

**CENTRAL ELECTRICITY REGULATORY COMMISSION
NEW DELHI**

Petition No. 599/TL/2020

Coram:

Shri P.K. Pujari, Chairperson

Shri I. S. Jha, Member

Shri Arun Goyal, Member

Shri P.K.Singh, Member

Shri Prakash S. Mhaske, Member (Ex-officio)

Date of Order: 1st April, 2021

In the matter of

Application under Sections 14, 15 and 79(1)(e) of the Electricity Act, 2003 read with Central Electricity Regulatory Commission (Procedure, Terms and Conditions for Grant of Transmission Licence and other related matters) Regulations, 2009 with respect to grant of Transmission Licence to Vapi-II North Lakhimpur Transmission Limited.

And

In the matter of

Vapi-II North Lakhimpur Transmission Limited
F-1, The Mira Corporate Suites,
1&2 Ishwar Nagar,
Mathura Road,
New Delhi – 110 065

....Petitioner

Vs

- 1) Maharashtra State Electricity Distribution Company Limited
Hongkong Bank Building, M.G. Road, Fort,
Mumbai- 400001
- 2) Gujrat Urja Vikas Nigam Limited
Sardar Patel Vidyut Bhawan, Race Course Road,
Vadodara, Gujarat -390007
- 3) M. P. Power Management Company Limited
Shakti Bhawan, Vidyut Nagar, Rampur,
Jabalpur, Madhya Pradesh - 482008
- 4) Chhattisgarh State Power Distribution Company Limited
Vidyut Sewa Bhavan, Danganiya, Raipur,
Chhattisgarh – 492013
- 5) Goa Electricity Department



Electricity Department, 3rd Floor, Vidyut Bhavan,
Panjim, Goa – 403001

- 6) DNH Power Distribution Corporation Limited
Vidhyut Bhavan, 66 KV Road, Near Secreteriat,
Amli, Silvassa,
U.T. of Dadra & Nagar Haveli – 396230
- 7) Electricity Department, Daman & Diu
Vidyut Bhavan, Somnath,
Kachigam Road, Kachigam,
Daman -396210
- 8) Department of Power, Arunachal Pradesh
Vidyut Bhavan, Zero Point Tinali, Itanagar,
Arunachal Pradesh - 791111
- 9) Assam Power Distribution Company Limited
5th Floor, Bijulee Bhawan,
Paltan Bazar,
Guwahati-781001
- 10) Manipur State Power Distribution Company Limited
3rd Floor, New Directorate Building, Near 2nd MR Gate,
Imphal-Dimapur Road,
Imphal, Manipur – 795001
- 11) Meghalaya Energy Corporation Limited
Lumjingshai, Short Round Road,
Shillong-793001
Meghalaya
- 12) Power and Electricity Department, Mizoram
Kawlphetha Building,
New Secretariat Complex,
Khatla, Aizawl
Mizoram – 796001
- 13) Department of Power, Nagaland
Electricity House,
A.G. Colony, Kohima,
Nagaland- 797001
- 14) Tripura State Electricity Corporation Limited
Bidyut Bhaban, Banamalipur, Agartala,
Tripura – 799001
- 15) PFC Consulting Limited
First Floor, Urjanidhi, 1, Barakhamba Lane,
Connaught Place,



New Delhi- 110 001

16) Power Grid Corporation of India Limited
Central Transmission Utility,
B-9, Qutub Institutional Area,
Katwaria Sarai,
New Delhi – 110 016

.....Respondents

Parties present:

Shri Deep Rao Palepu, Advocate, VNLTL
Ms. Harneet Kaur, Advocate, VNLTL
Ms. Suparna Srivastava, Advocate, CTU
Mr. Tushar Mathur, Advocate, CTU
Shri TAN Reddy, VNLTL
Ms. Anisha Chopra, VNLTL
Shri Pulkit Sharma, VNLTL
Shri Anindya Khare, MPPMCL
Shri Manoj Dubey, MPPMCL
Ms. Jyoti Prasad, CTU
Shri Bhaskar Wagh, CTU
Shri Sidhharth Sharma, CTU

ORDER

The Petitioner, Vapi-II North Lakhimpur Transmission Limited, has filed the present Petition for grant of transmission licence under Sections 14, 15 and 79(1)(e) of the Electricity Act, 2003 (hereinafter referred to as “the Act”) read with the Central Electricity Regulatory Commission (Procedure, Terms and Conditions for grant of Transmission Licence and other related matters) Regulations, 2009 (hereinafter referred to as “the Transmission Licence Regulations”) to establish “Western Region Strengthening Scheme- XIX (WRSS-XIX) and North Eastern Region Strengthening Scheme- IX (NERSS-IX)”, on Build, Own, Operate and Maintain basis (hereinafter referred to as “the Project”) consisting of the following elements:

S. No.	Name of the Transmission Element	Scheduled COD from effective date
Part A: Additional 400 kV outlets from Banaskantha 765/400 kV S/S		
1.	LILO of second circuit of Zerda-Ranchodpura 400 kV D/c line at Banaskantha (PG) PS	28 months



Part B: Establishment of new substation at Vapi/Ambethi area and its associated transmission lines.		
1.	<p>Establishment of 2x500MVA, 400/220 kV GIS S/s near Vapi / Ambheti (Vapi-II)</p> <p>ICTs : 2x500 MVA, 400/220 kV</p> <p>400 kV</p> <ul style="list-style-type: none"> - ICT bays: 2 nos. - Line bays: 4 nos. - Space for 2x500 MVA, 400/220 kV ICTs (future) - Space for 400/220 kV ICT bays (future): 2 nos. - Space for Line bays along with Line Reactors (future): 4 nos. <p>220 kV</p> <ul style="list-style-type: none"> - ICT bays: 2 nos. - Line bays: 6 nos. (2 for Sayali (DNH) and 4 nos. for GETCO) - Space for 400/220 kV ICT bays (future): 2 nos. - Space for Line bays (future): 6 nos. 	34 Months
2.	LILO of KAPP-Vapi 400 kV D/c line at Vapi-II	34 Months
3.	<p>125 MVAR bus reactor at Vapi-II Substation</p> <ul style="list-style-type: none"> -Bus Reactor: 1x125 MVAR -Bus Reactor Bay: 1 no -Space for 420 kV additional Bus Reactor 1 no. 	34 Months
4.	<p>Vapi-II - Sayali 220 kV D/c line</p> <ul style="list-style-type: none"> -From Vapi-II upto LILO point of one circuit of Vapi(PG)-Khadoli 220 kV D/c line at Sayali substation with ampacity equivalent to twin zebra conductor. - Interconnection with LILO section (of LILO of one circuit of Vapi (PG)-Khadoli 220 kV D/c line at Sayali substation) so as to form Vapi-II-Sayali 220 kV D/c line and Vapi- Khadoli 220 kV D/c line. (The LILO section is with zebra conductor) 	34 Months
Part C: Additional ISTS feed to Navi Mumbai 400/220 kV substation of POWERGRID		
1.	Padghe (PG) - Kharghar 400 kV D/c (quad) line to be terminated into one ckt. of Kharghar- Ghatkopar 400 kV D/c (quad) line (thus forming Padghe (PG) - Kharghar 400 kV S/c (quad) line, Padghe (PG)- Ghatkopar 400 kV S/c (quad) line)	42 months
2.	LILO of Padghe (PG)- Ghatkopar 400 kV S/c line at Navi Mumbai GIS (PG) (with quad conductor)	42 months
3.	LILO of Apta- Kalwa/Taloja 220 kV D/c line (i.e. Apta-Kalwa and Apta Taloja 220 kV lines) at Navi Mumbai (PG)	30 months
Part D: North Eastern Region Strengthening Scheme – IX		
1.	Pare HEP (NEEPCO) (from near LILO point) -North Lakhimpur (AEGCL) 132 kV D/c line (with ACSR Zebra conductor) along with 2 no. 132 kV line bays at North	36 months

	Lakhimpur end.	
2.	LILO of one circuit of Pare HEP-North Lakhimpur (AEGCL) 132 kV D/c line (with ACSR Zebra) at Nirjuli (POWERGRID) sub-station	36 months

Scheduled COD for overall Project: 42 months from the effective date.

2. Based on the competitive bidding carried out by PFC Consulting Limited (hereinafter referred to as 'PFCCL') in accordance with the Guidelines issued by Ministry of Power, Government of India under Section 63 of the Act, M/s Sterlite Grid 13 Limited emerged as the successful bidder with the lowest levelized transmission charges of Rs. 2565.92 million per annum.

3. The Commission after considering the application of the Petitioner in the light of the provisions of the Act and the Transmission Licence Regulations in its order dated 1.2.2021 *prima facie* proposed to grant licence to the Petitioner. Relevant extract of order dated 1.2.2021 is extracted as under:

"19. We have considered the submissions of the Petitioner and BPC. The proviso to Clause 2.4 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". Though Lol was issued on 2.3.2020, BPC, vide its letter dated 23.6.2020, in terms of Clauses 2.4, 2.5 and 2.6 of RfP extended the date upto 3.7.2020 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. 37.64 crore and has acquired hundred percent equity-holding in the applicant company on 23.6.2020 after execution of the Share Purchase Agreement. The TSP on behalf of the selected bidder filed the Application for grant of transmission licence and adoption of tariff through e-portal on 25.6.2020. Considering the material on record, we are prima-facie of the view that the Petitioner satisfies the conditions for grant of inter-State transmission licence under Section 15 of the Act read with Transmission Licence Regulations for construction, operation and maintenance of the Transmission System as described in para 1 of this order. We therefore, direct that a public notice under clause (a) of sub-section (5) of Section 15 of the Act be published to invite suggestions or objections to grant of transmission licence aforesaid. The objections or suggestions, if any, be filed by any person before the Commission, by 20.2.2021."

4. A public notice under Sub-section (5) of Section 15 of the Act was published on 1.2.2021 in all editions of the Times of India (English) and Hindustan (Hindi). No



suggestions/ objections have been received from the members of the public in response to the public notice.

5. MSEDCL vide its reply dated 27.11.2020 has submitted that the Commission may adopt levelized transmission charges for the Project discovered through competitive bidding process after prudence check. MSEDCL has further submitted that since as per Schedule 3 of the TSA, the Scheduled COD for overall Project is 42 months from the effective date, the Commission may issue appropriate direction to the Petitioner for execution of the Project within the timeline specified in the TSA. The issues raised by MSEDCL have been dealt with in succeeding paragraphs.

6. CTU, vide order dated 1.2.2021 was directed to file its statutory recommendations on the proposal made in the application in terms of Section 15(4) of the Act and Regulation 7(11) of the Transmission Licence Regulations. It has been submitted by CTU that vide letter dated 23.9.2020, it has recommended for grant of transmission licence to the Petitioner. Relevant portion of the said letter dated 23.9.2020 is extracted as under:

'This has reference to the email dated 26.08.2020 from Vapi-II North Lakhimpur Transmission Ltd. (VNLTL) forwarding therewith the application/petition before the Hon'ble Commission for grant of Transmission Licence for establishment of the "Western Region Strengthening Scheme-XIX (WRSS-XIX) and North Eastern Regional Strengthening Scheme-XIX (NERSS-IX)" as ISTS scheme. In this regard, the following is submitted:

1. *Scope of works for "Western Region Strengthening Scheme-XIX (WRSS-XIX) and North Eastern Regional Strengthening Scheme-XIX (NERSS-IX)" and Scheduled COD are given below:*

2. *The proposed Transmission System under Part-A was discussed and agreed in the 41st WR SCM held on 21.12.2016. The transmission system under Part-B & Part-C was discussed and agreed in the 40th, 41st & 42nd WR SCM held on 01.06.2016, 21.12.2016 & 17.11.2017 respectively. The transmission system under Part-D was discussed and agreed in 6th NER SCM held on 03.10.2016. Extract of 40th, 41st & 42nd WR SCM MOM and 6th NER SCM is enclosed at Annexure-I-B.*



3. *The Transmission System under Part-A has been noted in the 34th WRPC meeting held on 28.07.2017. The Transmission System under Part-B & Part-C has been noted in 34th, 37th WRPC meeting held on 28.07.2017 & 18.12.2018 respectively. The Transmission System under Part-D has been noted in the 17th NERPC meeting held on 04.10.2016. Extract of 34th & 37th WRPC and 17th NERPC MOM are enclosed at Annexure-II.*
4. *Ministry of Power, GOI vide Gazette notification dated 04.05.2018 had notified PFC Consulting Ltd. (PFCCL) as the Bid Process Coordinator (BPC) for the purpose of selection of Bidder as Transmission Service Provider (TSP) to establish the above transmission scheme through Tariff Based Competitive Bidding (TBCB) process. Pursuant to the process of competitive bidding conducted by the BPC, Sterlite Grid 13 Ltd. (SG13L) emerged as the successful bidder after the conclusion of the e-reverse auction. The BPC issued a Letter of Intent to SG13L on 02.03.2020. Subsequently, SG13L has acquired Vapi-II North Lakhimpur Transmission Ltd. on 23.06.2020, upon execution of the Share Purchase Agreement (SPA) and after completion of all procedure requirements as specified in the bid documents.*

6. In line with Section 15(4) of the Electricity Act, 2003, based on details furnished by Vapi-II North Lakhimpur Transmission Ltd., CTU recommends the grant of transmission license to Vapi-II North Lakhimpur Transmission Ltd. for executing the transmission scheme as mentioned in para 1. However, the subject transmission system may be modified in future in terms of LILO/diversion of line, extension of substation etc., based upon system requirement.”

7. The Petitioner, vide order dated 1.2.2021, was directed to file an affidavit to the effect that the execution of the transmission project shall not be delayed due to time taken in obtaining statutory clearances required under RfP and or adjudication of any claim of the Petitioner arising under the TSA. In response, the Petitioner vide its affidavit dated 13.2.2021 has submitted that a pre-signed TSA between the Transmission Service Provider i.e. the Petitioner and the Long Term Transmission Customers was provided by the BPC to the bidders as part of the RfP Project Documents. The Petitioner has submitted that bidding process was governed by the bidding Guidelines and the standard bidding documents issued by the Ministry of Power, Government of India. The tariff quoted by Sterlite Grid 13 Limited *inter alia* takes into consideration the rights and obligations of the TSP under the TSA including the provisions available to it to claim time and cost variations.



8. The Petitioner has further submitted that the terms of the TSA are binding on the parties and any claim for force majeure, escalation in transmission charges, extension of time for commissioning of the Project and exemption from payment of liquidated damages that may be raised by the Petitioner is required to be dealt with in accordance with terms contained thereunder. The Petitioner has submitted that Section 56 of the Indian Contract Act, 1872 provides for frustration of contract and impossibility of performance, etc. and the Commission in number of cases has granted reliefs as per the provisions of law. The Petitioner has submitted that in terms of Section 28 of the Indian Contract Act, 1872, no restraint in taking legal proceedings in future can be validly placed. The Petitioner has submitted that it would implement the project as per provisions of Article 16.4 of the TSA which is extracted as under:

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

9. The Petitioner has submitted that claim, if any, made by the Petitioner need to be dealt with in accordance with the provisions of the RfP documents and the TSA. We direct that the Petitioner shall remain bound by the commitment given by it under affidavit dated 13.2.2021.

10. In our order dated 1.2.2021, the following provisions of the TSA with regard to quality control and workmanship were taken note of:

(a) As per Article 5.1.1 of the TSA, the TSP at its own cost and expense, shall be responsible for designing, constructing, erecting, completing and commissioning each element of the Project by Scheduled COD in accordance with the various regulations of the Central Electricity Authority.

(b) Article 5.4 of the TSA provides that the TSP shall ensure that the Project is designed, built and completed in a good workmanlike manner using sound engineering and construction practices and using only materials and equipment that are new and of international utility grade quality such that the useful life of the Project will be till the expiry date.

(c) The design, construction and testing of all equipment, facilities, components and systems of the project shall be in accordance with Indian Standards and Codes issued by Bureau of India Standards.

Accordingly, the Petitioner was directed to submit the information with regard to quality control mechanism available or to be put in place to ensure the compliance of the requirements stipulated in Article 5.1.1 and Article 5.4 of the TSA.

11. The Petitioner, vide its affidavit dated 13.2.2021, has submitted as under:

“12. ...in compliance to the terms of the TSA, the Petitioner shall deploy an external agency to monitor the quality of the Project being constructed by the Petitioner and to ensure that it is as per the standards set out in the TSA. Under the TSA, the Petitioner is entrusted with the obligation to provide monthly progress reports to all the LTTCs and Central Electricity Authority (“CEA”) with regard to the Project and its execution, so as to enable them to monitor and co-ordinate the development of the Project. In terms of the TSA, the Lead LTTC is duty bound to inspect the progress of the Project and the CEA may carry out random inspections during the execution of the Project, as and when it is deemed necessary by it. It is further submitted that the TSP is required to take all necessary actions for remedying shortfall in achievement of timely progress in execution of the Project, if any, as intimated by the CEA.

13.the TSA further provides that TSP i.e. the Petitioner must ensure that the design and construction of the project is in accordance with Indian Standards and Codes issued by the Bureau of Indian Standards and in case they are not applicable, other equivalent internationally recognized Standards and Codes shall be followed. Further, in terms of the TSA, the Petitioner is also responsible for constructing and commissioning the Project in accordance with the norms prescribed in various Regulations issued by the CEA, Prudent Utility Practices and other Applicable Laws.

14. ...in terms of above mentioned provisions of the TSA, there are sufficient check and balances in terms of which both the CEA and the Lead LTTC may monitor the overall quality of construction of the Project by the Petitioner.”

12. Case was called out for virtual hearing on 5.3.2021 through video conferencing. Based on the request of the learned counsel for Madhya Pradesh



Power Management Company Limited (MPPCL), it was permitted to file written submissions. After taking note of the CTU's recommendation for grant of transmission licence dated 23.9.2020, CTU was directed to file an affidavit containing the following details:

(a) Clearly spelling out each of the elements of the Project in question and the relevant RPC meetings at which the development of such element was approved along with minutes of such meeting; and

(b) Status of CTU's compliance with its obligations under the applicable and relevant Regulations, including the Central Electricity Regulatory Commission (Planning, Coordination and Development of Economic and Efficient Inter-State Transmission System by Central Transmission Utility and other related matters) Regulations, 2018 (hereinafter referred to as 'the Planning Regulations'), with respect to the Project in question.

13. CTU vide its affidavit dated 12.3.2021 has submitted the above information called for. As regards (a) above, CTU has submitted the following details of elements of the Project in question and the relevant RPC meetings at which the development of such element was approved:

Sr.	Scope of Transmission Scheme	Standing Committee Meeting	RPC Meeting	RPC MoM
Part A: Additional 400 kV outlets from Banaskantha 765/400 kV S/S				
1	LILLO of the second circuit of Zerda-Ranchodpura 400 kV D/C line at Banaskantha (PG) PS	41 st WR SCM held on 21.12.2016	34 th WRPC meeting held on 28.7.2017	Annexure R16-1
Part-B: Establishment of new sub-station at Vapi/Ambethi area and its associated transmission lines				
1	Establishment of 2x500 MVA, 400/220kV GIS S/s near Vapi/ Ambhethi (Vapi-II)	42 nd SCM held on 17.11.2017	37 th WRPC meeting held on 18.12.2018	Annexure R16-2
2	LILLO of KAPP-Vapi 400 kV D/C line at Vapi-II			
3	125 MVAr bus reactor at Vapi-II Substation: Vapi II- Sayali 220kV D/c line			

	<ul style="list-style-type: none"> From Vapi-II up to LILO point of one circuit of Vapi (PG)-Khadoli 220 kV D/C line at Sayali sub-station with ampacity equivalent to twin zebra conductor. Interconnection with LILO section (of LILO of one circuit of Vapi (PG)- Khadoli 220kV D/C line at Sayali substation) so as to form Vapi II- Sayali 220 kV D/C line and Vapi- Khadoli 220 kV D/C line. (The LILO section is with zebra conductor) 			
Part-C: Additional ISTS feed to Navi Mumbai 400/220 kV sub-station of POWERGRID				
1	Padghe (PG)- Kharghar 400 kV D/C (quad) line to be terminated into one ckt. of Kharghar- Ghatkopar 400 kV D/C (quad) line (thus forming Padghe (PG)- Kharghar 400 kV S/C (quad) line, Padghe (PG)- Ghatkopar 400 kV S/C (quad) line)	42 nd SCM held on 17.11.2017	37 th WRPC meeting held on 18.12.2018	Annexure R16-2
2	LILO of Padghe (PG)-Ghatkopar 400 kV S/c line at Navi Mumbai GIS (PG) (with quad conductor)			
3	LILO of Apta-Kalwa/Taloja 220 kV D/C line (i.e. Apta – Kalwa and Apta- Taloja 220 kV lines) at Navi Mumbai (PG)			
Part-D: North Eastern Region Strengthening Scheme -IX				
1	Pare HEP (NEEPCO) (from near LILO point)- North Lakhimpur (AEGCL) 132 kV D/C line (with ACSR zebra conductor) along with 2 no. 132 kV line bays at North Lakhimpur end.	6 th NER SCM held on 3.10.2016	17 th NERPC meeting held on 4.10.2016	Annexure R16-3
2	LILO of one circuit of Pare HEP- North Lakhimpur (AEGCL) 132 kV D/C line (with ACSR Zebra) at Nirjuli (POWERGRID) sub-station			

14. As regard (b) in Para 12 above, CTU has submitted that it has complied with its obligations under Regulation 9.2 of the Planning Regulations including submission of the relevant documents pertaining to recommendations of the scheme by concerned RPCs, results of the system studies carried out by the CTU, assumption and inputs considered in system studies, status of upstream/downstream transmission system, and status of consultation with the stakeholders along with comments/ suggestions of stakeholders along with its treatment.

Therefore, all necessary compliances in this regard have been observed by CTU in terms of the Planning Regulations.

15. Case was called out for virtual hearing on 19.3.2021 through video conferencing. Learned counsel for MPPMCL adopted the reply filed by MSEDCL. It was submitted by the learned counsel for CTU that as per Record of Proceedings for the hearing 5.3.2021, CTU has submitted the information called for and reiterated its submission made in the affidavit dated 12.3.2021.

16. We have considered the submission of the Petitioner and the Respondents. In the TSA, there is provision for the lead LTTC to designate up to three employees for inspection of the progress of the Project. Further, the Petitioner is required to give a monthly progress report to the lead LTTC and CEA about the Project and its execution. The TSA also vests a responsibility in CEA to carry out random inspection of the Project as and when deemed necessary. We consider it necessary that CEA devises a mechanism for random inspection of the Project every three months to ensure that the Project is not only being executed as per the schedule, but the quality of equipment and workmanship of the Project conform to the Technical Standards and Grid Standards notified by CEA and IS Specifications. In case of slippage in execution of the Project within the timeline specified in the TSA or any non-conformance to the Grid Standards/Technical Standards/IS Specifications, CEA may promptly bring the same to the notice of the Commission, so that appropriate direction can be issued to the licensee for compliance.

17. CTU through its recommendation dated 23.9.2020 for grant of transmission licence to the Petitioner has placed the documents on record regarding compliance

of Regulations 9.1 and 9.2 of the Planning Regulations. The relevant portion of the letter dated 23.9.2020 is extracted as under:

“5. In line with the provisions of clause 9.2 of the CERC (Planning, Coordination and Development of Economic and Efficient Inter-State Transmission System by Central Transmission Utility and other related matters) Regulations, 2018, the following are submitted:

a. Recommendations of the scheme by the concerned RPC(s):

Above schemes were taken up for deliberation in WRPC. WRPC noted the schemes. The details of recommendations of the proposed schemes by concerned RPCs are mentioned in para 3 above.

a. Results of the system studies carried out by CTU/Assumption and Input considered in system studies / Status of Consultation with the stakeholders along with comments/suggestions of stakeholders and its treatment:

The subject transmission scheme was approved before the CERC Planning Regulations, 2018 came into force. As stated above, transmission scheme was evolved and the stakeholder’s consultation of the subject scheme has been done in the following meetings:

- Part- A: 41st WR SCM on 21.12.2016, 34th WRPC meeting on 28.07.2017.*
- Part-B & C: 41st & 42nd WR SCM on 21.12.2016 & 17.11.2017, 34th & 37th WRPC meeting on 26.07.2017 & 18.12.2016*
- Part-D: 6th NER SCM on 03.10.2016, 17th NERPC meeting on 04.10.2016.*

The system study results are available as part of the Standing Committee meeting deliberation and the stakeholder deliberation & decision are available in the corresponding minutes of the Standing Committee meeting enclosed herewith at Annexure-I-A (agenda) and Annexure-I-B (MOM) respectively. The relevant extracts of RPC minutes are enclosed at Annexure-II.

The details of the transmission scheme, its objective and justification, the results of the system studies, study assumptions, stakeholder consultation/approval details, etc. are also available on CTU’s website.

b. Status of upstream/downstream transmission system:

For Part- A, the upstream/downstream transmission system comprises of the existing transmission system as the project involves only the LILO of the 2nd circuit of Zerda – Ranchodpura 400kV D/c line at Banaskantha (PG) PS.

For Part-B, the downstream transmission system comprising of Vapi II – Atul (GETCO) 220kV D/c line and LILO of Chikhli (Ambetha) – Vapi (GETCO) 220kV S/c line at Vapi-II are under implementation by GETCO. However, reconductoring of the LILO section (of LILO of one circuit of Vapi (PG) – Khadoli 220kV D/c line at Sayali S/s) with ampacity equivalent to twin zebra conductor is to be implemented by DNH in the matching time frame.

For Part-C, the downstream transmission system comprising of reconfiguration of the Kharghar – Kandalgaon 220 kV D/c line and Apta – Taloja/Kalwa 220 kV D/c at their crossing point (for achieving balanced power on the 220kV outlets from Navi Mumbai 400/220kV S/s) and implementation of the planned Kharghar – Ghatkopar 400 kV D/c



line (twin moose) as Kharghar – Ghatkopar 400 kV D/c (quad moose ampacity) line is under implementation by MSETCL/Intra-State Transmission licensee.

For Part-D, the upstream/downstream transmission system comprising of (i) bypassing of LILO of Ranganadi – Naharlagun /Nirjuli at Pare HEP (bypassing near LILO point) to from direct Ranganadi – Naharlagun/Nirjuli 132 kV S/C line and reconductoring of LILO portion at Pare end (of Ranganadi –Naharlagun / Nirjuli 132kV S/c line) with HTLS (HTLS equivalent to ACSR Zebra) along with modification of 132kV bay equipment at Pare HEP is under the scope of NEEPCO and (ii) 2 no. 132 kV bays at Nirjuli S/S for termination of LILO of one circuit of Pare HEP – North Lakhimpur (AEGCL) 132kV D/c line (with ACSR Zebra) is under the scope of POWERGRID.”

18. We note that CTU has submitted that the instant transmission scheme has been approved before the Planning Regulations came into force and, therefore, the same is not applicable. CTU is directed to comply with provisions of the Planning Regulations for all cases before it sends its recommendation for grant of transmission license.

19. As regards grant of transmission licence, Clauses (15) and (16) of Regulation 7 of Transmission Licence Regulations provides as under:

“(15) The Commission may after consideration of the further suggestions and objections, if any, received in response to the public notice as aforesaid, grant licence as nearly as practicable in Form-III attached to these regulations or for reasons to be recorded in writing, reject the application if such application is not in accordance with the provisions of the Act, the rules or regulations made thereunder or any other law for the time being in force or for any other valid reason.

(16) The Commission may, before granting licence or rejecting the application, provide an opportunity of hearing to the applicant, the Central Transmission Utility, the long-term customers, or the person who has filed suggestions and objections, or any other person:

Provided further that the applicant shall always be given a reasonable opportunity of being heard before rejecting the application.”

20. In our order dated 1.2.2021, we had proposed to grant transmission licence to the Petitioner company and directed for issue of public notice. In response to the public notice, no suggestions/ objections have been received. CTU in its letter dated 23.9.2020 has recommended for grant of transmission licence to the Petitioner. We are satisfied that the Petitioner company meets the requirements of the Act and the Transmission Licence Regulations for grant of transmission licence for the subject Transmission System mentioned at paragraph 1 of this order. Accordingly, we direct that transmission licence be granted to the Petitioner, Vapi-II North Lakhimpur Transmission Limited, to establish “Western Region Strengthening Scheme- XIX (WRSS-XIX) and North Eastern Region Strengthening Scheme- IX (NERSS-IX)”, on Build, Own, Operate and Maintain basis as per the details given in paragraph 1 above.

21. The grant of transmission licence to the Petitioner (hereinafter referred to as ‘the licensee’) is subject to the fulfilment of the following conditions throughout the period of licence:

(a) The transmission licence shall, unless revoked earlier, remain in force for a period of 25 years from the date of issue;

(b) The transmission licensee shall comply with the provisions of the Transmission Licence Regulations or any subsequent enactment thereof and the terms and condition of the TSA during the period of subsistence of the licence.

(c) Since the expiry date as per the TSA is 35 years from the scheduled COD of the Project, the licensee may make an application, two years before the expiry of initial licence period, for grant of licence for another term in

accordance with Regulation 13(2) of the Transmission Licence Regulations which shall be considered by the Commission in accordance with law;

(d) The licensee shall not enter into any contract for or otherwise engage in the business of trading in electricity during the period of subsistence of the transmission licence;

(e) The licensee shall have the liability to pay the license fee in accordance with the provisions of the Central Electricity Regulatory Commission (Payment of Fees) Regulations, 2012, as amended from time to time or any subsequent enactment thereof. Delay in payment or non-payment of licence fee or a part thereof for a period exceeding sixty days shall be construed as breach of the terms and conditions of the licence;

(f) The licensee shall comply with the directions of the National Load Despatch Centre under Section 26 of the Act, or the Regional Load Despatch Centre under sub-section (3) of Section 28 or sub-section (1) of Section 29 of the Act, as may be issued from time to time for maintaining the availability of the transmission system;

(g) The licensee shall remain bound by the Central Electricity Regulatory Commission (Standard of Performance of inter-State transmission licensees) Regulations, 2012 or subsequent enactment thereof;

(h) The licensee shall provide non-discriminatory open access to its Transmission System for use by any other licensee, including a distribution licensee or an electricity trader, or generating company or any other person in accordance with the Act; the Central Electricity Regulatory Commission (Open Access in inter-State Transmission) Regulations, 2008; the Central Electricity Regulatory Commission (Grant of Connectivity, Long-term Access and Medium-term Open Access in inter-State Transmission and related matters) Regulations, 2009; the Central Electricity Regulatory Commission (Indian Electricity Grid Code) Regulations, 2010, as amended from time to time or any subsequent re-enactments thereof;

(i) The licensee shall not undertake any other business for optimum utilization of the Transmission System without prior intimation to the

Commission and shall comply with the provisions of the Central Electricity Regulatory Commission (Sharing of Revenue Derived from Utilization of Transmission Assets for other business) Regulations, 2020;

(j) The licensee shall remain bound by provisions of the Central Electricity Regulatory Commission (Sharing of inter-State Transmission Charges and Losses) Regulations, 2020 as amended from time to time;

(k) The licensee shall remain bound by the provisions of the Act, the rules and regulations framed thereunder, in particular the Transmission Licence Regulations, the Grid Code, the Standards specified by the Central Electricity Authority, orders and directions of the Commission issued from time to time;

(l) The licensee shall ensure execution of the Project within timeline specified in the Schedule 3 of the TSA and as per the Technical Standards and Grid Standards of CEA prescribed in Article 5.1.1 and Article 5.4 of the TSA;

(m) The licensee shall as far as practicable coordinate with the licensee (including deemed licensee) executing the upstream or downstream transmission projects and the Central Electricity Authority for ensuring execution of the Project in a matching timeline; and

(n) The licensee shall submit all such report or information as may be required under Transmission Licence Regulations, Standard of Performance Regulations, Transmission Service Agreement or any other regulation of the Commission or as per the directions of the Commission as may be issued from time to time.

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

23. A copy of this order shall be sent to CEA for information and necessary action.

24. Petition No. 599/TL/2020 is disposed of in terms of the above.

Sd/-
(P. S. Mhaske)
Member

sd/-
(P.K.Singh)
Member

sd/-
(Arun Goyal)
Member

sd/-
(I.S.Jha)
Member

sd/-
(P. K. Pujari)
Chairperson

