

**CENTRAL ELECTRICITY REGULATORY COMMISSION  
NEW DELHI**

**Petition No. 544/MP/2020  
along with IA No.54/2020**

Subject : Petition under Regulations 4 and 10 of the Central Electricity Regulatory Commission (Sharing of Revenue Derived from Utilization of Transmission Assets for Other Business) Regulations, 2020 read with Regulations 111, 112 and 113 of the Central Electricity Regulatory Commission (Conduct of Business) Regulations, 1999 for giving prior intimation of undertaking telecommunication business by the Petitioner and for determination of revenue sharing mechanism.

Date of Hearing : 20.8.2020

Coram : Shri P. K. Pujari, Chairperson  
Shri I. S. Jha, Member  
Shri Arun Goyal, Member

Petitioner : Sterlite Power Grid Ventures Limited (SPGVL)

Respondents : Madhya Pradesh Power Management Company Limited and 27 Ors.

Parties present : Shri Sanjay Sen, Sr. Advocate, SPGVL  
Ms. Harneet Kaur, Advocate, SPGVL  
Shri Arjun Agarwal, Advocate, SPGVL  
Shri TAN Reddy, SPGVL  
Shri Ajay Mehta, SPGVL

**Record of Proceedings**

The matter was heard through video conferencing.

2. Learned senior counsel for the Petitioner submitted that the present Petition has been filed, *inter-alia*, for prior intimation to the Commission for carrying out the proposed business model and for approval and adoption of the proposed business model and the revenue sharing mechanism in terms of the Central Electricity Regulatory Commission (Sharing of Revenue Derived from Utilization of Transmission Assets for Other Business) Regulations, 2020. Learned senior counsel further submitted as under:

(a) The present Petition has been filed by the Petitioner, in the capacity of holding company of its four Special Purpose Vehicle (SPV) companies, which have been issued the transmission licence by the Commission.



(b) While a transmission licensee can undertake telecommunication business by obtaining telecom licence/Category-I (IP-1) registration, the Petitioner's SPVs are not desirous of undertaking telecom business by themselves and will merely be licensing spaces and unutilised fiber to other registered and regulated telecom entities. The Petitioner will not construct telecom assets or maintain them or provide telecom services of any nature whatsoever.

(c) The proposed business model includes (i) right of use of vacant fibers of existing OPGW fiber assets already/being deployed over existing transmission lines, (ii) licensing of vacant spaces on transmission towers for mounting of telecom antenna and associated equipment, (iii) licensing of vacant spaces at sub-station land to deploy/house telecom equipment, and (iv) right to deploy OPGW fiber cables, whereby certain fiber cables may be used by the Petitioner/ SPVs for SCADA while remaining may be utilised by eligible entities.

(d) The proposed business model is in line with Fibre First Initiative of the National Digital Communication Policy, 2018 that calls for utilization of existing transmission assets to improve connectivity, affordability and sustainability of the telecom sector.

(e) While implementing the proposed business model, the operations of the transmission business of the Petitioner's SPVs would not be affected and the transmission assets and the transmission corridors created will remain free from all encumbrances.

3. After hearing the learned senior counsel for the Petitioner, the Commission admitted the Petition and directed to issue notice to the Respondents.

4. The Commission directed the Petitioner to serve copy of the Petition on the Respondents immediately. The Respondents were directed to file their reply by 30.8.2020, with advance copy to the Petitioner, who may file its rejoinder, if any, by 10.9.2020.

5. The Commission further directed the Petitioner to file the following details/information on affidavit by 30.8.2020:

(a) Details of transmission assets proposed to be utilised and gross estimated revenue to be derived from the proposed business model.

(b) Certificate to the effect that the implementation of the proposed business model does not pose any threat to the reliability and security of the grid and/or the transmission assets; and

(c) Undertaking to the effect that licensing of vacant space/land to the eligible entities for telecom use as proposed in business model does not violate the applicable rules/regulations and the conditions, if any, imposed by the concerned authorities while allotting/ leasing land to the petitioner..

6. The due date of filing of reply, rejoinder and additional details/information should be strictly complied with.



7. Learned senior counsel for the Petitioner further submitted that the Petitioner has filed IA No.54/2020, seeking interim directions for implementation of the proposed business model for sharing of potential passive infrastructure assets with the interested eligible entities for utilization of transmission assets. After hearing the learned senior counsel, the Commission observed that the Petitioner's IA for interim directions would be taken up for consideration after receipt of the additional information called for.

8. The Petition and IA shall be listed for hearing in due course for which separate notice will be issued.

**By order of the Commission**

**Sd/-  
(T.D. Pant)  
Deputy Chief (Law)**

