

**CENTRAL ELECTRICITY REGULATORY COMMISSION
NEW DELHI**

Petition No. 247/TL/2022

Coram:

**Shri I. S. Jha, Member
Shri Arun Goyal, Member
Shri P. K. Singh, Member**

Date of order: 1st December, 2022

In the matter of

Application under Section 14 & 15 of the Electricity Act, 2003 read with the Central Electricity Regulatory Commission (Procedure, Terms and Conditions for Grant of Transmission License and other related matters) Regulations, 2009 with respect to grant of Transmission Licence to Neemuch Transmission Limited.

And

In the matter of

Neemuch Transmission Limited,
(Now known as 'POWERGRID Neemuch Transmission System Limited')
B-9, Qutab Institutional Area,
Katwaria Sarai, New Delhi 110 016

....Petitioner

Vs.

1. Chief Operating Officer,
Central Transmission Utility of India Limited,
Saudamini, Plot No.2,
Sector-29, Gurugram-122001, Haryana
2. Chief Executive Officer,
REC Power Development and Consultancy Limited,
REC Corporate Head Quarter,
D Block, Plot no. I-4,
Sector 29, Gurgaon-122001, Haryana
3. Chandigarh Electricity Department,
UT-Chandigarh, Div-11,
Opposite Transport Nagar, Industrial Area,



Phse-1, Chandigarh.

4. BSES Rajdhani Power Limited,
AVP (PMG), PMG Office, 2nd Floor B-Block
Nehru Place, New Delhi-110019
5. BSES Yamuna Power Limited,
Asst. Vice President (PMG)
Shakti Kiran Bldg, Second Floor
Karkardooma New Delhi-110032
6. New Delhi Municipal Council
AAO (Commercial), 19th Floor
NDMC, Palika Kendra, Sansad Marg
New Delhi-110001
7. Tata Power Delhi Distribution Company Limited,
Power Management Group, Technology Centre
Near PP-3 Grid Sub Station, Opp. PP Jewellers
Netaji Shubhash Place, Pitampura
New Delhi-110034
8. Himachal Pradesh State Electricity Board,
PR&ALDC, HPSEB Ltd., 132 kV S/S Tutu
Shimla, 171011, Himachal Pradesh
9. Haryana Power Purchase Centre,
Shakti Bhawan, Energy Exchange, Panchkula
10. Power Development Department, Jammu
Jammu SLDC Building, 1st Floor, Gladni
Power House Narwal, Jammu, J&K
11. Punjab State Power Corporation Limited,
Shed No. T-1A, Thermal Designs,
Patiala, 147001 Punjab
12. Ajmer Vidyut Vitran Nigam Limited,
132 kV, Sub-Station Building,
Calgiri Road Malviya Nagar,
Jaipur-302017 (Rajasthan),
13. Jodhpur Vidyut Vitran Nigam Limited,
132 kV, Sub-Station Building,
Calgiri Road Malviya Nagar,
Jaipur-302017 (Rajasthan)



14. Jaipur Vidyut Vitran Nigam Limited,
132 kV, Sub-Station Building
Calgiri Road Malviya Nagar,
Jaipur-302017 (Rajasthan)
15. North Central Railway,
DRM Office Nawab,
Yusuf Road-211011
16. Uttarakhand Power Corporation Limited,
Urja Bhjawan, Kanwali Road,
Dehradun-248001
17. Uttar Pradesh Power Corporation Limited,
Fund Management, Shakti Bhawan
14 Ashok Marg, Lucknow, UP
18. Chhattisgarh State Power Distribution Company Limited
CSPDCL, Post: Sundernagar
Dangania, Raupur-492013
19. Goa Electricity Department-WR
Goa Electricity DeptCurti
Ponda-403401
20. Gujarat Urja Vikas Nigam Limited
Sardar Patel Vidyut Bhavan
Racecourse, Vadodara-390007
21. M.P. Power Management Company Limited,
14, Shakti Bhawan, Rampur
Jabalpur-482008
22. Maharashtra State Electricity Distribution Company Limited
Plot No. 9, Prakashgad
AK Marg, Bandra East
Mumbai-400051
23. Torrent Power Limited,
Naranpura Zonal Office,
Sola Road, Ahmedabad-38003
24. West Central Railway Head Office,
General Manager's Office,
Electrical Branch, Jabalpur-482001



25. Western Railway,
Office of Chief Electrical Engineer, Mumbai.
26. Madhya Pradesh Power Transmission Company Limited,
MPPTCL, Shakti Bhavan,
Rampur, Jabalpur-482008
27. Dadra and Nagar Haveli and Daman and Power Distribution Corporation Limited,
1st & 2nd Floor, Vidyut Bhawan
NexSilvassa & Daman
28. MPSEZ Utilities Limited,
3rd Floor, Adani Corporate House,
Ahmedabad, Gujarat.
- ... Respondents**

Parties present:

Shri Pankaj Pandey, NTL
Shri V.C. Sekhar, NTL
Shri Mani Kumar, NTL
Shri Swapnil Verma, CTUIL
Shri Bhaskar Wagh, CTUIL
Shri Lashit Sharma, CTUIL

ORDER

The Petitioner, Neemuch Transmission Limited, has filed the present Petition for grant of transmission licence under Section 14 and Section 15 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 “Transmission Licence Regulations”) to establish Inter-State Transmission System for “Transmission System for Evacuation of Power from Neemuch SEZ” (hereinafter referred to as “Project”) on Build, Own, Operate and Transfer (BOOT) basis comprising of the following elements:



To fulfil the requirement of bus switching scheme.

S. No.	Name of the Transmission Element	Scheduled COD in months from Effective Date	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 2x500 MVA, 400/220 kV Pooling Station (AIS) at Neemuch with 1x125 MVAR Bus Reactor</p> <p>400/220 kV, 500 MVA ICT –2 nos. 400 kV ICT bays – 2 nos. 220 kV ICT bays – 2 nos. 400 kV line bays –4 nos. (2 each for Chhittorgarh & Mandsaur lines) 220 kV line bays – (2 nos. of bays corresponding to 500 MW Connectivity / LTA granted to M/s RUMSL) 220kV Bus coupler bay- 1 no.# 220kV Transfer Bus Coupler (TBC) bay - 1 no.# 125 MVAR, 420 kV reactor-1 no. 420 kV reactor bay – 1 no.</p> <p>Future provisions: Space for 400/220 kV ICTs along with bays: 2 nos. 400 kV line bays: 6 nos. 220 kV line bays: 5 nos. 420kV bus reactor along with bays:1</p>	18	22.831%	<ul style="list-style-type: none"> • Elements marked at S.No 1,2,3 are required to be commissioned simultaneously or • Elements marked at S.No 1,4,5 are required to be commissioned simultaneously. • Element 2,3 or 4,5 are prerequisite for commissioning of element 1
2.	Neemuch PS – Chhittorgarh (PG) s/s 400 kV D/C line (conductor with minimum capacity of 2100 MVA/Ckt at nominal voltage)		36.645%	
3.	2 nos. of 400 kV line bays at Chhittorgarh (PG) 400 kV s/s for Neemuch PS – Chhittorgarh (PG) s/s 400 kV D/C line (conductor with minimum capacity of 2100 MVA/Ckt at nominal voltage)		3.349%	
4.	Neemuch PS- Mandsaur s/s 400 kV D/C line (conductor with minimum capacity of 2100 MVA/Ckt at nominal voltage)		33.826%	
5.	2 no. of 400 kV line bays at Mandsaur 400 kV s/s for Neemuch PS- Mandsaur s/s 400 kV D/c line (conductor with minimum capacity of 2100 MVA/Ckt at nominal voltage)		3.349%	

Note:

- i. Powergrid to provide space for 2 no. of 400 kV line bays at Chhittorgarh (PG) 400 kV S/s for termination of Neemuch PS- Chhittorgarh (PG) 400 kV D/c line.
- ii. MPPTCL to provide space for 2 no. of 400 kV line bays at Mandsaur 400 kV S/s for termination of Neemuch PS- Mandsaur 400 kV D/c line.



2. The Petitioner has made the following prayers:

“(a) Grant Transmission Licence to the Applicant; and

(b) Allow the sharing and recovery of Transmission Charges for Inter-State Transmission System for “Transmission System for Evacuation of Power from Neemuch SEZ” 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.”

Hearing dated 25.11.2022

3. During the course of hearing on 25.11.2022, the representative of the Petitioner submitted that in accordance with the directions given by the Commission vide Record of Proceedings for the hearing dated 13.10.2022, the Petitioner has impleaded the beneficiaries of Northern & Western Regions (as per the details provided by CTUIL) as parties to the Petitions and has filed a revised memo of parties. However, no response has been received from any of the beneficiaries of Northern Region and Western Region. The representative of the Petitioner submitted that the Scheduled Commercial Operation Date of the Project to be implemented by the Petitioner ought to be as specified in the Transmission Service Agreement only (i.e., 18 months from the effective date which works out to 24.2.2024) basis which the Petitioner has placed the necessary EPC contracts. He further submitted that even after a lapse of about 4 months from the effective date, the Petitioner is yet to receive the possession of land for the sub-station which is to be provided by the Solar Park Developer as per RfP documents

4. With regard to status of Neemuch Solar Park and generation therein, the



representative of CTUIL submitted that LTA application has already been received for Neemuch PS and as per the recent meeting conducted by CTUIL, they have indicated its schedule as August, 2023. The representative of CTUIL sought liberty to place on record the minutes of the aforesaid meeting. CTUIL is directed to submit the same within a week.

5. With regard to conductor capacity mentioned in the scope of the transmission elements, the representative of CTUIL submitted that alongwith conductor capacity mentioned in the scope of work of the transmission elements, the technical specifications section of RfP documents of the Project also specifies the technical specifications of the conductor viz., configuration and type of conductor, etc. The representative of the Petitioner submitted that the Petitioner company shall comply with the specification requirements provided in the RfP documents.

6. The Petitioner has submitted that in accordance with the “Guidelines for Encouraging Competition in Development of Transmission Projects” and “Tariff Based Competitive Bidding Guidelines for Transmission Service” as amended from time to time (hereinafter referred to as “the Guidelines”) issued by Ministry of Power, Government of India, under Section 63 of the Act, REC Power Development and Consultancy Limited (hereinafter referred to as “RECPDCL”) was notified by Ministry of Power, Government of India vide Notification No. 15/3/2018-Trans-Pt(1) dated 6.12.2021 as the Bid Process Coordinator (hereinafter referred to as “BPC”) for the purpose of selection of bidder as Transmission Service Provider (hereinafter referred to as “TSP”) to establish Inter-State Transmission System for “Transmission System for Evacuation of Power from Neemuch



SEZ” through tariff based competitive bidding process on Build, Own Operate and Transfer (BOOT) basis.

7. RECPDCL in its capacity as the BPC initiated the bid process on 28.1.2022 and completed the same on 24.8.2022 in accordance with the Guidelines. Power Grid Corporation of India Limited (PGCIL) was selected as the successful bidder having quoted the lowest transmission charges of Rs. 783.78 million in order to provide transmission services to the beneficiaries of the Northern Region and the Western Region on long term basis.

8. RECPDCL appointed a Consultant, namely M/s Mazars Advisory LLP (MALLP) in consortium with Singhania & Partner LL P (S&P) (in short ‘Consultant’) for providing consultancy services in the process of selection of the developer for the Project through tariff based competitive bidding process. At RfP (non-financial) stage, nine bidders, namely, Adani Transmission Limited, Apraava Energy Private Limited (formerly known as CLP India Private Limited), GR Infraprojects Limited, Megha Engineering and Infrastructures Limited, Power Grid Corporation of India Limited, ReNew Transmission Ventures Private Limited, Sterlite Grid 10 Limited, The Tata Power Company Limited and Torrent Power Limited submitted their offers. The RfP (Non-Financial) bids of the nine bidders were opened in the presence of representatives of the bidders on 16.6.2022 and all nine bidders qualified at RfP (non-financial) stage. Based on the recommendation of the Bid Evaluation Committee (BEC), the RfP (Financial) Bids-Initial Price Offer of the nine bidders were opened on 29.6.2022. Lowest Initial Price Offer discovered (Best Deal) at MSTC portal was Rs. 859.55 million. Based on the recommendation of BEC, five bidders



were qualified to participate in the e-reverse auction stage. E-reverse auction of all five bidders was carried out at MSTC portal on 30.6.2022 and the following transmission charges for bidders (in ascending order) emerged:

Sl. No..	Name of Bidder	Quoted Transmission Charges from the Final Offer (Rs.in Million)	Rank
1.	Power Grid Corporation of India Limited	783.78	L-1
2.	Adani Transmission Limited	786.53	L-2
3.	Apraava Energy Private Limited (formerly known as CLP India Private Limited)	804.88	L-3
4.	The Tata Power Company Limited	991.50	L-4
5.	G R Infraprojects Limited	1039.70	L-5

9. As per the Bid Evaluation Report dated 4.7.2022, Power Grid Corporation of India Limited (PGCIL) emerged as the successful bidder with the lowest quoted transmission charges of Rs. 783.78 million. BEC vide its certificate dated 4.7.2022 has certified that entire bid process has been carried out in accordance with the Guidelines issued by the Ministry of Power under Section 63 of the Act. BEC has further certified that the transmission charges discovered through e-reverse auction is acceptable.

10. Consequent to its selection as the lowest bidder, Letter of Intent (LoI) was issued to Power Grid Corporation of India Limited by the BPC on 7.7.2022 which was accepted by Power Grid Corporation of India Limited. Under the terms of Request for Proposal (RfP) and the Letter of Intent, the successful bidder is obligated to accomplish the following tasks:

(a) Provide Contract Performance Guarantee in favour of Central Transmission Utility of India Limited (CTUIL);

(b) Execute Share Purchase Agreement and Transmission Service



Agreement;

(c) Acquire, for the Acquisition Price, 100% share equity share holding of Neemuch Transmission Limited from RECPDCL along with all its related assets and liabilities;

(d) Make an application to this Commission for adoption of transmission charges, as required under Section 63 of the Act; and

(e) Apply to this Commission for grant of transmission licence;

11. The Petitioner has furnished the Contract Performance Guarantee (CPG) in favour of Nodal Agency i.e., CTUIL for an aggregate value of Rs. 18.60 crore on 24.8.2022 and has acquired hundred percent equity holding in Neemuch Transmission Limited on 24.8.2022. The Petitioner entered into Transmission Service Agreement (TSA) with CTUIL on 24.8.2022.

12. Section 14 of the Act provides that the Appropriate Commission may, on an application made under Section 15 of the Act, grant a licence to any person to transmit electricity as a transmission licensee in any area as may be specified in the licence. The word “person” has been defined in Section 2(49) of the Act to include any company or body corporate or association or body of individuals, whether incorporated or not, or artificial juridical person. The Petitioner has been incorporated under the Companies Act,

2013. The main object of the Petitioner Company is 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, wheeling of power in accordance with the policies, guidelines and objectives laid down by the Central Government from time to time”.

13. Section 15 (1) of the Act provides that every application under Section 14 of the Act shall be made in such manner and in such form as may be specified by the Appropriate Commission and shall be accompanied by such fees as may be prescribed. The Central Commission has specified Transmission Licence Regulations in this regard. Regulation 3 of the Transmission Licence Regulations provides that the Empowered Committee shall identify the Projects included in the transmission plan to be developed under the Guidelines issued under Section 63 of the Act. Regulation 4 of the Transmission Licence Regulations provides that in case of projects identified by the Empowered Committee for development under the Guidelines for competitive bidding, selection of the project developer shall be made in accordance with the procedure laid down in the Guidelines. The Project under consideration has been identified by the Empowered Committee. Central Electricity Authority, vide its letter No. CEA-PS-11-23(20)/1/2018-PSPA-I Division 1/22263/2022 dated 21.6.2022 had issued prior approval to the Project under Section 68 of the Act. The selection of the project developer, Neemuch Transmission Limited, has been made in accordance with the Guidelines for competitive bidding.

14. Regulation 7 of the Transmission Licence Regulations read with the order dated 22.1.2022 passed in Petition No.1/SM/2022 [whereby the Commission, in the exercise of “Power to Relax” under Regulation 24 of the Transmission Licence Regulations, modified/amended Clauses (4), (7), (9) and (12) and dispensed with Clause (10) of Regulation 7] provide for the procedure for grant of transmission licence as under:



“(1) The application for grant of licence shall be made to the Commission in Form- I appended to these regulations and shall be accompanied by such fees as may be prescribed by the Central Government from time to time.

(2) In case of the person selected for implementation of the project in accordance with the guidelines for competitive bidding, the application shall also contain such additional information, as may be required under these guidelines.

(3) The application shall be supported by affidavit of the person acquainted with the facts stated therein.

(4) Before making an application, the applicant shall submit the original application in electronic form along with annexures and enclosures on the e- filing portal of the Commission so that the same is served electronically on all the long-term customers of the project registered on the e-filing portal of the Commission. Also, a copy of the same be served through e-mail on the long- term customers of the project not registered on the e-filing portal of the Commission. Further, the applicant shall also post the complete application along with annexures and enclosures in English and in the vernacular language, on its website.

(5) The application shall be kept on the website till such time the licence is issued or the application is rejected by the Commission.

(6) Immediately on making the application, the applicant shall forward a copy of the application to the Central Transmission Utility.

(7) The applicant shall, within 7 days after filing the application, post the application on the e-filing portal of the Commission and on its website in Form-II attached to these regulations in English language and in Vernacular language of the State or Union Territory where an element of the project or a long-term customer is situated, inviting comments from the general public

(8) As far as possible, within 7 days of receipt of the application the Secretariat of the Commission shall convey defects, if any, if noticed on preliminary scrutiny of the application for rectification and the defects conveyed shall be rectified by the applicant in such time as may be indicated in the letter conveying the defects.

(9) In the notice published on the e-filing portal of the Commission and on the applicant’s website under clause (7) it shall be indicated that the suggestions and objections, if any, on the application, may be filed before the Secretary, Central Electricity Regulatory Commission, Third Floor, Chanderlok Building, Janpath, New Delhi-110001 (or the address where the office of the Commission is situated), with a copy to the applicant, by any person, including the long-term customers, within 30 days of publication of the notice

.....

(10) The Central Transmission Utility shall send its recommendations, if any, to the Commission on the proposal made in the application within a period of thirty days from the date of receipt of application by it:



Provided that copy of the recommendations, if any, made by the Central Transmission Utility shall always be forwarded to the applicant:

Provided further that these recommendations of the Central Transmission Utility shall not be binding on the Commission.

(11) The applicant may file its comments, duly supported by an affidavit, on the recommendations made by the Central Transmission Utility and the suggestions and objections, if any, received in response to the notice posted on the e-filing portal of the Commission and on the applicant's website by him, within 45 days of service of copy of the application on the Central Transmission Utility or publication of notice posted on the e-filing portal of the Commission and on the applicant's website, with an advance copy to the Central Transmission Utility or the person who has filed the suggestions and objections on the proposal made in the application, as the case may be.

(12) The Commission after considering the suggestions and objections received in response to the public notice published by the applicant and the recommendations, if any, of the Central Transmission Utility may, propose to grant transmission licence or for reasons to be recorded in writing, reject the application."

15. The Petitioner has approached the Commission by a separate application for adoption of transmission charges in respect of the transmission system which is presently under consideration of the Commission and order in that Petition will be issued separately. The Petitioner has filed the present Application for grant of transmission licence in accordance with the Transmission Licence Regulations. The Petitioner has submitted proof of service of the copies of the application on the beneficiaries of the transmission project and CTUIL and proof of web posting of the complete application. The Petitioner has further undertaken to pay the applicable licence fee upon the grant of Transmission Licence in terms of Central Electricity Regulatory Commission (Payment of Fees) Regulations, 2012 as amended from time to time. The Petitioner has prayed for grant of transmission licence to Neemuch Transmission Limited with respect to the Project as per details given in para 1 above.

16. The Petitioner has made the Application as per Form-I and has paid fee of Rs.



One lakh prescribed by the Central Government. As per direction of the Commission, the Petitioner has served copy of the Application on the beneficiaries of the transmission project for the Project. The transmission charges quoted by the Petitioner which have been recommended by the Bid Evaluation Committee for acceptance, is Rs. 783.78 million. The Petitioner has also enclosed copies of the recommendations of the Bid Evaluation Committee:

17. The Petitioner has published the notices on the e-filing portal of the Commission and on its website in Form-II in English language and in Hindi (Vernacular) language. No objection has been received from the general public in the notices.

18. The Petitioner has served the copy of the Application on the CTUIL as required under Section 15(3) of the Act and Regulation 7(6) of the Transmission Licence Regulations. CTUIL in its letter dated 28.9.2022 has recommended for grant of transmission licence to the Petitioner. Relevant portion of the said letter dated 28.9.2022 is extracted as under:

“This has reference to the letter dated 30.08.2022 vide which M/s Neemuch Transmission Ltd. (NTL) has requested CTU for issuance of its recommendation for grant of Transmission License for subject transmission scheme against the application/petition already filed before CERC. In this regard, the following is submitted:

1. M/s Neemuch Transmission Ltd. has filed an application/petition under Section 14, 15 and 79(1)(e) of the Electricity Act, 2003 and CERC (Procedure, Terms and Conditions for grant of Transmission License and other related matters) Regulations, 2009 for grant of transmission license to establish “Transmission System for Evacuation of Power from Neemuch SEZ” project on Build, Own, Operate and Transfer (BOOT) basis as ISTS. The detailed scope of the transmission scheme is enclosed at Annexure-I.

2. As per section 15(3) of the Electricity Act, 2003 copy of the application for the grant of transmission license, for the above transmission system has been received on 30.08.2022 for recommendation required u/s 15(4) of the Electricity Act, 2003.

3. In reference to the Transmission Scheme “Transmission system for evacuation of



power from Neemuch SEZ”, the following is submitted:

i) The government of India has set a target for establishing 500 GW non fossil generation capacity by 2030, which also includes 1 GW RE potential in the Neemuch area of Madhya Pradesh under ISTS. The subject transmission scheme involves the establishment of a new 2x500 MVA, 400/220kV Neemuch PS and its interconnection with the ISTS grid for evacuation of RE power from the Neemuch area of Madhya Pradesh.

ii) The transmission scheme was agreed upon in the 3rd WRPC(TP) meeting held on 14.06.2021. Further, the transmission scheme was also agreed upon in the 4th NRPC(TP) meeting held on 05.10.2021 & 12.10.2021. Extract of the minutes of 3rd WRPC(TP) and 4th NRPC(TP) meetings is enclosed at Annexure-II.

iii) The transmission system was discussed and agreed upon in the 5th NCT meeting held on 25.08.2021 & 02.09.2021. Extract of the minutes of the 5th NCT meeting is enclosed at Annexure-III.

iv) The transmission system was discussed in the 40th WRPC meetings held on 07.06.2021. Pursuant to modification of the transmission scheme in 3rd WRPC(TP) held on 14.06.2021, WRPC's views on the above transmission scheme were sought by CTU vide letter dated 05.10.2021 within 2 months. However, no views had been received from WRPC. Extracts of 40th WRPC MOM and Letter dated 05.10.2021 are enclosed at Annexure-IV.

v) Ministry of Power, GOI vide Gazette notification dated 03.12.2021 had appointed REC Power Development and Consultancy Ltd. (RECPDCL) as the Bid Process Coordinator (BPC) for selection of Bidder as Transmission Service Provider (TSP) to establish the subject transmission scheme through Tariff Based Competitive Bidding (TBCB) process. Copy of Gazette notification is enclosed at Annexure-V.

4. Pursuant to the process of competitive bidding conducted by the BPC, Power Grid Corporation of India Ltd. emerged as the successful bidder. Thereafter, the BPC issued a Letter of Intent in favour of Power Grid Corporation of India Ltd. on 07.07.2022. Subsequently, Power Grid Corporation of India Ltd. acquired Neemuch Transmission Ltd. on 24.08.2022, after execution of the Share Purchase Agreement (SPA) and completing all procedural requirements as specified in the RFP documents. The scheduled COD for the proposed ISTS scheme is 18 months from the effective date (i.e. date of acquisition on SPV) which is 24.02.2024.

5. In line with Section 15(4) of the Electricity Act, 2003, based on details furnished by M/s Neemuch Transmission Ltd., CTU recommends the grant of transmission license to M/s Neemuch Transmission Ltd. for executing the transmission scheme as mentioned in Para-1 above.”

19. We have considered the submissions of the Petitioner and CTUIL. The proviso to Clause 2.15.2 of the RfP provides that "if for any reason attributable to the BPC, the



above activities are not completed by the Selected Bidder within the above period of ten (10) days as mentioned in this clause, such period of 10 days shall be extended, on a day for day basis till the end of the Bid validity period". Though Lol was issued on 7.7.2022, BPC, vide its letters dated 18.7.2022, 12.8.2022 and 22.8.2022 in terms of Clauses 2.15.2 of RfP extended the date upto 1.9.2022 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. 18.60 crore and has acquired hundred percent equity-holding in the applicant company on 24.8.2022 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 grant of transmission licence within five working days of the issuance of the acquisition of the SPV to the successful bidder. Successful bidder, namely PGCIL acquired the SPV on 24.8.2022. Accordingly, the TSP has filed the instant Petition through e-filing for grant of transmission licence on 31.8.2022.

20. 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 15.12.2022.

21. It is expected that while carrying out the survey, the Petitioner has complied with



the provisions of clause 2.5.7.3, clause 2.5.7.4 and clause 2.5.7.5 of the RfP. The Petitioner will comply with the provisions of bidding documents and TSA for commissioning of the Project within the SCOD.

22. In order to ensure that the Project is implemented within the time schedule as provided in the TSA, the licensee should not approach the Commission for extension of time for execution of the Project or for increase in the transmission charges over and above what is permissible under the provisions of the TSA. Accordingly, the Petitioner is directed to file an affidavit by 13.12.2022 to the effect that the execution of the Project shall not be delayed due to time taken in obtaining statutory clearances required under the RfP and/ or adjudication of any claim of the Petitioner arising under the TSA.

23. It is observed that as per Article 5.1.1 of the TSA, the TSP at its own cost and expense, shall be responsible for designing, constructing, erecting, testing and commissioning each element of the Project by scheduled COD in accordance with the various regulations of the Central Electricity Authority regarding Technical Standards and Grid Standards, Prudent Utility Practices and other applicable laws. Further, Article 5.4 of the TSA provides that the TSP shall ensure that the Project is designed, built and completed in a good workman like 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. Further, 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 is directed to submit the information by



13.12.2022 with regard to quality control mechanism available or to be put in place by to ensure the compliance of the requirements stipulated in Article 5.1.1 and Article 5.4 of the TSA.

24. The Petitioner, vide its affidavit dated 19.10.2022, has informed that the name of the Petitioner company has been changed from 'Neemuch Transmission Limited' to 'POWERGRID Neemuch Transmission System Limited' with effect from 17.10.2022. The certificate of change of name from 'Neemuch Transmission Limited' to 'POWERGRID Neemuch Transmission System Limited' dated 17.10.2022 issued by Registrar of Companies, Delhi has been placed on record. Accordingly, the name of the Petitioner has been changed to 'POWERGRID Neemuch Transmission System Limited' on the record of the Commission.

25. The Petition shall be listed for hearing on 22.12.2022.

Sd/-
(P. K. Singh)
Member

Sd/-
(Arun Goyal)
Member

sd/-
(I.S. Jha)
Member

