to implement the transmission system for "Western Region Network Expansion Scheme in Kallam area of Maharashtra" on a Build, Own, Operate and Transfer basis as per the details given in paragraph 1 above.

- 8. 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 Central Electricity Regulatory Commission (Procedure, Terms, and Conditions for grant of Transmission Licence and other related matters) Regulations, 2024 (hereinafter referred to as "2024 Transmission Licence Regulations") or any subsequent enactment thereof during the period of subsistence of the licence;
 - (c) The licensee may make an application, two years before the expiry of the initial licence period, for the grant of the transmission licence for another term in accordance with Regulation 9 (2) of the 2024 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 license 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 Central Electricity Regulatory Commission (Standard of Performance of inter-State transmission licensees) Regulations, 2012 or subsequent enactment thereof;
- (h) The licensee shall provide the 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 (Connectivity and General Network Access to the inter-State Transmission System) Regulations, 2023; the Central Electricity Regulatory Commission (Indian Electricity Grid Code) Regulations, 2023, as amended from time to time or any subsequent re-enactments thereof;

- (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 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 2024 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;
- (I) The licensee shall ensure the execution of the Project as per the Technical Standards and Grid Standards of CEA;
- (m) The licensee shall submit all such report or information as may be required under 2024 Transmission Licence Regulations, Standard of Performance Regulations or any other regulation of the Commission or as per

the directions of the Commission as may be issued from time to time;

- (n) The licensee shall ensure that the EPC contract for the execution of work under the scope of the project is awarded through a competitive bidding process.
- 9. CTUIL/its appointed Independent Engineer and the Central Electricity Authority shall monitor the execution of the Project and bring to the Commission's notice any lapse on the part of the licensee in meeting the schedule for further appropriate action in accordance with the provisions of the Transmission Service Agreement executed between the licensee and the Nodal Agency, the Act and the Transmission Licence Regulations.
- 10. It is expected that while carrying out the survey, the Petitioner has complied with the provisions of clauses 2.5.7.3, 2.5.7.4, and 2.5.7.5 of the RfP. The Petitioner will comply with the provisions of the bidding documents and the TSA for the commissioning of the Project within the SCOD in letter and spirit.
- 11. With regard to compliance with Articles 5.1.1 and 5.4 of the TSA, the Petitioner vide its affidavit dated 12.8.2024 has submitted as under:
 - (a) The transmission Project has been designed following the relevant standards and regulations as provided under the Central Electricity Authority (CEA) Technical Standards for Construction, CEA Technical Standards for Connectivity, CEA Technical Standards for Communication, and the Central Electricity Authority (Measures relating to Safety and Electricity Supply) Regulations, 2010 as amended from time to time. In cases where Indian Standards for any particular equipment/ system/ process are not available, then

IEC/ IEEE or equivalent International Standards and Codes are being followed by the Petitioner.

- (b) The Petitioner continues to comply with the obligations under relevant Articles of the TSA, which are required to be fulfilled during the construction period of the Project, including those mentioned in Article 4.1. In this regard, the Petitioner has already submitted an approved Field Quality Plan (FQP) to CTUIL vide letter dated 30.7.2024 as per the requirements under Article 5.1.1. of the TSA
- (c) The Petitioner shall continue to construct the Project in line with applicable Regulations as stated above to maintain the highest quality standards and will continue to communicate the same to CTUIL as per the provisions of the TSA.
- 12. An extract copy of this order be sent to CTUIL, CEA and BPC for information and necessary action.
- 13. Petition No. 200/TL/2024 is allowed in terms of the above.

Sd/- sd/- sd/- (Harish Dudani) (Ramesh Babu V.) (Jishnu Barua) Member Chairperson