

**CENTRAL ELECTRICITY REGULATORY COMMISSION
NEW DELHI**

Petition No. 109/AT/2024

**Coram:
Shri Jishnu Barua, Chairperson
Shri Arun Goyal, Member**

Date of Order: 28th May, 2024

In the matter of

Petition under Section 63 read with Section 79, including Section 79(1)(c) and (d) of Electricity Act, 2003 seeking adoption of Transmission Charges payable by Central Transmission Utility of India Limited /Respondent No. 1 for implementation of the Transmission system for Evacuation of Power from RE Projects in Rajgarh (1000 MW) SEZ in Madhya Pradesh-Phase II.

**And
In the matter of**

Pachora Power Transmission Limited,
2nd Floor, Novus Tower,
Plot No. 18, Sector-18,
Gurugram-122015, Haryana

....Petitioner

Vs

1. Central Transmission Utility of India Limited,
Saudamini, Plot No.2, Sector-29,
Gurugram -122 001
2. REC Power Development & Consultancy Limited,
D-Block, REC Headquarter,
Plot No. I-4, Sector-29,
Gurugram -122001.
3. Chhattisgarh State Power Transmission Company Limited,
P.O. Sunder Nagar, Danganiya,
Raipur- 492 013, Chhattisgarh.
4. Chhattisgarh State Power Generation Company Limited,
P.O. Sunder Nagar, Danganiya,
Raipur- 492 013, Chhattisgarh
5. Chhattisgarh State Power Distribution Company Limited,
P.O. Sunder Nagar, Danganiya,
Raipur- 492 013, Chhattisgarh

6. Gujarat Power Corporation Limited,
Block No. 8, Sixth Floor,
Udyog Bhavan, Sector 11,
Gandhinagar-382 011
7. Gujarat Energy Transmission Company Limited,
9th floor, Sardar Patel Vidyut Bhawan, Race Course,
Vadodara- 390 007, Gujarat
8. Dakshin Gujarat Vij Company Limited (Gujarat Discom)
"Urja Sadan", Nana Varachha Road, Kapodara,
Surat-395 006, Gujarat
9. Gujarat Urja Vikas Nigam Limited,
Sardar Patel Vidyut Bhawan,
Race Course, Vadodara-390 007, Gujarat.
10. Madhya Pradesh Power Transmission Company Limited,
Shakti Bhavan, Rampur,
Jabalpur- 482 008, Madhya Pradesh
11. Madhya Pradesh Power Generation Company Limited,
Shakti Bhavan, Viduyt Nagar, Rampur,
Jabalpur- 482 008, Madhya Pradesh.
12. Madhya Pradesh Poorva Kshetra Vidyut Vitran Company Limited,
Block No.-7, Shakti Bhavan,
PO: Vidyut Nagar, Rampur,
Jabalpur - 482008 (M.P)
13. Maharashtra State Electricity Transmission Company Limited,
Prakashganga, Plot No.C-19,
E-Block, Bandra Kurla Complex, Bandra (East),
Mumbai-40005, Maharashtra
14. Maharashtra State Power Generation Company Limited,
Prakashgad, 2nd Floor, Plot No G-9, Bandra (East),
Mumbai- 400051
15. Maharashtra State Electricity Distribution Company Limited,
Prakashgad, 6th Floor, Plot No G-9,
Bandra (East), Mumbai- 400 051
16. Electricity Department Goa,
Vidyut Bhawan, 3rd Floor,
Panaji- 403 001 Goa.
17. Dadra and Nagar Haveli and Daman and Diu Power Distribution Corporation
Limited,
Vidyut Bhavan, Near 66 kV Sub-Station,

Kachigam-396 215, Daman

18. Powergrid Corporation of India Limited,
"Saudamini", Plot No.2, Sector-29,
Near IFFCO Chowk, Gurgaon-122 001 (Haryana).

19. Tata Power Company Limited,
Bombay House,
24, Homi Modi Street,
Mumbai-400 001

20. Ratnagiri Gas & Power Private Limited,
Jubilee Tower, 5th Floor, B35-B36,
Sector -1, Noida- 201 301(U.P)

21. NHDC Limited,
NHDC Parisar, Shyamala Hills,
Bhopal-462 013(M.P.)

22. Torrent Power Limited,
Sugen Mega Power Project, Off National Highway No.8,
Taluka Kamrej, Surat-394155 (Gujarat).

23. Adani Power (Mundra) Limited,
1st Floor, South Wing, Adani Corporate House,
Shantigram, S.G. Highway,
Ahmedabad-38242, Gujarat.

24. JSW Energy Limited,
4th Floor, NTH Complex, A-2, Shaheed Jeet Singh Marg,
Qutab Institutional Area,
New Delhi-110016.

25. Jindal Power Limited,
P.O.Tamnar, District:Raigarh-496 107,
Chhattisgarh.

26. Coastal Gujarat Power Limited,
4000 MW UMPP, At & Post: Tunda,
Mundra, Kutch-370435, Gujarat

27. Rattan India Power Limited,
Plot No. D2 & D2, Part Additional Industrial Area,
Nandgaonpeth, Amravati.

28. D.B. Power Limited,
Village: Badadhra, Block & Tehsil: Dabhra,
District: Janjgir, Champa- 495695,
Chhattisgarh.

29. Adani Power Limited,
1st Floor, South Wing, Adani Corporate House,
Shantigram, S.G. Highway,
Ahmedabad-384 421

30. KSK Mahanadi Power Co. Limited,
Akaltara (Nariyara) TPP, Bilaspur-495552,
Chhattisgarh.

31. MB Power (Madhya Pradesh) Limited,
239, Okhla Industrial Estate, Phase III,
New Delhi -110020.

32. Sasan UMPP, Sasan Power Limited,
Village: Siddikhurd, P.O. Tiya, Sasan, Waidhan,
Singroli-486 886, Madhya Pradesh.

33. R.K.M. Powergen Pvt. Limited,
No.14, Dr. Giriappa Road,
T. Nagar-600 017, Chennai

34. Bhopal Dhule Transmission Company Limited,
101, Windsor, CST Road, Santacruz East,
Mumbai-400098

....Respondents

Parties present:

Shri Mridul Chakravarty, Advocate, PPTL
Ms. Lavanya Panwar, Advocate, PPTL
Ms. Ankita Bafna, Advocate, PPTL
Shri Ritam Biswas, RECPDCL
Shri Ranjeet Singh Rajput, CTUIL
Shri Akshyvat Kislay, CTUIL

ORDER

The Petitioner, Pachora Power Transmission Limited, has filed the present Petition under Section 63 of the Electricity Act, 2003 (hereinafter referred to as “the Act”) for the adoption of transmission charges in respect of the “Transmission system for Evacuation of Power from RE Projects in Rajgarh (1000 MW) SEZ in Madhya Pradesh-Phase II” on a Build, Own, Operate and Transfer (BOOT) basis. The Petitioner has made the following prayers:

“(a) Adopt the levelized quoted annual Transmission Charges of INR 419.74 million discovered through transparent competitive bidding process, for

“Transmission system for Evacuation of Power from RE Projects in Rajgarh (1000 MW) SEZ in Madhya Pradesh-Phase II”, comprising of the elements/assets as detailed in the present petition/ application;

(b) Allow the “Transmission system for Evacuation of Power from RE Projects in Rajgarh (1000 MW) SEZ in Madhya Pradesh-Phase II” 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) and subsequent amendments/ enactments thereto;

(c) Allow recovery of Transmission Charges from actual Date of Commercial Operation (CoD), if the element(s) of the project are commissioned before original SCOD, as per Policy dated 15.7.2015 issued by the Ministry of Power; or in the alternative, grant liberty to petitioner to approach this Commission in terms of the aforesaid;

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

(e) 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), REC Power Development and Consultancy Limited (RECPDCL) vide letter dated 15.3.2024, was directed to submit the relevant documents regarding the complete process of the competitive bidding. The necessary details have been filed by the BPC under an affidavit dated 27.3.2024.

Hearing dated 29.4.2024

3. During the course of the hearing on 29.4.2024, the learned counsel for the Petitioner submitted that the Petitioner has impleaded the beneficiaries as parties to the Petition and has also served a copy of the Petition on them. However, no response has been received from them.

4. Vide Record of Proceedings for the hearing dated 29.4.2024, the Respondents were directed to file their reply with a copy to the Petitioner, who may file its rejoinder thereafter. However, no reply has been filed by the Respondents.

5. We have considered the submissions of the Petitioner, BPC, and CTUIL 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.”

6. The Ministry of Power, Government of India 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 on 10.8.2021 as amended from time to time. The salient features of the Guidelines are as under:

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

(b) For procurement of the transmission services required for any inter-State transmission Project, the Central Government shall notify the CTUIL 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 the 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 the 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 the 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 the International Competitive Bidding (ICB). For the purpose of issue of the 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 the 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 the 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 the 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 the Appropriate Commission.

(g)The TSP, on the date of acquisition of the 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 the CEA by a bid committee comprising of at least one member from the CEA and one member from the BPC. For inter-State transmission system, CEA shall constitute a committee for evaluation of the bids with at least one representative from the 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 the 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 the 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 the 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 the grant of a transmission licence to the Appropriate Commission within five working days from the date of execution of the Share Purchase Agreement for acquisition of the 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 the adoption of tariff discovered from the quoted annual transmission charges during the e-reverse bidding process in terms of Section 63 of the Act.

7. Therefore, we have to examine whether the Guidelines issued by the Central Government have been followed in the present case in a transparent process of bidding.

8. The Ministry of Power, Government of India, vide its Gazette Notification dated 12.5.2023, has notified the REC Power Development and Consultancy Limited (RECPDCL) as a Bid Process Coordinator (BPC) for the purpose of selection of the bidder as Transmission Service Provider to establish the Inter-State Transmission System for "Transmission system for Evacuation of Power from RE Projects in Rajgarh (1000 MW) SEZ in Madhya Pradesh-Phase II" on a Build, Own, Operate and Transfer basis through the tariff based competitive bidding process.

9. Pachora Power Transmission Limited (the Petitioner) was incorporated on
Order in Petition No. 109/AT/2024

20.7.2023 under the Companies Act, 2013 as a wholly owned subsidiary of RECPDCL with the objective to establish the “Transmission system for Evacuation of Power from RE Projects in Rajgarh (1000 MW) SEZ in Madhya Pradesh-Phase II” 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”.

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

11. BPC started the process of selection of the successful bidder with the publication of a Global Invitation for Qualification for the selection of a developer on a BOOT basis for the Project. The notice of the RfP was published in National/International newspapers on 11.7.2023. Intimation regarding the initiation of the bid process was given to this Commission in accordance with Clause 4.2 of the Guidelines dated 11.7.2023.

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

| S. No. | Events | Date |
|---------------|--|-------------|
| 1. | Publication of RfP | 11.07.2023 |
| 2. | Intimation to the Commission | 11.07.2023 |
| 3. | RfP (Technical)& Price Bid Submission | 15.12.2023 |
| 4. | RfP (Technical) Bid Opening | 15.12.2023 |
| 5. | RfP (Financial) Initial Price Offer -Opening | 27.12.2023 |
| 6. | e-Reverse Auction | 28.12.2023 |

| | | |
|----|---|------------|
| 7. | Final Bid Evaluation Committee Meeting | 29.12.2023 |
| 8. | Issuance of Lol | 31.12.2023 |
| 9. | Signing of Agreements & transfer of SPV | 14.02.2024 |

13. The scope of the Project as per the Request for Proposal and the Transmission Service Agreement is as under:

| Sl. No | Scope of the Transmission Scheme | Scheduled COD in months from Effective Date |
|--|---|---|
| 1) | 400/ 220 kV, 3x500 MVA ICT augmentation (4 th , 5 th & 6 th) Pachora PS <ul style="list-style-type: none"> ➤ 400/220 kV, 500 MVA ICT bays – 3 Nos ➤ 400 kV ICT bays- 3 Nos. ➤ 220 kV ICT bays- 3 Nos. ➤ 400 kV line bays- 2 Nos ➤ 220 kV line bays- 4 Nos. 400 kV Bus Sectionaliser- 1 set 220 kV Bus Sectionaliser- 1 set 220 kV TBC bay- 1 No. 220 kV BC bay-1 No. | 24 months |
| 2) | Pachora PS-Ujjain (MPPTCL) 400 kV D/c line (Quad ACSR/ AAAC/ AL59 Moose equivalent) | |
| 3) | 2 no. of 400 kV line bays at Ujjain (MPPTCL) for Pachora- Ujjain 400 kV D/c line <ul style="list-style-type: none"> ➤ 400 kV line bays- 2 Nos. | |
| Note: MPPTCL shall provide space for 2 Nos. of 400 kV bays at Ujjain for termination of Pachora PS – Ujjain 400 kV D/c line. | | |

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

| S. No. | Name | Designation |
|--------|---|---------------------------|
| 1. | Sh. Rajesh Kumar Singh, General manager, CCGRO-II, SBI | Chairman of the Committee |
| 2. | Sh. Bhanwar Singh Meena, Director, PSETD Division, Central Electricity Authority | Member |
| 3. | Smt. Manjari Chaturvedi [#] Director, PSPA-I Division, Central Electricity Authority | Member |
| 4. | Sh. R. K. Mishra, Addl. CE, MPPTCL | Member |
| 5. | Sh. Sudhir Nema, SE, MPPTCL | Member |

| | | |
|----|---|----------------------------------|
| 6. | Sh. Daljit Singh Khatri, Chairman, Pachora Power Transmission Limited | Convener-Member of the Committee |
|----|---|----------------------------------|

#CEA vide letter dated 29.12.2023, nominated Shri B. S. Bairwa, Director (PSP&A-II), CEA as the Bid Evaluation Committee (BES's) member in place of Smt. Manjari Chaturvedi, Director for the transmission schemes being implemented through TBCB.

15. Responses to the RfP were received from the eight bidders as per details given below:

| S. No. | Name of the Bidder/ Consortium |
|--------|--|
| 1. | M/s Adani Energy Solutions Limited (Formerly known as Adani Transmission Limited w.e.f. 27.7.2023) |
| 2. | M/s Apraava Energy Private Limited (Formerly known as CLP India Private Limited) |
| 3. | M/s G R Infraprojects Limited |
| 4. | M/s Indigrd 1 Limited and Indigrd 2 Limited |
| 5. | M/s MonteCarlo Limited |
| 6. | M/s Power Grid Corporation of India Limited |
| 7. | M/s Sterlite Grid 6 Limited |
| 8. | M/s Torrent Power Limited |

16. The responses of the bidders were opened on 27.12.2023 in the presence of the representatives of the bidders. Based on the recommendations of the Bid Evaluation Committee, the initial offer of all eight bidders was opened on 27.12.2023 in the presence of the Bid Evaluation Committee. In the BEC meeting held on 27.12.2023, it was noted that the lowest transmission charge from the Initial Offer submitted by the bidders was Rs. 442.50 million, which shall be the initial ceiling for quoting the final offer during the e-reverse auction. Accordingly, the rank of the bidders for participation in the e-reverse auction is as under:

| Sr. No. | Name of the Bidder | Quoted Transmission Charges from the Initial Offer (in Rs. Million) | Rank |
|---------|--|---|------|
| 1. | M/s Indigrd 2 Limited and Indigrd 1 Limited - Consortium | 442.50 | L1 |
| 2. | M/s G R Infraprojects Limited | 449.70 | L2 |
| 3. | M/s Torrent Power Limited | 470.00 | L3 |

| | | | |
|----|---|--------|----|
| 4. | M/s Apraava Energy Private Limited (Formerly known as CLP India Private Limited) | 513.40 | L4 |
| 5. | M/s Power Grid Corporation of India Limited | 544.20 | L5 |
| 6. | M/s MonteCarlo Limited | 561.00 | L6 |
| 7. | M/s Adani Energy Solutions Limited (Formerly known as Adani Transmission Limited w.e.f 27.7.2023) | 564.60 | L7 |
| 8. | M/s Sterlite Grid 6 Limited | 571.13 | L8 |

17. As per the provision of the RfP document, the bidders holding the first fifty percent of the ranks (with any fraction rounded off to a higher integer) or four bidders, whichever is higher, shall be considered to be qualified for participating in the electronic reverse auction stage, in the ascending order of Initial Offer. Accordingly, the name of the qualified bidders is as follows:

| Sr. No. | Name of the Bidder | Quoted Transmission Charges from the Initial Offer (in Rs. Million) | Rank |
|---------|--|---|------|
| 1. | M/s Indigrd 2 Limited and Indigrd 1 Limited-Consortium | 442.50 | L1 |
| 2. | M/s G R Infraprojects Limited | 449.70 | L2 |
| 3. | M/s Torrent Power Limited | 470.00 | L3 |
| 4. | M/s Apraava Energy Private Limited (Formerly known as CLP India Private Limited) | 513.40 | L4 |

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

19. The e-reverse auction was carried out at the MSTC portal on 28.12.2023 after intimating to the bidders regarding the lowest initial price offer. The transmission charges for the bidders (in ascending order) emerged as under:

| Sr. No. | Name of the Bidder | Transmission Charges from the Initial Offer (in Rs. Million) | Transmission Charges from the Final Offer (in Rs. Million) | Rank |
|---------|-------------------------------|--|--|------|
| 1. | M/s G R Infraprojects Limited | 449.70 | 419.74 | L1 |

| | | | | |
|----|--|--------|---|----|
| 2. | M/s Indigrd 1 Limited and Indigrd 2 Limited-Consortium | 442.50 | 420.80 | L2 |
| 3. | M/s Torrent Power Limited | 470.00 | 432.60 | L3 |
| 4. | M/s Apraava Energy Private Limited (Formerly known as CLP India Private Limited) | 513.40 | No bid received in electronic reverse auction | L4 |

20. Based on the e-reverse bidding, BEC, in its meeting held on 29.12.2023, recommended G R Infraprojects Limited, with the lowest transmission charges of Rs. 419.74 million, as the successful bidder.

21. Letter of Intent was issued by the BPC on 31.12.2023 to the successful bidder, i.e., G R Infraprojects Limited. In accordance with Clause 12.3 of the Guidelines, the BPC has hosted on the website of RECPDCL, the final result of the evaluation of the bids for the selection of a developer for the Project.

22. In accordance with the provisions of the bid documents and upon the issuance of Lol to the successful bidder (G R Infraprojects Limited) and acquisition of the SPV (the Petitioner) by the successful bidder, the Petitioner has prayed for the adoption of transmission charges for the Project which was discovered through the competitive bidding process.

23. In accordance with Clause 2.15.2 of RfP, the selected bidder shall, within 10 days of the 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 per cent (100%) equity shareholding of Pachora Power Transmission Limited from REC Power

Development and Consultancy Limited, along with all its related assets and liabilities.

24. In accordance with Clause 2.15.4 of RfP, the selected bidder shall, within five working days of the issue of the acquisition of the SPV by the successful bidder, apply to the Commission for the grant of a transmission licence and make an application to the Commission for the adoption of transmission charges, as required under Section 63 of the Act.

25. The proviso to Clause 2.15.2 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". As per the above provision, the selected bidder was required to complete all the activities, including the acquisition of SPV, by 14.2.2024. The selected bidder furnished the Contract Performance Guarantee in favour of Nodal Agency (CTUIL) for an amount of Rs. 15 crore on 13.2.2024 and acquired a hundred per cent equity-holding in the applicant company on 14.2.2024 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 the adoption of transmission charges within five working days of the issuance of the acquisition of the SPV to the successful bidder. The successful bidder, namely, G R Infraprojects Limited, acquired the SPV on 14.2.2024. Accordingly, the TSP has filed the instant Petition through e-filing for the adoption of transmission charges on 21.2.2024.

26. The Petitioner has approached the Commission with a separate application for the grant of a transmission licence. The Commission, vide order dated 24.5.2024 in

Petition No. 108/TL/2024, 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 in this regard.

27. 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 the Fourth Meeting of the Bid Evaluation Committee meeting held on 29.12.2023, the following have been recorded:

“... The following four (04) bidders were qualified to participate in the electronic reverse auction stage and submit their final offer:

| Sr. No. | Name of the Bidder | Transmission Charges from the Initial Offer (in Rupees Million) | Rank |
|----------------|--|--|-------------|
| 1. | M/s Indigrd 2 Limited and Indigrd 1 Limited – Consortium | 442.50 | L-1 |
| 2. | M/s G R Infraprojects Limited | 449.70 | L-2 |
| 3. | M/s Torrent Power Limited | 470.00 | L-3 |
| 4. | M/s Apraava Energy Private Limited (Formerly known as CLP India Private Limited) | 513.40 | L-4 |

- *To start electronic reverse auction on 28.12.2023 at 1000 Hrs (IST) after intimation to all the four (04) qualified bidders regarding lowest initial price offer.*
3. *Pursuant to the above, BPC confirmed to BEC that all the above four (04) qualified bidders were informed on 27.12.2023 (duly acknowledged by them) regarding the electronic reverse auction start time and lowest initial offer.*
4. *The electronic reverse auction started on 28.12.2023 at 1000 Hrs (IST) on MSTC portal. After 19 rounds of bidding, following transmission charges, as quoted by each bidder, emerged:*

| S. No. | Name of the Bidder | Transmission Charges from the Initial Offer (in Rs. Million) | Transmission Charges from the Final Offer (in Rs. Million) | Rank |
|---------------|--|---|---|-------------|
| 1. | M/s G R Infraprojects | 449.70 | 419.74 | L1 |
| 2. | M/s Indigrd 1 Limited and Indigrd 2 Limited- Consortium | 442.50 | 420.80 | L2 |
| 3. | M/s Torrent Power Limited | 470.00 | 432.60 | L3 |
| 4 | M/s Apraava Energy Private Limited (Formerly known as CLP India Private Limited) | 513.40 | No bid received in electronic reverse auction | L 4 |

The system generated bid history of electronic reverse auction is enclosed at **Annexure-1**.

5. As per above table, M/s G R Infraprojects Limited emerged as the Successful Bidder after the conclusion of electronic reverse auction with the lowest annual transmission charges of Rs. 419.74 million which also the Final Offer.

6. BPC, in their evaluation report (**Annexure 2**) has confirmed the following:

a) Lowest annual transmission charges of Rs. 419.74 Million discovered through electronic reverse auction is less than the estimated annual transmission charges of Rs. 663.60 Million which is computed based on the estimated cost as communicated by cost committee and as per prevailing CERC norms.

b) As per provisions of RFP document, successful bidder i.e., M/s G R Infraprojects Limited has submitted original hard copies of Annexure-3, Annexure-4, Annexure-6 and Annexure-14 and the same are found to be in order.

c) The entire bidding process has been carried out in accordance with the "Tariff based Competitive 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 as amended from time to time.

7. After detailed discussions on the evaluation report prepared by the BPC (**Annexure-2**), the Bid Evaluation Committee observed the following:

a) M/s G R Infraprojects Limited, with the lowest annual transmission Charges of **Rs. 419.74 Million**, is the successful Bidder after the conclusion of the electronic reverse auction.

b) The transmission charges discovered after electronic reverse auction is lower than the transmission charges estimated by BPC para 6(a) and is acceptable is acceptable.

8. *In view of para 7 above, BEC recommended to issue Letter of Intent (LoI) to M/s G R Infraprojects Limited.*

9. *The certificate by BEC to be forwarded to CERC for adoption of tariff in terms of Section 63 of the Electricity Act, 2003 is attached at **Annexure-3.***

28. Bid Evaluation Committee (BEC), vide its certificate dated 29.12.2023 certified as under:

“It is certified that:

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

b. M/s G R Infraprojects Limited, with the lowest annual transmission Charges of Rs. 419.74 Million, emerged as the successful Bidder after the conclusion of electronic reverse auction.

c. The transmission charges of Rs. 419.74 Million discovered after electronic reverse auction is acceptable.”

29. In the light of the discussions in the preceding paragraphs, it emerges that the 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 29.12.2023, has certified that G R Infraprojects Limited has emerged as the successful bidder after the conclusion of the e-reverse auction with the lowest transmission charges of Rs. 419.74 million. Based on the certification of the BEC, we approve and

adopt the single annual transmission charges of Rs. 419.74 million as per the final offer of the successful bidder, subject to the grant of a transmission licence to the Petitioner company. The transmission charges shall remain valid throughout the period covered in the TSA.

30. 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.

31. The Petitioner has prayed to allow recovery of the transmission charges from the actual Date of Commercial Operation (CoD), if the element(s) of the project is commissioned before the original SCOD, as per Policy dated 15.7.2015 issued by the Ministry of Power; or in the alternative, grant liberty to the Petitioner to approach this Commission in terms of the aforesaid. Since, the present Petition has been filed for the adoption of the transmission charges, the prayer of the Petitioner in this regard is beyond the scope of the present Petition and is not sustainable.

32. An extract of a copy of this order shall be sent to the Nodal agency, CTUIL.

33. Petition No. 109/AT/2024 is disposed of in terms of the above.

Sd/-
(Arun Goyal)
Member

sd/-
(Jishnu Barua)
Chairperson