

**CENTRAL ELECTRICITY REGULATORY COMMISSION  
NEW DELHI**

**Petition No. 108/2011**

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

**Date of Hearing: 26.7.2011**

**Date of Order: 28.10.2011**

**In the matter of**

Application under Section 63 of the Electricity Act, 2003 for adoption of transmission charges with respect to transmission system being established by Bhopal-Dhule Transmission Company Limited, New Delhi.

**And in the matter of**

Bhopal-Dhule Transmission Company Limited, New Delhi **Applicant**

**Vs**

- 1 Sterlite Energy Limited, Bhubaneshwar
- 2 GMR Kamalanga Energy Limited, Bangalore
- 3 Navbharat Power Pvt.Ltd., Mumbai
- 4 Monnet Power Company Ltd., New Delhi
- 5 H Jindal India Thermal Power Ltd, New Delhi
- 6 Lanco Babandh Power Ltd., Gurgaon
- 7 Ind Barath Energy (Utkal) Ltd., Hyderabad
- 8 M.B Power (Madhya Pradesh) Ltd., New Delhi
- 9 RKM Powergen Ltd., Chennai
- 10Athena Chattisgarh Power Ltd., Hyderabad
- 11Jindal Power Limited, Gurgaon
- 12 SKS Power Generation (Chattisgarh) Ltd., Mumbai
- 13 Korba West Power Co. Ltd., Gurgaon
- 14 DB Power Ltd., Gurgaon
- 15 Visa Power Limited, Kolkata
- 16 KSK Mahanadi Power Company Ltd., Hyderabad
- 17 Bharat Aluminum Company Ltd, Korba
- 18 Vandana Vidyut Ltd., Raipur
- 19 Lanco Amarkantak Power Ltd., Gurgaon
- 20 GMR Chhattisgarh Energy Pvt. Ltd., Bangalore
- 21 Chhattisgarh State Power Trading Co. Ltd, Raipur

**Respondents**



**The following were present:**

1. Shri T.A.Reddy, JTCL
2. Miss Deepali, JTCL
3. Shri S.M.Singh, PGCIL
4. Shri Ajay Holani, PGCIL
5. Miss Manju Gupta, PGCIL

**ORDER**

The Applicant, Jabalpur Transmission Company Limited (JTCL) has filed the present application under section 63 of the Electricity Act, 2003 (the Act) for adoption of tariff in respect of transmission systems comprising the following elements:

**Transmission lines**

- (i) Jabalpur-Bhopal 765 kV S/C transmission line (ACSR/AAAC Bersemis Quad) -286 kms;
- (ii) Bhopal-Indore 765 kV S/C transmission line (ACSR/AAAC Bersemis Quad)-181 kms;
- (iii) Bhopal-Bhopal (MPPTCL) 400 kV D/C Quad transmission line (ACSR/AAAC Moose)-10 kms;
- (iv) Aurangabad-Dhule (IPTC) 765 kV S/C transmission line (ACSR/AAAC Bersemis Quad)-232 kms;
- (v) Dhule (IPTC)-Vadodara 765 kV S/C transmission line (ACSR/AAAC Bersemis Quad)-276 kms;
- (vi) Dhule (IPTC)-Dhule (MSETCL) 400 kV Quad D/C transmission line (ACSR/AAAC Moose)-20 kms.

**Sub-station**

- (i) Bhopal sub-station (2 x1500 MVA, 765/400 kV);
- (ii) Dhule (IPTC) sub-station (2 x 1500 MVA, 765/400 kV).

2. The applicant has submitted that the Central Government in exercise of the powers under section 63 of the Act has notified the "Tariff Based Competitive Bidding Guidelines for Transmission Service" (hereinafter "the Guidelines") vide Government of India Ministry of Power Resolution No.11/5/2005-PG(i) dated 17.4.2006. The applicant has further submitted that PFC Consulting Limited (PFCCL) was notified by Government of India Ministry of Power vide notification F.No. 11/12/2006-PG dated 1.7.2009 as the Bid Process Coordinator (herein after referred to as 'BPC') for the purpose of selection of bidder as Transmission Service Provider (TSP) to establish the transmission system for system strengthening of Western Region on Build, Own, Operate and Maintain (BOOM) basis through competitive bidding in accordance with the Guidelines. The applicant was incorporated on 8.9.2009 by Power Finance Corporation Limited as its wholly owned subsidiary to establish the transmission project for System Strengthening of Western Region on BOOM basis and to act as the Transmission Service Provider (TSP) after being acquired by the successful bidder.

3. The applicant has submitted that PFCCL in its capacity as the BPC invited prospective bidder for issue of Request for Qualification (RfQ) to qualify/shortlist the bidders for participation in the next stage of bidding i.e Request for Proposal (RfP) as part of the process for selection of Transmission Service Provider (TSP) in accordance with the Guidelines.



The bidder selected in accordance with the bidding process was required to acquire one hundred percent of equity shares in the Bhopal Dhule Transmission Company Limited and then the assumed to the responsibility of the TSP to establish the transmission project and to provide service on long term basis to the Long Term Transmission Customers (LTCs).

4. The petitioner has submitted that the BPC started the process of selection of TSP with the publication of Global Invitation for Qualification on 2.3.2010 for selection of a TSP for the project and to provide transmission service on long term basis to the Long Term Transmission Customers (LTC). Intimation regarding the initiation of the bidding process was given by the BPC to the Commission vide its letter dated 2.3.2010. The bidding process was concluded on 28.1.2011 when the Board of the BPC resolved that M/s Sterlite Transmission Projects Private Limited has quoted the lowest levelized transmission charges and was accordingly declared successful bidder. The Letter of Intent (LOI) was issued on successful bidder on 31.1.2011 which has been accepted by the successful bidder unconditionally on the same date. The applicant has further submitted that hundred percent equity share holding has been acquired by the M/s Sterlite Transmission Projects Private Limited and a share purchase agreement to this effect has been executed on 31.3.2011. The applicant has prayed for adoption of the transmission charges for the project which has been discovered through the process of competitive bidding.

5. Notices were issued to all the respondents who are the Long Term Transmission Customers of the project. Chhattisgarh State Power Trading Company Ltd., one of the LTTC has filed its reply vide affidavit dated 10.9.2011. Notice was also issued to PFCCL in its capacity as Bid Process Coordinator. PFCCL has filed the copies of all relevant documents pertaining to the bidding process.

6. Chhattisgarh State Power Trading Company Limited one of the LTTC in its affidavit dated 10.9.2011 has submitted that in schedule 2 of the Transmission Service Agreement, it has been mentioned in page 324 of the petition that the sharing of transmission charges for the various elements of the transmission worked listed in the Agreement would be as per the orders of the Commission issued from time to time. The LTTC has further submitted that necessary data for the purposes of sharing of transmission charges for various elements are not available on record before the Commission and the petitioner may be directed to make the same available for determination by the Hon`ble Commission so that the charges for each element which has been proposed to be recovered from the constituents under the Agreement are also known to the Long-Term Transmission Customers.

7. We would like to clarify for the information of the LTTC that tariff discussed through competitive bidding process is required to be adopted by the Commission under Section 63 of the Act. The levelized tariff has

been indicated in Appendix to this order. The Sharing of the transmission charges shall be governed by the provisions of the of Central Electricity Regulatory Commission (Sharing of inter-State Transmission Charges and Losses) Regulations, 2010 as amended from time to time

8. The matter was heard on 26.7.2011. None of the respondents was present. We have heard the representative of the applicant and perused the documents on record. We now proceed to examine whether the transmission charges have been arrived at in accordance with section 63 of the Act.

9. Section 63 of the Act provides as under:

*"63. Notwithstanding anything contained in section 62, the Appropriate Commission shall adopt the tariff if such tariff has been determined through transparent process of bidding in accordance with the guidelines issued by the Central Government."*

10. Government of India, Ministry of Power has notified the Guidelines issued by the Central Government under section 63 of the Act vide Resolution No.11/5/2005-PG(i) dated 17.4.2006. The salient features of the Guidelines are discussed in brief as under:

(a) The Guidelines are applicable for procurement of transmission services for transmission of electricity through tariff based competitive bidding and for selection of transmission service

provider for new transmission lines and to build, own, maintain and operate the specified transmission system elements.

(b) For procurement of transmission services, required for inter-State transmission, the Central Government shall notify any Central Government Organization or any Central Public Sector Undertaking as the Bid Process Coordinator (BPC) who would be responsible for coordinating the bid process.

(c) The BPC shall prepare the bid documentation in accordance with the Guidelines and obtain approval of the Appropriate Commission or alternatively, the BPC can use the standard bid documents notified by the Ministry of Power. Approval of the Appropriate Commission would be necessary if any material deviation is proposed to be made in the Standard Bid Documents. Intimation about the initiation of the bid process shall be sent by the BPC to the Appropriate Commission.

(d) For procurement of transmission charges under the Guidelines, the BPC may adopt at its option either a two-stage process featuring separate Request for Qualifications (RFQ) and Request for Proposal(RFP) or adopt a single stage two envelope tender process combining both RFQ and RFP processes.

(e) RFQ or combined RFQ and RFP notice shall be issued in at least two national newspapers, website of the BPC and the appropriate Government and preferably in the trade magazines also to provide wide publicity. For the purpose of issue of RFQ minimum conditions to be met by the bidder shall be specified in the RFQ notice. The bidding shall be by way of International Competitive Bidding.

(f) Standard documentation to be provided in the RFQ stage shall include definitions of requirements including the details of location and technical qualifications for each component of the transmission lines, construction milestones, and financial requirements to be met by the bidders; proposed Transmission Service Agreement; period of validity of offer of bidder; conditions as specified by the Appropriate Commission for being eligible to obtain a transmission licence; and other technical and safety criteria to be met by the bidder/TSP including the provisions of Indian Electricity Grid Code (IEGC).

(g) Standard documentations to be provided by BPC in the RFP shall include specified target dates/months for commissioning and commercial operations and start of providing transmission services; TSA proposed to be entered with the selected bidder; bid evaluation methodology to be adopted by the BPC; Discount Factor to be used



for evaluation of the bids; specification regarding the bid bond and project completion guarantee to be furnished by the bidders; proposed indemnification agreement between the TSP and the utilities; amount of contract performance guarantee as percentage of the project cost; and the liquidated damages that would apply in the case of delay in start of providing the transmission services.

(h) To ensure competitiveness, the minimum number of qualified bidders will be two. The BPC shall constitute a committee for evaluation of the bids with at least one member from Central Electricity Authority (CEA) and the concerned Regional Power Committees. The member from CEA shall have expertise in the cost engineering of transmission projects. The bids shall be opened in public and the representative of the bidders shall be allowed to remain present. The technical bids shall be scored to ensure that only the bids that meet the minimum technical criteria set out in the RFO shall be considered for further evaluation on the transmission charge bids. The transmission charge bid shall be rejected if it contains any deviation from the tender conditions for submission of the same. The bidder who has quoted the lowest transmission charge as per the evaluation procedure shall be considered for the award.

(i) The Guidelines provide for suggested time tables for the bid process. The timeline suggested for a two stage bid process is 240

days and single stage two envelope bid process is 180 days. The BPC is empowered to give extended time-frame based on the prevailing circumstances and such alterations shall not be construed as the deviation from the Guidelines.

(j) The selected bidder shall make an application for grant of transmission licence to the Appropriate Commission within one month of selection. The TSA shall be signed with the selected bidder in accordance with the terms and conditions as finalized in the bid document before the RFP stage.

(k) The BPC shall make evaluation of the bid public by indicating the terms of the winning bid and anonymous comparison of all other bids. All contracts signed with the successful bidder shall also be made public. The final TSA along with the certification of BPC shall be forwarded to the Appropriate Commission for adoption of tariff in terms of section 63 of the Act.

11. In the light of the above provisions of the Guidelines, we have examined in the succeeding paragraphs the process of international competitive bidding adopted in the present case for arriving at the lowest levelised transmission charges and for selection of the successful bidder.

12. PFCCCL was notified by Government of India, Ministry of Power vide Notification No. 11/12/2006-PG dated 1.7.2009 as the Bid Process



Coordinator (BPC) for the purpose of selection of bidder as Transmission Service Provider (TSP) to establish the project on Build, Own, Operate and Maintain (BOOM) basis through tariff based competitive bidding process.

13. Bhopal-Dhule Transmission Company Limited (BDTCL) was incorporated on 8.9.2009 under the Companies Act, 1956 as a wholly owned subsidiary of Power Finance Corporation Limited with the objective to establish the transmission system for "System Strengthening of WR" on build, own, operate and maintain basis and to act as the Transmission Service Provider (TSP) after being acquired by the successful bidder. The main objects of the applicant company in its Memorandum of Associations are as under:

*"Plan, promote and develop an integrated and efficient power transmission system network in all its respects including planning, investigations, research, design and engineering, preparation of preliminary, feasibility and definite project reports, construction, operation and maintenance of transmission lines, sub-station, load dispatch stations and communication facilities and appurtenant works, coordination of integration operation of regional and national grid system, execution of turn-key jobs for other utilities/organizations, wheeling of power, purchase and sale of power in accordance with the policies, guidelines and objectives laid down by the Central Government from time to time".*

14. PFCCL as the BPC prepared the bidding documents such as RFQ and RFP in accordance with the Standard Bid Documents issued by the Ministry of Power, Government of India on 28.1.2008 as amended on 18.9.2008 and 1.2.1010 and project specific inputs furnished by Central Electricity Authority on 3.12.2009. The BPC started the process of selection of TSP with

the publication of Global Invitation for Qualification on 2.3.2010 for selection of developer on 'Build, Own, Operate and Maintain (BOOM)' basis for the project. The RFQ notice was published on 2.3.2010 in all the editions of The Economic Times, The Nav Bharat Times, The Times of India and The Financial Times with the last date of submission of response to RFQ as 6.4.2010. Intimation regarding the initiation of the bid process was given to the Central Commission in accordance with para 4.2 of the Guidelines vide its letter No. 03/IT03/09/JTCL/11, dated 25.2.2010.

15. The scope of the project as per the Request for Proposal (RFP) which also part form part of the Transmission Line Agreement is as under:

<b>Transmission System for "System Strengthening for WR"</b>			
S.No.	Transmission lines	Completion target	Conductor per phase
1.	Jabalpur pool-Bhopal, 765 kV, S/C Line	36 months from the effective date	4 x Bersimis ACSR or AAAC, Transmission line design should be corresponding to 850 C conductor temperature operation
2.	Bhopal-Indore, 765 kV, S/C line	36 months from the effective date	4 x Bersimis ACSR or AAAC, Transmission line design should be corresponding to 850 C conductor temperature operation
3.	Bhopla-Bhopal (MPPTCL), 400 k V D/C Quad	36 months from the effective date	4 x Moose ACSR or AAAC, Transmission line design should be corresponding to

			850 C
4.	Aurangabad-Dhule (IPTC) 765 kV S/C Line	36 months from the effective date	4 x Bersimis ACSR or AAAC, Transmission line design should be corresponding to 850 C conductor temperature operation
5.	Dhule (IPTC)-Vadodara 765 kV S/C Line	36 months from the effective date	4 x Bersimis ACSR or AAAC, Transmission line design should be corresponding to 850 C conductor temperature operation
6.	Dhule (IPTC)-Dhule (MSETCL), 400 kV D/C quad	36 months from the effective date	4 x Moose ACSR or AAAC, Transmission line design should be corresponding to 850 C
<b>Sub-stations</b>			
	<b>Name of the sub-station and specification</b>	<b>Completion target</b>	
1.	<p><b>Bhopal sub-station (2x1500 MVA, 765/400 kV)</b></p> <ul style="list-style-type: none"> <li>&gt; 765/400 kV transformers: 7x500 MVA single phase units totaling to 2x1500 MVA plus one spare single phase unit of 500 MVA) along with bays, space for 3rd 1500 MVA transformer.</li> <li>&gt; 765 kV, 240 MVAR switchable Bus Reactor <b>(4x80 single phase units including one spare unit)</b></li> <li>&gt; 765 kV line bays: 2 numbers each with 240 MVAR switchable reactor <b>(7x80 single phase units including one spare units)-</b> for Indore line and Jabalpur line, space provision for 2 bays for future</li> </ul>	36 months from the effective date	

	<p>expansion.</p> <ul style="list-style-type: none"> <li>&gt; 400 kV line bays at Bhopal (IPTC): 2 no for Bhopal (MPPTCL) lines, Space provision for 4 bays for future expansion</li> <li>&gt; <b>125 MVAR switchable bus reactor at 400 kV Bhopal (IPTC)</b></li> </ul>	
2.	<p><b>Dhule (IPTC) sub-station (2x1500 MVA, 765/400 kV)</b></p> <ul style="list-style-type: none"> <li>&gt; 765/400 kV transformers: 7x500 MVA single phase units totaling to 2x1500 MVA plus one spare single phase unit of 500 MVA) along with bays, space for 3rd 1500 MVA transformer.</li> <li>&gt; 765 kV, 240 MVAR switchable Bus Reactor <b>(4x80 single phase units including one spare unit)</b></li> <li>&gt; 765 kV line bays: 2 numbers each with 240 MVAR switchable reactor <b>(7x80 single phase units including one spare units)</b>-for Aurangabad line and Vadodara line and space provision for 2 bays for future expansion.</li> <li>&gt; 400 kV line bays at Dhule (IPTC): 6 nos (2 nos for Dhule (MSETCL) lines and 4 nos for interconnection with Dhule HVDC of POWERGRID), Space provision for 2 bays for future expansion</li> </ul>	36 months from the effective date

16. The identified Long Term Transmission Customers (LTCs) of the project along with the allocated capacity in the project are as under, namely:-

S.No.	Name of long term transmission customers	Allocated capacity (in MW)
1	Sterlite energy Limited	3.3
2	GMR Kamalanga Energy Limited	6.6
3	Navbharat Power Limitd	5.9
4	Monnent Power Company Limited	7.4
5	H Jindal India Thermal Power Limited	8.5
6	Lanco Babandh Power Limited	13.1
7	Ind Barat Energy (Utkal) Limited	5
8	MB Power (Madhya Pradesh) Limited	3.2
9	RKM Powergen Limited	2.45
10	Athena Chandigarh Power Limited	2.05
11	a. Jindal Power Limited (4*600 MW)	4.2
	b. Jindal Power Limited (4*135 MW and 4*250 MW)	1.2
12	SKS Power Generation (Chhattisgarh) Limited	2.05
13	Korba West Power Company Limited	0.70
14	DB Power Limited	2.1
15	Visa Power Limited	2
16	KSK Mahanadi Power Company Limited	7
17	Bharat Aluminium Company Limited	0.60
18	Vandana Vidyut Limited	0.80
19	LANCO Amarkantak Power Limited	2.6
20	GMR Chhattisgarh Energy Pvt. Limited	2.45
21	Chhattisgarh State Power Trading Company Limited	16.8

17. Responses to the RFO were received from twenty two bidders on 6.4.2010 as per the details given below:

<b>S.No.</b>	<b>Participants</b>
1	Reliance Power Transmission Limited
2	Gujarat Paguthan Energy Corporation Pvt. Ltd.
3	Sadbhav-AZZ-SREI Consortium
4	SMS Infrastructure Limited
5	Lanco Infratech Limited
6	GMR Energy Limited
7	JSW-Isolux Consortium
8	CESC Limited
9	IVRCL Infrastructures and Projects Limited
10	Malaxmi Omkareshwar Power Private Limited
11	Tata Power Company Ltd
12	L & T Transco Pvt. Ltd.
13	Joyti Energy Limited
14	Madhucon-Sujana Consortium
15	Century-Skipper Consortitum
16	Instalaciones Inabensa S.A.
17	Soma Enterprise Ltd
18	Essel Infraprojects Ltd-BS Transcom Ltd.- Consortium
19	PEL-SIL Consortium
20	Ashoka-ICOMM Consortitum
21	Ind Barath-Coastal (Joint Venture)
22	Sterlite Transmission Projects Pvt. Ltd.

18. The petitioner has submitted that out of the said twenty two bidders, fifteen bidders got qualified for RFP stage as under:

<b>S.No.</b>	<b>Qualified bidders</b>
1	Reliance Power Transmission Limited
2	GPEC-Gammon Consortitum
3	Sadbhav-AZZ-SREI Consortium
4	Lanco Infratech Limited
5	GMR Energy Limited
6	JSW-Isolux Consortium
7	Tata Power Company Ltd
8	L & T Transco Pvt. Ltd
9	Madhucon-Sujana Consortium



10	Instalaciones Inabensa S.A.
11	Soma Enterprise Ltd
12	Ashoka-ICOMM Consortium
13	Ind Barath-Coastal (Joint Venture)
14	Century-Skipper Consortium
15	Sterlite Transmission Projects Pvt. Ltd.

19. As per the decision of the Empowered Committee on Transmission, the Bid Evaluation Committee comprising of the following was constituted:

- |  |                     |
|--|---------------------|
| (a) Shri Ashwani Mehra, GM, SBI capital Markets    | ... <b>Chairman</b> |
| (b) Shri R.K.Verma, CMD, MPPTCL                    | ... <b>Member</b>   |
| (c) Shri S.C. Sabharwal, Member(Transmission),PSEB | ... <b>Member</b>   |
| (d) Shri N.C.Jain, Chief Engineer (F&CA)           | ... <b>Member</b>   |
| (e) Shri S.K.Ray Mohapatra, Director (SETD)        | .... <b>Member</b>  |
| (f) Chairman of SPV of PFC                         | ... <b>Convenor</b> |

20. Subsequently, Shri P.K.Taneja, Additional Chief Engineer, O/o OSD (T&C), MPPTCL, Jabalpur was substituted in place of Shri R. K.Verma, CMD, MPPTCL.

21. The responses to the RFQ were opened on 28.1.2011 in the presence of Bid Evaluation Committee and the representative of the bidders. Evaluation was undertaken by PFC Consulting Limited with the help of M/s Pandey Dua and Mathurs Chartered Accountants and Legal Consultants M/s Singhania and Partners LLP and presented to the Bid Evaluation Committee which recommended the following nine bidders as qualified at RFQ stage:

1. Soma Enterprise Limited
2. Ashoka-ICOMM Consortium
3. L & T Transco Pvt. Limited
4. Reliance Power Transmission Ltd.

5. GPEC-Gammon Consortium.
6. Lanco Infratech Limited
7. Madhu-Sujana Consortium
8. Ind Barath-Coastal Joint Venture
9. Sterlite Transmission Projects Pvt. Ltd.

22. The RFP (Non-Financial) Bids of all the nine bidders were opened on 10.01.2011 in the presence of Bid Evaluation Committee and the representatives of the bidders. The RFP (Non-Financial) Bids were evaluated and same was submitted to the Bid Evaluation Committee on 17.1.2011. The Bid Evaluation Committee observed that out of nine bidders, there were minor deficiencies in following four bidders, which were procedural in nature and same be rectified by seeking clarifications:

1. Ashoka-ICOMM Consortium
2. GPEC-Gammon Consortium
3. Ind Barath-Coastal Joint Venture
4. Madhucon-Sujana Consortium

23. As per the recommendations of the Bid Evaluation Committee, clarifications were sought from the said four bidders up to 24.1.2011. The RFP (Non-Financial) Bids were again evaluated and same were submitted to Bid Evaluation Committee on 25.1.2011. Bid Evaluation Committee had recommended all the nine bidders as responsive for opening of financial bids.

24. The RFP (Financial) bids were opened on 28.1.2011 in the presence of Bid Evaluation Committee and the representatives of the bidders. The evaluation of the RFP bids was carried out by Bid Process Consultant and

reviewed by Bid Review Consultant. The evaluation report along with the Bids was submitted to the Bid Evaluation Committee on 28.1.2011. The levelised transmission charges for each bidder as per the bid evaluation model and the methodology specified in the RFP and by using of index published by the Central Commission as per its notification No. Eco 2/2010-CERC dated 28.12.2010 and as prevailing on the day seven days prior to the bid deadline were prepared by M/s Pandey Dua and Mathurs Chartered Accountants and Legal Consultants M/s Singhania and Partners LL.P.

25. Based on the evaluated levelised transmission charges, the Bid Evaluation Committee recommended Sterlite Transmission Private Limited with the lowest evaluated annual levelised transmission charges of ₹ 1995.30 million/annum as the successful bidder. Paras 2, 3 to 5 of the Minutes of the Bid Evaluation Committee which are relevant are extracted as under:

“2. As per the provisions of the RFP documents, the quoted tariff for each bidder was read out and also displayed on a screen. The quoted non-escalable transmission charges and quoted escalable transmission charges, as read out for all the twelve bidders at the bid opening are attached as Annexure-I. All the bidders have quoted the tariff in the requisite format, duly signed by the authorized signatory, as per the RFP document without any deviations or conditions. The ratio of the minimum and maximum quoted transmission charges during the term of the TSA for all the Bidders is not less than 0.7 and is as per the requirements of the RFP document. In addition, it was also observed that in case of all the nine (9) Bidders, the quoted escalable transmission charges do not exceed 15% of the corresponding quoted non-escalable transmission charges for each of the corresponding contract year.

3. The levelised tariff has been worked out using the financial model provided as an excel sheet to the bidders along with the RFP document and considering the indices declared by CERC in accordance with the provisions of the RFP document. The levelised transmission charges have been worked out based on

the methodology specified in the RFP document and by using the index published by the CERC as per Notification No. Eco 1/2010-CERC dated 31.3.2010, and as prevailing on the day seven days prior to the bid deadline (January 12, 2011).

4. Based on the evaluation of the RfP (Financial carried out by the consultants, the levelized Transmission charges are as follows:

S.No.	Bidder	Levelised Transmission charges (In Indian Rupees Million per annum)
1	Soma Enterprise Ltd	2590.21
2	Ashoka-ICOMM Consortitum	2184.75
3	L & T Transco Pvt. Ltd	2807.54
4	Reliance Power Transmission Limited	3180.02
5	GPEC-Gammon Consortitum	2960.88
6	Lanco Infratech Limited	2448.90
7	Madhucon-Sujana Consortium	4320.00
8	Ind Barath-Coastal (Joint Venture)	3060.00
9	Sterlite Transmission Projects Pvt. Ltd.	1995.30

5. As per the above and based on the evaluation carried out by the Consultants (Financial Consultant, M/s Pandey Dua and Mathur and Legal Consultant, M/s Singhania and Partners LLP), the computed levelised transmission charges of M/s Sterlite Transmission Projects Pvt. Ltd. is the lowest and accordingly, based on the ranking given below is declared as the successful bidder, and the BPC, PFC Consulting Limited, may issue the Letter of Intent (LOI) to M/s sterlite Transmission Projects Pvt. Ltd. (L-1 Bidder):

S.No.	Name of the Bidder	Levelised Transmission Tariff (Millions/annum)	Ranking
1.	Sterlite Transmission Projects Private Limited	1995.30	L-1
2.	Ashoka ICOMM Consortium	2184.75	L-2
3.	Lanco Infratech Limited	2448.90	L-3
4.	Soma Enterprises Limited	2590.21	L-4
5.	L& T Transco Pvt. Ltd.	2807.54	L-5
6.	GPEC-Gammon Consortium	2960.88	L-6
7.	Ind Barath-Coastal Joint Venture	3060.00	L-7
8.	Reliance Power Transmission Limited	3180.02	L-8
9.	Madhucon-Sujana Consortium	4320.00	L-9

26. The Bid Evaluation Committee has also certified and confirmed that the Evaluation of the responses to RFQ and RFP Bids has been carried out in

accordance with the provisions of the Guidelines and Bid Documents (RFQ and RFP).

27. Letter of Intent was issued by the BPC on 31.1.2011 to the successful bidder i.e. the Sterlite Transmission Projects Pvt. Ltd. (hereinafter "the successful bidder"). In accordance with para 12.3 of the Guidelines, the BPC has hosted on the website of PFCCCL the final results of the evaluation of the bids for selection of developer for the project.

28. In accordance with the terms of the RFP and Letter of Intent, the successful bidder is required to accomplish the following tasks:

(a) Provide Contract Performance Guarantee in favour of the LTTCs;

(b) Execute the Share Purchase Agreement;

(c) Acquire for the acquisition price, one hundred percent equity shareholding of Bhopal-Dhule Transmission Company Limited from Power Finance Corporation Limited, along with all its related assets and liabilities ;

(d) Execute the RFP project Documents including the Transmission Service Agreement with LTTCs;

(e) Make an application to the Central Electricity Regulatory Commission for adoption of charges under Section 63 of the Electricity Act, 2003;

(g) Apply to Central Electricity Regulatory Commission for grant of transmission licence.

29. The selected bidder has furnished the Performance Guarantee to each of the Long Term Transmission Customers of the project and has acquired hundred percent equity holding in the petitioner company on 31.3.2011 after execution of the Share Purchase Agreement and completing all procedural requirements specified in the bid documents.

30. In the light of the discussions in the preceding paragraphs, we are satisfied that selection of the successful bidder and the process of arriving at the levellised tariff of the project through competitive bidding has been carried out by the Bid Process Coordinator through a transparent process in accordance with the Guidelines and Standard Bid Documents. The Bid Evaluation Committee has certified that the process is in conformity with the MOP Guidelines. Accordingly, we approve and adopt the levellised transmission charges for the project as per the *Appendix* to this order.

31. The tariff adopted for the transmission system is valid for a period of 35 years. The tariff of the transmission assets beyond the period of 35 years shall be governed in accordance with the provisions of clause (4) of Regulation 13 of Central Electricity Regulatory Commission (Procedure,

Terms and Conditions for grant of Transmission Licence and other related matters) Regulations, 2009 as amended from time to time.

32. The Petition No.108/2011 is disposed in terms of the above.

**Sd/-**  
**(M. DEENA DAYALAN)**  
**MEMBER**

**sd/-**  
**(V.S.VERMA)**  
**MEMBER**

**sd/-**  
**(S. JAYARAMAN)**  
**MEMBER**

**sd/-**  
**(DR. PRAMOD DEO)**  
**CHAIRPERSON**



Transmission Charges claimed as per financial bid				
Year (Term of License)	Commencement Date of Contract Year	End Date of Contract Year	Non-Escalable Transmission Charges (₹ in Millions)	Escalable Transmission Charges (₹ in Millions)
1	16-Mar-14	31-Mar-14	1695.360	56.640
2	01-Apr-14	31-Mar-15	2427.240	Same as Above
3	01-Apr-15	31-Mar-16	2424.890	Same as Above
4	01-Apr-16	31-Mar-17	2422.450	Same as Above
5	01-Apr-17	31-Mar-18	2419.920	Same as Above
6	01-Apr-18	31-Mar-19	2417.280	Same as Above
7	01-Apr-19	31-Mar-20	2414.530	Same as Above
8	01-Apr-20	31-Mar-21	2411.760	Same as Above
9	01-Apr-21	31-Mar-22	2408.700	Same as Above
10	01-Apr-22	31-Mar-23	2405.600	Same as Above
11	01-Apr-23	31-Mar-24	1669.270	Same as Above
12	01-Apr-24	31-Mar-25	1665.920	Same as Above
13	01-Apr-25	31-Mar-26	1662.440	Same as Above
14	01-Apr-26	31-Mar-27	1658.810	Same as Above
15	01-Apr-27	31-Mar-28	1655.040	Same as Above
16	01-Apr-28	31-Mar-29	1651.110	Same as Above
17	01-Apr-29	31-Mar-30	1647.020	Same as Above
18	01-Apr-30	31-Mar-31	1642.770	Same as Above
19	01-Apr-31	31-Mar-32	1638.350	Same as Above
20	01-Apr-32	31-Mar-33	1633.740	Same as Above
21	01-Apr-33	31-Mar-34	1628.950	Same as Above
22	01-Apr-34	31-Mar-35	1623.970	Same as Above
23	01-Apr-35	31-Mar-36	1618.790	Same as Above
24	01-Apr-36	31-Mar-37	1613.390	Same as Above
25	01-Apr-37	31-Mar-38	1607.780	Same as Above
26	01-Apr-38	31-Mar-39	1601.940	Same as Above
27	01-Apr-39	31-Mar-40	1595.860	Same as Above
28	01-Apr-40	31-Mar-41	1589.530	Same as Above
29	01-Apr-41	31-Mar-42	1582.950	Same as Above
30	01-Apr-42	31-Mar-43	1576.110	Same as Above
31	01-Apr-43	31-Mar-44	1568.980	Same as Above
32	01-Apr-44	31-Mar-45	1561.570	Same as Above
33	01-Apr-45	31-Mar-46	1553.860	Same as Above
34	01-Apr-46	31-Mar-47	1545.830	Same as Above
35	01-Apr-47	31-Mar-48	1537.480	Same as Above
36	01-Apr-48	35th Anniversary of the scheduled date of commercial operation	1528.800	Same as Above