

**CENTRAL ELECTRICITY REGULATORY COMMISSION
NEW DELHI**

Petition No. 31/2010

**Coram: Dr. Pramod Deo, Chairperson
Shri S.Jayaraman, Member
Shri V.S.Verma, Member
Shri M.Deena Dayalan, Member**

DATE OF HEARING: 11.11.2010

DATE OF ORDER: 1.12.2010

In the matter of

Application for grant of Transmission Licence to Cross Border Power Transmission Company Limited.

**And
In the matter of**

Cross Border Power Transmission Company Limited, Gurgaon
..... **Applicant**

Vs

PTC India Limited, New Delhi
Power Grid Corporation of India Limited, Gurgaon **Respondents**

The following were present:

1. Shri S.C Mishra, CBPTCL
2. Shri V.L.Dua, CBPTCL
3. Shri Mehtab Ahmed, CBPTCL
4. Shri I.A.Khan, CBPTCL
5. Shri Ajay Holani, PGCIL

ORDER

The Applicant, Cross Border Power Transmission company Limited under Regulation 6 (b) of the Central Electricity Regulatory Commission



(Procedure, Terms and Conditions of Transmission Licence and other related matters) Regulations, 2009 (hereinafter "transmission licence regulations") has filed this petition for grant of transmission licence to undertake the business of establishing, commissioning, operating and maintaining of the transmission system comprising the following elements:

(a) Transmission Lines:

Name	Voltage Class(kV)	Length(Km)	Type(S/C or D/C)
Muzaffarpur-Sursand	400 kV to be initially charged at 220 kV level	90 kms	D/C Twin moose

(b) Sub-station: 220 kV- 2 Nos of bays (Bay extension work at Muzaffarpur substation of Power Grid)

2. The Applicant was incorporated on 19.12.2006 under the Companies Act, 1956 as Cross Border Power Transmission Company Private Limited which name was changed to Cross Border Power Transmission Company Limited on conversion to Public Limited Company on 29.1.2010. The Applicant Company is a joint venture with the equity participation to Power Grid Corporation of India Ltd. , Satluj Jal Vidyut Nigam Limited and IL&FS Energy Development Company Ltd.

3. We had examined the application of the applicant in the light of the provisions of the Electricity Act, 2003 (the Act) and the provisions of the transmission licence regulations and *Prime facie* come to the conclusion



that the applicant fulfilled the conditions for grant of transmission licence.

In our order dated 15.10.2010, the following directions were issued:

"16.Considering the importance of the transmission line in promoting exchange of power between India and Nepal, the agreement between the Nepalese delegation and Indian delegation to facilitate development of robust and violable interconnection between India and Nepal, and the recommendations of the CTU, the agreement of NEA to bear the transmission charges of the entire transmission capacity of the Indian portion, we are *prima-facie* satisfied that the applicant fulfills the conditions for grant of transmission licence. Accordingly, we direct that a notice of our proposal to grant transmission licence to the Cross Border Transmission Company Ltd. be published in two daily newspapers inviting suggestions/objections from the public in terms of sub-section 5 of section 15 of the Act."

4. The public notice was published on 21.10.2010 in all editions of Hindustan Times and Times of India. In response to the public notice, no suggestions/objections have been received.

5. The matter was heard on 11.11.2010.

6. Clauses (15) and (16) of Regulation 7 of transmission licence regulations provide as under:

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

(16) The Commission may, before granting licence or rejecting the application, provide an opportunity to the applicant, the Central Transmission Utility, the Long-term customers, or the person who has filed suggestions and objections, or any other person:



Provided further that the applicant shall always be given a reasonable opportunity of being heard before rejecting the application.”

7. The applicant is a joint venture company which intends to undertake the business of establishment, commissioning, operation and maintenance of Indian portion of 400 kV D/C Muzaffarpur (India) – Dhalkevar (Nepal) transmission line for exchange of power between India and Nepal. The applicant is a State owned or controlled company and has been identified as a project developer prior to 5.1.2011 and accordingly, fulfills the requirements of Regulation 6 (b) of the transmission licence regulations. The Central Transmission Utility has recommended for grant of transmission licence to the applicant. In our order dated 15.10.2010, we had proposed to grant transmission licence to the applicant company and directed for issue of public notice. In response to public notice, no suggestions/objections have been received. We are satisfied that the applicant company meets the requirements of the Act and the transmission licence regulations for grant of transmission licence for the subject transmission system mentioned at para 1 of this order. Accordingly, we direct that a transmission licence be granted to Cross Border Power Transmission Company Limited to undertake the business of establishing, commissioning, operating and maintaining of the transmission System as per the details given in para 1 above.



8. The grant of transmission licence to the applicant is subject to the fulfillment 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;

(b) If the useful life of the transmission system extends beyond the period of 25 years, the applicant may make an application two years before the expiry of initial period licence for grant of licence for another term which shall be considered by the Commission in accordance with law;

(c) The applicant 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;

(d) The applicant shall have the liability to pay the license fee in accordance with the provisions of the Central Electricity Regulatory Commission (Payment of Fees) Regulations, 2008, as amended from time to time or any of other regulations in force. Delay in payment or non-payment of licence fee or a part thereof for a period exceeding sixty days shall be construed as breach of the terms and conditions of licence;

(e) The applicant 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;

(f) The applicant shall provide non-discriminatory open access to its transmission system for use by any other licensee, including a distribution licensee or an electricity trader, or generating company or any other person in accordance with the Central Electricity Regulatory Commission (Open Access in inter-State Transmission) Regulations, 2008, as amended from time to time;

(g) The applicant 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, 2007, as amended from time to time;

(h) The applicant shall remain bound by the provisions of the Act, the rules and regulations framed thereunder, in particular the transmission licence regulations, the Grid Code, the Standards



specified by the Central Electricity Authority, orders and directions of the Commission issued from time to time.

9. Petition No. 31 of 2010 is disposed of in terms of the above.

Sd/-
(M. Deena Dayalan)
Member

Sd/-
(V.S.Verma)
Member

Sd/-
(S.Jayaraman)
Member

Sd/-
(Dr. Pramod Deo)
Chairperson

