

**CENTRAL ELECTRICITY REGULATORY COMMISSION  
NEW DELHI**

**Petition No. 176/TL/2024**

**Coram:**

**Shri Jishnu Barua, Chairperson**

**Shri Arun Goyal, Member**

**Shri Ramesh Babu V., Member**

**Date of order: 25<sup>th</sup> June, 2024**

**In the matter of:**

Application under Section 14 of the Electricity Act, 2003 read with Central Electricity Regulatory Commission (Procedure, Terms and Conditions for Grant of Transmission License and other related matters) Regulations, 2009 for grant of separate Transmission License to POWERGRID Parli Transmission Limited for implementation of 400 kV line bay at 765/400 kV Parli (New) S/s for interconnection of RE project through "Regulated Tariff Mechanism" (RTM) mode.

**And**

**In the matter of**

**POWERGRID Parli Transmission Limited,**

B-9, Qutab Institutional Area,  
Katwaria Sarai, New Delhi-110016

... **Petitioner**

**Vs.**

**1. Maharashtra State Electricity Distribution Company Limited,**

Prakashgad, 4th Floor,  
Bandra (East), Mumbai-400051

**2. MP Power Management Company Limited,**

Block No-11, Ground Floor,  
Shakti Bhawan, Vidhyut Nagar, Rampur,  
Jabalpur-482008, Madhya Pradesh

**3. Chhattisgarh State Power Distribution Company Limited,**

P.O. Sunder Nagar, Dangania,  
Raipur- 492013, Chhattisgarh

**4. Gujarat Urja Vikas Nigam Limited,**

Vidhyut Bhavan, Race Course,  
Vadodara-390007, Gujarat

**5. Goa Electricity Department,**

Govt. of Goa, Curti, Ponda-403401

**6. Dadra and Nagar Haveli and Daman Power Distribution Corporation Ltd.**

1st & 2nd Floor, Vidyut Bhavan,  
Near Secretariat, Amil, Silvassa-396230

**7. Electricity Department, Administration of Daman & Diu,**

Plot No.-35, OIDC Complex, Near Fire Station, Somnath  
Daman-396210

**8. ReNew Pawan Shakti Private Limited,**

Renew Hub, Commercial Block-1, Zone-6,  
Golf Course Road, DLF City Phase V  
Gurugram-122009, Haryana

**9. Central Transmission Utility of India Limited,**

Saudamini, Plot No.2, Sector-29,  
Gurgaon-122001

....Respondents

**Parties present:**

Ms. Reeha Singh, Advocate, PPTL  
Shri Abhijit, PPTL  
Shri Deeraj Kumar, PPTL  
Shri G. Vijay, PPTL  
Shri Ranjeet Rajput, CTUIL  
Shri Akshayvat Kislav, CTUIL  
Shri Siddharth Sharma, CTUIL

**ORDER**

The Petitioner, POWERGRID Parli Transmission System Limited, (in Short, 'PPTL'), has filed the present Petition under Section 14 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 the implementation of 400kV line bay at 765/400kV Parli (New) S/s for interconnection of RE project through "Regulated Tariff Mechanism" (RTM) mode (hereinafter referred to as the

'transmission scheme/project'). The scope of the project for which a transmission licence has been sought is as follows:

<b>Sl. No.</b>	<b>Scope of the Transmission Scheme</b>	<b>Estimated cost (Rs. in crore)</b>	<b>Implementation Time Frame</b>
1	400kV line bay at 765/400kV Parli (New) S/s for interconnection of RE Project	18	31.12.2025

2. The Petitioner, in its Petition, has made the following prayers:

*“(a) Grant separate Transmission License to the Applicant for implementation of additional scope of work under RTM mode as detailed at para 3 above.*

*(b) Allow the Applicant liberty to approach the Hon'ble Commission for determination of transmission charges after commissioning of the scope of works mentioned at Para 3 above, in accordance with Section 61, 62 of the Electricity Act, 2003 and as per 8(2) of the Transmission License Regulations, 2009.*

*(c) Condone any inadvertent omissions/shortcomings/errors and permit the Applicant to add/modify/alter this application and make further submissions as may be required at a future date.*

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

3. The Petitioner company, erstwhile Gadarwara (B) Transmission Limited (the name of the Petitioner company was changed from 'Gadarwara (B) Transmission Limited' to 'POWERGRID Parli Transmission Limited (PPTL) with effect from 21.7.2015), was incorporated as a special purpose vehicle by REC Transmission Projects Company Limited (RECTPCL) as part of the Tariff Based Competitive Bidding (TBCB) process for implementing the transmission project "Transmission System associated with Gadarwara STPS (2X800 MW) of NTPC (Part-B)" on a Build, Own, Operate, and Maintain (BOOM) basis. Power Grid Corporation of India (PGCIL) Limited participated in the competitive bidding process conducted by RECTPCL, and upon emerging as the successful bidder, a Letter of Intent (LOI) was issued by RECTPCL to PGCIL on 11.3.2015. In accordance with

the bidding documents, PGCIL acquired 100% of the shareholding in the Petitioner Company by executing a Share Purchase Agreement with RECTPCL on 24.4.2015. The Petitioner Company entered into a Transmission Service Agreement (TSA) with LTTCs on 9.2.2015. The Commission, vide its order dated 10.7.2015 in Petition No. 128/TL/2015, granted a transmission licence to the Petitioner Company for inter-State transmission of electricity to establish the transmission project “Transmission System associated with Gadawara STPS (2X800 MW) of NTPC (Part-B)” on a Build, Own, Operate, and Maintain (BOOM) basis. The implementation status of the project is as under: -

S. No.	Project elements	SCOD	COD
1.	Warora (Pooling Station)-Parli (New) 765kV D/C line	31.01.2018	04.06.2018
2.	Parli (New)-Solapur 765 kV D/C line	31.01.2018	27.04.2018
3.	Parli (New)-Parli (PG) 400 kV D/C (Quad) line	31.01.2018	27.04.2018
4.	<p>Establishment of 2X1500 MVA 765/400kV Parli (New) S/S</p> <ul style="list-style-type: none"> <li>• 765 kV ICTs :7X500MVA 765/400kV (One Spare Unit) ICT Bays: 2 Nos. Line Bays: 4 Nos. Bus Reactor: 3X110 MVAR Bus Reactor Bays: 1 Nos. Line Reactors: 7X110 MVAR (one spare unit) along with associated NGR and its auxiliaries (for Warora PS-Parli (New) 765 kV D/C line) Space for 765kV Bays: 4 Nos.</li> <li>• 400kV ICT Bays: 2 Nos. Line Bays: 2 Nos.</li> </ul> <p>Spare for 400kV Bays: 4 Nos.</p>	31.01.2018	27.04.2018

4. Subsequently, the Central Transmission Utility of India Limited (CTUIL) has issued an Office Memorandum dated 2.1.2024 to the Petitioner wherein CTUIL has approved and

nominated the Petitioner to implement the transmission scheme of 400 kV line bay at 756/400kV Parli (New) sub-station for interconnection of RE project through RTM mode.

5. The Petitioner has submitted that after the grant of a separate transmission licence, the Petitioner shall proceed to implement the transmission scheme under RTM mode. The estimated cost of the transmission scheme, as per CTUIL's Office Memorandum (OM) dated 2.1.2024 is Rs.18 crore. After completion of the transmission scheme, the Petitioner shall approach the Commission for determination of the transmission charges in accordance with Sections 61 and 62 of the Act and Tariff Regulations in vogue as per Regulation 8 (2) of the 2009 Transmission Licence Regulations.

**Hearing dated: 12.6.2024**

6. The matter was listed for the hearing on 12.6.2024. During the course of the hearing, the learned counsel of the Petitioner submitted that the Petitioner company has complied with all the requirements under the 2009 Transmission Licence Regulations, and CTUIL has also submitted its recommendations for the grant of a transmission licence to the Petitioner under RTM mode under Section 15(4) of the Act. The representative of CTUIL submitted that CTUIL has already recommended granting a separate transmission licence to the Petitioner company.

7. Vide Record of Proceedings for the hearing dated 12.6.2024, notices were issued to Respondents to file their respective replies. However, no reply has been received from them.

**Analysis and Decision**

8. 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 under the provisions of the Transmission Licence Regulations for implementation of the 400 kV line bay at 756/400kV Parli (New) sub-station for interconnection of the RE project on Regulated Tariff Mechanism mode.

9. 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: i.\*\*\*\*\**

*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 Rs.100 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.”*

10. The subject transmission scheme was discussed and agreed upon in the 1<sup>st</sup> sitting

of the 21<sup>st</sup> CMETS-WR meeting held on 28.8.2023. Based on the same, CTUIL, vide its Office Memorandum dated 2.1.2024, approved the subject transmission scheme under the Regulated Tariff Mechanism (RTM) mode and informed regarding the name of implementing agency, viz. the Petitioner. The relevant portion of the said Office Memorandum dated 2.1.2024 is extracted as under:

**“Sub: Inter-State Transmission Schemes (costing up to Rs.100 Cr.) to be taken up for implementation under Regulated Tariff Mechanism (RTM).**

*The undersigned is directed to inform that CTU has approved the implementation of the following ISTS costing less than or equal to Rs.100 Cr. In line with the MoP office order dated 28.10.2021 under Regulated Tariff Mechanism (RTM) mode by the implementing agencies as indicated in the table below:*

<b>Sl. No.</b>	<b>Name of Transmission Scheme</b>	<b>Implementation Agency</b>
<b>Western Region</b>		
4.	400kV line bay at 765/400kV Parli (New) S/s for RE Interconnection	POWERGRID Parli Transmission Ltd. (a subsidiary of Power Grid Corporation of India Ltd.)

*The above transmission schemes are awarded to the Implementing Agency for its implementation under RTM mode. The implementing agency shall enter into a concession agreement with CTU for the implementation of the above-mentioned transmission schemes through the Regulated Tariff Scheme (RTM).”*

11. 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 judicial 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, sub- stations, 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”*

12. 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.*

13. The Petitioner has filed the present Petition for the grant of a transmission licence 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.

14. The Petitioner 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 2.5.2024 in English and Gujarati. It has been submitted by the Petitioner that no objection has been received in response to the public notices.

15. 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 2009 Transmission Licence Regulations read with Regulations 5 (9) of the 2024 Transmission Licence Regulations. CTUIL, vide its letter dated 30.4.2024, has recommended the grant of a transmission licence to the Petitioner. The relevant portion of the said letter dated 30.4.2024 is extracted as under:

*“This has reference to the Petition with Dairy No. 206/24 dated 12.04.2024 filed by M/s POWERGRID Parli Transmission Limited before Hon'ble Commission vide which M/s PPTL has requested CTU for issuance of recommendation for grant of Transmission License for implementation of subject transmission scheme. In this regard, the following is submitted:*

1. *M/s PPTL has filed a petition under Section 14 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 Transmission License for Implementation of 400kV line bay at 765/400kV Parli (New) S/s for interconnection of RE project through "Regulated Tariff Mechanism" (RTM) mode. The detailed scope of the transmission scheme is enclosed at Annexure-I.*

2. *M/s PPTL 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.*

3. *In reference to "Implementation of 400kV line bay at 765/400kV Parli*

(New) S/s for Interconnection of RE project", the following is submitted:

- i) 765/400kV Parli (new) S/s is an existing substation implemented by POWERGRID Parli Transmission Ltd. (a subsidiary of Power Grid Corporation of India Ltd.) through TBCB Route under "Transmission System associated with Gadarwara STPS (2X800 MW) of NTPC (Part-B)" scheme which involves Establishment of 2X1500 MVA 765/400kV Parli (New) S/S, Warora (Pooling Station)-Parli (New) 765kV D/C line, Parli (New)-Solapur 765 kV D/C line & Parli (New)-Parli (PG) 400 kV D/C (Quad) line.
  - ii) The subject scheme involves implementation of a 400kV line bay at Parli (New) S/s which has been allotted to Renew Pawan Shakti Pvt. Ltd. (RPSPL): appl. no. 231400018 (277MW) & the bay is also being shared with Renew Pawan Shakti Pvt. Ltd. (RPSPL): appl. no. 331400012 (23MW).
  - iii) The 400kV line bay shall enable evacuation of RE power from various generation projects in Parli area which have applied/ shall apply for Connectivity under GNA at Parli (New) S/s at 400kV level.
  - iv) The subject transmission scheme was discussed and agreed upon in the 1st sitting of 21<sup>st</sup> CMETS-WR meeting held on 28.08.2023. Extracts of the minutes of 21<sup>st</sup> CMETS-WR meeting is enclosed at Annexure-II.
4. CTU vide OM dated 02.01.2024 has approved the implementation of the above transmission scheme i.e. Implementation of 400kV line bay at 765/400kV Parli (New) S/s for interconnection of RE project to POWERGRID Parli Transmission Ltd. (a subsidiary of Power Grid Corporation of India Ltd.) for implementation under RTM mode in line with the Hon'ble MoP office order dated 28.10.2021 as estimated cost of the scheme is Rs.18 Cr. (less than Rs.100 Cr.) with implementation time frame as 31.12.2025 (matching with Start Date of Connectivity of RPSPL under GNA). A copy of the CTU letter is enclosed at Annexure-III.
  5. 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 POWERGRID Parli Transmission Limited, CTU recommends the grant of transmission license to M/s POWERGRID Parli Transmission Limited for executing the transmission scheme as mentioned in Para-1 above."

16. We have considered the Petitioner's submission. The Petitioner has filed the present Petition for the issuance of a separate transmission licence for the implementation of "400kV line bay at 765/400kV Parli (New) S/s for interconnection of RE project" on the Regulated Tariff Mechanism (RTM) mode.

17. 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 licence. 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 a 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 a 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.”*

18. In the present case, the Petitioner does not fulfil any of the eligibility conditions for the grant of a transmission licence. However, the subject transmission scheme has been approved by CTUIL vide its OM dated 16.2.2024, and the scheme was allocated to the Petitioner under RTM mode. The non-grant of a transmission licence to any agency nominated by the MoP to implement a transmission scheme 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 a relaxation of the provisions of Regulation 6 by

invoking the power vested under Regulation 24 of the Transmission Licence Regulations.

19. 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”.*

20. 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 defined under its scope through the TBCB mechanism. 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, has informed regarding a list of Projects to be implemented through a Regulated Tariff Mechanism, which also includes the transmission scheme of the present petition.

21. Since the Petitioner is already an inter-State transmission licensee and has been identified as an agency to implement the project as per 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 **5.7.2024**.

22. The Petition shall be listed for the hearing on **11.7.2024**.

Sd/-  
**(Ramesh Babu V.)**  
**Member**

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

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