

**CENTRAL ELECTRICITY REGULATORY COMMISSION
NEW DELHI**

Petition No. 81/AT/2017

Coram:

Shri Gireesh B. Pradhan, Chairperson

Shri A. K. Singhal, Member

Shri A. S. Bakshi, Member

Dr. M. K. Iyer, Member

Date of Order: 12th June, 2017

In the matter of

Application under Section 63 of the Electricity Act, 2003 for adoption of transmission charges with respect to the Transmission System established by NER- II Transmission Limited.

And

In the matter of

NER II Transmission Limited
F-1, The Mira Corporate Suites 1 & 2 Ishwar Nagar,
Okhla Crossing, Mathura Road,
New Delhi-110 065

..... **Petitioner**

Vs

1. Assam Electricity Gird Corporation Limited
4th Floor, Bijulee Bhawan, Paltan Bazar,
Guwahati-I, Assam-781 001
2. Tripura State Electricity Corporation Limited
Bidyut Bhawan, Banamalipur,
Agartala, Tripura
3. Meghalaya State Power Distribution Company Limited
Lum Jingshai, Sort Round Road,
Shillong, Meghalaya-793 001
4. Manipur State Power Distribution Company Limited

Electricity Complex, Patta No. 1293 under 87(2), Khwai Bazar,
Keishampat, District-Imphal West, Manipur-795 001

5. Department of Power,
Government of Arunachal Pradesh
Vidyut Bhawan, Itanagar,
Arunachal Pradesh-791 111

6. Department of Power
Government of Nagaland
A.G.Colony, Kohima, Nagaland-797 005

7. Power and Electricity Department
Government of Mizoram
Mizoram Secretariat, Annexure-II,
Treasury, Square Aizwal, Mizoram

...Respondents

The following were present:

Shri T.A.N. Reddy, NERTL
Shri Pulkit Sharma, NERTL
Ms. S.Sahai, NERTL
Shir Ankit Kumar, RECPTCL

ORDER

The Petitioner, NER II Transmission Limited (NERTL), has filed the present petition under Section 63 of the Electricity Act, 2003 (hereinafter referred to as the 'Act') for adoption of transmission charges in respect of "NER System Strengthening Scheme-II (Part-B) and V" on Build, Own, Operate and Maintain (BOOM) basis (hereinafter referred to as "Transmission System").

2. Section 63 of the Electricity Act, 2003 provides as under:

“Section 63. Determination of tariff by bidding process: *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.”

3. Government of India, Ministry of Power has notified the Guidelines 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 Undertakings, the Bid Process Coordinator (BPC) who would be responsible for coordinating the bid process.

(c) The BPC shall prepare the bid documentations 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 RfQ notice. The bidding shall be by way of International Competitive Bidding.

(f) Standard documentations 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 transmission licence and other technical and safety criteria to be met by the bidder/TSP including the provisions of Indian Electricity Grid Code (Grid Code).

(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 shall 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 RFQ 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 ten days from the date of issue of Lol subject to further extension of time as provided under para 2.4 of the RFP. 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.

4. Therefore, we have to examine whether the Guidelines of Ministry of Power has been followed in the present case for arriving at the lowest levelized transmission charges and for selection of the successful bidder.

5. Ministry of Power, Government of India, vide its Notification No. 2454, dated 17.11.2015, notified the REC Transmission Projects Company Limited (hereinafter referred to as RECTPCL) as the Bid Process Coordinator (BPC) for the purpose of selection of bidder as Transmission Service Provider (TSP) to establish the project through tariff based competitive bidding process.

6. NER II Transmission Limited was incorporated on 21.4.2015 under the Companies Act, 2013 as a wholly owned subsidiary of RECTPCL with the objective to establish the “NER System Strengthening Scheme-II (Part-B) and V” and to act as the Transmission Service Provider after being acquired by the successful bidder. The main objectives of the petitioner company in its Memorandum of Associations are 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 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”.

7. RECPTL 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. The BPC started the process of selection of TSP with the publication of Global Invitation for Qualification on 27.11.2015 for selection of developer on BOOM basis for the project. The notice for RfQ was published on 27.11.2015 in all the editions of Times of India, Nav Bharat Times (Hindi) and Financial Times (Global Editions) with the last date of submission of response to RfQ as 29.12.2015. Intimation regarding the initiation of the bid process was given to the Central Commission in accordance with para 4.2 of the Guidelines vide letter No. RECTPCL/NER II (B) & V/RFQ/2015-16/1798, dated 28.11.2015.

8. The key milestones in the bidding process were as under:

S. No.	Events	Date
1.	Global Invitation for Tender	27.11.2015
2.	Submission of Request for Qualification	29.12.2015
3.	Issuance of Request for Proposal	15.9.2016
	Technical and Price bid (on line) submission	18.1.2017
	Technical bid opening	18.1.2017
	Initial Offer opening	7.2.2017
	e-Reverse Auction and final offer	8.2.2017
	Final Bid Evaluation Committee Meeting	8.2.2017
5.	Issuance of Letter of Intent to successful bidder	22.2.2017
7.	Signing of Share Purchase Agreement and transfer of Special Purpose Vehicle	31.3.2017

9. The scope of the Project as per the Request for Proposal (RfP) and the Transmission Service Agreement is as under:

S.No.	Scheme/ Transmission Works	Scheduled COD in months from effective date
	NERSS-II (Part-B)	
1.	Biswanath Chariyalli (POWERGRID)- Itanagar 132 kV D/c (Zebra Conductor) line Line Bays: • Itanagar S/S (Arunachal Pradesh): 2 nos. 132 kV line bays for termination of Biswanath Chariyalli (POWERGRID)-Itanagr 132 kV D/C (Zebra conductor) line	36 months
2.	Silchar (POWERGRID)- Misa (POWERGRID) 400 kV D/C (Quad) line	44 months
3.	LILO of one circuit of Biswanath Chariyalli (POWERGRID)- Itanagar 132 kV D/C line at Gohpur (AEGCL)	36 months
	NERSS V	
1.	Establishment of 400/132 kV, 7x105 MVA Single phase (including one spare) S/S at Surajmaninagar 400 kV • ICTs: 400/132 kV, 7x105 MVA single phase (including one spare) • ICTs bays: 2 no. • Line bays: 4 no. [2 no. for Palatana- Surajmaninagar and 2 no. for Surajmaninagar- P.K. Bari 400 kV D/C Line] • Bus reactor: 2x125 MVAR • Bus reactor bays: 2 no. • Space for future line bays (incl. Space for sw, line	40 months

	<p>reactor): 6 no.</p> <ul style="list-style-type: none"> • Space for ICT bays: 1 no. <p>132 kV</p> <ul style="list-style-type: none"> • ICTs bays: 2 no. • Line bays: 2 no. [2 no. for Surajmaninagar (TSECL)- Surajmaninagar (TBCB) 132 kV line with high capacity/HTLS (Equivalent to single moose)] • Space for future line bays: 6 no. • Space for ICT Bays; 1 no. <p>Space for future 400/132 kV, 315 MVA ICT TSP is free to choose the location of Surajmaninagar S/s within a radius of 10 km from the Surjamaninagar (TSECL) S/s.</p>	
2.	<p>Establishment of 400/132 kV, 7x105 MVA Single phase (including one spare) S/s at P.K. Bari 400 kV</p> <ul style="list-style-type: none"> • ICTs: 400/132 kV, 7x105 MVA single phase (including one spare) • ICTs bays: 2 no. • Line bays: 4 no. [2 no. for Surajmaninagar- P.K. Bari and 2 no. for P.K. Bari-Silchar 400 kV D/c Line] • Bus reactor: 2x125 MVAR • Bus reactor bays: 2 no. • Space for future line bays (incl. Space for sw, line reactor): 6 no. • Space for ICT bays: 1 no. <p>132 kV</p> <ul style="list-style-type: none"> • ICTs bays: 2 no. • Line bays: 2 no. [2 no. for P.K. Bari (TSECL) – P.K. Bari (TBCB) 132 kV D/c Line with high capacity/ HTLS (Equivalent of single moose)] • Space for future line bays: 6 no. • Space for ICT Bays; 1 no. <p>Space for future 400/132 kV, 315 MVA ICT</p>	40 months
3.	Surajmaninagar- P.K. Bari 400 kV D/C line with Twin ACSR Moose	40 months
4.	AGTPP (NEEPCO)- P.K. Bari (TSECL) 132 kV D/C line with high capacity HTLS Conductor (equivalent to single moose ampacity at 85° C)	36 months
5.	2 no. 132 kV line bays each at AGTPP (NEEPCO) and P.K. Bari (TSECL)	36 months
6.	2 no. 400 kV line bays at Palatana GBPP switchyard for termination of Palatana- Surajmaninagar 400 kV D/C Line	40 months

10. The identified Long Term Transmission Customers (LTTCs) of the project are as under:

S. No.	Name of the Long Term Transmission Customer
1.	Assam Electricity Gird Corporation Limited
2.	Tripura State Electricity Corporation Limited
3.	Meghalaya Power Distribution Corporation Limited
4.	Manipur State Power Distribution Company Limited
5.	Department of Power, Government of Arunachal Pradesh
6.	Department of Power, Government of Nagaland
7.	Power and Electricity Department, Government of Mizoram

11. As per the decision of the Empowered Committee on Transmission, the Bid Evaluation Committee (BEC) comprising of the following was constituted:

- (a) Shri P.K Nair, Head, SBI Capital Markets .Chairman
- (b) Shri Pankaj Batra, Chief Engineer (F&CA), CEA (at RfQ stage) .Member
- (c) Shri S.K.Ray Mohapatra, Chief Engineer (PSE & TD), CEA (at RfP Stage) .Member
- (d) Shri Awdhesh Kumar Yadav, Director (SP&PA-I), CEA .Member
- (e) Shri Anong Perme, Chief Engineer (EE zone), Department of Power, Government of Arunachal Pradesh .Member
- (f) Shri K. Miachieo, Chief Engineer (Power), Department of Power, Government of Nagaland .Member
- (g) Shri Dinesh Kumar, Chairman, Khargone Transmission Limited
Convener- Member

12. Responses to RfQ were received from five bidders as per details given below:

S.No.	Name of Bidders
1.	Adani Transmission Limited
2.	Essel Infraprojects Limited
3.	Kalpataru Power Transmission Limited
4.	Techno Electric & Engineering Company Limited
5.	Sterlite Grid 4 Limited

13. The responses to the RfQ were opened on 5.1.2016 in the presence of the representatives of the bidders. Evaluation was undertaken by Bid Process Consultant, namely M/s PricewaterhouseCoopers Private Limited in consortium with M/s Dhir & Dhir

Associates (Bid Process Consultant) and presented to the Bid Evaluation Committee which recommended five bidders as qualified at RfP stage.

14. The following three bidders submitted RfP:

S.No.	Name of Bidders
1.	Adani Transmission Limited
2.	Kaplataru Power Transmission Limited
3.	Sterlite Grid 4 Limited

15. RfP (Non-Financial) bids were opened on 18.1.2017 in the presence of the representatives of the bidders. Based on the recommendations of the BEC, the initial offer of all the three bidders were opened on 7.2.2017 in the presence of BEC. In the BEC meeting held on 7.2.2017, it was noted that the lowest levelised transmission charges from the initial offer submitted by the bidders was Rs. 4747.75 million/annum which shall be the initial ceiling for quoting the final offer during e-Reverse Auction and all the three bidders were allowed to submit their final offer in the e-Reverse Auction platform, as per the provision of the RfP. e-Reverse Auction was started on 8.2.2017 and the following levelised transmission charges for each bidder emerged:

S.No	Name of Bidders	Levelised Transmission charges
1.	Sterlite Grid 4 Limited	4316.53
2.	Adani Transmission Limited	4333.75
3.	Kaplataru Power Transmission Limited	4496.75

16. Based on the e-Reverse Auction, the Bid Evaluation Committee recommended Sterlite Grid 4 Limited with the lowest levelised transmission charges of Rs.4316.53 million/annum as the successful bidder.

17. Letter of Intent was issued by the BPC on 22.2.2017 to the successful bidder i.e Sterlite Grid 4 Limited. In accordance with para 12.3 of the Guidelines, the BPC has hosted on the website of RECTPCL, the final results of the evaluation of the bids for selection of developer for the project.

18. In accordance with the provisions of the bid documents and Lol issued in its favour, the petitioner has prayed for adoption of the transmission charges for the project which has been discovered through the process of competitive bidding.

19. In accordance with para 2.4 of RfP, the selected bidder shall within 10 days of issue of the Letter of Intent 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 shareholdings of NER II Transmission Limited from RECTPCL, along with all its related assets and liabilities;

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

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

20. The proviso to para 2.4 of the RfP further provides that "if for any reason attributable to the BPC, the above 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 for day basis till the end of the Bid validity period". Though Lol was issued on 22.2.2017, BPC, vide its letter dated 25.3.2017, in terms of proviso to clause 2.4 of RfP extended the date upto 6.4.2017 for completion of all activities by the successful bidder. The selected bidder furnished the Contract Performance Guarantee to the Long Term Transmission Customers of the project for an amount of Rs. 73.85 crore and has acquired hundred percent equity-holding in the applicant company on 31.3.2017 after execution of the Share Purchase Agreement. The TSP on behalf of the selected bidder filed the application for adoption of tariff on 5.4.2017.

21. On receipt of the present petition by the Commission, BPC was, vide letter dated 7.4.2017 directed to submit the relevant documents regarding complete process of competitive bidding through affidavit. The necessary details have been filed by the BPC under affidavit dated 19.4.2017.

22. Notices were issued to all the respondents who are the Long Term Transmission Customers of the project. No reply has been filed by the respondents. Notice was also

issued to RECTPCL in its capacity as Bid Process Coordinator. RECTPCL has filed the copies of all relevant documents pertaining to the bidding process.

23. The petition was heard on 16.5.2017. During the course of hearing, it was observed that Bid Evaluation Committee (BEC) in Para 8(b) of the Minutes of meeting dated 8.2.2017 has mentioned that the levelised tariff for the project is based on estimated cost communicated by CEA and the methodology for calculation of tariff as per CERC norms for the same period works out to Rs. 4070.70 million/annum. It was further observed that the successful bidder has made bid for Rs. 4316.53 million per annum. However, the levelised transmission charges of the successful bidder is higher than the levelised transmission charges computed as per CERC norms by Bid Evaluation Committee i.e. Rs. 4070.70 million/annum. Accordingly, BPC, namely REC Transmission Projects Company Ltd. was directed to explain the reasons for the wide variation between the tariff discovered through competitive bidding and tariff worked out as per the tariff norms of the Regulations of the Commission.

24. BPC, vide its affidavit dated 25.5.2017, has submitted as under:

“2. Levelised Transmission charges as quoted by L1 Bidder, i.e. Sterlite Grid 4 Limited, for NER System Strengthening Scheme II-B &V, is INR 4316.53 million which is 6.04% higher than the Levellised Transmission Charges computed based on CERC (INR 4070.70 million). The matter has been discussed during the Bid Evaluation Committee meeting held on 8.2.2017 for selection of bidder for the subject transmission project and it was deliberated that the project is in the North Eastern region of India and all the bidder might have factored in costs pertaining to delays in getting clearances and provisioned for other project implementation related risks like social-economic, difficult terrain, poor accessibility, other disturbances, etc. because of which the quoted transmission charges may be higher than the transmission charges computed based on CERC

norms. Moreover, the price had been discovered after Reverse Auction. In light of these, Bid Evaluation Committee decided that the quoted prices are in line with prevailing prices and Letter of Intent to be issued to LI bidder.

3. We, therefore, request before the Hon`ble Commission to consider the tariff quoted by the LI bidder for adoption of transmission charges.”

25. According to the BPC, since the project shall be implemented in North Eastern Region and considering the factors like delays in getting clearances and other project implementation related risks such as social-economic, difficult terrain, poor accessibility, other disturbances, etc., the bidders have quoted the tariff. Further, the successful bidder has been selected based on reverse auction and the tariff of the selected bidder is 6.04% higher than the levelised transmission charges computed based on the norms of CERC. Considering the explanation of the BPC, we are of the view that the discovered price is aligned with the market price, after taking into account the project implementation risk in the NER.

26. Under the Guidelines, BPC has to certify that the tariff has been discovered through a transparent process of bidding and the tariff discovered is in line with prevailing market prices. The Bid Evaluation Committee, vide para 2, 3, 4, 7 and 8 of the minutes of meeting held on 8.2.2017, has recorded as under:

“The Bid Evaluation Committee had met earlier on February 7, 2017 after opening of Initial Offer and recommended the following:

*The lowest levelised Transmission Charges from the Initial Offer submitted by the bidders is Rs. 4747.75 Million which shall be the initial ceiling for quoting the Final Offers during e-Reverse Auction.

* Since only three Bidders have submitted their Initial Offer, all the bidders may be allowed to submit their Final Offers in the e-Reverse Auction platform, as per the provisions of the RFP document.

*The Bid Evaluation Committee recommended for starting the r-reverse auction on 8th February 2017 at 11:00 AM after intimation to all three bidders regarding lowest initial price offer.

3. Pursuant to the above, RECTPCL issued letters to all three (3) bidders on February 07,2017 intimating the e-verse Auction start time and lowest initial offer for start of e-Reverse Auction.

4. The e-Reverse Auction started on February 08, 2017 at 1100 Hrs (IST) and after 19 round of bidding, following levelised Transmission Charges for each Bidder (in ascending order) emerged:

S. No.	Name of the Bidder	Levelised Tariff (Rs. in million)
1.	Sterlite Grid 4 Limited	4316.53
2.	Adani Transmission Limited	4333.75
3.	Kalpataru Power Transmission Limited	4496.75

7. As per the above table, M/s Sterlite Grid 4 Limited emerges as the successful Bidder after the conclusion of e-Reverse Auction with the lowest Levelised Transmission Charges of Rs. 4316.53 million which is also the Final Offer.

8. After detailed discussions on the evaluation report and verification of the bids, wherever required, the Bid Evaluation Committee decided the following:

- (a) M/s Sterlite Grid 4 Limited is the successful Bidder after the conclusion of the e-reverse Auction with the lowest Levelised Transmission Charges of Rs. 4316.53 million.
- (b) The levelised tariff for this project based on CERC norm for the same period works out to Rs. 4,070.70 million, which has been computed based on the estimated cost as communicated by CEA and methodology for calculation of tariff as per CERC norms.
- (c) Thus, in light of the above, the levelised tariff computed on the basis of rates quoted by the successful Bidder is in line with prevailing prices.

(d) The entire bid process has been carried out in accordance with the "Tariff based Competitive-bidding Guidelines for Transmission Service" and "Guidelines for encouraging competition in development of the Transmission projects" issued by Ministry of Power, Govt. of India under Section 63 of the Electricity Act, 2003 and as amended from time to time.

(e) In view of (a) to (d), above, M/s Sterlite Grid 4 Limited may be issued Letter of Intent (LOI)."

27. Bid Evaluation Committee vide its certificate dated 8.2.2016 has certified as under:

"It is certified that:

- a. The entire bid process has been carried out in accordance with the "Tariff based Competitive Bidding Guidelines for Transmission Service" and "Guidelines for encouraging competition in development of the Transmission Projects" issued by Ministry of Power, Govt. of India under Section 63 of the Electricity Act, 2003 and as amended from time to time.
- b. After 19 rounds of e-reverse auction conducted on 8th February, 2017 from 11.00 A.M. onwards, M/s Sterlite Grid 4 Limited emerged as the successful bidder with the lowest levelised Transmission Charges of Rs. 4316.53 million for the above project.
- c. The rates quoted by the successful bidder are in line with the prevailing prices."

28. In the light of the discussions in the preceding paragraphs, it emerges that selection of the successful bidder and the process of arriving at the levelised 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. The BPC in its certificate dated 8.2.2017 has certified that the rates quoted by the successful bidder are in line with the prevailing prices. The

Commission is not required to go into the cost details of the bids as per the bidding guidelines and has to adopt the tariff if the same has been discovered in accordance with the Guidelines. Based on the certification of the BEC, we approve and adopt the levelised transmission charges for the project as per the **Appendix** to this order. The sharing of the transmission charges by the LTTCs shall be governed by the provisions of the Central Electricity Regulatory Commission (Sharing of inter-State Transmission Charges and Losses) Regulations, 2010 as amended from time to time.

29. It is noted that SCOD of the various elements of the project have been indicated in Schedule 3 of the TSA with overall SCOD of the project as 44 months from the effective date. The provisions of Schedule 3 shall be complied with to deal with the payment of transmission charges in respect of the elements which are commissioned as per the SCOD after individual elements prior to the SCOD of the project.

30. A copy of this order shall be sent to CTU and Long Term Transmission Customers of the transmission system.

31. The Petition No. 81/AT/2017 is disposed of in terms of the above.

Sd/-
(Dr. M. K. Iyer)
Member

sd/-
(A.S. Bakshi)
Member

sd/-
(A.K. Singhal)
Member

sd/-
(Gireesh B.Pradhan)
Chairperson

Appendix

Year (Term of Licence)	Commencement Date of Contract Year	End Date of Contract Year	Quoted Non- Escalable Transmission Charges (Rs. Millions)	Quoted Escalable Transmission Charges (Rs. Millions)
1	Scheduled COD December 2020	31-March	3938.40	0.00
2	1-April	31-March	3938.40	Same as Above
3	1-April	31-March	3938.40	Same as Above
4	1-April	31-March	4591.23	Same as Above
5	1-April	31-March	4497.53	Same as Above
6	1-April	31-March	4403.83	Same as Above
7	1-April	31-March	4403.83	Same as Above
8	1-April	31-March	4310.13	Same as Above
9	1-April	31-March	4216.43	Same as Above
10	1-April	31-March	4122.73	Same as Above
11	1-April	31-March	4029.03	Same as Above
12	1-April	31-March	3938.40	Same as Above
13	1-April	31-March	4988.39	Same as Above
14	1-April	31-March	5069.34	Same as Above
15	1-April	31-March	5147.84	Same as Above
16	1-April	31-March	5177.32	Same as Above
17	1-April	31-March	5290.06	Same as Above
18	1-April	31-March	5374.04	Same as Above
19	1-April	31-March	5369.50	Same as Above
20	1-April	31-March	5364.10	Same as Above
21	1-April	31-March	5357.71	Same as Above
22	1-April	31-March	5350.23	Same as Above
23	1-April	31-March	5429.96	Same as Above
24	1-April	31-March	5455.23	Same as Above
25	1-April	31-March	5443.72	Same as Above
26	1-April	31-March	5430.61	Same as Above
27	1-April	31-March	5415.70	Same as Above
28	1-April	31-March	5398.80	Same as Above
29	1-April	31-March	5379.29	Same as Above
30	1-April	31-March	5339.45	Same as Above
31	1-April	31-March	5339.45	Same as Above
32	1-April	31-March	5339.45	Same as Above
33	1-April	31-March	5339.45	Same as Above
34	1-April	31-March	5339.45	Same as Above
35	1-April	31-March	5339.45	Same as Above
36	1-April	35 th anniversary of scheduled COD	5339.45	Same as Above