

**CENTRAL ELECTRICITY REGULATORY COMMISSION  
NEW DELHI**

**Petition No. 134/TL/2024**

**Coram:**

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

**Date of Order: 12<sup>th</sup> June, 2024**

**In the matter of**

Application under Sections 14, 15, 79 (1) (e) of the Electricity Act, 2003 read with Central Electricity Regulatory Commission (Procedure, Terms and Conditions for Grant of Transmission Licence and other related matters) Regulations, 2009 with respect to Grant of a Separate Transmission License to KPS1 Transmission Limited under RTM route.

**And**

**In the matter of**

**KPS1 Transmission Limited,  
C 105, Anand Niketan,  
New Delhi- 110021**

**.....Petitioner**

**Versus**

- 1. Central Transmission Utility of India Limited,  
Saudamini, Plot No.2, Sector -29,  
Gurgaon 122001.**
- 2. Madhya Pradesh Power Management Company Limited,  
Block No.-11, Ground Floor, Shakti Bhavan,  
Vidhyut Nagar, Rampur,  
Jabalpur- 482 008, Madhya Pradesh.**
- 3. Chhattisgarh State Power Distribution Company Limited,  
P.O. Sunder Nagar, Dangania,  
Raipur – 492013, Chhattisgarh.**
- 4. Maharashtra State Electricity Distribution Company Limited,  
Prakashgad, 4th Floor, Bandra (East),  
Mumbai-400051.**
- 5. Gujarat Urja Vikas Nigam Limited,  
Vidhyut Bhavan, Race Course,  
Vadodara – 390007.**

**6. Dadra Nagar Haveli and Daman and Diu Power Distribution Corporation Limited,**  
1st and 2nd Floor, Vidyut Bhavan,  
Silvassa, Dadra & Nagar Haveli - 396230.

**7. Electricity Department,**  
Government of Goa,  
Vidyut Bhavan, Near Mandvi Hotel,  
Panaji- 403001, Goa.

.....Respondents

**Parties present:**

Shri Bhavesh Kundalia, KPS1TL  
Shri Ranjeet Singh Rajput, CTUIL  
Shri Akshayvat Kislay, CTUIL

**ORDER**

The Petitioner, KPS1 Transmission Limited (hereinafter referred to as 'the Petitioner'), has filed the present Petition under Sections 14 and 15 of the Electricity Act, 2003 (hereinafter referred to as 'the Act') read with the provisions of the Central Electricity Regulatory Commission (Terms and Conditions for grant of Transmission Licence and other related matters) Regulations, 2009 (hereinafter referred to as 'the Transmission Licence Regulations') for the grant of a separate transmission licence for implementation of the transmission scheme for injection beyond 3 GW RE power at Khavda PS1 (KPS1) under Regulated Tariff Mechanism (RTM) route. The scope of the project for which the transmission licence has been sought is as under:

<b>S. No.</b>	<b>Name of the scheme and Implementation timeframe</b>	<b>Estimated Cost (₹ crore)</b>	<b>Remark</b>
1	Implementation of 400kV line bay at Khavda-I PS (KPS1) (GIS) for interconnection of RE project of Sarjan Realities Pvt. Ltd. (1150MW)  400 kV GIS line bay- 1 no. + 1 no. additional bay for diameter completion at 2nd 400 kV bus section (refer note a)	31.8	Approved to be implemented under RTM by KPS1 Transmission Limited

	Implementation timeframe: 28.2.2026 (refer note b)		
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**NOTE:**

*a. In view of GIS sub-station, one complete 400kV diameter with three Circuit Breakers (one and half switching scheme) shall be implemented at 400kV level for interconnection of RE project in one 400kV bay. Utilization of another 400kV bay of the diameter shall be identified in future.*

*b. Implementing agency shall match the Implementation Timeframe of the subject transmission scheme with commissioning schedule of Khavda Phase-IV transmission system which is expected by 28.02.2026 (i.e., 24 months from the date of SPV transfer which is presently anticipated by Feb'24).*

2. The Petitioner has made the following prayers:

*“a) Grant separate transmission licence to the Applicant for implementation of “Transmission Scheme for Injection Beyond 3 GW RE Power At Khavda PS1 (KPS1)” on Regulated Tariff Mechanism (RTM) basis with detailed scope as per para 8 above.*

*b) Allow liberty to the Applicant to approach the Commission for determination of transmission charges for the aforementioned additional scope in transmission licence in accordance with Sections 61, 62 of the Electricity Act, 2003. Allow liberty to the Applicant to approach the Commission for determination of the transmission charges for the aforementioned additional scope in transmission licence in accordance with Sections 61, 62 of the Electricity Act, 2003.*

*c) 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.*

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

3. KPS1 Transmission Limited, was granted transmission licence to establish the Inter-State Transmission System for the ‘Transmission scheme for injection beyond 3 GW RE power at Khavda PS1 (KPS1)’ (hereinafter referred to as “the Project”)’ on a Build, Own, Operate and Transfer (BOOT) basis” vide order dated 30.9.2023 in Petition No. 189/TL/2023 consisting of the following elements:

<b>Transmission scheme for injection beyond 3 GW RE power at Khavda PS1 (KPS1)</b>		
<b>SN</b>	<b>Name of Transmission Element</b>	<b>Scheduled COD in months from Effective Date</b>
1	Augmentation of Khavda PS1 by 4X1500MVA, 765/400 kV transformation capacity* with 1x330 MVAR 765 kV bus reactor and 1x125 MVAR 420 kV bus reactor on 2nd 765 kV and 400 kV bus section respectively.	21 months from the date of SPV acquisition.
2	KPS1-Khavda PS GIS (KPS2) 765 kV D/C line	

*\*2nd Bus Section is to be created at Khavda PS1 Note: M/s KBTL (Adani Transmission Limited) to provide space for bays for implementation of ICT Augmentation works and termination of KPS1- Khavda PS GIS (KPS2) 765 kV D/C line at KPS1;*

*The above scheme shall be implemented with an implementation timeframe of 21 months and matching with the implementation time frame of 'Establishment of Khavda Pooling Station-2 (KPS2) in Khavda RE Park'*

4. Further, in addition to above mentioned scope, the Central Transmission Utility, vide Office Memorandum dated 2.1.2024 has notified the implementation of the 400 kV bay at Khavda-I PS (KPS1) for interconnection of RE project of Sarjan Realities Pvt. Ltd. (SRPL) (1150MW) to KPS1 Transmission Limited while referring to the Ministry of Power (MoP) office order dated 28.10.2021.

5. The Petitioner has submitted that after the grant of a separate transmission licence, it shall proceed to implement the transmission scheme under the RTM mode. The estimated completion cost of the transmission scheme, as per CTUIL's Office Memorandum (OM), is Rs. 31.8 crore. After completion of the transmission scheme, the Petitioner shall approach the Commission for determination of the transmission charges in accordance with the Transmission Licence Regulations.

### **Hearing dated 8.5.2024**

6. During the course of the hearing on 8.5.2024, the representative of the Petitioner submitted that the Petitioner has complied with all the requirements prescribed under the Transmission Licence Regulations.

7. Vide Record of Proceedings for the hearing dated 8.5.2024, notices were issued to Respondents to file their replies. However, no reply has been received from them.

8. Vide Record of Proceedings for the hearing dated 8.5.2024, the Petitioner was directed to implead the beneficiaries of Western Region and file revised Memo of Parties. In response, the Petitioner vide its affidavit dated 1.6.2024 has filed the revised memo of parties. In addition, the Petitioner was directed to file information, namely, the updated status of the commissioning schedule of the RE project of 'Sarjan Realities Pvt. Ltd.'; a copy of the Concession Agreement signed with the CTUIL; and a copy of Form II as per the format prescribed in the 2009 Transmission Licence Regulations and posted on the Petitioners' website is required as per Order dated 22.1.2022 in Petition No. 1/SM/2022. The Petitioner, vide its affidavit dated 1.6.2024, has filed the information called for. With regard to the status of the commissioning schedule of the RE project of 'Sarjan Realities Pvt. Ltd.', the CTUIL vide its letter dated 2.1.2024 has submitted the commissioning schedule of the RE project of "Sarjan Realities Pvt. Ltd." The Petitioner has submitted that as per the CTUIL, the implementation time frame of the transmission scheme with commissioning schedule of Khavda phase-IV transmission system is 28.2.2026. With regard to the Concession Agreement signed with the CTUIL, due to pending finalization of Concession Agreement by CTUIL, the Petitioner is not able to enter into Concessional Agreement

so far. As part of prudent practice, the Petitioner has written email dated 31.5.2024 to CTUIL in this regard. The Petitioner has also placed on record a copy of Form II as per the format prescribed in the 2009 Transmission Licence Regulations, and posted on the Petitioner's website is required as per Order dated 22.1.2022 in Petition No. 1/SM/2022.

9. The representative of CTUIL. during the course of the hearing, submitted that vide letter dated 15.12.2023, CTUIL has requested the Ministry of Power to clarify the requirement of approval of the Central Government to transmission schemes under the Transmission System Planning Rules, 2021 for the Projects costing up to Rs. 500 crore approved by NCT/CTUIL as per the Ministry's Order dated 28.10.2021. Any directions or observations received from the Ministry of Power in this regard shall be placed before the Commission. Considering the submissions, CTUIL is directed to place on record the response received from the Ministry of Power as and when it is received. Meanwhile, we proceed to consider grant of the transmission licence to the Petitioner Company so that the construction work of the transmission line may not be delayed.

### **Analysis and Decision**

10. We have considered the submissions of the Petitioner and CTUIL. The Petitioner has filed the present Petition for the grant of a separate transmission licence for the implementation of the transmission scheme for injection beyond 3 GW RE power at Khavda PS1 (KPS1) under the Regulated Tariff Mechanism (RTM) route.

11. The Ministry of Power, Government of India, vide its letter dated 28.10.2021, issued terms of reference to the NCT and, *inter alia*, directed that the NCT will approve the ISTS costing between Rs.100 crore and Rs. 500 crore or such limit as prescribed

by the Ministry of Power from time to time, along with their mode of implementation under intimation to the Ministry of Power. The Ministry of Power further directed that ISTS costing less than or equal to Rs. 100 crore, or such limit as prescribed by the Ministry of Power from time to time, will be approved by the Central Transmission Utility of India Limited (CTUIL) along with the mode of implementation under intimation to the NCT and the Ministry of Power, Government of India. The relevant portion of the said order dated 28.10.2021 is extracted as under:

*“2. Terms of Reference (ToR) of the NCT are as under:*

*j. \*\*\*\*\**

*VIII. The NCT shall recommend to Ministry of Power (MoP) for implementation of the ISTS for projects with cost more than Rs 500 crore, along with their mode of implementation i.e. Tariff Based Competitive Bidding (TBCB) / Regulated Tariff Mechanism (RTM), as per the existing Tariff Policy. However, the NCT shall approve the ISTS costing between Rs100 crore to Rs.500 crore or such limit as prescribed by MoP from time to time, along with their mode of implementation under intimation to MoP. The ISTS costing less than or equal to Rs. 100 crores, or such limit as prescribed by MoP from time to time, will be approved by the CTU along with their mode of implementation under intimation to the NCT and MoP. After approval of the ISTS by the NCT or the CTU (as the case may be), the TBCB project shall be allocated to Bid Process Coordinators through Gazette Notification, while the RTM project shall be allocated to CTU.”*

12. CTUIL, vide its Office Memorandum dated 2.1.2024, approved the implementation of the “400kV bay at Khavda-I PS (KPS1) for interconnection of RE Project of Sarjan Realities Pvt. Ltd. (SRPL) (1150MW)” on RTM mode along with identifying the implementing agency and also addressing the same to the Ministry of Power, Government of India, and NCT.

<b>S.N</b>	<b>Scope of the Transmission Scheme</b>	<b>Capacity</b>
1	400kV line bay at Khavda-I PS (KPS1) (GIS) for interconnection of RE project of Sarjan Realities Pvt. Ltd. (1150MW)	400 kV GIS line bay-1no. & 1 no. additional bay for diameter completion on 2 <sup>nd</sup> 400kV bus section (refer note a)
Total Estimated Cost:		Rs. 31.8 Crore

**NOTE: a.** In view of GIS substation, one complete 400kV diameter with three Circuit Breakers (one and half switching scheme) shall be implemented at 400kV level for interconnection of RE project in one 400kV bay. Utilization of another 400kV bay of the diameter shall be identified in future.

**b.** Implementing agency shall match the Implementation Timeframe of the subject transmission scheme with commissioning schedule of Khavda Phase-IV transmission system which is expected by 28.02.2026 (i.e., 24 months from the date of SPV transfer which is presently anticipated by Feb'24).

13. Subsequently, a 'Consultation Meeting for Evolving Transmission Schemes (CMETS) in Western Region', vide its Minutes of the 20<sup>th</sup> Meeting dated 4.8.2023, notified implementation of "400kV bay at Khavda-I PS (KPS1) for interconnection of RE project of Sarjan Realities Pvt. Ltd. (SRPL) (1150MW)" on RTM mode to the Petitioner Company in line with the MoP Office order dated 28.10.2021 as under:

Sr. No.	Name of the scheme and Implementation timeframe	Estimated Cost (₹ crore)	Remark
1	Implementation of 400kV line bay at Khavda-I PS (KPS1) (GIS) for interconnection of RE project of Sarjan Realities Pvt. Ltd. (1150MW)  400 kV GIS line bay – 1no. + 1 no. additional bay for diameter completion at 2nd 400 kV bus section (refer note a)  Implementation timeframe: 28.02.2026 (refer note b)	31.8	Approved to be implemented under RTM by KPS1 Transmission Limited

**NOTE: a.** In view of GIS substation, one complete 400kV diameter with three Circuit Breakers (one and half switching scheme) shall be implemented at 400kV level for interconnection of RE project in one 400kV bay. Utilization of another 400kV bay of the diameter shall be identified in future.

**b.** Implementing agency shall match the Implementation Timeframe of the subject transmission scheme with commissioning schedule of Khavda Phase-IV transmission system which is expected by 28.02.2026 (i.e., 24 months from the date of SPV transfer which is presently anticipated by Feb'24).

14. Based on the above, CTUIL, vide its Office Memorandum dated 2.1.2024, approved the implementation of the "400kV bay at Khavda-I PS (KPS1) for interconnection of RE project of Sarjan Realities Pvt. Ltd. (SRPL) (1150MW)" on RTM



mode along with identifying the implementing agency and also addressing the same to the Ministry of Power, Government of India, and NCT.

15. 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 company has been incorporated under the Companies Act 2013 and is already a transmission licensee. The main objective 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, substations, load dispatch stations and communication facilities and appurtenant works, coordination of integrated operation of state, 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”*

16. 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], provides for the procedure for the grant of a 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.*

17. The Petitioner has filed the present Petition for the grant of a separate transmission licence for the implementation of transmission scheme for injection beyond 3 GW RE power at Khavda PS1 (KPS1) under Regulated Tariff Mechanism (RTM) route in accordance with the Transmission Licence Regulations. The Petitioner has submitted proof of web posting of the complete application. On perusal of the application, it is also noted that the Petitioner has served a copy of the application on the LTTCs for the Project.

18. The Petitioner has made the application as per Form-I prescribed in the Transmission Licence Regulations. The Petitioner posted its application on its website in Form-II on 19.3.2024 in English and Gujarati. It has been submitted by the Petitioner that no objection has been received in response to the public notices.

19. The Petitioner has served a copy of the application on CTUIL as required under Section 15(3) of the Act and Regulation 7(6) of the Transmission Licence Regulations. CTUIL, vide its letters dated 9.4.2024, has recommended the grant of a transmission

licence to the Petitioner. The relevant portions of the said letter dated 9.4.2024 are extracted as under:

*"This has reference to the Petition with Dairy No. 153/2024 dated 13.03.2024 filed by M/s KPS1 Transmission Ltd. (KPS1TL) before Hon'ble Commission vide which M/s KPS1TL has requested CTU for issuance of recommendation for grant of separate Transmission License for implementation of the subject transmission scheme. In this regard, the following is submitted:*

*1. M/s KPS1TL has filed a petition under Section 14 & 15 of the Electricity Act, 2003 read with CERC (Procedure, Terms and Conditions for Grant of Transmission License and other related matters) Regulations, 2009 for grant of separate Transmission License for "Transmission Scheme for Injection beyond 3GW RE power at Khavda PS1 (KPS1) under RTM route". However, the transmission scheme has been allocated to KPS1TL vide CTU OM dated 02.01.2024 through RTM route with name as "Implementation of 400kV bay at Khavda-I PS (KPS1) for interconnection of RE project of Sarjan Realities Pvt. Ltd. (SRPL) (1150MW)". The detailed scope of the transmission scheme is enclosed at Annexure-I.*

*2. M/s KPS1TL has mapped Nodal Agency i.e., CTUIL on the e-portal of Hon'ble Commission, to serve a copy of the application for the grant of transmission license, for the above transmission system as per section 15(3) of the Electricity Act, 2003 and Regulation 7(6) of Transmission License Regulations, 2009 for recommendation required u/s 15(4) of the Electricity Act, 2003 and Regulation 7(11) of Transmission License Regulations, 2009.*

*In reference to "Implementation of 400kV bay at Khavda-I PS (KPS1) for interconnection of RE project of Sarjan Realities Pvt. Ltd. (SRPL) (1150MW)", the following are hereby submitted:*

*i) KPS1 (bus section-1) was implemented by Khavda Bhuj Transmission Ltd. (KBTL) (a subsidiary of Adani Energy Solutions Ltd.) through TBCB Route However, KPS1 Augmentation works (bus section-II) is under implementation by KP: KPS1 Transmission Ltd. (a subsidiary of Megha Engineering & Infrastructures Ltd.) wherein, 3 nos. 400kV b bays at KPS1 (bus section-II) are being Implemented, which have been allocated to AGEL for injection of 3300MW RE power.*

*ii) Further, to enable the Connectivity of Sarjan Realities Pvt. Ltd. (SRPL) for injection of 1150MW power into ISTS, the subject scheme was proposed and agreed for in the 20th Consultation Meeting for Evolving Transmission Schemes in Western Region (CMETS-WR) held on 04.08.2023. Extracts of the minutes of 20 CMETS-WR are enclosed at Annexure-II.*

*iii) The subject transmission scheme involves construction of 1 nos. 400kV GIS line bay and 1 no. 400kV GIS additional bay for diameter completion at KPS1 on the 2nd 400kV bus section.*

iv) *The subject transmission scheme was discussed and agreed to be implemented through RTM mode in the 16th CCTP meeting held on 02.01.2024. The estimated cost of the scheme is INR 31.8 Cr. (less than INR 100 Cr.). Accordingly, the same was not put for deliberation before WRPC/NCT in line with MoP office order dated 28.10.2021. Extracts of the minutes of 16th CCTP meeting are enclosed at Annexure-III.*

v) *CTU vide OM dated 02.01.2024 has awarded the subject transmission scheme M/s KPS1 Transmission Ltd. under RTM mode and has informed that the implementing agency shall enter into a concession agreement with CTU for implementation of the subject scheme through RTM. Copy of the CTU OM is enclosed at Annexure-IV.*

*4. In line with Section 15(4) of the Electricity Act, 2003 and Regulation 7(11) of Transmission License Regulations, 2009, based on details furnished by M/s KPS1 Transmission Ltd., CTU recommends the grant of transmission license to M/s KPS1 Transmission Ltd. for executing the transmission scheme as mentioned in Para-1 above.”*

20. Section 14 of the Act provides that the Appropriate Commission may, on an application made to it under Section 15, grant a licence to any person to transmit electricity as a transmission licensee in any area as may be specified in the licensee. Section 16 of the Act provides that the Appropriate Commission may specify any general or specific conditions which shall apply either to a licensee or class of licensees, and such conditions shall be deemed to be conditions of such licence. The Commission has specified the Transmission Licence Regulations. Regulation 6 of the said Regulation lays down the eligibility criteria for the grant of transmission licence as under:

*“6. Eligibility for Grant of licence: (a) No person shall be eligible for grant of licence unless it is—*

*(a) selected through the process under the guidelines for competitive bidding, or*

*(b) a State owned or controlled company identified as a project developer on or before 5.1.2011, or*

*(c) a generating company which has established the dedicated transmission line, and intends to use such dedicated transmission line as the main transmission line and part of the inter-State transmission system.”*

21. In the present case, the Petitioner does not fulfil any of the eligibility conditions for the grant of a transmission licence. However, in the 6<sup>th</sup> meeting of the National Committee on Transmission, it was indicated that as per the revised Terms of Reference issued by the Ministry of Power, Government of India, ISTS projects costing up to Rs. 100 crore or such limit as may be prescribed by the Ministry of Power from time to time would be approved by the CTUIL including its mode of implementation. The scheme has been identified for implementation through RTM mode by CTUIL. Non-grant of transmission licence to any agency nominated by the NCT to implement a transmission system through a regulated tariff mechanism in view of the provisions of Regulation 6 defeats the purpose of the Policy decision of the Government. We are of the view that considering the strategic importance of the transmission line, it is a fit case for relaxation of the provisions of Regulation 6 by invoking the power vested under Regulation 24 of the Transmission Licence Regulations.

22. Regulation 24 of the Transmission Licence Regulations, dealing with the power to relax in appropriate cases, provides as under:

*“24. The Commission may, when it considers necessary or expedient to do so and for reasons to be recorded in writing, relax or depart from any of the provisions of these regulations.”*

23. It is an established principle of law that the power to relax has to be strictly construed and is to be exercised judiciously and with caution. Further, the power to relax is to be exercised only when undue hardship is caused by the application of the rules or regulations. In the present case, the Petitioner is a transmission licensee who is already implementing the project under TBCB route. The present Petition is consequent to the office order 28.10.2021 notified by the Ministry of Power Government of India wherein CTUIL has been authorized to determine the mode of

implementation of ISTS projects costing up to Rs. 100 crore. Pursuant to the direction of the Ministry of Power, CTUIL, vide its Office Memorandum dated 2.1.2024 and recommendation letter dated 9.4.2024, has determined a list of Projects to be implemented through a Regulated Tariff Mechanism, which also includes the instant Petition for the subject transmission system.

24. Since the Petitioner is already an inter-State transmission licensee and has been identified as an agency to implement the project as per the RTM, the Commission, in the exercise of power under Regulation 24, hereby relaxes the provision of Regulation 6 of the Transmission Licence Regulations and holds that the Petitioner is eligible for the grant of a transmission licence. We, hereby, 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 a transmission licence aforesaid. The objections or suggestions, if any, shall be filed by any person before the Commission, by **20.6.2026**.

25. The Petition shall be listed for hearing on **27.6.2024**.

Sd/-  
**(Arun Goyal)**  
**Member**

sd/-  
**(Jishnu Barua)**  
**Chairperson**