

**CENTRAL ELECTRICITY REGULATORY COMMISSION  
NEW DELHI**

**Petition No. 51/AT/2024**

**Coram:**  
**Shri Jishnu Barua, Chairperson**  
**Shri Arun Goyal, Member**  
**Shri P.K. Singh, Member**

**Date of Order: 31<sup>st</sup> March, 2024**

**In the matter of**

Application under Section 63 of the Electricity Act, 2003, for the adoption of Transmission Charges with respect to the Transmission System being established by the Vataman Transmission Limited (a 100% wholly owned subsidiary of Power Grid Corporation of India Limited).

**And**

**In the matter of**

**Vataman Transmission Limited,**  
(Now known as POWERGRID Vataman Transmission Limited),  
(A 100% wholly owned subsidiary of Power Grid Corporation of India Limited),  
B-9, Qutab Institutional Area, Katwaria Sarai,  
New Delhi 110 016

**Address for correspondence:**

ED (TBCB), Power Grid Corporation of India Limited,  
Saudamini, Plot No.2, Sector -29,  
Gurgaon-122001, Haryana

**....Petitioner**

**Vs**

- 1. Central Transmission Utility of India Limited,**  
Saudamini, Plot no.2, Sector -29,  
Gurgaon-122001, Haryana
- 2. PFC Consulting Limited,**  
9th Floor,  
A-Wing, Statesman House Connaught Place,  
New Delhi- 110001
- 3. Adani Renewable Energy Holding Four Limited,**  
4th Floor, South Wing, Adani Corporate House,  
Shantigram, SG Highway  
Ahmedabad, Gujarat
- 4. Adani Green Energy Limited,**

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Order in Petition No. 51/AT/2024

4th Floor, South Wing, Adani Corporate House,  
Shantigram, SG Highway,  
Ahmedabad, Gujarat

**5. Sarjan Realities Private Limited,**  
5th floor, Godrej Millenium,9, Koregaon Park,  
Vasani Nagar Koregaon Park,  
Pune

**6. NTPC Renewable Energy Limited,**  
Plot-A-8A, NTPC Ltd, Engineering Office Complex,  
Sector-24, Noida-201301,  
Uttar Pradesh

**7. Gujarat State Electricity Corporation Limited ,**  
Vidyut Bhavan, Race Course,  
Vadodara-390007, Gujarat

**8. NHPC Limited,**  
NHPC Office Complex, RE Division,  
Sector 33 Faridabad, Haryana

**9. Chhattisgarh State Power Distribution Company Limited,**  
CSPDCL, Post: Sundernagar, Dangania  
Raipur-492013

**10. Goa Electricity Department-WR,**  
Goa Electricity DeptCurti,  
Ponda-403401

**11. Gujarat Urja Vikas Nigam Limited,**  
Sardar Patel Vidyut Bhavan,  
Race Course, Vadodara-390007

**12. Heavy Water Board,**  
O Floor, Vikram Sarabhai Bhawan,  
Trombay, Anushaktinagar,  
Mumbail- 400094, Maharashtra

**13. HVDC Bhadrawati, PGCIL,**  
PGCIL RHQ, WR-I, Sampriti Nagar, Off  
National Highway No. 8, Taluka : Kamrej,PO:  
Uppalwadi, Nagpur-440026  
Maharashtra

**14. HVDC Vindhyachal, PGCIL,**  
PGCIL RHQ, WR-I, Sampriti Nagar, , Off  
National Highway No. 8, Taluka: Kamrej,  
PO: Uppalwadi, Nagpur- 440026, Maharashtra

- 15. M.P. Power Management Company Limited,**  
14, Shakti Bhawan, Rampur,  
Jabalpur – 482008
- 16. MSEDCL,**  
Plot No 9, "prakashgad", A K Marg,  
Bandra East, Mumbai-400051
- 17. ACB India Limited,**  
7th Floor, Corporate Tower, Ambience Mall,  
NH-8, Gurgaon-122 001(Haryana)
- 18. Torrent Power Limited,**  
Torrent Power Ltd. Naranpura Zonal Office,  
Sola Road, Ahmedabad-380 013
- 19. West Bengal State Electricity Distribution Company Limited,**  
6th Floor Vidyut Bhawan, Karunamoyee,  
Salt Lake, Kolkata-700 091,  
West Bengal
- 20. Thermal Powertech Corporation India Limited,**  
6-3-1090, Clock C, Level 2, TSR ,  
Towers, Rajbhavan Road, Somajiguda ,  
Hyderabad- 500082, Telangana
- 21. Bhabha Atomic Research Centre,**  
Anushakti Nagar, Mumbai,  
Maharashtra- 400085
- 22. GMR Warora Energy Limited,**  
Plot B-1, GMR Warora Energy Ltd,  
Mohabala MIDC Growth Centre,  
Post-Warora, District Chandrapur-442 907,  
Maharashtra
- 23. HVDC Champa,**  
PGCIL RHQ, WR-I, Sampriiti Nagar,  
Off National Highway No. 8, Taluka: Kamrej,  
PO: Uppalwadi , Nagpur- 440026, Maharashtra
- 24. West Central Railway Head Office,**  
General Manager's Office, Electrical Branch,  
Jabalpur– 482 001
- 25. Western Railway,**  
Office of Chief Electrical Engineer,  
Mumbai

- 26. East Central Railway,**  
CEDE, Office of Chief Electrical Engineer,  
ECR, Zonal Head Quarter,  
Dighikala-844101, Bihar
- 27. DB Power Limited- Untied,**  
Opp Dena Bank, C-31, G- Block,  
Mumbai
- 28. Chhattisgarh State Power Trading Company Limited,**  
2nd Floor, Vidyut Sewa Bhawan,  
Raipur
- 29. TRN Energy Private Ltd-Untied,**  
7th Floor, Ambience Office Block,  
Gurugram
- 30. Adani Power (Mundra) Limited,**  
Adani Corporate House, Shantigram,  
Near Vaishnavdevi Circle, S G Road,  
Ahmedabad- 382421
- 31. Raigarh HVDC Station,**  
RPT HVDC Office, Hebbal,  
Bangalore – 560094
- 32. Arcelor Mittal Nippon Steel India Limited,**  
27, AMNS House, 2th KM Surat Hazira Road,  
Hazira-394270, Gujarat
- 33. Central Railway,**  
Pcee's office, 2nd Floor, Parcle Building,  
CSMT, Mumbai-400001
- 34. Dadra and Nagar Haveli and Daman & Power Distribution Corporation Limited,** 1st & 2nd Floor,  
Vidyut Bhavan, NexSilvassa & Daman
- 35. MPSEZ Utilities Limited,**  
3rd Floor, Adani Corporate House,  
Ahmedabad

....Respondents

**Parties present:**

Shri Mani Kumar, V2L123  
Shri Rohit Jain, V2L123  
Shri Siddharth Sharma, CTUIL

## ORDER

The Petitioner, Vataman Transmission Limited (now known as POWERGRID Vataman Transmission Limited), has filed the present Petition under Section 63 of the Electricity Act, 2003 (hereinafter referred to as “the Act”) for the adoption of transmission charges in respect of the “Transmission System for Evacuation of Additional 7GW RE Power from Khavda RE Park under Phase-III Part B” on a Build, Own, Operate and Transfer (BOOT) basis. The Petitioner has made the following prayers:

*“(a) Adoption of Transmission Charges for Inter-State Transmission System for “Transmission System for Evacuation of Additional 7GW RE Power from Khavda RE Park under Phase-III Part B” discovered through competitive bidding process.*

*“(b) Allow the sharing and recovery of Transmission Charges for Inter-State Transmission System for “Vataman Transmission Limited” as per Sharing of Inter-state Transmission Charges and Losses CERC Regulations 2020 and any other amendment thereon issued from time to time by CERC.*

*“(c) Pass such other order / orders, as may be deemed fit and proper in the facts & circumstances of the case.”*

2. On receipt of the present Petition, the Bid Process Coordinator (BPC), PFC Consulting Limited (PFCCL), vide letter dated 14.2.2024, was directed to submit the relevant documents regarding the complete process of the competitive bidding. The necessary details have been filed by the BPC under an affidavit dated 28.2.2024.

### **Hearing dated 6.3.2024**

3. During the course of the hearing on 6.3.2024, the representative of the Petitioner submitted that the Petitioner has already impleaded the beneficiaries as parties to the Petition and has also served them a copy of the Petition. However, no response has been received from them.

4. Vide Record of Proceedings for the hearing dated 6.3.2024, Respondent/Beneficiaries were directed to file their replies/comments on the Petitions, if any. However, no reply has been filed by them.

5. We have considered the submissions of the Petitioner, BPC and CTUIL and perused the documents available on record. Section 63 of the Act 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.”*

6. The Government of India, the Ministry of Power, has notified the “Tariff based Competitive-bidding Guidelines for Transmission Service” and “Guidelines for Encouraging Competition in Development of Transmission Projects” (hereinafter referred to as “the Guidelines”) under Section 63 of the Act vide Resolution No. 15/1/2017-Trans dated 10.8.2021 as amended from time to time. The salient features of the Guidelines are as under:

(a) The Guidelines are applicable for the procurement of transmission services for transmission of electricity through tariff based competitive bidding for selection of the Transmission Service Provider (TSP) for new transmission system on a Build, Own, Operate and Transfer basis.

(b) For procurement of the transmission services required for any inter-State transmission Project, the Central Government shall notify the CTUIL or any Central Government Organization/ Central Public Sector Undertaking or its wholly owned subsidiary (Special Purpose Vehicle) to be the Bid Process Coordinator (BPC) who would be responsible for the coordinating the bid process.

(c) The BPC shall prepare the bid documents in accordance with the Guidelines and obtain approval of the Appropriate Government, or alternatively, the BPC can use the Standard Bid Documents notified by the Ministry of Power. Any material deviation from the Standard Bidding Documents shall be made only with the prior approval of the Appropriate Government. Intimation about the initiation of the bidding process shall be sent by the BPC to the Appropriate Commission.

(d) For the procurement of the transmission services under the guidelines, BPC shall adopt a single stage two envelope tender process featuring Request for Proposal (RfP). The entire bidding process shall be conducted online through electronic medium under the e-reverse bidding framework.

(e) The RfP notice should be published in at least two national newspapers, website of the BPC and preferably in trade magazines also, so as to accord it wide publicity. The bidding shall necessarily be by way of International Competitive Bidding (ICB). For the purpose of issue of the RfP, minimum conditions to be met by the bidder shall be specified in the RfP.

(f) Standard documentation to be provided in the RfP shall include definitions of requirements including brief description of the Project, commissioning milestones to be achieved by the bidders, qualification requirements to be met by the bidders including, minimum net worth, etc. with necessary proof of the same, as outlined in the bid documents, Specified target dates/months for commissioning and commercial operations, Standard Transmission Service Agreement (TSA), agreement(s) under the Central Electricity Regulatory Commission (Sharing of Inter State Transmission Charges and Losses) Regulations as amended from time to time, period of validity of offer of bidder, TSA proposed to be entered with

the SPV including amendments, bid evaluation methodology to be adopted by the BPC, specification regarding bid bond as well as the Contract Performance Guarantee to be furnished by the bidders, proposed indemnification agreement between the TSP and the Nodal Agency, liquidated damages that shall apply in the event of delay in start of providing the transmission services and technical, operational and safety criteria to be met by the bidder/TSP and requirement of obtaining transmission licence from the Appropriate Commission.

(g)The TSP, on the date of acquisition of the SPV from the BPC will enter into a Transmission Service Agreement with the Nodal Agency.

(h)To ensure competitiveness, the minimum number of qualified bidders shall be two. For inter-State transmission system, bids shall be opened in the office of the CEA by a bid committee comprising at least one member from CEA and one member from BPC. For the inter-State transmission system, CEA shall constitute a committee for the evaluation of the bids with at least one representative from the CEA and not less than two representatives from the concerned Regional Power Committees and one independent member. Further, in case project is inter-regional, there shall be at least one representative from every concerned RPC. The technical bids shall be examined to ensure that the bids submitted meet the minimum eligibility criteria set out in the bid documents on all the technical evaluation parameters. Only the bids that meet all elements of the minimum technical criteria set out in the bid documents shall be considered for further evaluation on the transmission charges bids. The online initial price bids shall be electronically opened by the bid opening committee in the presence of the bid evaluation committee. The bidder who has quoted the lowest

transmission charge as per the evaluation procedure shall be considered for the award.

(i) BPC is required to complete e-reverse bidding after the opening of the initial offer within 75 days. The procurer may give an extended time frame indicated herein based on the prevailing circumstances, and such alterations shall not be construed to be deviation from these guidelines.

(j) The TSP shall make an application for the grant of a transmission licence to the Appropriate Commission within five (5) working days from the date of execution of the Share Purchase Agreement for acquisition of the SPV.

(k) BPC shall make the final result of the evaluation of all bids public. The final TSA, along with the certification by the Bid Evaluation Committee, shall be forwarded to the Appropriate Commission for the adoption of tariff discovered from the quoted annual transmission charges during the e-reverse bidding process in terms of Section 63 of the Act.

7. Therefore, we have to examine whether the tariff has been determined through a transparent bidding process in accordance with the guidelines issued by the Central Government.?

8. The Ministry of Power, Government of India, vide its Gazette Notification dated CG-DL-E-15042023-245170 dated 13.4.2023, has notified the PFC Consulting Limited (PFCCL) as a Bid Process Coordinator (BPC) for the purpose of selection of bidder as Transmission Service Provider to establish the Inter-State Transmission System for "Transmission System for Evacuation of Additional 7GW RE Power from

Khavda RE Park under Phase-III Part B” on Build, Own, Operate and Transfer basis. Through a tariff based competitive bidding process.

9. Vataman Transmission Limited (the Petitioner) was incorporated on 15.11.2023 under the Companies Act, 2013 as a wholly owned subsidiary of PFCCCL with the objective to establish the inter-State Transmission System for the “Transmission System for Evacuation of Additional 7GW RE Power from Khavda RE Park under Phase-III Part B” (“Project”) 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 Association 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”.*

10. The BPC prepared the bidding document (RfP) in accordance with the Standard Bid Documents issued by the Ministry of Power, Government of India.

11. BPC started the process of selection of the successful bidder with the publication of a Global Invitation for Qualification for the selection of a developer on a BOOT basis for the Project. The notice of the RfP was published in the National/International newspapers on 16.6.2023, with the last date of submission of response to the RfP as 7.11.2023. Intimation regarding the initiation of the bid process was given to this Commission in accordance with Clause 4.2 of the Guidelines vide letter No. 04/ITP-65/23-24/RFP dated 27.6.2023.

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

S. No.	Events	Date
1	Publication of RfP	16.6.2023
2	Intimation to the Commission	27.6.2023
3	RfP (Technical)& Price Bid Submission	7.11.2023
4	RfP (Technical) Bid Opening	7.11.2023
5	RfP (Financial) Initial Price Offer -Opening	28.11.2023
6	e-Reverse Auction	29.11.2023
7	Final Bid Evaluation Committee Meeting	30.11.2023
8	Issuance of Lol	4.12.2023
9	Signing of Agreements & transfer of SPV	26.12.2023

13. The scope of the Project as per the Request for Proposal and the Transmission Service Agreement is as under:

Sr. No	Name of the Transmission Element	Scheduled COD	Percentage of Quoted Transmission Charges recoverable on Scheduled COD of the Element of the Project	Element(s) which are pre-required for declaring the commercial operation (COD) of the respective Element
1.	<p>Establishment of 765 kV switching station near Vataman with 2x330MVA<sub>r</sub>, 765 kV bus reactor</p> <ul style="list-style-type: none"> <li>• 330 MVAR 765 kV bus reactor-2 (7x110 MVA<sub>r</sub> single phase reactor units including 1 spare unit for line/bus reactor)</li> <li>• 765 kV bus reactor bays- 2</li> <li>• 765 kV line bays- 8 (for lines at Sl. 2, 5 &amp; 7)</li> </ul> <p>Future Scope:</p> <p>Space for</p> <ul style="list-style-type: none"> <li>• 765/400kV ICT along with bays- 6 Nos.</li> <li>• 765 kV line bays along with switchable line reactors – 6 Nos</li> <li>• 765kV Bus Reactor along with bay: 2 Nos.</li> <li>• 765kV Sectionalizer bay: 1 -set</li> <li>• 400 kV line bays along with</li> </ul>	24 months from date of SPV acquisition	9.51%	All Elements are required to be commissioned Simultaneously as their utilization is dependent on commissioning of each other.

	<p>switchable line reactor – 12 Nos.</p> <ul style="list-style-type: none"> <li>• 400/220kV ICT along with bays -8 Nos.</li> <li>• 400 kV Bus Reactor along with bay: 2 Nos.</li> <li>• 400kV Sectionalization bay: 1- set</li> <li>• 220 kV line bays: 16 Nos.</li> <li>• 220kV Sectionalization bay: 2 sets</li> <li>• 220kV BC and TBC: 3 Nos.</li> <li>• STATCOM (<math>\pm 300</math> MVar) along with MSC (2x125 MVar) &amp; MSR (1x125 MVar) alongwith associated bays: 1 No.</li> </ul>			
2.	Halvad – Vataman 765 kV D/c line		27.96%	
3.	<p>1x330 MVar switchable line reactor on each ckt. at Vataman end of Halvad – Vataman 765 kV D/c line.</p> <ul style="list-style-type: none"> <li>• 330 MVar, 765 kV switchable line reactor- 2 Nos. (6 x 110 MVar single phase reactor unit) [110 MVar single phase spare bus reactor unit to be used as spare for line reactor]</li> <li>• Switching equipment for 765 kV line reactors- 2</li> </ul>			
4.	<p>2 nos. of 765 kV line bays at Halvad end for termination of Halvad – Vataman 765 kV D/c line</p> <ul style="list-style-type: none"> <li>• 765 kV line bays– 2 Nos. (for Halvad end)</li> </ul>			
5.	LILO of Lakadia – Vadodara 765 kV D/c line at Vataman 765 kV switching station		9.29%	
6.	<p>240 MVar 765 kV switchable line reactor on each ckt at Vataman end of Lakadia – Vataman 765 kV D/c line with NGR bypassing arrangement</p> <ul style="list-style-type: none"> <li>• 240 MVar, 765 kV switchable line reactor- 2 (7x 80 MVar single phase reactor unit including 1 spare unit)</li> <li>• Switching equipment for 765 kV line reactors- 2</li> </ul>			
7.	Vataman switching station – Navsari (New)(GIS) 765 kV D/c line		53.24%	
8.	330 MVar switchable line reactors on each ckt at Navsari (New) (GIS) end of Vataman switching station – Navsari (New) (GIS) 765 kV D/c line			

	<ul style="list-style-type: none"> <li>• 330 MVAR, 765 kV switchable line reactor- 2 Nos. (6x 110 MVAR single phase reactor unit) [110 MVAR spare reactor unit at Navsari being implemented by PGCIL, would be used as spare]</li> <li>• Switching equipments for 765 kV line reactor- 2</li> </ul>			
9.	<p>2 Nos. of 765 kV GIS line bays at Navsari (New) for termination of Vataman switching station – Navsari (New)(GIS) 765 kV D/c line</p> <ul style="list-style-type: none"> <li>• 765 kV line bays (GIS) – 2 Nos. (2 Nos. for Navsari (New) end)</li> </ul>			

Note:

(I) Developer of Halvad S/s shall provide space for implementation of 2 Nos. of 765 kV line bays for termination of Halvad – Vataman 765 kV D/c line.

(II) Developer of Navsari (New)(GIS) S/s shall provide space for implementation of 2 Nos. of 765 kV line bays alongwith switchable line reactors for termination of Vataman switching station – Navsari (New)(GIS) 765 kV D/c line. Also, developer of Navsari (New)(GIS) S/s to allow the use of 110 MVAR single phase spare reactor unit for 330MVAR SLR on each ckt at Navsari (New) (GIS) end of Vataman switching station—Navsari (New) (GIS) 765 kV D/c line.

(III) Bay(s) as may be required for completion of diameter (GIS) in one-and-half breaker scheme shall also be executed by the TSP.

(IV) Logic for Inter-tripping scheme for tripping of the switchable line reactor alongwith main line breaker at Lakadia and Vadodara end after LILO of Lakadia- adodara 765 kV D/c line at Vataman 765 kV switching stations hall be enabled by the existing owner of the line (i.e. M/s LVTPL) after LILO of Lakadia-Vadodara 765 kV D/c line at Vataman 765 kV switching station.

14. For the purpose of evaluation of the bids, the Bid Evaluation Committee (BEC) comprising the following was constituted:

1.	Sh. Rajesh Kumar Singh, General Manager, SBI CCGRO-II, New Delhi	Chairman of the Committee
2.	Sh. Deepak Gawali, SE (Operations), WRPC	Member
3.	Sh. S.M. Soni, SE (STU), GETCO	Member
4.	Sh. Bhanwar Singh Meena, Director (PSE&TD) Central Electricity Authority	Member
5.	Smt. Manjari Chaturvedi, Director, PSPA-I, Central Electricity Authority	Member
6.	Sh. Milind Dafade, Chairman, Vatamar Transmission Limited, New Delhi	Convener- Member of the Committee

15. Responses to the RfP were received from the three bidders as per details given below:

<b>Sr. No.</b>	<b>Name of Bidders</b>
1.	Power Grid Corporation of India Limited
2.	Adani Energy Solutions Limited (Formerly known as Adani Transmission Limited)
3.	Sterlite Grid 23 Limited

16. The responses of the bidders were opened on 7.11.2023 in the presence of the representatives of the bidders. Based on the recommendations of the Bid Evaluation Committee, the Initial Offer of all three bidders was opened on 28.11.2023 in the presence of the Bid Evaluation Committee. In the BEC meeting held on 28.11.2023, it was noted that the lowest transmission charge from the Initial Offer submitted by the bidders was Rs. 4600.00 million per annum, which shall be the initial ceiling for quoting the final offer during the e-reverse auction. Accordingly, the rank of the bidders for participation in the e-reverse auction is as under:

<b>Sr. No.</b>	<b>Name of the Bidder</b>	<b>Quoted Transmission Charges from the Initial Offer (in Rupees Million per annum)</b>	<b>Rank</b>
1.	Power Grid Corporation of India Limited	4,600.00	L-1
2.	Sterlite Grid 23 Limited	5,489.80	L-2
3.	Adani Energy Solutions Limited (Formerly known as Adani Transmission Limited)	5,577.51	L-3

17. As per the provisions of the RfP documents, BEC recommended the three qualified bidders participate in the e-reverse auction stage and submit their final offer.

18. The e-reverse auction was carried out at the MSTC portal on 29.11.2023 after intimating to the bidders regarding the lowest initial price offer. The transmission charges for the bidders (in ascending order) emerged as under:

<b>Sr. No.</b>	<b>Name of the Bidder</b>	<b>Quoted Transmission Charges from the Initial Offer (in Rupees Million per annum)</b>	<b>Rank</b>
1.	Power Grid Corporation of India Limited	4018.15	L-1
2.	Adani Energy Solutions Limited (Formerly known as Adani Transmission Limited)	4028.23	L-2
3.	Sterlite Grid 23 Limited	5,489.80 (not participated in e-RA)	L-3

19. Based on the e-reverse bidding, BEC, in its meeting held on 30.11.2023, recommended Power Grid Corporation of India Limited, with the lowest transmission charges of Rs. 4018.15 million per annum, as the successful bidder.

20. The Letter of Intent (LoI) was issued by the BPC on 4.12.2023 to the successful bidder, i.e. Power Grid Corporation of India Limited. In accordance with Clause 12.3 of the Guidelines, the BPC has hosted on the website of PFCCCL, the final result of the evaluation of the bids for the selection of a developer for the Project.

21. In accordance with the provisions of the bid documents and upon the issuance of LoI to the successful bidder (Power Grid Corporation of India Limited) and acquisition of SPV (the Petitioner) by the successful bidder, the Petitioner has prayed for the adoption of transmission charges for the Project which was discovered through the competitive bidding process.

22. In accordance with Clause 2.15.2 of the RfP, the selected bidder shall, within 10 days of the issue of the Letter of Intent, accomplish the following tasks:

- a) Provide the Contract Performance Guarantee in favour of the Nodal Agency;
- b) Execute the Share Purchase Agreement and the Transmission Service Agreement;
- c) Acquire, for the Acquisition Price, one hundred per cent (100%) equity shareholding of Vataman Transmission Limited from PFC Consulting Limited, along with all its related assets and liabilities.

23. In accordance with Clause 2.15.4 of RfP, the selected bidder shall, within five working days of the issue of the acquisition of the SPV by the successful bidder, the TSP shall apply to the Commission for the grant of a transmission licence and make an application to the Commission for the adoption of transmission charges, as required under Section 63 of the Act.

24. The proviso to Clause 2.15.2 of the RfP provides that "if for any reason attributable to the BPC, the said 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 to day basis till the end of the Bid validity period". As per the above provision, the selected bidder was required to complete all the activities, including the acquisition of SPVs, by 14.12.2023. Though Lol was issued on 4.12.2023, BPC, vide its letter dated 26.12.2023 in terms of Clauses 2.15.2 of RfP extended the date up to 26.12.2023 for completion of all activities by the successful bidder. The selected bidder furnished the Contract Performance Guarantee in favour of Nodal Agency (CTUIL) for an amount of Rs. 76 crore on 26.12.2023 and acquired a hundred per cent equity-holding in the applicant company

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Order in Petition No. 51/AT/2024

on 26.12.2023 after execution of the Share Purchase Agreement. As per clause 2.15.4 of the RfP, TSP is required to apply to the Commission for the adoption of transmission charges within five working days of the issuance of the acquisition of the SPV to the successful bidder. The successful bidder, namely Power Grid Corporation of India Limited, acquired the SPV on 26.12.2023. Accordingly, the TSP has filed the instant Petition through e-filing for the adoption of transmission charges on 10.1.2024. In this regard, the Petitioner during the course of the hearing dated 6.3.2024, has submitted that it had paid the fee for adoption of the transmission charges on 2.1.2024. However, the application could be filed online on 10.1.2024 due to the issue of reflecting the payment in the e-filing portal. The Petitioner has prayed for the condone of the delay in filing of the application. Since the Petitioner could not file the application due to procedural laps, the same is condoned.

25. The Petitioner has approached the Commission with a separate application for a grant of transmission licence. The Commission, vide order dated 21.3.2024 in Petition No. 50/TL/2024, on being satisfied that the Petitioner, *prime facie*, qualifies for the grant of a transmission licence as prayed for, directed publication of notices under clause (a) of sub-section (5) of Section 15 of the Act, inviting suggestions/objections to the proposal of the Commission.

26. In accordance with the Guidelines, BEC 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. In the minutes of the Third Meeting of the Bid Evaluation Committee meeting held on 30.11.2023, the following have been recorded:

“....Accordingly, following three (03) bidders were qualified to participate in the e-reverse auction:

- i. Power Grid Corporation of India Limited
- ii. Sterlite Grid 23 Limited  
Adani Energy Solutions Limited (Formerly known as Adani Transmission Limited)

5. The lowest Initial Offer at MSTC portal i.e. **Rs. 4600.00 million per annum**, was communicated (duly acknowledged by bidders) to the above three (03) bidders qualified for participating in the e-reverse bidding process which was held on MSTC Portal on November 29, 2023 at 10:00 hrs (1ST) onwards.

6. The e reverse bidding process was closed after 54 rounds on November 29, 2023 at 21:04 hrs (1ST). 'Sterlite Grid 23 Limited' did not participated in e-reverse bidding. The Evaluation Report is attached at **Annexure-A**.

7. The Final Offer (Quoted Transmission Charges) of each bidder as quoted at the time of closing of e- reverse bidding is as under (copy of e-reverse bidding statement generated at MSTC portal is attached at **Annexure-B**):

S. No.	Name of the Bidder	Final Quoted Transmission Charges (in Indian Rupees million per annum)	Rank
1.	Power Grid Corporation of India Limited	4018.15	L1
2.	Adani Energy Solutions Limited (Formerly known as Adani Transmission Limited)	4028.23	L2
3.	Sterlite Grid 23 Limited	5489.80 (not participated in e-	L3

8. As per Clause 3.6.1 of RFP ".....The Bidder with the prevailing lowest Quoted Transmission charges discovered from Final Offers at the close of the scheduled or extended period of e-reverse bidding as mentioned in clause 2.5 shall be declared as the Successful Bidder, subject to verification of the original hard copies of Annexure 3, Annexure 4 (if applicable), Annexure 6 (if applicable) and Annexure 14. The Letter of Intent shall be issued to such Successful Bidder in two (2) copies"

9. Accordingly, as per the requirement, 'Power Grid Corporation of India Limited' (the Bidder with lowest Final Offer) has submitted the original hard copies of Annexure 3 (Power of Attorney) and Annexure 14 (Bid bond) to BPC on 30.11.2023. The other annexures were not applicable to the bidder.

10. BPC has confirmed that the original hard copies of Annexure 3 and Annexure 14 submitted by 'Power Grid Corporation of India Limited' are in order and there is no discrepancy between the online submission and physical documents submitted by 'Power Grid Corporation of India Limited'.

11. In view of above, 'Power Grid Corporation of India Limited' with the Final Offer (Quoted Transmission Charges) of **Rs. 4018.15 million per annum**, may be declared as the successful bidder.

12. BPC, in their evaluation report (**Annexure-A**) has confirmed the following:

- i. The levelised tariff for this project based on CERC norms works out to Rs. 4064.97 million per annum. This has been computed based on the estimated cost as communicated by the Cost Committee constituted by CEA and methodology for calculation of tariff as per CERC norms.
- ii. 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.

13. After detailed discussions on the evaluation report prepared by BPC (**Annexure-A**), the BEC decided the following:

- i. 'Power Grid Corporation of India Limited' is the successful Bidder after the conclusion of the e-reverse bidding process with the lowest Quoted Transmission Charges of **Rs. 4018.15 million per annum**.
- ii. The quoted tariff is lower than the Levelised Tariff estimated as per CERC norms. The quoted tariff discovered through e-reverse bidding process is acceptable.
- iii. In view of (i) and (ii) above, 'Power Grid Corporation of India Limited' may be issued Letter of Intent (LoI)."

27. Bid Evaluation Committee (BEC) vide its certificate dated 30.11.2023 certified as under:

*"It is hereby certified that:*

1. 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.*

2. ***‘The Power Grid Corporation of India Limited’ emerged as the successful Bidder after the conclusion of e-reverse bidding process with the lowest Quoted Transmission Charges of Rs. 4018.15 million per annum.***
3. ***The quoted tariff is lower than the Levelised Tariff calculated based on CERC norms considering the Capital Cost for the project “Transmission system for evacuation of additional 7GW of RE Power from Khavda RE Park under Phase III Part B” as assessed by the cost committee. The quoted tariff discovered through e-reverse bidding process is acceptable.”***

28. In the light of the discussions in the preceding paragraphs, it emerges that the selection of the successful bidder and the discovery of the annual transmission charges of the Project has been carried out by the BPC through a transparent process of competitive bidding in accordance with the Guidelines issued by the Ministry of Power, Government of India under Section 63 of the Act. BEC has certified that the process is in conformity with the Ministry of Power Guidelines. BEC, in its certificate dated 30.11.2023, has certified that Power Grid Corporation of India Limited has emerged as the successful bidder after the conclusion of the e-reverse auction with the lowest transmission charges of Rs. 4018.15 million per annum. Based on the certification of the BEC, we approve and adopt the single annual transmission charges of Rs. 4018.15 million per annum as per the final offer of the successful bidder subject to the grant of transmission licence to the Petitioner company. The transmission charges shall remain valid throughout the period covered in the TSA.

29. The sharing of the transmission charges by the designated ISTS customers (DICs) shall be governed by the provisions of the Central Electricity Regulatory Commission (Sharing of inter-State Transmission Charges and Losses) Regulations, 2020, as amended from time to time.

30. The Petitioner, vide its affidavit dated 27.3.2024, has informed that the name of the Petitioner company has been changed from 'Vataman Transmission Limited' to 'POWERGRID Vataman Transmission Limited' with effect from 22.3.2024. The certificate of change of name from 'Vataman Transmission Limited' to 'POWERGRID Vataman Transmission Limited' dated 22.3.2024 issued by Registrar of Companies, Delhi has been placed on record. Accordingly, the name of the Petitioner has been changed to 'POWERGRID Vataman Transmission Limited' on the record of the Commission.

31. Let an extract copy of this order be sent to the Nodal agency.

32. Petition No. 51/AT/2024 is disposed of in terms of the above.

**Sd/-**  
**(P.K. Singh)**  
**Member**

**sd/-**  
**(Arun Goyal)**  
**Member**

**sd/-**  
**(Jishnu Barua)**  
**Chairperson**