

**CENTRAL ELECTRICITY REGULATORY COMMISSION
NEW DELHI**

Petition No. 322/AT/2022

Coram:

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

Date of Order: 12th January, 2023

In the matter of:

Application under Section 63 read with Section 79(1)(c) & (d) of the Electricity Act, 2003 for adoption of transmission charges with respect to the Transmission System being established by Khandukhal Rampura Transmission Limited.

And

In the matter of:

Khandukhal Rampura Transmission Limited,
2nd Floor, Niryat Bhawan,
Rao Tularam Marg, Vasant Vihar,
Opp. Army Hospital & Referral,
New Delhi 110057

Vs.

1. Chief Executive Officer,
PFC Consulting Limited,
9th Floor, A-Wing, Statesman House,
Connaught Place,
New Delhi – 110001

2. Central Transmission Utility of India Limited,
Saudamini, Plot No.2, Sector -29,
Gurgaon 122001, Haryana

... Respondents

Parties present:

Ms. Nishtha Kumar, Advocate, KRTL
Shri Shyam Sunder Goyal, CTUIL
Shri Swapnil Verma, CTUIL
Shri Amit Kumar, CTUIL
Ms. Muskan Agarwal, CTUIL

ORDER

The Petitioner, Khandukhal Rampura 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 "400 kV Khandukhal (Srinagar) - Rampura (Kashipur) D/c line" (hereinafter referred to as 'the Transmission System' or 'the Project') on Build, Own, Operate and Transfer (BOOT) basis. The Petitioner has made the following prayers:

*"(a) Adopt the levelized Transmission Charges of INR **587.20 million** discovered through transparent competitive bidding process, for Inter-State "Transmission System of 400 kV Khandukhal (Srinagar) - Rampura (Kashipur) D/c line" comprising of the elements/assets as detailed in the present petition/ application;*

(b) Allow the "Transmission System of 400 kV Khandukhal (Srinagar) - Rampura (Kashipur) D/c line" to be part of the Inter-State Transmission System and direct that the recovery of transmission charges shall be in accordance with the terms of the Central Electricity Regulatory Commission (Sharing of Inter-state Transmission Charges and losses 2020);

(c) Condone any inadvertent errors omissions/ errors / shortcomings and permit the Applicant to add/change/modify/alter these pleadings and make further submissions as may be required at a future date; and

(d) Pass any such other order / orders, as may be deemed fit and proper in the facts and circumstances of the case."

2. On receipt of the present Petition, the Bid Process Coordinator (BPC), PFC Consulting Ltd. (PFCCL), vide letter dated 7.11.2022 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 15.11.2022.

Hearing dated 22.12.2022

3. During the course of hearing on 22.12.2022, learned counsel for the Petitioner submitted that the Petitioner has complied with all the requirements for grant of

transmission licence.

4. During the course of hearing, the Commission observed that there ought not to be any ambiguity with regard to the scope of the works under the “Upgradation works” as featuring in Elements 4 & 5 of the Project. In response, the representative of CTUIL clarified as to what the upgradation would entail and further sought liberty to place on record the scope of works as required to be undertaken for such Elements in terms of the provisions of Transmission Service Agreement (TSA).

5. Vide Record of Proceedings for the hearing 22.12.2022, CTUIL was directed to clarify the detailed scope of works under the “Upgradation works” for Element 4 & Element 5 as per the provisions of the RfP and TSA and the Petitioner to file its response confirming the same. The Petitioner was also directed to place on record the clarifications, if any, sought by the Petitioner w.r.t. RfP during the bidding stage.

6. CTUIL, vide its affidavit dated 28.12.2022, has submitted as under:

(a) With regard to scope of works under the “Upgradation works” for Elements 4 & 5 i.e upgradation of existing 400 kV bays at Khandukhal (Srinagar) and upgradation works for 400 kV line bays -2 nos., the 2 (two) Nos. of existing 400 kV line bay equipments at Khandukhal (Srinagar) [PTCUL] sub-station [with Double Main & Transfer Bus Scheme] are having rating of 2000A, which needs to be upgraded with rating of 3150A as per clause B.1.2 & B.2.0 of RFP commensurate to 400 kV Khandukhal- Rampura D/c line rating. Augmentation of existing 400 kV Bus Coupler bay and Transfer Bus Coupler bays suitable for 3150A from 2000A at Khandukhal (Srinagar) S/s is also in the scope of TSP as per Sl. No. 11 of Amendment-I dated 13.6.2022.

(b) With regard to upgradation of existing 1 number of 400 kV diameter comprising line bay and ICT bay along with associated Tie Bay at Rampura (Kashipur); the up-gradation works for 400 kV line bay-1 number; up-gradation works for 400 kV ICT bay-1 number; up-gradation of Tie Bay -1 number, 400 kV Rampura (Kashipur) sub-station [PTCUL] is having One & Half Breaker Scheme. In the sub-station, one complete diameter is existing (with 2000A bay equipment), wherein, one 315 MVA 400/200kV ICT (2nd) is already connected and one 400 kV circuit of 400 kV Khandukhal-Rampura D/c line will be terminated. Considering rating of 400 kV Khandukhal Rampura D/c line, bay equipment of above existing diameter (line/ICT/tie bays) needs to be up-graded to 3150A as per clause B.1.2 & B.2.0 of RfP.

7. The Petitioner, vide its affidavit dated 30.12.2022, has submitted that the information submitted by CTUIL vide its affidavit dated 28.12.2022 clarifying the scope of work in terms of the RFP and TSA is correct and the Petitioner has no objection to the clarification submitted by CTUIL. The Petitioner has further submitted that no information was sought by the successful bidder, Megha Engineering & infrastructure Limited (on behalf of the Petitioner) with respect to the RfP during the bidding stage.

8. We have considered the submissions of the Petitioner and perused the documents available on record. Section 63 of the Act provides as under:

“Section 63: Determination of tariff by bidding process: Notwithstanding anything contained in section 62, the Appropriate Commission shall adopt the tariff if such tariff has been determined through transparent process of bidding in accordance with the guidelines issued by the Central Government.”

9. Government of India, Ministry of Power has notified the “Tariff based Competitive-bidding Guidelines for Transmission Service” and “Guidelines for Encouraging

Competition in Development of Transmission Projects” (hereinafter referred to as “the Guidelines”) under Section 63 of the Act vide Resolution No. 15/1/2017-Trans dated 10.8.2021 as amended from time to time. The salient features of the Guidelines are as under:

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

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

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

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

electronic medium under e-reverse bidding framework.

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

(f) Standard documentation to be provided in the RFP shall include definitions of requirements including brief description of the Project, commissioning milestones to be achieved by the bidders, Qualification requirements to be met by bidders including, minimum net-worth, etc. with necessary proof of the same, as outlined in the bid documents, Specified target dates/months for commissioning and commercial operations, Standard Transmission Service Agreement (TSA), agreement(s) under Central Electricity Regulatory Commission (Sharing of Inter State Transmission Charges and Losses) Regulations as amended from time to time, period of validity of offer of bidder, TSA proposed to be entered with the SPV including amendments, bid evaluation methodology to be adopted by the BPC, specification regarding bid bond as well as the Contract Performance Guarantee to be furnished by the bidders, proposed indemnification agreement between the TSP and the Nodal Agency, liquidated damages that shall apply in event of delay in start of providing the transmission services and technical, operational and safety criteria to be met by the bidder/TSP and requirement of obtaining transmission Licence from Appropriate Commission.

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

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

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

(j) The TSP shall make an application for grant of transmission license to the Appropriate Commission within five (5) working days from the date of execution of share purchase agreement for acquisition of SPV.

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

10. Therefore, we have to examine whether the process as per the provisions of the Guidelines has been followed in the present case for arriving at the lowest annual transmission charges and for selection of the successful bidder.

11. Ministry of Power, Government of India, vide its Gazette Notification No. 223, dated 17.1.2022 has notified PFCCCL as Bid Process Coordinator (BPC) for the purpose of selection of bidder as Transmission Service Provider to establish Inter-State Transmission System for “400 kV Khandukhal (Srinagar)-Rampur (Kashipur) D/C Line” on Build, Own Operate and Transfer (BOOT) basis through tariff based competitive bidding process.

12. Khandukhal Rampura Transmission Limited (the Petitioner) was incorporated on 13.5.2022 under the Companies Act, 2013 as a wholly owned subsidiary of PFCCCL with the objective to establish Inter-State Transmission System for “400 kV Khandukhal (Srinagar)-Rampur (Kashipur) D/C Line” through tariff based competitive

bidding process and to act as the Transmission Service Provider after being acquired by the successful bidder. The main objectives of the Petitioner Company in its Memorandum of Association are as under:

“To plan, promote and develop an integrated and efficient power transmission system network in all its aspects including planning, investigation, research, design and engineering, preparation of preliminary, feasibility and definite project reports, construction, operation and maintenance of transmission lines, sub-stations, load dispatch stations and communication facilities and appurtenant works, coordination of integrated operation of regional and national grid system, execution of turn-key jobs for other utilities/organizations and wheeling of power in accordance with the policies, guidelines and objectives laid down by the Central Government from time to time”.

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

14. BPC started the process of selection of successful bidder with the publication of Global Invitation for Qualification for selection of developer on BOOT basis for the Project. The notice of RfP was published on 11.3.2022 in all editions of Indian Express, Financial Express, Jansatta (Hindi) and Financial Times (English-worldwide) with the last date of submission of response to RfP as 13.5.2022. Intimation regarding initiation of the bid process was given to this Commission in accordance with Clause 4.2 of the Guidelines vide letter No. 04/ITP-53/21-22/RFP dated 14.3.2022.

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

| S. No. | Events | Date |
|---------------|---|-------------|
| 1 | Publication of Request for Proposal | 11.3.2022 |
| 2 | Technical & Price Bid Submission | 26.7.2022 |
| 3 | Technical Bid Opening | 26.7.2022 |
| 4 | Initial Price Opening (IPO) | 25.8.2022 |
| 5 | e-Reverse Auction | 26.8.2022 |
| 6 | Final Bid Evaluation Committee Meeting | 1.9.2022 |
| 7 | Issuance of Lol | 7.9.2022 |
| 8 | Signing of Agreements & Transfer of SPV | 7.10.2022 |

16. The scope of the Project as per the Transmission Service Agreement is as under:

| Transmission System for 400 kV Khandukhal (Srinagar) - Rampura (Kashipur) D/C Line | | |
|---|--|---|
| S. No. | Name of Transmission Element | Scheduled COD in months from Effective Date |
| 1. | 400 kV D/C Khandukhal (Srinagar)-Rampura (Kashipur) line (Twin HTLS*) | Matching time frame of commissioning of Vishnugad Pipalkoti HEP (29.10.2024) of THDC or Tapovan Vishnugad HEP (30.09.2024) of NTPC, whichever is earlier i.e. 30.09.2024. |
| 2. | 1x80MVAr switchable line reactor at Rampura (Kashipur) end on each circuit of Khandukhal (Srinagar) - Rampura (Kashipur) line <ul style="list-style-type: none"> Switching equipment for 420 kV 80 MVAR switchable line reactor-2 nos. 420 kV, 80 MVAr Switchable line reactor- 2 nos. | |
| 3. | 1 no. of 400 kV line bay at Rampura (Kashipur) S/s <ul style="list-style-type: none"> 400 kV line bay -1 no. | |
| 4. | Upgradation of existing 400kV bays at Khandukhal (Srinagar) <ul style="list-style-type: none"> Upgradation works for 400 kV line bays -2 nos. | |
| 5. | Upgradation of existing 1 no. of 400 kV diameter comprising line bay and ICT bay along with associated Tie Bay at Rampura (Kashipur) <ul style="list-style-type: none"> Upgradation works for 400 kV line bay-1 no. Upgradation works for 400 kV ICT bay-1 no. Upgradation of Tie Bay-1 no. | |

*With minimum capacity of 2100 MVA on each circuit at nominal voltage.

Note:

(i) PTCUL to provide space for 400kV bays at Rampura (Kashipur) along with the space for switchable line reactors.

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

| | | |
|----|---|---------------------|
| 1. | Sh. Umesh Kumar Madan, EVP & Regional Head, SBI Capital Market | Chairman |
| 2. | Shri Saumitra Mazumdar, Superintendent Engineer (Operation) Northern Regional Power Committee | Member |
| 3. | Shri Anupam Sharma, SE (C&P), Power Transmission Corporation of Uttarakhand Limited. | Member |
| 4. | Shri Y. K. Swarnkar, Director (PSETD), Central Electricity Authority | Member |
| 5. | Ms. Manjari Chaturvedi, Director, PSPA-I Division, Central Electricity Authority | Member |
| 6. | Shri Milind M. Dafade, Chairman, Khandukhal Rampur Transmission Limited, | Convener- Member |

18. Responses to RfP were received from the six bidders as per details given below:

| Sr. No. | Name of Bidders |
|---------|---|
| 1 | Power Grid Corporation of India Limited |
| 2 | Sterlite Grid 17 Limited |
| 3 | Adani Transmission Limited |
| 4 | Megha Engineering and Infrastructures Limited |
| 5 | ReNew Transmission Ventures Private Limited |
| 6 | The Tata Power Company Limited |

19. The responses of the Bidders (list as per table below) were opened on 26.7.2022 (15:30 Hrs) in the office of CEA in presence of the Bidders' representatives. Based on the recommendations of the Bid Evaluation Committee, the Initial Offer of all the six bidders were opened on 25.8.2022 in the presence of Bid Evaluation Committee. In BEC

meeting held on 25.8.2022 it was noted that the lowest transmission charges from the initial offer submitted by the bidders was Rs. 647.76 million per annum which shall be the initial price for quoting the final offer during e-reverse auction. Accordingly, the following four bidders were qualified to participate in the re-reverse auction:

| Sr. No. | Name of Bidder | Levelized transmission charges from the initial Offer (Rs.in Million) | Rank |
|----------------|---|--|-------------|
| 1. | ReNew Transmission Ventures Private Limited | 647.76 | L-1 |
| 2. | The Tata Power Company Limited | 696.75 | L-2 |
| 3. | Megha Engineering & Infrastructures Limited | 725.40 | L-3 |
| 4. | Sterlite Grid 17 Limited | 743.00 | L-4 |

20. As per the provisions of RfP documents, BEC recommended above four qualified bidders to participate in the electronic reverse auction stage and submit their final offer.

21. E-reverse auction was carried out at MSTC portal on 26.8.2022 in the presence of members of BEC after intimating to above four bidders regarding lowest initial price offer i.e Rs. 647.76 million per annum. After e-reverse auction, the transmission charges for four bidders (in ascending order) emerged as under:

| Sr. No. | Name of Bidder | Final quoted transmission charges (Rs.in million per annum) | Rank |
|----------------|---|--|-------------|
| 1. | Megha Engineering & Infrastructures Limited | 587.20 | L-1 |
| 2. | ReNew Transmission Ventures Private Limited | 590.16 | L-2 |
| 3. | The Tata Power Company Limited | 626.96 | L-3 |
| 4. | Sterlite Grid 17 Limited | 743.00 | L-4 |

22. Based on e-reverse bidding, BEC in its meeting held on 1.9.2022 recommended Megha Engineering & Infrastructures Limited with the lowest transmission charges of Rs. 587.20 million per annum as the successful bidder.

23. Letter of Intent was issued by the BPC on 7.9.2022 to the successful bidder i.e. Megha Engineering & Infrastructures Limited. In accordance with Clause 12.3 of the Guidelines, the BPC has hosted on the website of PFCCL, the final result of the evaluation of the bids for selection of developer for the Project.

24. In accordance with the provisions of the bid documents and upon issuance of Lol to the successful bidder (Megha Engineering & Infrastructures Limited) and acquisition of SPV (the Petitioner) by the successful bidder, the Petitioner has prayed for adoption of transmission charges for the Project which has been discovered through the process of competitive bidding.

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

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

26. In accordance with Clause 2.15.4 of RfP, the selected bidder shall, within five (5) working days of the issue of the acquisition of the SPV by the Successful Bidder, apply to the Commission for grant of Transmission Licence and make an application to the Commission for the adoption of Transmission Charges, as required under Section 63 of Act.

27. 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"*. As per the above provision, selected bidder was required to complete all the activities including acquisition of SPVs by 19.9.2022. Though Lol was issued on 7.9.2022, BPC, vide its letter dated 7.10.2022 in terms of Clauses 2.15.2 of RfP extended the date upto 7.10.2022 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. 11.70 crore and has acquired hundred percent equity-holding in the applicant company on 7.10.2022 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 Megha Engineering & Infrastructures Limited, acquired the SPV on 7.10.2022. The TSP filed the Petition through e-filing for adoption of tariff on 11.10.2022.

28. The Petitioner has approached the Commission by a separate application for grant of transmission license. The Commission vide order dated 9.1.2023 in Petition

No.323/TL/2022 on being satisfied that the Petitioner, *prime facie*, qualifies for grant of transmission license as prayed for, directed publication of notices under clause (a) of sub-section (5) of Section 15 of the Act, inviting suggestions/ objections to the proposal of the Commission. Accordingly, notices have been published.

29. In accordance with the Guidelines, BEC has to certify that the tariff has been discovered through a transparent process of bidding and the tariff discovered is in line with prevailing market prices. In the minutes of third Meeting of Bid Evaluation Committee meeting held on 1.9.2022, the following has been recorded:

“2. The RFP (Financial) Bid – Initial Offer for the following six (06) qualified bidders was opened online on MSTC portal by the Bid Opening Committee in the office of Central Electricity Authority (CEA) in presence of BEC members through VC on August 25, 2022 at 15:00 hrs (IST):

- i. Adani Transmission Limited*
- ii. Megha Engineering & Infrastructures Limited*
- iii. Power Grid Corporation of India Limited*
- iv. ReNew Transmission Ventures Private Limited*
- v. Sterlite Grid 17 Limited*
- vi. The Tata Power Company Limited*

3. The lowest Quoted Transmission Charges from the Initial Offer discovered was Rs. 647.76 million per annum which was declared as the initial price for quoting the final offers during e-reverse bidding process.

4. As per Clause No. 3.5.1 of the RFP document, “.....Quoted Transmission Charges of such Initial Offer shall be ranked on the basis of the ascending Initial Offer submitted by each Qualified Bidder. Based on such ranking of the Qualified Bidders, first fifty per cent of the ranking (with any fraction rounded off to higher integer) or four Qualified Bidders, whichever is higher, shall qualify for participating in the electronic reverse auction”.

Accordingly, following four (04) bidders are qualified to participate in the e-reverse auction:

- i. ReNew Transmission Ventures Private Limited*
- ii. The Tata Power Company Limited*
- iii. Megha Engineering & Infrastructures Limited*
- iv. Sterlite Grid 17 Limited*

5. The lowest Initial Offer at MSTC portal i.e. Rs. 647.76 million per annum was communicated to the above four (04) bidders qualified for participating in the e-reverse

bidding process which was held at MSTC Portal on August 26, 2022 at 10:00 hrs (IST) onwards.

6. The e-reverse bidding process was closed after 33 rounds, on same day i.e. August 26, 2022 at 21:18 hrs (IST). Except 'Sterlite Grid 17 Limited', all the other three (03) out of four (04) qualified bidder participated in e-reverse bidding.

6. The Final Offer (Quoted Transmission Charges) of each bidder as quoted at the time of closing of e-reverse bidding is as under:

| S. No. | Name of the Bidder | Final Quoted Transmission Charges (in Indian Rupees million per annum) | Rank |
|--------|---|---|------|
| 1. | Megha Engineering & Infrastructures Limited | 587.20 | L1 |
| 2. | ReNew Transmission Ventures Private Limited | 590.16 | L2 |
| 3. | The Tata Power Company Limited | 626.96 | L3 |
| 4. | Sterlite Grid 17 Limited | 743.00 | L4 |

8. As per the provisions of RFP document, only one value for annual Transmission Charges is to be quoted by the bidder. In addition to the online submission, the bidder with lowest Final Offer will be required to submit original hard copies of Annexure-3-Power of Attorney, Annexure 4- Power of Attorney from Consortium Members (if applicable), Annexure 6- Consortium Agreement (if applicable) and Annexure 14-Bid Bond, before issuance of Lol.

9. Accordingly, as per the requirement, 'Megha Engineering & Infrastructures Limited' (the Bidder with lowest Final Offer) vide letter dated 29.8.2022 has submitted the original hard copies of Annexure 3 and Annexure 14 to BPC on 30.8.2022.

10. BPC has confirmed that the original hard copies of Annexure 3 and Annexure 14 submitted by 'Megha Engineering & Infrastructures Limited' are in order and there is no discrepancy between the online submission and physical documents submitted by M/s Megha Engineering & Infrastructures Limited.

11. In view of above, 'Megha Engineering & Infrastructures Limited' with the Final Offer (Quoted Transmission Charges) of Rs. 587.20 million per annum, may be declared as the successful bidder.

12. BPC, in their evaluation report has confirmed the following:

- i. The levelized tariff for this project based on CERC norms works out to Rs. 1271.76 million per annum. This has been computed based on the estimated cost as communicated by the Cost Committee constituted by CEA and methodology for calculation of tariff as per CERC norms.
- ii. The entire bid process has been carried out in accordance with the "Tariff based Competitive Bidding Guidelines for Transmission Service" and "Guidelines for

encouraging competition in development of the Transmission Projects” issued by Ministry of Power, Govt. of India under Section 63 of the Electricity Act, 2003 and as amended from time to time.

13. *After detailed discussions on the evaluation report prepared by BPC, the BEC decided the following:*

i. “M/s Megha Engineering & Infrastructures Limited” is the successful bidder after the conclusion of the e-reverse bidding process with the lowest Quoted Transmission Charges of Rs. 587.20 million per annum.

ii. The quoted tariff is lower than the Levelised Tariff estimated as per CERC norms. The quoted tariff discovered through e-reverse bidding process is acceptable.

iii. In view of (i) and (ii) above, ‘Megha Engineering & Infrastructures Limited’ may be issued Letter of Intent (LoI).

30. Bid Evaluation Committee (BEC), vide its certificate dated 1.9.2022, has certified as under:

“It is hereby certified that:

1. The entire bid process has been carried out in accordance with the “Tariff based Competitive Bidding Guidelines for Transmission Service” and “Guidelines for encouraging competition in development of the Transmission Projects” issued by Ministry of Power, Govt. of India under Section 63 of the Electricity Act, 2003 and as amended from time to time.

2. Megha Engineering & Infrastructures Limited emerged as the Successful Bidder after the conclusion of e-reverse bidding process with the lowest Quoted Transmission Charges of Rs. 587.20 million per annum.

3. The quoted tariff is lower than the Levelised Tariff calculated based on CERC norms considering the Capital Cost for the Project i.e. “400 kV Khandukhal (Srinagar) – Rampura (Kashipur) D/C Line” as assessed by Cost Committee. The quoted tariff discovered though e-reverse bidding process is acceptable.”

31. In the light of the discussions in preceding paragraphs, it emerges that selection of the successful bidder and the discovery of the annual transmission charges of the Project has been carried out by the BPC through a transparent process of competitive bidding in accordance with the Guidelines issued by the Ministry of Power, Government of India under Section 63 of the Act. BEC has certified that the process is in conformity

with the Ministry of Power Guidelines. BEC in its certificate dated 1.9.2022 has certified that Megha Engineering & infrastructures Limited has emerged as the successful bidder after conclusion of e-reverse auction with lowest annual transmission charges of Rs. 587.20 million per annum. BEC has further certified that the transmission charges computed on the basis of rates quoted by the successful bidder, during e-reverse auction, is lower than the transmission charges calculated based on CERC norms. Based on the certification of the BEC, we approve and adopt the single annual transmission charges of Rs. 587.20 million per annum subject to grant of transmission licence to the Petitioner. The transmission charges shall remain valid throughout the period covered in the TSA.

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

33. Let an extract copy of this order be sent to the Nodal Agency, CTUIL.

34. The Petition No. 322/AT/2022 is disposed of in terms of the above.

Sd/-
(P.K. Singh)
Member

sd/-
(Arun Goyal)
Member

sd/-
(I.S. Jha)
Member