CENTRAL ELECTRICITY REGULATORY COMMISSION NEW DELHI

Petition No. 102/TL/2024

Coram: Shri Jishnu Barua, Chairperson Shri Arun Goyal, Member Shri Ramesh Babu V., Member

Date of Order: 25th June 2024

In the matter of

Petition under Sections 14, 15 and 79(1)(e) of 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 seeking grant of Transmission License for Ishanagar Power Transmission Limited.

And In the matter of

Ishanagar Power Transmission Limited, Windsor, 1st Floor, Unit No. 101, Kalina Santracruz, East Mumbai- 400098 Maharastra.

....Petitioner

Vs

- 1. **Central Transmission Utility of India Limited,** Saudamini, Plot No.2, Sector-29, Gurgaon-122 001.
- 2. **REC Power Development & Consultancy Limited,** D-Block, REC Headquarter, Plot No. I-4, Sector-29, Gurgaon-122001.
- 3. **Madhya Pradesh Power Transmission Company Limited,** 4WR7+CFF, Shakti Bhawan Rd, MPSEB Colony, Rampur, Jabalpur-482008, Madhya Pradesh.
- 4. Chhattisgarh State Power Distribution Co. Limited, Sunder Nagar, Dangania-492013, Raipur.
- 5. **Goa Electricity Department,** Goa Electricity Dept., Curti, Ponda-403401.

6. Gujarat Urja Vikas Nigam Limited,

Sardar Patel Vidyut Bhavan, Racecourse, Vadodara-390007.

7. Heavy Water Board,

O Floor Vikram Sarabhai Bhavan, Trombay, Anushaktinagar, Mumbai-400094, Maharashtra.

8. HVDC Bhadrawati, PGCIL,

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

9. HVDC Vindhyachal, PGCIL,

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

10. M.P. Power Management Company Limited,

14, Shakti Bhawan, Rampur, Jabalpur-482008.

11. Maharashtra State Electricity Distribution Co. Limited,

Plot No 9, "prakashgad", A K Marg, Bandra East, Mumbai-400051.

12. **ACB India Limited**,

7th floor, Corporate Tower, Ambience Mall, NH-8, Gurgaon-122001 (Haryana).

13. Torrent Power Limited,

Naranpura Zonal Office, Sola Road, Ahmedabad-380013.

14. West Bengal State Elect. Dist. Co. Limited,

6th Floor Vidyut Bhawan, Karunamoyee, Salt Lake, Kolkata-700091, West Bengal.

15. Thermal Powertech Corporation India,

6-3-1090, Clock C, Level 2, TSR Towers, Raj Bhavan Road, Somajiguda, Hyderabad, 500082, Telangana.

16. **BARC**,

Bhabha Atomic Research Centre, Anushakti Nagar, Mumbai-400085, Maharashtra.

17. GMR Warora Energy Limited,

Plot B-1, GMR Warora Energy Ltd. Mohabala MIDC Growth Centre, Post-Warora, Distribution-Chandrapur-442907, Maharashtra.

18. **HVDC Champa**,

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

19. West Central Railway Head Office,

General Manager's Office, Electrical Branch, Jabalpur-482001.

20. Western Railway,

Office of Chief Electrical Engineer, Mumbai.

21. East Central Railway,

CEDE, Office of Chief Electrical Engineer, ECR, Zonal Head Quarter, Dighikala, Bihar-844101.

22. **DB Power Limited-United**,

Opp Dena Bank, C-31, G-Block, Mumbai.

23. Chhattisgarh State Power Trading Co. Limited,

2nd Floor, Vidyut Sewa Bhawan, Raipur.

24. TRN Energy Private Ltd. -United,

7th Floor, Ambience Office Block, Gurugram.

25. Adani Power (Mudra) Limited,

Adani Corporate House, Shantigram, Near Viashnavdevi Circle, S G Road, Ahmedabad-382421.

26. Raigarh HVDC Station,

RPT HVDC Office, Hebbal, Bangalore-560094.

27. Arcelor Mittal Nippon Steel India Limited,

27, AMNS House, 2th KM Surat Hazira Road,

Hazira-394270, Gujarat.

28. **Central Railways**,

Pcee's Office, 2nd Floor, Parcle Building,

CSMT Mumbai-400001.

29. Dadra and Nagar Haveli and Daman and Power Distribution Corporation Ltd.,

1st and 2nd Floor, Vidyut Bhavan, Nex Silvassa & Daman.

30. MPSEZ Utilities Limited,

3rd Floor, Adani Corporate House, Ahmedabad.

....Respondents

Parties present:

Ms. Aparajita Upadhyay, Advocate, IPTL Shri Ranjeet Singh Rajput, CTUIL Shri Shashank Singh, RECPDCL

ORDER

The Petitioner, Ishanagar Power Transmission Limited, has filed the present Petition for the grant of a 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 2009 Transmission Licence Regulations") for the establishment of the "Western Region Expansion Scheme XXXIII (WRES-XXXIII): Part *C*" on a Build, Own, Operate and Transfer basis (hereinafter referred to as "the Project") consisting of the following elements:

| S. No. | Name of Transmission Element | Scheduled COD in months from Effective Date |
|--------|--|---|
| 1. | Establishment of 2x1500 MVA, 765/400 kV and 2x500 MVA, 400/220 kV S/s at | |
| | Ishanagar (New) along with 1x330 MVAr, 765 kV & 1x125 MVAr, 420 kV bus reactor | |

| S. No. | Name of Transmission Element | Scheduled COD |
|--------|--|----------------------------------|
| | | in months from Effective Date |
| | 765/400 kV, 1500 MVA ICT – 2 Nos.(7x500 MVA 1-phase units including one spare ICT unit) 400/220 kV, 500 MVA ICT – 2 Nos. 765 kV ICT bays – 2 Nos. 400 kV ICT bays – 4 Nos. 220 kV ICT bays – 2 Nos. 765 kV Line bays – 2 Nos. 330 MVAr, 765 kV Bus Reactor – 1 No. (4x 110 MVAr including one spare unit) 125 MVAr, 420 kV Bus reactor – 1 No. 765 kV Bus reactor bay: 1 No. 400 kV Bus reactor bay: 1 No. 220 kV Bus coupler bay- 1 No. 220 kV Transfer Bus Coupler (TBC) bay - 1 No. 220 kV line bays – 6 Nos. (for 220 kV lines to be implemented by MPPTCL#) | 24 months |
| | Future provisions: | |
| | Space for → 765/400 kV ICT along with bays- 4 Nos. → 765 kV line bays along with switchable line reactors – 8 Nos. → 765 kV Bus Reactor along with bay: 3 Nos. → 765 kV Sectionaliser: 1 set → 400 kV line bays along with switchable line reactor – 10 Nos. → 400/220 kV ICT along with bays -7 Nos. → 400 kV Bus Reactor along with bays: 3 Nos. → 400 kV Sectionalization bay: 1- set → 220 kV line bays: 12 Nos. → 220 kV Sectionalization bay: 2 sets → 220 kV BC and TBC: 2 Nos | |
| 2. | LILO of one circuit of Jabalpur - Orai 765 kV D/c line at Ishanagar 765 kV S/s (New) | |

#220 kV Ishanagar 765/400/220 kV - Jatara 220 kV D/C line and LILO of Chhatarpur – Tikamgarh 220 kV 2xS/c line at 765/400/220 kV Ishanagar (Chhatarpur – Tikamgarh 220 kV 2nd ckt is currently under implementation)

Note:

- (i) Implementation timeframe: 24 months from date of SPV transfer.
- (ii) MPPTCL shall execute downstream network in matching time-frame of ISTS system.
- 2. Based on the competitive bidding carried out by the REC Power Development & Consultancy Limited (RECPDCL), in its capacity as the Bid Process Coordinator (BPC), in accordance with the Guidelines issued by the Ministry of Power, Government of India under Section 63 of the Act, Consortium of M/s Indigrid 2 Limited (Lead Member) and Indigrid 1 Limited was declared a successful bidder with the lowest quoted annual transmission charges of Rs. 625.88 million. Thereafter, the BPC issued a Letter of Intent in favour of the M/s Indigrid 2 Limited (Lead Member) and Indigrid 1 Limited, which acquired the Ishanagar Transmission Limited after execution of the Share Purchase Agreement (SPA).
- 3. The Commission, after considering the application of the Petitioner in light of the provisions of the Act and the 2009 Transmission Licence Regulations, in its order dated 31.5.2024, *prima facie* proposed to grant a transmission licence to the Petitioner. The relevant extracts of the order dated 31.5.2024 are extracted as under:
 - "21. Considering the material on record, we are prima-facie of the view that the Petitioner satisfies the conditions for the 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 the grant of transmission licence aforesaid. The objections or suggestions, if any, be filed by any person before the Commission by 16.6.2024."
- 4. A public notice under Sub-section (5) of Section 15 of the Act was published on 6.6.2024 in all editions of the Hindustan Times (English) and Rashtriya Sahara

(Hindi). No suggestions/ objections have been received from members of the public in response to the public notice.

- 5. The case was called out for a hearing on 18.6.2024. It was submitted by the learned counsel for the Petitioner that, in response to a public notice published by the Commission, no objection had been received. Learned counsel further submitted that in the order dated 31.5.2024, the Commission, in paragraph 23, directed the Petitioner to submit the information by 11.6.2024 with regard to the quality control mechanism available or to be put in place to ensure compliance with the requirements stipulated in Article 5.1.1 and Article 5.4 of the TSA and the Petitioner be permitted time to furnish such information. Moreover, the Commission, at paragraph 22 of the said order, also directed the Petitioner to file an affidavit 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 arising under the TSA. Learned counsel, however, submitted that such an undertaking by the Petitioner, at this stage, would be prejudicial to its rights available under the TSA, whereunder the delay in receiving any statutory clearance has been held to be a force majeure event. Learned counsel, accordingly, submitted that the Petitioner be exempted from the requirement of furnishing such an undertaking as indicated in paragraph 23 of the order dated 31.5.2024.
- 6. The Petitioner, vide Record of Proceedings for the hearing dated 18.6.2024, was directed to file its affidavit/information in compliance with the direction issued under paragraph 22 of the order dated 31.5.2024. The Petitioner, vide its affidavit dated 19.6.2024, has submitted the information as under:

- (a) The transmission Project has been designed following the relevant standards and regulations as provided in the Central Electricity Authority (CEA) Technical Standards for Construction, CEA Technical Standards for Connectivity, CEA Technical Standards for Communication, Central Electricity Authority (Measures relating to Safety and Electricity Supply) Regulations,2010 as amended from time to time. In cases where Indian Standards for any particular equipment/ system/ process is not available, then IEC/ IEEE or equivalent International Standards and Codes are being followed by the Petitioner.
- (b) The Petitioner continues to comply with the obligations under relevant Articles of the TSA, which are required to be fulfilled during the construction period of the Project, including those mentioned in Article 4.1. In this regard, the Petitioner has already submitted an approved Field Quality Plan (FQP) to CTUIL vide letter dated 7.6.2024 as per the requirements under Article 5.1.1. of the TSA.
- (c) The Petitioner shall continue to construct the Project in line with the applicable Regulations to maintain the highest quality standards and will continue to communicate the same to all the stakeholders as required under the TSA as well as under the provisions of the various regulations in place.
- 7. As regards the grant of a transmission licence, Clauses (13) and (14) of Regulation 5 of the 2024 Transmission Licence Regulations provide as under:
 - "(13) The Commission may, after consideration of the further suggestions and objections, if any, received in response to the public notice in terms of Clause (12) of this Regulation, grant licence to the applicant in Form-III appended to these regulations or for reasons to be recorded in writing, reject the application.

- (14) The Commission shall before granting licence or rejecting the application under the provisions of this Regulation provide an opportunity of hearing to the applicant, CTUIL, the concerned DICs, or the person who has filed suggestions and objections, or any other interested person."
- 8. In our order dated 31.5.2024, we had proposed to grant a transmission licence to the Petitioner company and directed the issue of public notice. In response to the public notice, no suggestions/objections have been received. CTUIL, in its letter dated 11.3.2024, has recommended the grant of a transmission licence to the Petitioner. We find that the Petitioner company meets the requirements of the Act and the 2009 Transmission Licence Regulations (now repealed) for the grant of a transmission licence for the subject Transmission System mentioned in paragraph 1 of this order. Considering the submissions of the Petitioner and CTUIL, we direct that a transmission licence be granted to the Petitioner, 'Ishanagar Power Transmission Limited,' for the grant of a transmission licence in order to implement the transmission system for "Western Region Expansion Scheme XXXIII (WRES-XXXIII): Part C" on a Build, Own, Operate, and Transfer basis as per the details given in paragraph 1 above.
- 9. With regard to the submissions of the learned counsel for the Petitioner during the course of the hearing regarding exemption from requirement of furnishing an affidavit 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 arising under the TSA, the Petitioner is directed to implement its project within the time schedule as provided in the TSA and will be bound to comply with the provisions of the TSA in letter and spirit.

- 10. The grant of the 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 2024

 Transmission Licence Regulations or any subsequent enactment thereof during the period of subsistence of the licence;
 - (c) The licensee may make an application, two years before the expiry of the initial licence period, for the grant of the transmission licence for another term in accordance with Regulation 9 (2) of the 2024 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 a 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 provisions of Central Electricity Regulatory Commission (Standard of Performance of inter-State transmission licensees) Regulations, 2012 or subsequent enactment thereof;
- (h) The licensee shall provide the 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 (Connectivity and General Network Access to the inter-State Transmission System) Regulations, 2023; the Central Electricity Regulatory Commission (Indian Electricity Grid Code) Regulations, 2023, 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 2024 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;
- (I) The licensee shall ensure the execution of the Project as per the Technical Standards and Grid Standards of CEA;
- (m) The licensee shall submit all such report or information as may be required under 2024 Transmission Licence Regulations, Standard of Performance Regulations or any other regulation of the Commission or as per the directions of the Commission as may be issued from time to time;
- (n) The licensee shall ensure that the EPC contract for the execution of work under the scope of the project is awarded through a competitive bidding process.
- 11. CTUIL/its appointed Independent Engineer and the Central Electricity Authority shall monitor the execution of the Project and bring to the Commission's notice any lapse on the part of the licensee in meeting the schedule for further appropriate action in accordance with the provisions of the Transmission Service Agreement executed between the licensee and the Nodal Agency, the Act and the Transmission Licence Regulations.

- 12. It is expected that while carrying out the survey, the Petitioner complied with the provisions of clauses 2.5.7.3, 2.5.7.4, and 2.5.7.5 of the RfP. The Petitioner will comply with the provisions of the bidding documents and the TSA for the commissioning of the Project within the SCOD in letter and spirit.
- 13. An extract of a copy of this order be sent to CTUIL, CEA and BPC for information and necessary action.
- 14. Petition No. 102/TL/2024 is allowed in terms of the above.

Sd/- sd/- sd/- (Ramesh Babu V.) (Arun Goyal) (Jishnu Barua) Member Member Chairperson