

**CENTRAL ELECTRICITY REGULATORY COMMISSION
NEW DELHI**

Petition No. 39/AT/2018

Coram:

Shri R. K. Pujari, Chairperson

Shri A. K. Singhal, Member

Shri A.S. Bakshi, Member

Dr. M.K. Iyer, Member

Date of Order: 25th of April, 2018

In the matter of:

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

And

In the matter of:

ERSS XXI Transmission Limited
B-9, Qutab Institutional Area,
Katwaria Sarai, New Delhi 110 016

...Petitioner

Versus

1. West Bengal State Electricity Distribution Company Limited (WBSEDCL)
7th Floor, Vidyut Bhawan,
Salt Lake City, Bidhannagar,
Kolkata -700091

2. North Bihar Power Distribution Company Limited
Chief Engineer (Commercial)
2nd Floor, Vidyut Bhawan, Bailey Road,
Patna-800001

3. South Bihar Power Distribution Company Limited
Chief Engineer (Commercial)
2nd Floor, Vidyut Bhawan, Bailey Road,
Patna-800001

4. GRIDCO Limited
Director (Commercial)

Grid Corporation of Orissa Ltd., Janpath,
Bhubaneswar

5. Jharkhand Bijli Vitran Nigam Limited
Chief Engineer (C&R)
Engineer's Building, Dhurwa
Ranchi-834004

6. Damodar Valley Corporation
Principal Chief Engineer (Commercial)
DVC Headquarters, DVC Tower, VIP Road
Kolkata-700054

7. Energy and Power Department, Sikkim
Chief Engineer (Trans/RE)
Kazi Road, Gangtok,
Sikkim

...Respondents

Parties Present:

Shri B. Vamsi Rama Mohan, PGCIL
Shri Bhupender Gupta, RECPTCL
Shri Ashwani Kumar, RECPTCL

ORDER

The Petitioner, ERSS XXI Transmission Limited, 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 “transmission of electricity for Eastern Region Strengthening Scheme-XXI (ERSS-XXI)” on Build, Own, and 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, on websites 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 (hereinafter referred to as '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 process as per provisions of the Guidelines has been followed in the present case for arriving at the lowest levelised transmission charges and for selection of the successful bidder.

5. Ministry of Power, Government of India, vide its Notification No. 2599 dated 31.10.2016 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 Transmission System for "Eastern Region Strengthening Scheme-XXI" through tariff based competitive bidding process.

6. ERSS XXI Transmission Limited was incorporated on 11.1.2017 under the Companies Act, 2013 as a wholly owned subsidiary of RECTPCL with the objective to establish the "transmission of electricity for Eastern Region Strengthening Scheme-XXI (ERSS-XXI)" 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, substations, 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. 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 for selection of developer on BOOM basis for the project. The notice for RfQ was published on 21.11.2016 in all the editions of Hindustan Times, Hindustan (Hindi), Mint (English) with the last date of submission of response to RfQ as 28.12.2016. 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. RECPTCL/P-28/ERSS-XXI/RFQ 2016-17/396 dated 22.11.2016.

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

S.No.	Events	Date
1.	Publication of RFQ	21.11.2016
2.	Submission of Request for Qualification	28.12.2016
3.	Issuance of Request for Proposal	27.2.2017
4.	Technical and Price bid (on line) submission	11.8.2017
5.	Technical bid opening	11.8.2017
6.	Initial offer-opening	18.9.2017
7.	e-Reverse Auction and final offer	19.9.2017
8.	Issuance of Letter of Intent to successful bidder	17.10.2017
9.	Signing of Share Purchase Agreement and transfer of Special Purpose Vehicle	12.1.2018

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

Sr. No.	Name of the Transmission Element	Scheduled COD in months from Effective Date
1.	<p>Establishment of new 400/220/132 kV, 2x500 MVA + 2x200 MVA S/s at Sitamarhi (New)*</p> <p>400 kV</p> <ul style="list-style-type: none"> • ICTs: 400/220 kV, 2x500 MVA • ICTs bays: 2 no. • Line bays with space for switchable line reactor: 4 no. [2 no. for Darbhanga – Sitamarhi (New) 400kV D/c line with Triple Snowbird conductor and 2 no. for Sitamarhi (New) – Motihari 400kV D/c line with Triple Snowbird conductor] • Bus reactor: 420kV, 2x125 MVAR • Bus reactor bay: 2 no. • Space for future line bays (including space for switchable line reactor): 6 no. • Space for future ICT bays: 2 no. <p>220 kV</p> <ul style="list-style-type: none"> • ICTs: 220/132 kV, 2x200 MVA • ICTs bays: 4 no. • Line bays: 4 no. [2 no. for Sitamarhi (New) – Motipur (BSPTCL) 220kV D/c line and 2 no. for Sitamarhi (New) – Raxaul (New) 220kV D/c (Twin Moose) line] • Space for future line bays: 4 no. • Space for future ICT bays: 4 no. <p>132 kV</p> <ul style="list-style-type: none"> • ICTs bays: 2 no. • Line bays: 4 no. [2 no. for Sitamarhi (New) – Sitamarhi 132kV D/c (Single Moose) line and 2 no. for Sitamarhi (New) – Pupri 132kV D/c line] • Space for future line bays: 4 no. • Space for future ICT bays: 2 no. • Space for future 400/220 kV, 2x500 MVA ICTs • Space for future 220/132 kV, 2x200 MVA ICTs 	36
2.	<p>Establishment of new 400/220/132 kV, 3x500 MVA + 3x200 MVA S/s at Chandauti (New)*</p> <p>400 kV</p>	38

Sr. No.	Name of the Transmission Element	Scheduled COD in months from Effective Date
	<ul style="list-style-type: none"> • ICTs: 400/220 kV, 3x500 MVA • ICTs bays: 3 no. • Line bays with space for switchable line reactor: 4 no. [4 no. for LILO of both circuits of Nabinagar-II – Gaya 400kV D/c (Quad Moose) line of POWERGRID at Chandauti (New)] • Bus reactor: 420kV, 2x125 MVAR • Bus reactor bay: 2 no. • Space for future line bays (including space for switchable line reactor): 6 no. • Space for future ICT bays: 2 no. <p>220 kV</p> <ul style="list-style-type: none"> • ICTs: 220/132 kV, 3x200 MVA • ICTs bays: 6 no. • Line bays: 4 no. [4 no. for LILO of Gaya (POWERGRID) – Sonenagar 220kV D/c at Chandauti (New). Gaya (POWERGRID) – Sonenagar shall be LILOed at Bodhgaya (BSPTCL) also, so as to form Gaya (POWERGRID) – Bodhgaya (BSPTCL) – Chandauti (New) – Sonenagar 220kV D/c line] • Space for future line bays: 4 no. • Space for future ICT bays: 4 no. <p>132 kV</p> <ul style="list-style-type: none"> • ICTs bays: 3 no. • Line bays: 4 no. [2 no. for LILO of Chandauti (BSPTCL) – Rafiganj and 2 no. for LILO of Chandauti (BSPTCL) – Sonenagar 132kV S/c (HTLS conductor of 240MVA, ampacity - 1050A) lines at Chandauti (New)] • Space for future line bays: 4 no. • Space for future ICT bays: 2 no. • Space for future 400/220 kV, 2x500 MVA ICTs • Space for future 220/132 kV, 2x200 MVA ICTs 	
3.	<p>Establishment of new 400/220/132 kV, 2x500 MVA + 2x200 MVA S/s at Saharsa (New) *</p> <p>400 kV</p> <ul style="list-style-type: none"> • ICTs: 400/220 kV, 2x500 MVA • ICTs bays: 2 no. • Line bays with space for switchable line reactor: 4 no. 	38

Sr. No.	Name of the Transmission Element	Scheduled COD in months from Effective Date
	<p>[4 no. for LILO of both circuits Kishanganj – Patna 400kV D/c (Quad Moose) line of POWERGRID at Saharsa (New)]</p> <ul style="list-style-type: none"> • Bus reactor: 420kV, 2x125 MVAR • Bus reactor bay: 2 no. • Space for future line bays (including space for switchable line reactor): 6 no. • Space for future ICT bays: 2 no. <p>220 kV</p> <ul style="list-style-type: none"> • ICTs: 220/132 kV, 2x200 MVA • ICTs bays: 4 no. • Line bays: 4 no. <p>[2 no. for Saharsa (New) – Begusarai and 2 no. for Saharsa (New) – Khagaria (New) 220kV D/c lines]</p> <ul style="list-style-type: none"> • Space for future line bays: 4 no. • Space for future ICT bays: 4 no. <p>132 kV</p> <ul style="list-style-type: none"> • ICTs bays: 2 no. • Line bays: 2 no. <p>[2 no. for Saharsa (New) – Saharsa 132kV D/c (Single Moose) line]</p> <ul style="list-style-type: none"> • Space for future line bays: 6 no. • Space for future ICT bays: 2 no. • Space for future 400/220 kV, 2x500 MVA ICTs • Space for future 220/132 kV, 2x200 MVA ICTs 	
4.	<p>Substation extension at Darbhanga S/s</p> <ul style="list-style-type: none"> • 400kV Line bays with space for switchable line reactor: 2 no. <p>[2 no. for Darbhanga – Sitamarhi (New) 400 kV D/c line with Triple Snowbird conductor]</p>	36
5.	<p>Substation extension at Motihari S/s</p> <p>400kV</p> <ul style="list-style-type: none"> • ICTs: 400/132kV, 315MVA (3rd) • ICT bays: 1 no. • Line bays with space for switchable line reactor: 2 no.[2 no. for Sitamarhi (New) – Motihari 400kV D/c line with Triple Snowbird conductor] 	36

Sr. No.	Name of the Transmission Element	Scheduled COD in months from Effective Date
	132kV ICT bays: 1 no.	
6.	Darbhanga – Sitamarhi (New) 400 kV D/c line with Triple Snowbird conductor	36
7.	Sitamarhi (New) – Motihari 400 kV D/c line with Triple Snowbird conductor	36
8.	LILO of both circuits of Nabinagar-II-Gaya 400 kV D/c (Quad Moose) line of POWERGRID at Chandauti (New)	38
9.	LILO of both circuits of Kishanganj – Patna 400 kV D/c (Quad Moose) line of POWERGRID at Saharsa (New)	38
* TSP has to construct the new Sub-Stations within the following boundaries and intimate the same to CEA: 1. Sitamarhi Sub-station in Dumra Tehsil / block of Sitamarhi District, 2. Chandauti Sub-station in Bodh Gaya Tehsil / block of Gaya District 3. Saharsa Sub-station in Satara Kataiya Tehsil / block of Saharsa District		

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

S.No	Name of the Long Term Transmission Customer
1.	North Bihar Power Distribution Company Limited
2.	South Bihar Power Distribution Company Limited
3.	Jharkhand Bijli Vitran Nigam Limited
4.	GRIDCO Limited
5.	West Bengal State Electricity Distribution Company Limited
6.	Energy and Power, Department, Sikkim
7.	Damodar Valley Corporation

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

- a) Shri Padma Kumar M. Nair, Head, SBI Capital Markets, New Delhi - Chairman
- b) Shri Y K Swarnkar, Director (PSETD), CEA, Member
- c) Ms. Rishika Sharan, Director (PSP&PA-II), CEA, Member
- d) Shri Bhashkar Sharma, Director (Project), BSPTCL, Member

- e) Shri Ajoy Prasad, Chief Engineer (Trans.) JUSNL, Member
- f) Ms. Valli Natarajan Chairman of SPV - EIISS XXI TI, Convener - Member

12. Responses to RfQ were received from the ten bidders as per details given below

S.NO	Name of Bidders
1.	Power Grid Corporation of India Limited
2.	Adani Transmission Limited
3.	Essel Infraprojects Limited
4.	Sterlite Grid 5 Limited
5.	Kalpataru Power Transmission Limited (LM) Consortium with Techno Electric and Engineering Company Limited (CM)
6.	L&T Infrastructure Development Projects Limited
7.	GMR Energy Limited
8.	IL&FS Energy Development Company Ltd
9.	Mytrah Energy (India) Pvt. Ltd
10.	CLP India Pvt. Ltd. (LM) Consortium with China Southern Power Grid International (HK) Co., Ltd (CM)

13. The responses to the RfQ were opened 28.12.2016 in the presence of Bid Evaluation Committee and the representatives of the bidders. Evaluation was undertaken by Bid Process Consultant, namely M/s Ernst & Young LLP in consortium with M/s Legacy Law Offices, New Delhi (Bid Process Consultant) and after clarifications presented to the Bid Evaluation Committee which recommended all ten bidders as qualified at RfP stage.

14. The following six bidders submitted RfP:

S.No.	Name of Bidders
1.	Power Grid Corporation of India Limited
2.	Adani Transmission Limited
3.	Essel Infraprojects Limited
4.	Sterlite Grid 5 Limited
5.	Kalpataru Power Transmission Limited (LM) Consortium with Techno Electric and Engineering Company Limited (CM)
6.	L&T Infrastructure Development Projects Limited

15. The Non-Financial Bids of all the six bidders were opened on 11.8.2017 in the presence of the representatives of the bidders. The BEC met on 21.8.2017 and 28.8.2017 to discuss the Bid Process Consultant's report on the evaluation of the Non-Financial Bids submitted by the Bidders. Based on the recommendations of the Bid Evaluation Committee, the initial offer of all the six bidders were opened on 18.9.2017 in the presence of Bid Evaluation Committee. In BEC meeting held on 18.9.2017, it was noted that the lowest Levelised Transmission Charges from the Initial Offer submitted by the bidders was Rs. 1385.86 Million per annum for participating in the e-Reverse bidding process. BEC recommended the following four bidders out of 6 as qualified to participate in the electronic reverse Auction stage and to submit their final offers:

S.No.	Name of Bidders
1.	Power Grid Corporation of India Limited
2.	Adani Transmission Limited
3.	Essel Infraprojects Limited
4.	Sterlite Grid 5 Limited

16. The e-Reverse Auction was carried out on 19.9.2017 and even after expiry of the initial period i.e. 2 Hours for conducting the e-reverse bidding, no bidder submitted its bid. Based on e-Reverse bidding, Bid Evaluation Committee in its meeting held on 19.8.2017 recommended Power Grid Corporation of India Limited with the lowest Levelised Transmission Charges of Rs. 1385.86 million per annum as the successful bidder.

17. Letter of Intent was issued by the BPC on 17.10.2017 to the successful bidder i.e. Power Grid Corporation of India Limited. In accordance with para 12.3 of the Guidelines, the BPC has hosted on the website of RECTPCL, the final result 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 ERSS XXI Transmission Limited 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 to day basis till the end of the Bid validity period". Though Lol was issued on 17.10. 2017, BPC, vide its letter dated 8.1.2018, in terms of proviso to clause 2.4 of RfP extended the date upto 16.1.2018 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. 84.32 crore and has acquired hundred percent equity-holding in the

applicant company on 12.1.2018 after execution of the Share Purchase Agreement. The TSP on behalf of selected bidder filed the application through e-filing portal for adoption of tariff on 16.1.2018.

21. On receipt of the present petition, BPC, vide letter dated 12.2.2018, was directed to submit the relevant documents regarding complete process of competitive bidding. The necessary details have been filed by the BPC under affidavit dated 19.2.2018.

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. BPC has filed the copies of all relevant documents pertaining to the bidding process.

23. The petition was heard on 22.3.2018. During the course of hearing, the representative of the petitioner reiterated the submissions made in the petition and requested to adopt the transmission tariff of the transmission system.

24. 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 paras 2, 3, 4, and 7 of the minutes of meeting held on 19.9.2017, has recorded as under:

“2. The Bid Evaluation Committee had met earlier on 18th September, 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. 1,385.86 Million which shall be the initial ceiling for quoting the Final Offers during e-Reverse Auction.

* As per provisions of RFP documents, following 4 bidders out of 6 are qualified to participate in the electronic reverse auction stage and submit their final offer:

S.No	Name of the Bidder	Levelised transmission charges from the Initial offer (in Rs. Million)	Rank
1.	Power Grid Corporation of India Limited	1385.86	L1
2.	Adani Transmission Limited	1984.29	L2
3.	Essel Infraprojects Limited	2013.66	L3
4.	Sterlite Grid 5 Limited	2044.64	L4

* To start the e-reverse auction on 19th September, 2017 at 1230 Hrs (IST) after intimation to all the 4 qualified bidders regarding lowest initial price offer.

3. Pursuant to the above, RECTPCL issued letters to above four (4) bidders on 18th September, 2017 intimating the e-reverse Auction start time and lowest initial offer for start of e-Reverse Auction.

4. The e- Reverse auction was started on 19th September, 2017 at 1230 hrs and even after expiry of the initial period i.e 2 Hours for conducting the e- reverse bidding, no bidder placed its bid.

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

a) M/s Power grid Corporation of India Limited is the successful Bidder after the conclusion of the e-reverse Auction with the lowest Levelised Transmission Charges of Rs. 1,385.86 million.

b) The levelised tariff for this project based on CERC norms for the same period works out to Rs. 2,520 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 Power Grid Corporation of India Limited may be issued Letter of Intent (LOI).”

25. Bid Evaluation Committee vide its certificate dated 19.9.2017 has certified as under:

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. M/s Power Grid Corporation of India Limited has emerged as successful bidder after the conclusion of e- reverse Auction with the Lowest Levelised Transmission charges of 1385.86 Million.

c. The rates quoted by the successful bidder are in line with the prevailing prices.”

26. 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 BEC in its certificate dated 19.9.2017 has certified that the rates quoted by the successful bidder (extracted as Appendix to this order) 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 which shall remain valid throughout the period covered in the TSA. 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.

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

28. The Petition No. 39/AT/2018 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/-
(P. K. Pujari)
(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 5-Nov-20	31-Mar-21	1,699.96	0.00
2	1-Apr-21	31-Mar-22	1,699.96	Same as Above
3	1-Apr-22	31-Mar-23	1,699.96	Same as Above
4	1-Apr-23	31-Mar-24	1,699.96	Same as Above
5	1-Apr-24	31-Mar-25	1,699.96	Same as Above
6	1-Apr-25	31-Mar-26	1,699.96	Same as Above
7	1-Apr-26	31-Mar-27	1,699.96	Same as Above
8	1-Apr-27	31-Mar-28	1,699.96	Same as Above
9	1-Apr-28	31-Mar-29	1,699.96	Same as Above
10	1-Apr-29	31-Mar-30	1,194.22	Same as Above
11	1-Apr-30	31-Mar-31	1,194.22	Same as Above
12	1-Apr-31	31-Mar-32	1,194.22	Same as Above
13	1-Apr-32	31-Mar-33	1,194.22	Same as Above
14	1-Apr-33	31-Mar-34	1,194.22	Same as Above
15	1-Apr-34	31-Mar-35	1,194.22	Same as Above
16	1-Apr-35	31-Mar-36	1,194.22	Same as Above
17	1-Apr-36	31-Mar-37	1,194.22	Same as Above
18	1-Apr-37	31-Mar-38	1,194.22	Same as Above
19	1-Apr-38	31-Mar-39	1,194.22	Same as Above
20	1-Apr-39	31-Mar-40	1,194.22	Same as Above
21	1-Apr-40	31-Mar-41	1,194.22	Same as Above
22	1-Apr-41	31-Mar-42	1,194.22	Same as Above
23	1-Apr-42	31-Mar-43	1,194.22	Same as Above
24	1-Apr-43	31-Mar-44	1,194.22	Same as Above
25	1-Apr-44	31-Mar-45	1,194.22	Same as Above
26	1-Apr-45	31-Mar-46	1,194.22	Same as Above
27	1-Apr-46	31-Mar-47	1,194.22	Same as Above
28	1-Apr-47	31-Mar-48	1,194.22	Same as Above
29	1-Apr-48	31-Mar-49	1,194.22	Same as Above
30	1-Apr-49	31-Mar-50	1,194.22	Same as Above
31	1-Apr-50	31-Mar-51	1,194.22	Same as Above
32	1-Apr-51	31-Mar-52	1,194.22	Same as Above
33	1-Apr-52	31-Mar-53	1,194.22	Same as Above
34	1-Apr-53	31-Mar-54	1,194.22	Same as Above
35	1-Apr-54	31-Mar-55	1,194.22	Same as Above
36	1-Apr-55	4-Nov-55	1,194.22	Same as Above