

**CENTRAL ELECTRICITY REGULATORY COMMISSION
NEW DELHI**

Petition No. 221/TL/2014

Coram:

Shri Gireesh B.Pradhan, Chairperson

Shri M. Deena Dayalan, Member

Shri A.K Singhal, Member

Shri A.S.Bakshi, Member

Date of Hearing: 11.11.2014

Date of Order: 14.11.2014

In the matter of

Application under Section 14 read with Section 15(1) of the Electricity Act, 2003 for grant of Transmission License to NRSS XXIX Transmission Limited, New Delhi.

And

In the matter of

NRSS XXIX Transmission Limited
C-2, 2nd Floor, The Mira Corporate Suites1 & 2,
Ishwar Nagar, Okhla Crossing,
Mathura Road, New Delhi-110065.

..... **Petitioner**

Vs

1. U.P. Power corporation Limited
14th Floor, Import Export & Payment Circle,
Shakti Bhawan Extn. Building,
14,Ashok Marg, Lucknow-226 001, U.P.
2. AD Hydro Power Limited
Bhilwara Towers, A-12, Sector 1,
Noida 201301,Uttar Pradesh.
3. Haryana Power Purchase Centre
Shakti Bhawan, Energy Exchange,
Room No.446, Top Floor, Sector 6,
Panchkula- 134109, Haryana
4. Punjab State Power Corporation Ltd.
Thermal Sheds,T 1-A, Thermal design,
Near 22 No. Phatak, Patiala -147001, Punjab
5. Himachal Sorang Power Pvt. Limited



901 B,9th Floor, Time Tower, M.G.Road,
Gurgaon-122 009, Haryana

6. Adani Power Limited
3rd Floor, Achalaraj,Opp. Mayor Bunglow,
Law Garden,Ahemdabad-380 006

7. Rajasthan Discoms Power Procurement Centre
Shed No. 5/4, Vidyut Bhawan, Janpath,
Jyoti Nagar Jaipur - 302 005.

8. Jaipur Vidyut Vitran Nigam Limited
Vidyut Bhawan,Janpath, Jyoti Nagar,
Jaipur-302 005.

9. Ajmer Vidyut Vitran Nigam Limited
Vidyut Bhawan, Panchsheel Nagar,
Makarwali Road, Ajmer-305004.

10. Jodhpur Vidyut Vitran Nigam Limited
New Power House, Industrial Area,
Jodhpur-342 003.

11. Lanco Anpara Power Limited
Plot No 397, Udyog Vihar, Phase 3,
Gurgaon-122 016 ,Haryana.

12. Lanco Budhil Hydro Power Pvt. Limited
Plot No. 397, Udyog Vihar, Phase-III,
Gurgaon-122016,Haryana.

13. Power Development Department
Govt. of J&K, Srinagar, Room No. 1/27,
Mini Block,Civil Secretariat, Jammu.

14. North Central Railway
Allahabad, DRM office, Nawab Yusuf Road,
Subedarganj, Allahabad-211 001, U.P.

15. Jaiprakash Power Ventures Limited
A Block, Sector-128, Noida-201304, U.P

16. BSES Yamuna Power Limited
2nd Floor, B Block, Shakti Kiran Building,
Near Karkadooma Court, New Delhi-110092.

17. BSES Rajdhani Power Limited
2nd Floor, B-Block, Behind Nehru Place Bus Terminal,
Nehru Place, New Delhi-110019.



18. Tata Power Delhi Distribution Limited
33 KV sub-station Building, Hudson Lane,
Kingsway Camp, New Delhi-110009.

19. New Delhi Municipal Corporation
NDMC, Palika Kendra, Sansad Marg,
New Delhi-110001.

20. Electricity Wing of Engineering Department
Union Territory of Chandigarh,
Electricity OP Circle, Chandigarh- 160011.

21. PTC (Budhil), PTC India Limited
2nd Floor, NBCC Tower, 15, Bhikaji Cama Place,
New Delhi- 110 066.

22. PTC (Everest), PTC India Limited,
2nd Floor, NBCC Tower, 15, Bhikaji Cama Place,
New Delhi-110 066.

23. Uttarakhand Power Corporation Limited
Urja Bhawan, Kanwali Road, Near Balli Wali Chowk,
Dehradun-248001.

24. Himachal Pradesh State Electricity Board
Vidyut Bhawan, Kumar House Complex Building II,
Shimla- 171 004.

25. Power Grid Corporation of India Limited
HVDC Dadri & HVDC Rihand,
“Saudamini” Plot No-2, Sector-29, Gurgaon -122 001, Haryana Respondents

The following were present:

1. Shri T.A. Reddy, NRSS-XXIX Transmission Limited
2. Shri Pulkit Sharma, NRSS-XXIX Transmission Limited
3. Shri Aryaman Saxena, PGCIL
4. Shri B.L.Sharma, Rajasthan Discoms
5. Shri Tarun Ahush, Rajasthan Discoms

ORDER

The petitioner, NRSS-XXIX Transmission Limited, has filed this petition under Section 14 read with Section 15(1) of the Electricity Act, 2003 (the Act) for grant of transmission licence to establish transmission system for “Northern Region System

Strengthening Scheme NRSS-XXIX” on ‘Build, Own, Operate and Maintain’ (BOOM)

basis, comprising of the following elements:

S. No.	Transmission elements	Conductors per Phase	Completion Target
1.	Jullandhar-Samba 400 kV D/C	Twin Moose ACSR or equivalent AAAC	34 months from effective date
2.	LILO of both circuits of Uri-Wagoora 400 kV D/C line at Amargarh (on multi-circuit towers)	Twin Moose ACSR or equivalent AAAC	50 months from effective date
3.	Samba-Amargarh 400 kV D/C routed through Akhnoor/ Rajouri	Twin Moose ACSR or equivalent AAAC	50 months from effective date
4.	<p>II. Sub-station Establishment of 7x105 MVA (1 ph units), with 400/220 kV GIS sub-station at Amargarh</p> <p>400 kV</p> <ul style="list-style-type: none"> - Line Bays: 6 No. - 400/220 kV ICT: 7 x 105 (1-ph Units) - ICT bays: 2 no. - Line Reactor (50 MVAR): 2 no. (for Amargarh Lines) - Bus Reactor (63 MVAR): 2 no. <ul style="list-style-type: none"> - Bus Reactor Bay: 1 no. (Two bus reactors on one bay) - Space for line/ICT bays: 4 no. - Space for ICT: 1 no. <p>220 kV</p> <ul style="list-style-type: none"> - Line Bays: 6 no. - ICT bays: 2 no. - Space for line/ICT bays: 4 no 	-	50 months from effective date

2. Based on the competitive bidding carried out by REC Transmission Projects Company Limited (RECTPCL) in accordance with the Guidelines issued by Ministry of Power, Govt. of India under Section 63 of the Act, M/s Sterlite Grid Limited (SGL) emerged as the selected bidder with the lowest levelized transmission charges of ` 4377.05 million.

3. The Commission after considering the application of the petitioner in the light of the provisions of the Electricity Act, 2003 and Central Electricity Regulatory Commission (Procedure, Terms and Conditions for grant of Transmission Licence and other related matters) Regulations, 2009 (hereinafter referred to as 'the Transmission Licence Regulations') *prima facie* proposed to grant licence to the petitioner. Relevant para of our order dated 15.10.2014 is extracted as under:

"18. We have considered the submissions of the petitioner and BPC and perused documents on record. Sterlite Grid Limited (SGL) has been selected on the basis of the tariff based competitive bidding as per the Guidelines issued by Government of India, Ministry of Power. SGL has been issued with the Lol by the BPC and has acquired 100% stake in the NRSS-XXIX Transmission Limited which has been transferred to the petitioner on 4.8.2014 after execution of Share Purchase Agreement. Thus, the petitioner has complied with the requirements of the RfP and Transmission Service Agreement. The CTU has also recommended the case of the petitioner for grant of transmission license. Considering all the material on record, we are *prima facie* of the view that the petitioner satisfies the conditions for grant of inter-State transmission license under Section 15 of the Act read with Transmission License 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 under clause (a) of sub-section (5) of Section 15 of the Act be published to invite suggestions or objections to grant of transmission license aforesaid. The objections or suggestions, if any, be filed by any person before the Commission by 7.11.2014."

4. A public notice under Section 15 (5) of the Act was published on 29.10.2014 in all editions of Hindustan Times and Dainik Jagran (Hindi). No suggestions/objections have been received from the members of the public in response to the public notice.

5. In response to the petition, Ajmer Vidyut Vitran Nigam Ltd., Jaipur Vidyut Vitran Nigam Ltd. and Jodhpur Vidyut Vitran Nigam Ltd in their common reply dated 7.11.2014 have submitted that the petitioner shall ensure execution of the project as per timelines specified in the TSA and shall remain bound by the provisions of the TSA.

6. The petitioner, vide order dated 15.10.2014, was directed to file an affidavit to the effect that the commencement and work on execution of the transmission project, shall not be delayed on the ground that statutory clearances required under RfP and the TSA have not been received or the petitioner has approached the appropriate forum for adjudication of any claim arising under the TSA. In response, the petitioner vide its affidavit dated 27.10.2014 has submitted that the terms of the TSA are binding on the parties (TSP and LTTC) and any claim for escalation in transmission charges or for extension of time that may be raised by SGL in pursuance of competitive bidding process need to be dealt in accordance with the terms contained in the TSA. The petitioner has submitted that in terms of the TSA, it would implement the transmission project as per the provisions of the Article 16.4 of the TSA which is extracted as under:

"16.4. Parties to Perform Obligation: Notwithstanding the existence of any Dispute and difference referred to the Appropriate Commission or the Arbitration Tribunal as provided in Article 16.3 and save as the Appropriate Commission or the Arbitration Tribunal may otherwise direct by a final or interim order, the Parties hereto shall continue to perform their respective obligations (which are not in dispute) under this Agreement."

7. The petitioner has further submitted that claims, if any, made by it shall be in accordance with the provisions of the RfP project documents. We direct that the petitioner shall remain bound by the commitment given by it under affidavit dated 27.10.2014.

8. The representative of the petitioner submitted during the hearing that no objections have been received from the public to the proposal of the Commission to grant of transmission licence to the petitioner. He further submitted that CTU has recommended for grant of licence to the petitioner. He prayed for grant of transmission licence to the petitioner.

9. The representative of CTU submitted that PGCIL has no objection for grant of transmission licence to the petitioner.

10. We have considered the submission of the representative of the petitioner and perused the documents on record. 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.”

11. In our order dated 15.10.2014, we had proposed to grant transmission licence to the petitioner company and directed for issue of public notice. In response to the public notice, no suggestions/objections have been received. CTU in its letter dated 29.9.2014 has recommended under Section 15 (4) of the Act for grant of transmission licence to the petitioner. We are satisfied that the petitioner 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 transmission licence be granted to the petitioner, NRSS XXIX Transmission Limited, to establish the transmission system for "Northern Region System Strengthening Scheme, NRSS-XXIX" on BOOM basis as per the details given in para 1 above.

12. The grant of transmission licence to the petitioner is subject to the fulfillment of 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) The transmission licensee shall comply with the provisions of the Transmission Licence Regulations or any subsequent enactment thereof during the period of subsistence of the licence.

(c) Since the expiry date as per the TSA is 35 years from the scheduled COD of the project, the petitioner may make an application, two years before the expiry of initial licence period, for grant of licence for another term in accordance with Regulation 13 (2) of the Transmission Licence Regulations which shall be considered by the Commission in accordance with law;

(d) The petitioner 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 petitioner 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 breach of the terms and conditions of the licence;

(f) The petitioner 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 petitioner shall remain bound by the Central Electricity Regulatory Commission (Standard of Performance of inter-State Transmission Licensees) Regulations, 2012 or subsequent enactment thereof.

(h) The petitioner 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 Act, Central Electricity Regulatory Commission (Open Access in inter-State Transmission) Regulations, 2008 and Central Electricity Regulatory Commission (Grant of Connectivity, Long-term Access and Medium-term Open Access in inter-State Transmission and related matters) Regulations, 2009 as amended from time to time and Central Electricity Regulatory Commission (Indian Electricity Grid Code) Regulations, 2010 as amended from time to time;

(i) The petitioner 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;

(j) The petitioner shall remain bound by the Central Electricity Regulatory Commission (Sharing of inter-State Transmission Charges and Losses) Regulations, 2010 as amended from time to time;

(k) The petitioner 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; and

(l) The petitioner shall ensure execution of the project as per the Schedule 3 of the TSA and shall remain bound by the provisions of Article 16.4 of the TSA and its affidavit dated 27.10.2014.

10. Central Electricity Authority shall monitor the execution of the project and bring to the notice of the Commission any lapse on the part of the licensee to meet the schedule for further appropriate action in accordance with the provisions of the Act and Transmission Licence Regulations.

11. Petition No. 221/TL/2014 is disposed of in terms of the above.

Sd/-
(A.S. Bakshi)
Member

sd/-
(A.K. Singhal)
Member

sd/-
(M. Deena Dayalan)
Member

sd/-
(Gireesh B. Pradhan)
Chairperson