

**CENTRAL ELECTRICITY REGULATORY COMMISSION
NEW DELHI**

Petition No. 71/TL/2025

Coram:

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

Date of Order: 12th March, 2025

In the matter of

Application under Sections 14, 15 and 79(1)(e) 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, 2024 and its subsequent Clarification and replacement, if any, with respect to grant of the transmission licence to Khavda V-A Power Transmission Limited.

And

In the matter of

**KHAVDA V-A POWER TRANSMISSION LIMITED,
(A 100% wholly owned subsidiary of Power Grid Corporation of India Limited),**

Registered office:

B-9, Qutab Institutional Area,
Katwaria Sarai, New Delhi 110016.

Address for correspondence:

C/o ED (TBCB), Power Grid Corporation of India Limited,
Saudamini, Plot no.2, Sector -29, Gurgaon-122001.

...Petitioner

Vs.

- 1. Central Transmission Utility of India Limited,**
Saudamini, Plot no.2, Sector -29,
Gurgaon-122001.
- 2. REC Power Development and Consultancy Limited,**
REC Corporate Head Quarter,
D Block, Plot No. I-4,
Sec-29, Gurugram-122001.
- 3. Gujarat Industries Power Company Limited,**
PO: Petrochemicals,
Gujarat.

4. **Adani Green Energy Limited,**
4th Floor, South Wing,
Adani Corporate House,
Shantigram, SG Highway,
Ahmedabad-382421.
5. **Chhattisgarh State Power Distribution Co. Limited,**
CSPDCL,
Post: Sundernagar, Dangania,
Raipur-492013.
6. **Goa Electricity Department-WR,**
Goa Electricity DeptCurti,
Ponda-403401.
7. **Gujarat Urja Vikas Nigam Limited,**
Sardar Patel Vidyut Bhavan,
Racecourse, Vadodara-390007.
8. **Heavy Water Board,**
O Floor, Vikram Sarabhai Bhavan,
Trombay, Anushaktinagar,
Mumbai-400094, Maharashtra.
9. **HVDC Bhadrawati, PGCIL,**
PGCIL RHQ, WR-I, Sampriti Nagar,
Off National Highway No. 8,
Taluka: Kamrej, PO: Uppalwadi,
Nagpur-440026, Maharashtra.
10. **HVDC Vindhyachal, PGCIL,**
PGCIL RHQ, WR-I,
Sampriti Nagar, Off National Highway No. 8,
Taluka: Kamrej, PO: Uppalwadi,
Nagpur-440026, Maharashtra.
11. **M.P. Power Management Company Limited,**
14, Shakti Bhawan,
Rampur, Jabalpur-482008.
12. **MSEDCL,**
Plot No.9, "Prakashgad", A K Marg,
Bandra East, Mumbai-400051.
13. **ACB India Limited,**
7th Floor, Corporate Tower,
Ambience Mall, NH-8,
Gurgaon-122001, Haryana.

- 14. Torrent Power Limited**
Torrent Power Ltd. Naranpura Zonal Office,
Sola Road, Ahmedabad-380013.
- 15. Thermal Powertech Corporation India**
6-3-1090, Clock C, Level 2,
TSR, Towers,
Rajbhavan Road, Somajiguda,
Hyderabad-500082, Telangana.
- 16. BARC,**
Bhabha Atomic Research Centre,
Anushakti Nagar,
Mumbai, Maharashtra-400085.
- 17. GMR Warora Energy Limited,**
Plot B-1, GMR Warora Energy Ltd,
Mohabala MIDC Growth Centre,
Post-Warora,
Dist-Chandrapur-442907, Maharashtra.
- 18. HVDC Champa,**
PGCIL RHQ, WR-I, Sampri Nagar,
Off National Highway No. 8,
Taluka: Kamrej,
PO: Uppalwadi,
Nagpur-440026, Maharashtra.
- 19. West Central Railway Head Office,**
General Manager's Office,
Electrical Branch, Jabalpur-482001.
- 20. Western Railway,**
Office of Chief Electrical Engineer, Mumbai.
- 21. DB Power Limited- Untied,**
Opp. Dena Bank, C-31, G- Block, Mumbai.
- 22. Chhattisgarh State Power Trading Co. Limited,**
2nd floor Vidyut Sewa Bhawan Raipur.
- 23. TRN Energy Private Ltd-Untied,**
7th Floor, Ambience Office Block, Gurugram.
- 24. Adani Power (Mundra) Limited,**
Adani Corporate House,
Shantigram,
Near Vaishnavdevi Circle,

S G Road Ahmedabad-382421.

- 25. Raigarh HVDC Station,**
RPT HVDC Office,
Hebbal, Bangalore-560094.
- 26. Arcelor Mittal Nippon Steel India Limited,**
27, AMNS House,
2TH KM Surat Hazira road,
Hazira-394270, Gujarat.
- 27. Central Railway,**
PCEE'S office,
2nd Floor Paricle Building CSMT,
Mumbai-400001.
- 28. Dadra and Nagar Haveli and Daman and Power Distribution Corporation Limited,**
1st & 2nd Floor, Vidyut Bhavan,
NexSilvassa & Daman.
- 29. MPSEZ Utilities Limited,**
3rd Floor, Adani Corporate House, Ahmedabad.

Parties present:

Shri Rohit Jain, KVAPTL
Shri Shashank Singh, RECPDCL
Shri Akshayvat Kislay, CTUIL

ORDER

The Petitioner, KHAVDA V-A Power Transmission Limited (hereinafter referred to as “the Petitioner/ KVAPTL”), 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 the grant of a transmission licence and other related matters) Regulations, 2024 (hereinafter referred to as “ the Transmission Licence Regulations”) to establish the Inter-State transmission system for the “Evacuation of Power from potential renewable energy zone in Khavda area of Gujarat

under Phase-V (8 GW): Part A” 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 | Schedule d COD in months from Effective Date | Percentage of Quoted Transmission Charges recoverable on Scheduled COD of the Element of the Project | Element(s) which are pre-required for declaring the commercial operation (COD) of the respective Element |
|--------|--|--|--|--|
| 1A. # | Establishment of 3000 MW, \pm 800 kV KPS2 (HVDC) [LCC] terminal station (2x1500 MW) (Bipole-1) along with associated interconnections with 400 kV HVAC Switchyard*. | 48 months for Bipole1 (2x1500 MW) and all other elements [mentioned at Sl. 1A, 2A, 3, 4, 5 & 6] and 54 months for Bipole 2 (2x1500 MW) [mentioned at Sl. 1B & 2B] (from date of SPV transfer.) | 31.03% | All Elements (except Bipole 2 (2x1500MW)) are required to be commissioned simultaneously in 48 months as their utilization is dependent on commissioning of each other. The Bipole2 (2x1500MW) shall be commissioned in 54 months. |
| 2A. # | Establishment of 3000 MW, \pm 800 kV Nagpur (HVDC) [LCC] terminal station (2x1500 MW) (Bipole-1) along with associated interconnections with 400 kV HVAC Switchyard* | | | |
| 1B. # | Establishment of 3000 MW, \pm 800 kV KPS2 (HVDC) [LCC] terminal station (2x1500 MW) (Bipole-2) along with associated interconnections with 400 kV HVAC Switchyard*. | | 31.03% | |
| 2B. # | Establishment of 3000 MW, \pm 800 kV Nagpur (HVDC) [LCC] terminal station (2x1500 MW) (Bipole-2) along with associated interconnections with 400 kV HVAC Switchyard* | | | |
| 3. | \pm 800 kV HVDC Bipole line (Hexa lapwing) between KPS2 (HVDC) and Nagpur (HVDC) (1200 km) (with Dedicated Metallic Return) (capable to evacuate 6000 MW with overload as specified) | | 37.94% | |
| 4. | Establishment of 6x1500 MVA, 765/400 kV ICTs at Nagpur S/s along with 2x330 MVAR (765 kV) & 2x125 MVAR, 420 kV bus reactors along with associated interconnections with HVDC | | | |

| | | | | |
|--|---|--|--|--|
| | <p><i>Switchyard*.</i></p> <p><i>The 400 kV bus shall be established in 2 sections through 1 set of 400 kV bus sectionaliser so that 3x1500 MVA ICTs are placed in each section. The bus sectionaliser shall be normally closed and may be opened based on Grid requirement.</i></p> <ul style="list-style-type: none"> • <i>765/400 kV, 1500 MVA ICT-6 (3 on each 400 kV section) (19 single phase units including one spare unit)</i> • <i>765 kV ICT bays- 6 Nos.</i> • <i>400 kV ICT bays- 6 Nos. (3 on each section)</i> • <i>330 MVAR 765 kV bus reactor-2 Nos.</i> • <i>125 MVAR 420 kV bus reactor-2 Nos. (one on each section)</i> • <i>765 kV reactor bay- 2 Nos.</i> • <i>765 kV line bay- 4 Nos.</i> • <i>400 kV reactor bay- 2 Nos. (one on each section)</i> • <i>400 kV Bus sectionaliser - 1 Set</i> • <i>110 MVAR, 765 kV, 1-ph reactor (spare unit for line/bus reactor) - 1 No.</i> <p><i>Future Provisions at Nagpur:</i></p> <p><i>Space for:</i></p> <ul style="list-style-type: none"> • <i>765/400 kV, 1500 MVA ICT- 4 (1 on 400 kV bus section-II & 3 on future 400 kV bus section-III)</i> • <i>765 kV line bays along with switchable line reactors – 10 Nos.</i> • <i>765 kV Bus Reactor along with bay: 2 No.</i> • <i>765 kV Sectionaliser bay: 1 -set</i> • <i>400 kV line bays along with switchable line reactor – 12 Nos.</i> • <i>400 kV Bus sectionaliser- 1 Set</i> • <i>400/220 kV ICT along with bays -9 Nos. (3 Nos. on 400 kV bus sections II & 6 Nos. on future bus section-III)</i> • <i>400 kV Bus Reactor along with bay: 4 No. (1 each on 400 kV bus sections I & II and 2 on future 400 kV</i> | | | |
|--|---|--|--|--|

| | | | | |
|----|--|--|--|--|
| | <i>bus section-III)</i> <ul style="list-style-type: none"> • 220 kV line bays: 16 Nos. • 220 kV Sectionalization bay: 2 set • 220 kV BC & TBC: 3 Nos. • 80 MVAR, 765 kV, 1-ph reactor (spare unit for line reactor)-1 | | | |
| 5. | <i>LILO of Wardha – Raipur 765 kV one D/c line (out of 2xD/c lines) at Nagpur</i> | | | |
| 6. | <i>Installation of 240 MVAR switchable line reactor at Nagpur end on each ckt of Nagpur – Raipur 765 kV D/c line</i> <ul style="list-style-type: none"> • 240 MVAR, 765 kV switchable line reactors- 2 Nos. (at Nagpur end) • Switching equipment for 765 kV line reactor- 2 Nos. (at Nagpur end) • 80 MVAR, 765 kV, 1-ph reactor (spare unit for line reactor)-1 No. | | | |

** The 400 kV interconnections (along with all associated equipment/ bus extension, etc.) between HVDC & HVAC switchyards shall be implemented by the TSP.*

Scope w.r.t. 6000 MW, \pm 800 kV HVDC [LCC] terminal station (4x1500 MW) at KPS2 & Nagpur has been split into 3000 MW, \pm 800 kV HVDC [LCC] terminal station (2x1500 MW) Bipole-1 (Sl. 1A & 2A) and 3000 MW, \pm 800 kV HVDC [LCC] terminal station (2x1500 MW) Bipole-2 (Sl. 1B & 2B) for sake of calculation of Percentage of Quoted Transmission Charges.

Note:

i. The 2x1500 MW poles shall emanate from 400 kV bus section 1 of KPS2 and terminate at bus section 1 of Nagpur. Similarly, the other 2x1500 MW poles shall emanate from 400 kV bus section 2 of KPS2 and terminate at bus section 2 of Nagpur.

ii. HVDC System will be designed considering 100% power reversal capability. The rated power transmission capacity as well as the rated transmission voltage shall be defined and guaranteed at the rectifier end of the AC yard.

iii. TSP of KPS2 shall provide space for the establishment of the HVDC system as per above scope.

iv. The implementation timeframe: 48 months for Bipole-1 (2x1500 MW) and all other elements except Bipole 2 (2x1500MW) and 54 months for Bipole-2 (2x1500 MW) (from the date of SPV acquisition)."

2. The Petitioner has made the following prayers:

“(a) Grant Transmission Licence to the Applicant; and

(b) Allow the sharing and recovery of Transmission Charges for Inter-State Transmission System for “Transmission System for Evacuation of Power from potential renewable energy zone in Khavda area of Gujarat under Phase-V (8 GW): Part A” as per Sharing of Inter-state Transmission Charges and Losses CERC Regulations 2020 and any other amendment thereon issued from time to time by CERC.

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

Hearing dated 28.1.2025

3. During the course of the hearing on 28.1.2025, the representative of the Petitioner has mainly reiterated the submissions made in the Petition. Additionally, the representative of the Respondent, CTUIL, submitted that CTUIL has already filed its recommendations under Section 15(4) of the Electricity Act, 2003, for the grant of a transmission licence to the Petitioner.

4. Vide Record of Proceedings for the hearing 28.1.2025, the parties were directed to file their respective replies and rejoinder. However, no reply has been filed by the Respondents despite notice.

5. In addition, vide Record of Proceedings for the hearing dated 28.1.2025, CTUIL was directed to provide the details of the Inter-Connecting Upstream and Downstream Transmission System for the subject project in a prescribed format.

6. CTUIL, in compliance to the RoP dated 28.1.2025, vide affidavit dated 10.2.2025, has submitted as under:

Inter-Connecting Upstream and Downstream Transmission System for the instant transmission scheme:

| S. No. | Particulars | Details of the transmission system | STU/ ISTS | Implementing Agency | Implementation Mode (RTM/TBCB) | Commissioning Schedule/ status |
|--------|---|---|-----------|---------------------|--------------------------------|--------------------------------|
| 1 | Upstream Transmission system | Nil | Nil | Nil | Nil | Nil |
| | | The Khavda Phase V-A (HVDC LCC) transmission scheme has been planned for evacuation of the additional 6GW RE power from Khavda RE park beyond cumulative 22GW upto Ph-IV. | | | | |
| 2 | Downstream transmission System/elements (Which is facilitating dispersal of about 6GW power from Khavda to Nagpur S/s through HVDC link being established under subject scheme & further towards Wardha & Raipur S/s through 765kV network) | Wardha-Raipur 765 kV one D/c line | ISTS | POWERGRID | RTM | Existing |
| | | Wardha S/s | ISTS | POWERGRID | RTM | Existing |
| | | Raipur (Durg) S/s | ISTS | POWERGRID | RTM | Existing |

7. The Petitioner has submitted that in accordance with the “Guidelines for Encouraging Competition in Development of Transmission Projects” and “Tariff Based Competitive Bidding Guidelines for Transmission Service” (hereinafter referred to as “the Guidelines”) issued by the Ministry of Power, Government of India, under Section 63 of the Act, REC Power Development (hereinafter referred to as “RECPDCL”) was notified by the Ministry of Power, Government of India, vide Gazette Notification. No. 3733 [F.No. 15/3/2018-Trans-Part (1)] dated 4.9.2023 as the Bid Process Coordinator (BPC) for the purpose of selection of bidder as Transmission Service Provider (the TSP) to establish the Inter-State transmission system for “Evacuation of power from potential renewable energy zone in Khavda area of Gujarat under Phase-V (8 GW): Part A” on a Build, Own, Operate and Transfer basis.

8. RECPDCL, in its capacity as the BPC, initiated the bid process on 4.12.2023 and completed the same on 19.11.2024 in accordance with the Guidelines. Power Grid Corporation of India Limited was selected as the successful bidder having quoted the lowest transmission charges of Rs. 40,828.67 million in order to provide the transmission services to the beneficiaries of the transmission system.

9. The RfP was issued on 4.12.2023. At the RfP (Technical and Financial) stage, 3 bidders, namely, (i) Adani Energy Solutions Limited (Formerly known as Adani Transmission Limited) (hereinafter referred to as “AESL”); (ii) Power Grid Corporation of India Limited and (iii) Sterlite Grid 8 Limited submitted their offers. The RfP (Technical bids of the bidders were opened by the Bid Opening Committee in the Central Electricity Authority on 6.9.2024 in the presence of the representative of the bidders. Based on the recommendation of the Bid Evaluation Committee (BEC), the RfP (Financial) Bids-Initial Price Offers of the bidders were opened on 19.9.2024. Lowest Initial Price Offer discovered (Best Deal) at the MSTC portal was Rs. 55550.00 million per annum. The details of the quoted transmission charges by bidders are given below:

| Sr. No. | Name of the Bidder | Quoted Transmission Charges from the Initial Offer (in Rs. Million) | Rank |
|----------------|---|--|-------------|
| 1. | Adani Energy Solutions Limited | 55,550 | I |
| 2. | Power Grid Corporation of India Limited | 58,500 | II |
| 3. | Sterlite Grid 8 Limited | 68,517 | III |

10. 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 Bidders, whichever is higher, shall be considered to be qualified for participating in the electronic reverse auction stage and submitting their final offer.

11. The e-reverse auction of the bidders was carried out at the MSTC portal on 20.9.2024. The e-reverse auction concluded on 21.9.2024. The following transmission charges, as quoted by each bidder, emerged:

| Sr. No. | Name of the Bidder | Transmission Charges from the Initial Offer (in Rs. Million) | Transmission Charges from the Final Offer (in Rs. Million) | Rank |
|---------|---|--|--|------|
| 1. | Power Grid Corporation of India Limited | 58,500 | 40,828.67 | I |
| 2. | Adani Energy Solutions Limited | 55,550 | 41,033.59 | II |
| 3. | Sterlite Grid 8 Limited | 68,517 | 54,721.91 | III |

12. As per the Bid Evaluation Report dated 21.10.2024, Power Grid Corporation of India Limited emerged as the successful bidder with the lowest quoted transmission charges of Rs. 40,828.67 million. BEC, vide its certificate dated 21.10.2024, has certified that the entire bid process has been carried out in accordance with the Guidelines issued by the Ministry of Power under Section 63 of the Act. BEC has further certified that the transmission charges discovered through the e-reverse auction are acceptable.

13. Consequent to its selection as the lowest bidder, a Letter of Intent (LoI) was issued to Power Grid Corporation of India Limited by the BPC on 24.10.2024, which was accepted by Power Grid Corporation of India Limited Under the terms of RfP and the Letter of Intent, the successful bidder is obligated to accomplish the following tasks:

- (a) Provide Contract Performance Guarantee in favour of Central Transmission Utility of India Limited (CTUIL);
- (b) Execute Share Purchase Agreement and Transmission Service Agreement;
- (c) Acquire, for the Acquisition Price, 100% share equity share of KHAVDA V-A Power Transmission Limited from RECPDCL along with all its related assets and liabilities;
- (d) Make an application to this Commission for the adoption of transmission charges, as required under Section 63 of the Act; and
- (e) Apply to this Commission for the grant of a transmission licence;

14. The Petitioner has furnished the Contract Performance Guarantee (CPG) in favour of Nodal Agency, i.e., CTUIL, for Rs. Rs 714 crores on 19.11.2024 and acquired a hundred percent equity holding in KHAVDA V-A Power Transmission Limited on 19.11.2024. The Petitioner entered into the Transmission Service Agreement (the TSA) with the CTUIL on 19.11.2024.

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

“To plan, promote and develop an integrated and efficient power transmission system network in all its aspects including planning, investigation, research, design and engineering, preparation of preliminary, feasibility and definite project reports, construction, operation and maintenance of transmission lines, sub-stations, load dispatch stations and communication facilities and appurtenant works, coordination of integrated operation of state, regional and national grid system, execution of turn-key jobs for other utilities/organizations and wheeling of power in accordance with the policies, guidelines and objectives laid down by the Central Government from time to time”

16. Section 15(1) of the Act provides that every application under Section 14 of the Act shall be made in such manner and in such form as may be specified by the Appropriate Commission and shall be accompanied by such fees as may be prescribed by the Central Government. The Commission has specified Transmission Licence Regulations in this regard. Regulation 4 (1) of the Transmission Licence Regulations provides that eligibility for the grant of a licence for inter-State transmission of electricity is contingent upon the entity being selected either through the competitive bidding process under Section 63 of the Electricity Act, 2003 or by the Central Government or its authorized agency to implement a project under the regulated tariff mechanism. Regulation 10(1) of the Transmission Licence Regulations provided that in case the licensee has been selected for implementation of the project in accordance with the competitive bidding guidelines, the transmission tariff in terms of the Transmission Service Agreement shall be adopted by the Commission under Section 63 of the Act. The Project under consideration has been identified for development under competitive bidding by a competent authority, and the selection of the Project developer, KHAVDA V-A Power Transmission Limited, has been certified to have been made in accordance with the Guidelines for competitive bidding.

17. Regulation 5 of the Transmission Licence Regulations, 2024 provides for the procedure for the grant of a transmission licence as under:

“(1) The application for the grant of licence shall be made to the Commission in Form-I appended to these regulations and shall be accompanied by such fee as may be prescribed by the Central Government from time to time under sub-section (1) of section 15 of the Act.

(2) The application shall be supported with an affidavit in accordance with Regulation 17 of the Central Electricity Regulatory Commission (Conduct of Business) Regulations, 2023.

(3) The applicant shall submit the original application in electronic form along with enclosures on the e-filing portal of the Commission and electronically serve a copy of such application on all the concerned DICs of the project and the Central Transmission Utility. The application shall be served through e-mail on the concerned DICs of the project who are not registered on the e-filing portal of the Commission.

(4) The applicant shall also upload the complete application along with annexures on its website, in English. The applicant shall also upload on its website, the details as per Form-I and Form-II appended to these regulations in the Indian language of the State or the Union Territory where an element of the project or concerned transmission line is situated or proposed to be situated. The application shall be kept posted on the website of the applicant till such time the application is disposed of by the Commission.

(5) The applicant shall, within 3 working days of filing the application, publish a notice of its application in Form-II appended to these regulations in at least two leading daily digital newspapers, one in English language and another in the Indian language of the State or Union Territory where an element of the project or concerned transmission line is situated or proposed to be situated, inviting comments from the general public. The notice shall also be kept posted on the website of the applicant.

(6) The Registry of the Commission shall carry out a preliminary scrutiny of the application and convey the defects, if any, as far as possible within 7 days of receipt of the application. The defects shall be rectified by the applicant within a period of 7 days from the date of such intimation from the Registry of the Commission.

(7) In the notice published in the digital newspapers and on the applicant's website under this Regulation, it shall be indicated that the suggestions and objections to the application, if any, may be filed by any person within 15 days of publication of the notice to The Secretary, Central Electricity Regulatory Commission at the address where the office of the Commission is situated and at email id: registry@cercind.gov.in. Any suggestion or objection received in response to the public notice shall be shared with the applicant and the respondents by the Registry of the Commission.

(8) The applicant shall within 3 working days from the date of publication of the notice in terms of Clause (5) of this Regulation submit to the Commission on affidavit the details of the notice published, names of the digital newspapers in which the notice

has been published, the dates and places of their publication and enclosing the relevant pages of the publication of notice.

(9) The CTUIL shall send its recommendations, if any, to the Commission on the proposal for grant of licence made in the application as far as practicable within a period of 10 (ten) days from the date of receipt of the application with a copy to the applicant: Provided that if CTUIL is unable to submit its recommendations within a period of 10 days, it shall inform the Commission the reasons for the same and submit its recommendations within a period of 30 (thirty) days from the date of receipt of the application: Provided further that along with its recommendations, CTUIL shall submit the copy of approval of the transmission project by the Central Government in terms of Electricity (Transmission System Planning, Development and Recovery of Inter-state Transmission Charges) Rules, 2021 as amended from time to time. Explanation: The recommendations of the Central Transmission Utility shall not be binding on the Commission.

(10) The applicant may file its comments, duly supported by an affidavit, on the recommendations made by CTUIL and the suggestions and objections, if any, received in response to the public notice within 7 working days of receipt of such suggestions and objections, with an advance copy to the CTUIL and the person, if any, who has filed the suggestions and objections on the proposal made in the application.

(11) The Commission after considering the suggestions and objections received from the DICs and in response to the public notice published by the applicant, and the recommendations, if any, received from CTUIL may either propose to grant the licence to the applicant or for reasons to be recorded in writing, reject the application.

(12) Before granting a licence, the Commission shall publish a notice of its proposal on the Commission's website and in two daily digital newspapers, having wide circulation, as the Commission may consider appropriate, stating the name and address of the person to whom it proposes to grant the licence, details of the project for which it proposes to grant a licence, location or route of the elements of the project, and any other details that the Commission may consider appropriate, to invite further suggestions and objections on its proposal within 15 days of the publication of the notice.

(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.

(15) The Commission shall, within 7 days of making the order to grant the licence to an applicant send a copy of the licence to the Central Government, the Central Electricity Authority, the Central Transmission Utility, the applicant and the concerned DIC(s)."

18. The Petitioner has approached the Commission with a separate application for the adoption of transmission charges in respect of the transmission system, which is presently under consideration of the Commission, and the order in that Petition will be issued separately. The Petitioner has filed the present Petition for the grant of a transmission licence in accordance with the provisions of the Transmission Licence Regulations, 2024. The Petitioner has submitted proof of service of the copies of the application on the BPC, CTUIL and the beneficiaries and proof of web posting of the complete application. The Petitioner has further undertaken to pay the applicable licence fee upon the grant of a transmission licence in terms of the Central Electricity Regulatory Commission (Payment of Fees) Regulations, 2012. The Petitioner has prayed for the grant of a transmission licence to KHAVDA V-A Power Transmission Limited with respect to the transmission system as per the details given in paragraph 1 above.

19. The Petitioner has made the Application as per Form-I and paid a fee of Rs. one lakh as prescribed by the Central Government. As per the direction of the Commission, the Petitioner has served a copy of the Application on the beneficiaries of the transmission project for the Project. The transmission charges quoted by the Petitioner, which have been recommended by the Bid Evaluation Committee for acceptance, is Rs. 40,828.67 million. The Petitioner has also enclosed copies of the recommendations of the Bid Evaluation Committee.

20. The Petitioner has published the notices on the e-filing portal of the Commission and on its website in Form-II in English, Gujarati and Marathi. The Petitioner has also published the notice digitally in Free Press Gujarat, Divya Bhaskar,

Free Press Journal, and Sakal in the States of Gujarat and Maharashtra on 2.12.2024.

In response, no objection has been received from the general public to the notices.

21. The Petitioner has served the copy of the Application on the Central Transmission of Utility of India Limited (CTUIL) as required under Section 15(3) of the Act and Regulation 5(3) of the Transmission Licence Regulations. CTUIL, vide its letter dated 4.12.2024, has recommended the grant of a transmission licence to the Petitioner. The Relevant portions of the said letter dated 4.12.2024 is extracted as under:

“This has reference to the Transmission License Petition having Diary no. 1055/2024 dated 27.11.2024 filled by M/s Khavda V-A Power Transmission Limited (KVAPTL) before Hon’ble Commission vide which M/s KWATL has requested CTU for issuance of its recommendation for grant of Transmission License for subject transmission scheme. In this regard, the following is submitted:

1. M/s Khavda V-A Power Transmission Limited (KVAPTL) has filed a petition under Section 14, 15 and 79(1)(e) of the Electricity Act, 2003 read with CERC (Procedure, Terms and Conditions for Grant of Transmission License and other related matters) Regulations, 2024 for grant of transmission license for “Transmission System for Evacuation of Power from potential renewable energy zone in Khavda area of Gujarat under Phase-V (8 GW): Part A” project on Build, Own, Operate and Transfer (BOOT) basis as ISTS. The detailed scope of the transmission scheme is enclosed at Annexure-I.

2. M/s Khavda V-A Power Transmission Limited (KVAPTL) has mapped Nodal Agency i.e., CTUIL on the e-portal of Hon’ble Commission, to serve a copy of the application for the grant of Transmission License, for the above transmission system as per section 15(3) of the Electricity Act, 2003 and Regulation 7(6) of Transmission License Regulations, 2024 for recommendation required u/s 15(4) of the Electricity Act, 2003 and Regulation 7(11) of Transmission License Regulations, 2024.

3. In reference to the Transmission Scheme “Transmission System for Evacuation of Power from potential renewable energy zone in Khavda area of Gujarat under Phase-V (8 GW): Part A”, the following is submitted:

i) The government of India has set a target for establishing 500 GW non fossil generation capacity by 2030, which also includes 30 GW RE potential in the Khavda area of Gujarat under ISTS.

ii) As per planning carried out for Khavda RE Park, the transmission system for evacuation of total 30.5GW power from Khavda RE Park has been planned in 5 phases (Ph-1: 3GW, Ph-II: 5GW, Ph-III: 7GW, Ph-IV: 7GW & Ph-V: 8.5GW). The Phase V-A (HVDC LCC) transmission scheme has been planned for evacuation

of additional 6GW RE power from Khavda RE park beyond cumulative 22GW upto Ph-IV.

iii) The subject scheme broadly includes establishment of 6000 MW, ± 800 kV (HVDC) [LCC] terminal station (4x1500 MW) at KPS-2 and Nagpur, ± 800 kV HVDC Bipole line (Hexa lapwing) between KPS2 (HVDC) and Nagpur (HVDC) (with Dedicated Metallic Return), establishment of 6x1500 MVA, 765/400 kV ICTs at Nagpur S/s along with 2x330 MVAR (765 kV) & 2x125 MVAR, 420 kV bus reactors along with associated interconnections with HVDC Switchyard, LILO of Wardha - Raipur 765 kV one D/c line (out of 2xD/c lines) at Nagpur.

The detailed scope of the transmission scheme is enclosed at Annexure-I.

iv) The subject transmission scheme was discussed and agreed upon in the joint study meeting held amongst CEA, CTU, WRPC, GRID-INDIA, GETCO & MSETCL on 19.12.2022 to discuss transmission system for Evacuation of Power from potential renewable energy zone in Khavda area of Gujarat (beyond 15GW). Extracts of the minutes of the meeting is enclosed at Annexure-II v) The subject transmission scheme was discussed and agreed upon in the 14th & 19th Consultation meeting for Evolving Transmission Schemes in WR (CMETS-WR) meeting held on 30/12/2022 & 30/05/2023 respectively. Extract of the minutes of the above meetings are enclosed at Annexure-III.

vi) The subject transmission scheme was discussed in the 46th & 47th WRPC meetings held on 03/02/2023 & 15/06/2023 respectively. Extracts of the minutes of the above WRPC meetings are enclosed at Annexure-IV.

vii) The subject transmission system was discussed and agreed upon in the 14th NCT meeting held on 09/06/2023. The extract of the minutes of the NCT meeting is enclosed at Annexure-V.

viii) The Government of India, Ministry of Power, vide Gazette notification no. 3733 dated 04.09.2023 had notified REC Power Development and Consultancy Limited (RECPDCL) as the Bid Process Coordinator for the purpose of selection of Bidder as Transmission Service Provider (TSP) to establish the subject ISTS through Tariff Based Competitive Bidding (TBCB) process on build, own operate & transfer basis. Copy of Gazette notification is enclosed at Annexure-VI of the application filed by M/s KVAPTL.

ix) Pursuant to the process of competitive bidding conducted by the BPC, Power Grid Corporation of India Limited emerged as the successful bidder. Thereafter, the BPC issued a Letter of Intent in favour of Power Grid Corporation of India Limited on 24/10/2024. Subsequently, Power Grid Corporation of India Limited acquired Khavda V-A Power Transmission Limited on 19/11/2024, after execution of the Share Purchase Agreement (SPA) and completing all procedural requirements specified in the bid documents. The scheduled COD for the subject ISTS scheme is 19.11.2028 (i.e 48 months from effective date as per TSA) for Bipole-1 and all the other elements excluding Bipole-2, which is 19.05.2029 (i.e 54 months from the effective date as per TSA) as mentioned at Annexure-I.

4. In line with Section 15(4) of the Electricity Act, 2003 and Regulation 5(9) of Transmission License Regulations, 2024, based on details furnished by M/s Khavda V-A Power Transmission Limited, CTU recommends the grant of transmission license to M/s Khavda."

22. We have considered the submissions of the Petitioner, BPC, and CTUIL. The proviso to Clause 2.15.2 of the RfP provides that "if for any reason attributable to the BPC, the said activities are not completed by the Selected Bidder within the above period of ten (10) days as mentioned in this clause, such period of 10 days shall be extended, on a day to day basis till the end of the Bid validity period". As per the above provision, the selected bidder was required to complete all the activities, including the acquisition of SPVs, by 2.11.2024. Though the Lol was issued on 24.10.2024, the BPC, vide its letter dated 19.11.2024 in terms of Clause 2.15.2 of the RfP, extended the date up to 26.11.2024 for completion of all activities by the successful bidder. The selected bidder furnished the Contract Performance Guarantee in favour of the Nodal Agency (CTUIL) for an amount of Rs. 714.00 crores on 19.11.2024 and acquired a hundred per cent equity holding in the applicant company on 19.11.2024 after execution of the Share Purchase Agreement. As per clause 2.15.4 of the RfP, the TSP is required to apply to the Commission for the grant of a transmission licence within five working days of the issuance of the acquisition of the SPV to the successful bidder. The successful bidder, namely Power Grid Corporation of India Limited, acquired the SPV on 19.11.2024. Accordingly, the TSP has filed the instant Petition through e-filing for the grant of a transmission licence on 27.11.2024.

23. 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 construction, operation, and maintenance of the transmission system as described in para 1 of this order. We, therefore, direct that a public notice in two daily digital newspaper and on the Commission`s website under clause (a) of sub-section (5) of Order in Petition No. 71/TL/2025

Section 15 of the Act be published to invite suggestions or objections to the grant of a transmission licence aforesaid. The objections or suggestions, if any, be filed by any person before the Commission by **23.3.2025**.

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

25. It is observed that as per Article 5.1.1 of the TSA, the TSP, at its own cost and expense, shall be responsible for designing, constructing, erecting, testing and commissioning each element of the Project by scheduled COD in accordance with the various regulations of the Central Electricity Authority regarding Technical Standards and Grid Standards, Prudent Utility Practices and other applicable laws. Further, Article 5.4 of the TSA provides that the TSP shall ensure that the Project is designed, built and completed in a good workman-like manner using sound engineering and construction practices and using only materials and equipment that are new and of international utility-grade quality such that the useful life of the Project will be till the expiry date. Further, the design, construction, and testing of all equipment, facilities, components and systems of the Project shall be in accordance with Indian Standards and Codes issued by the Bureau of India Standards. In this regard, the Petitioner has submitted that it would implement the Project as per the provisions of the TSA, including Article 16.4, Article 5.1.1, and Article 5.4 of the TSA. It is expected that while carrying out the survey, the Petitioner has complied with the provisions of clause 2.5.7.3, clause 2.5.7.4 and clause 2.5.7.5 of the RfP. The Petitioner will comply with

the provisions of the bidding documents and the TSA for the commissioning of the Project within the SCOD.

26. The Petition shall be listed for hearing on **25.3.2025**.

**Sd/-
(Harish Dudani)
Member**

**sd/-
(Ramesh Babu V.)
Member**

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