

**CENTRAL ELECTRICITY REGULATORY COMMISSION  
NEW DELHI**

**Petition No. 253/TL/2023**

**Coram:**

**Shri Jishnu Barua, Chairperson  
Shri Arun Goyal, Member  
Shri P.K. Singh, Member**

**Date of Order: 1<sup>st</sup> February, 2024**

**In the matter of**

Petition under Sections 14, 15 and 79 (1) (e) of the 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 with respect to grant of transmission license to Fatehgarh III Beawar Transmission Limited.

**And**

**In the matter of**

Fatehgarh III Beawar Transmission Limited,  
DLF Cyber Park, Tower-B, 9th Floor,  
Udyog Vihar, Phase-III, Sector 20,  
Gurugram-1220008, Haryana

**....Petitioner**

**Vs**

1. Central Transmission Utility of India Limited,  
Saudamini, Plot No.2, Sector-29,  
Gurgaon-122 001

2. PFC Consulting Limited,  
9<sup>th</sup> Floor, A-Wing, Statesman House,  
Connaught Place, New Delhi - 110001,

3. Central Electricity Authority,  
Seva Bhawan, R.K. Puram,  
New Delhi-110016

4. Union Territory of Jammu & Kashmir,  
Power Development Department  
SLDC Building, 15<sup>th</sup> Floor,  
Gladani Power House,  
Narwal, Jammu-180006

5. Union Territory of Ladakh,  
Superintending Engineer, Distribution Circle,  
Power Development Department,

Choglamsar, Leh- 194101

6. Powergrid Corporation of India Limited,  
B-9, Qutab Institutional Area,  
Katwaria Sarai, New Delhi-110016

7. HVDC Dadri, Powergrid Corporation of India Limited,  
B-9, Qutab Institutional Area,  
Katwaria Sarai, New Delhi-110016

8. HVDC Rihand, Powergrid Corporation of India Limited,  
B-9, Qutab Institutional Area,  
Katwaria Sarai, New Delhi-110016

9. Union Territory of Chandigarh,  
Electricity Wing of Engineering Department,  
Room No. 511, 5th Floor,  
UT Secretariat (Deluxe) Building,  
Sector 9D, Chandigarh -160009

10. BSES Rajdhani Power Limited,  
BSES Bhawan, Nehru Place,  
New Delhi-110019

11. BSES Yamuna Power Limited,  
B-Block, Shakti Kiran Building,  
Near Karkadooma Court, Karkadooma,  
New Delhi- 110092

12. New Delhi Municipal Council,  
Palika Kendra, Sansad Marg,  
New Delhi -110002

13. Tata Power Delhi Distribution Limited,  
NDPL house, Hudson Lines Kingsway Camp,  
New Delhi -110009

14. Himachal Pradesh State Electricity Board,  
Vidyut Bhawan, Kumar House Complex Building II,  
Shimla- 171004, Himachal Pradesh

15. Haryana Power Purchase Centre,  
Shakti Bhawan, Sector-6,  
Panchkula-34109, Haryana

16. Punjab State Power Corporation Limited,  
PP&R, Shed T-1, Thermal Design  
Patiala, Punjab — 147001

17. Ajmer Vidyut Vitran Nigam Limited,

132 kV, GSS RVPNL Sub-station Building,  
Caligiri Road, Malviya Nagar,  
Jaipur- 302017, Rajasthan

18. Jaipur Vidyut Vitran Nigam Limited,  
132 kV, GSS RVPNL Sub-station Building  
Caligiri Road, Malviya Nagar,  
Jaipur-302017, Rajasthan

19. Jodhpur Vidyut Vitran Nigam Limited,  
New Power House, Industrial Area,  
Jodhpur--342003, Rajasthan

20. North Central Railway,  
DRM Office, Nawab Yusuf Road,  
Prayagraj-211011, Uttar Pradesh

21. Uttaranchal Power Corporation Limited,  
Urja Bhawan, Kanwali Road,  
Dehradun-248001, Uttarakhand

22. Uttar Pradesh Power Corporation Limited,  
(Formerly Uttar Pradesh State Electricity Board)  
Shakti Bhawan, 14, Ashok Marg,  
Lucknow-226 001, Uttar Pradesh.

23. A.D. Hydro Power Limited,  
Bhilwara Towers, A-12,  
Sector 1, Noida-201 301, Uttar Pradesh

....Respondents

**Parties present:**

Shri Gaurav Dudeja, Advocate, FIIIBTL  
Shri Dhruval Singh, Advocate, FIIIBTL  
Shri Sandeep, FIIIBTL  
Ms. Priyadarshini, Advocate, PFCCL  
Shri Yatin Sharma, CTUIL  
Shri Deepak Kumar Singh, PFCCL  
Shri Siddharth Sharma, CTUIL  
Shri Lashit Sharma, CTUIL  
Shri Akshayvrat Kislay, CTUIL

**ORDER**

The Petitioner, Fatehgarh III Beawar Transmission Limited, has filed the present  
Petition 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 Transmission Licence Regulations”) for the grant of a transmission licence for the establishment of “Transmission system for evacuation of power from REZ in Rajasthan (20 GW) under Phase III – Part G” (“the Project”) on Build, Own, Operate and Transfer (“BOOT”) basis:

<b>Transmission System Evacuation of Power from REZ in Rajasthan (20GW) under Phase III Part G</b>		
<b>S. No.</b>	<b>Name of Transmission Element</b>	<b>Scheduled COD in months from Effective Date</b>
1.	<i>Fatehgarh 3 – Beawar 765kV D/C (2<sup>nd</sup>) along with 330 MVAR Switchable line reactor for each circuit at each end of Fatehgarh 3 – Beawar 765kV D/C line.</i> - Switching equipment for 765kV 330 MVAR switchable line reactor – 4 nos. - 765kV, 330 MVAR Switchable line reactor – 4 nos.	18 months
2.	<i>2 nos. of 765kV line bays at both at Beawar &amp; Fatehgarh-3</i> - 765kV line bays – 4 nos.	

Note:

- i. Developer of Fatehgarh-3 S/s to provide space for 2 nos. of 765kV line bays at Fatehgarh-3 S/s along with space for 765 switchable line reactors.*
- ii. Developer of Beawar S/s to provide space for 2 nos. of 765kV line bays at Beawar S/s along with space for 765kV switchable line reactors.”*

2. The Petitioner has made the following prayers:

*“(a) Grant Transmission Licence to the Petitioner;*

*(b) Allow sharing and recovery of Transmission Charges for Inter-State Transmission System for establishment of “Transmission system for evacuation of power from REZ in Rajasthan (20 GW) under Phase III – Part G” as per Central Electricity Regulatory Commission (Sharing of Inter-State Transmission Charges and Losses) Regulations, 2020 and any other amendments issued thereon from time to time by this Hon’ble Commission; and;*

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

**Hearing dated 28.11.2023**

3. During the course of the hearing on 28.11.2023, the representative of Respondent, CTUIL, submitted that CTUIL has already filed its recommendations, under Section 15(4) of the Act, for the grant of a transmission licence to the Petitioner for executing the Project. In response to the specific query of the Commission as to the Scheduled Commercial Operation Date(s) of the Fatehgarh III and Beawar substations and whether the Project under the scope of the Petitioner will be put to effective use upon its commissioning by the SCOD (i.e. 31.1.2025), the representative of CTUIL submitted that while the SCOD of the Fatehgarh III sub-station, being developed by PGCIL, is February 2025, the SCOD of Beawar sub-station, which is part of the transmission system under Phase III- Part F and being developed by Sterlite Grid 27 Limited is March 2025 and accordingly, a gap/mismatch of 1-1.5 month(s) may occur between the commissioning of these two substations.

4. Vide Record of Proceeding for the hearing dated 28.11.2023, the Petitioner was directed to submit the copy of Form II posted on its website along with the date of posting (required as per Regulation 7 (7) of the Transmission Licence Regulations read with Order dated 22.1.2022 in Petition No. 1/SM/2022. The Petitioner, vide its submissions dated 4.12.2023, has placed on record the copy of the Form-II posted on its website.

5. Vide Record of Proceeding for the hearing dated 28.11.2023, CTUIL was directed to file the following information/clarifications:

(a) Copy of approval of the Central Government for “Transmission system for evacuation of power from REZ in Rajasthan (20GW) under Phase-III Part G” covered under instant Petition, as per the Electricity (Transmission System Planning, Development and Recovery of Inter-state Transmission Charges) Rules, 2021 notified by the Ministry of Power on 1.10.2021, which provides that “the project along with their timeline for the implementation shall be approved by the Central Government after considering recommendations of the National Committee on Transmission.

(b) What is the actual date of SPV transfer in respect of the “Transmission scheme for evacuation of Power from REZ in Rajasthan (20GW) under Phase-III Part F”, in which the “Beawar sub-station” is covered, which was expected to be transferred in September 2023 as per the CTUIL recommendation dated 6.9.2023 in the instant scheme?

(c) As per the CTUIL recommendation dated 6.9.2023, the completion schedule of the Fatehgarh-III-Beawar 765 kV D/C (2nd) line, which is covered under the present Petition, is 31.1.2025. However, the commissioning schedule of Fatehgarh-III PS (Section-II) is 1.2.2025, and the expected schedule of Beawar S/S is 31.3.2025 (considering 18 months’ timeline from hand over of SPV, which was expected by September 2023). As one end of the Fatehgarh-III-Beawar 765 kV D/c (2nd) line is being terminated at Beawar S/S, clarify how the said line will be utilized on 31.1.2025 without the availability of Beawar S/S (whose SCOD date is not clear yet) and liability of the transmission charges in case of mismatch thereof. Further, clarify how CTUIL takes care of SCOD dates of linked schemes so that mismatch at the planning stage is avoided, the details of the process thereof, and the reasons for mismatch in schedule dates in the instant case in the light of said process.

6. CTUIL, vide its affidavit dated 29.1.2024, has submitted as under:

(i) With regard to the (a) above, the scheme covered in the above instant Petition was notified by the Ministry of Power, Government of India, *vide* Gazette Notification dated 6.12.2021.

(ii) With regard the (b) above, the actual date of the transfer of the SPV in respect of the “Transmission scheme for evacuation of Power from REZ in Rajasthan (20GW) under Phase-III Part F” is 20.9.2023.

(iii) With regard to the (c) above, Fatehgarh-III PS (Section-II) is under implementation as part of the “Transmission scheme for evacuation of Power from REZ in Rajasthan (20GW) under Phase-III Part E1”. Part E1 was allocated to POWERGRID Ramgarh Transmission Limited based on an Office Memorandum (“OM”) dated 1.12.2021 issued by the Ministry of Power. As per the above OM, the implementation timeframe of Part E1 is 18 months from the above OM dated 1.12.2021 or the matching timeframe of the “Transmission scheme for evacuation of Power from REZ in Rajasthan (20GW) under Phase-III Part A1”, whichever is later. Part A1 is under implementation by Fatehgarh-IV Transmission Limited (a subsidiary of Apraava Energy Pvt. Ltd.) with a completion schedule of 1.2.2025. There is a mismatch of 1 day between the commissioning of the Fatehgarh-III Beawar 765kV D/C line and the Fatehgarh-III PS (Section-II). Efforts may be made by both TSPs to avoid this mismatch during the implementation period.

(iv) Beawar S/s is to be implemented as part of the “Transmission scheme for evacuation of Power from REZ in Rajasthan (20GW) under Phase-III Part F”, for which SPV is transferred on 20.9.2023. The completion schedule of the Beawar sub-station is 18 months from the effective date (SPV Transfer Date). i.e. 19.3.2025. Thus, there is a mismatch of about 1.5 months between the commissioning of Fatehgarh-III – Beawar 765 kV D/C line and Beawar S/S.

(v) A meeting was held on 11.7.2023 amongst CEA, CTUIL, PFCCL and RECPDCL for discussion on the issue of the SPV transfer of Phase-III transmission schemes in the State of Rajasthan wherein it was informed that Rajasthan SEZ Ph-III Part G (Fatehgarh-III-Beawar 765 kV D/c line) is interlinked with Phase-III Part F (Beawar S/S and its interconnections). During the above meeting, the representative of BPC, i.e., PFCCL, informed that the Letter of Intent (LoI) for the

Phase-III- Part A1, Part A3 and Part G schemes were issued to the selected bidders in the month of March 2023. Further, the bid validity of 6 months for the schemes is going to expire as bid submissions for the schemes were completed in January 2023. In the said meeting, it was also stated that the selected bidders of the above schemes have raised concerns/apprehensions about issues such as cost overrun, difficulty in availability of land for substation, and RoW, etc., that they might encounter due to delay in transfer of the SPV of the schemes.

(vi) In the above meeting dated 11.7.2023, CTUIL informed that efforts should be made to reduce the time between the SPV transfer of inter-linked transmission schemes in order to avoid mismatch in the commissioning of the transmission schemes and to avoid any major hassles in the grant of licence from CERC. Therefore, PFCCL could extend the bid validity for the schemes to facilitate the same. Regarding the Phase-III Part F scheme, RECPDCL (BPC of Part F) informed that the final clarifications to the bidders were issued on 10.7.2023 and the due date for the submission of the RfP bids has been finalized as 25.7.2023. Considering that, Lol is likely to be issued by mid-August 2023. After deliberations, it was agreed in the above meeting that after the submission of the bid for the Phase-III Part F scheme, CEA would communicate to PFCCL to transfer the SPV for Phase-III Part A1 and Part G schemes to the successful bidders. Further, RECPDCL may take suitable measures to expedite the completion of the bidding and SPV transfer process for the Phase-III Part F scheme. Since the SPV transfer of a transmission scheme to be implemented through TBCB is carried out by BPC, PFCCL may file its response regarding mismatches in the transfer of the SPV for both schemes in the instant case.

(vii) The utilization of the Fatehgarh-III-Beawar 765kV D/C line shall start only after the commissioning of Beawar S/S which is scheduled to be commissioned by 19.3.2025. However, the mismatch between the above schemes may be minimized by rigorous monitoring during their implementation. In this regard, the Commission may direct to revise the TSA with the modified/aligned schedules as per a similar earlier direction in its Order in Petition No. 128/TL/2023 (*Khavda II-C Transmission Limited v. Central Transmission Utility of India Limited & Ors.*).



(viii) With regard to the SCOD dates of linked schemes, a transmission scheme is evolved by CTUIL in consultation with various stakeholders, including CEA. While planning, it is also envisaged that the SCOD of the entire transmission scheme shall be the same. However, the transmission scheme, based on its costing, is segregated into various packages by the National Committee on Transmission (“NCT”) and the implementation time frame is also decided by NCT. At the stage of the bidding process, the schedule alignment of such inter-dependent schemes is to be carried out by BPC(s) at the stage of transfer of the SPV.

(ix) A meeting on inter-dependency in pre-requisite conditions for declaring COD of the transmission schemes (under bidding) was held on 12.6.2019 in CEA in which the representatives of the CTUIL, PFCCL and RECPDCL were present. In the said meeting dated 12.6.2019, the interdependency of two independent projects was discussed. During the meeting, CTUIL had “CTU stated that rationale behind incorporating the provisions of availability of one transmission scheme as the prerequisite for declaring the CoD of another transmission scheme is that both the separate schemes are interdependent and can put to use only if they are implemented simultaneously. Thus, despite the completion of the transmission scheme, its CoD could not be declared until completion of the interconnected transmission scheme.” After detailed deliberations, it was agreed in the above meeting that in the case of two projects that are interdependent for their utilization, the inclusion of the availability of another transmission scheme as a pre-requisite for the commissioning of transmission elements of a transmission scheme needs to be removed. It was also agreed that to ensure that both schemes are available in the same time-frame, the same SCOD is to be indicated for both projects.

(x) Keeping the above in view, the inclusion of the availability of other transmission schemes as a pre-requisite for the commissioning of transmission elements of a transmission scheme will be not required in case the projects have a similar schedule from the date of transfer of SPV. However, the same SCOD can only be realized if BPC(s) transfers the SPVs of inter-dependent schemes in the same time frame.

7. Keeping in view the above submissions, we proceed to consider the grant of the transmission licence to the Petitioner company. With regard to the revision of the TSA with modified/aligned schedules, CTUIL, Nodal Agency is directed to resolve the issue on or before 15.2.2025 and to file an affidavit in this regard before the next date of the hearing. PFCCL is also directed to file its response on an affidavit regarding mismatches in the transfer of the SPV for both schemes in the instant case within ten days.

8. The Petitioner has submitted that in accordance with the “Guidelines for Encouraging Competition in Development of Transmission Projects” and “Tariff Based Competitive Bidding Guidelines for Transmission Service” (hereinafter referred to as “the Guidelines”) issued by the Ministry of Power, Government of India, under Section 63 of the Act, PFC Consulting Limited (PFCCL) was notified by the Ministry of Power, Government of India, vide Gazette Notification. No. CG-DL-E-08122021-231686 (No. 4661) dated 6.12.2021 as the Bid Process Coordinator (BPC) for the purpose of selection of bidder as Transmission Service Provider (TSP) to establish transmission system for evacuation of power from REZ in Rajasthan (20 GW) under Phase III – Part G” (“the Project”) on build, own, operate and transfer (“BOOT”) basis.

9. PFCCL, in its capacity as the BPC, initiated the bid process on 19.1.2022 and completed the same on 1.8.2023 in accordance with the Guidelines. Sterlite Grid 19 Limited was selected as the successful bidder having quoted the lowest transmission charges of Rs. 1357.57 million per annum in order to provide transmission services to the beneficiaries of the transmission system.

10. RfP was issued on 19.1.2022. At the RfP (Technical and Financial) stage, six bidders, namely, (i) Adani Transmission Limited, (ii) Megha Engineering & Infrastructure Limited, (iii) Power Grid Corporation of India Limited, (iv) Sterlite Grid 19 Limited, (v) The Tata Power Company Limited and (vi) Torrent Power Limited submitted their offers. The RfP (Technical bids) of the six bidders were opened by the Bid Opening Committee on 12.1.2023 in the presence of the representative of the bidders. Based on the recommendation of the Bid Evaluation Committee (BEC), the RfP (Financial) Bids-Initial Price Offer of the six bidders were opened on 23.2.2023. The lowest Initial Price Offer discovered (Best Deal) at the MSTC portal was Rs. 1489.50 million per annum. The details of the quoted transmission charges by bidders are given below:

<b>Sr. No.</b>	<b>Name of the Bidder</b>	<b>Quoted Transmission Charges from the Initial Offer (in Rs. Million)</b>	<b>Rank</b>
1.	Sterlite Grid 19 Limited	1489.50	L1
2.	The Tata Power Company Limited	1500.00	L2
3.	Adani Transmission Limited	1506.00	L3
4.	Power Grid Corporation of India Limited	1580.65	L4
5.	Torrent Power Limited	1692.60	L5
6.	Megha Engineering & Infrastructure Limited	3637.80	L6

11. As per Clause 2.5 of the RfP document, Initial Offers shall be ranked on the basis of ascending order for the determination of the Qualified Bidders. The Bidders holding the first fifty per cent 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 and submit their Final Offer. Accordingly, the rank of the bidders qualified for participating in the electronic reverse auction stage, in the ascending order of the Initial Offer, is as under:

<b>Sr. No.</b>	<b>Name of the Bidder</b>	<b>Quoted Transmission Charges from the Initial Offer (in Rs. Million)</b>	<b>Rank</b>
1.	Sterlite Grid 19 Limited	1489.50	L1
2.	The Tata Power Company Limited	1500.00	L2
3.	Adani Transmission Limited	1506.00	L3
4.	Power Grid Corporation of India Limited	1580.65	L4

12. The e-reverse auction of all six bidders was carried out at the MSTC portal on 24.2.2023. As no bid was received during the e-reverse bidding stage, the lowest initial offer of Rs. 1357.57 million per annum of 'Sterlite Grid 19 Limited' was considered as final offer. The ranking of the bidders as per initial offer is given below:

<b>Sr. No.</b>	<b>Name of the Bidder</b>	<b>Quoted Transmission Charges from the Initial Offer (in Rs. Million)</b>	<b>Rank</b>
1.	Sterlite Grid 19 Limited	1357.57	L1
2.	Power Grid Corporation of India Limited	1360.98	L2
3.	The Tata Power Company Limited	1452.64	L3
4.	Adani Transmission Limited	1506.00 (not participated in e-RA)	L4

13. As per the Bid Evaluation Report dated 2.3.2023, Sterlite Grid 19 Limited emerged as the successful bidder with the lowest quoted transmission charges of Rs. 1357.57 million per annum. BEC, vide its certificate dated 2.3.2023, has certified that the entire bid process has been carried out in accordance with the Guidelines issued by the Ministry of Power under Section 63 of the Act. BEC has further certified that the transmission charges discovered through e-reverse auction is acceptable.

14. Consequent to its selection as the lowest bidder, a Letter of Intent (LoI) was issued to Sterlite Grid 19 Limited by the BPC on 3.3.2023, which was accepted by

Sterlite Grid 19 Limited. Under the terms of RfP and the Letter of Intent, the successful bidder is obligated to accomplish the following tasks:

- (a) Provide Contract Performance Guarantee in favour of Central Transmission Utility of India Limited (CTUIL);
- (b) Execute Share Purchase Agreement and Transmission Service Agreement;
- (c) Acquire, for the Acquisition Price, 100% share equity share Fatehgarh III Beawar Transmission Limited from PFCCCL along with all its related assets and liabilities;
- (d) Make an application to this Commission for adoption of transmission charges, as required under Section 63 of the Act; and
- (e) Apply to this Commission for grant of transmission licence;

15. The Petitioner has furnished the Contract Performance Guarantee (CPG) in favour of Nodal Agency, i.e. CTUIL for Rs. 42 crore on 27.7.2023 and has acquired hundred per cent equity holding in Fatehgarh III Beawar Transmission Limited on 1.8.2023. The Petitioner entered into a Transmission Service Agreement (TSA) with CTUIL on 1.8.2023.

16. 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 has been incorporated

under the Companies Act, 2013. 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”*

17. Section 15(1) of the Act provides that every application under Section 14 of the Act shall be made in such manner and in such form as may be specified by the Appropriate Commission and shall be accompanied by such fees as may be prescribed by the Central Government. The Commission has specified Transmission Licence Regulations in this regard. Regulation 3 of the Transmission Licence Regulations provides that the Empowered Committee shall identify the Projects included in the transmission plan to be developed under the Guidelines issued under Section 63 of the Act. Regulation 4 of the Transmission Licence Regulations provides that in case of projects identified for development under the Guidelines for competitive bidding, the selection of the project developer shall be made in accordance with the procedure laid down in the Guidelines. The Project under consideration has been identified for development under competitive bidding by the competent authority in the Ministry of Power/CEA. Central Electricity Authority, vide its letter No. CEA-PS-11-21(25)/1/2018-PSPA-I Division/373-374 dated 25.10.2022 had issued prior approval to the Project under Section 68 of the Act. The Selection of the Project developer, Fatehgarh III Beawar Transmission Limited, has been certified to have been made in accordance with the Guidelines.

18. 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 Clause (4), Clause (7), Clause (9) and Clause (12) and dispensed with Clause (10) of Regulation 7] provide for the procedure for the grant of the transmission licence as under:

*“(1) The application for grant of transmission 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."*

19. The Petitioner has approached the Commission with a separate application for the adoption of transmission charges in respect of the transmission system, which is presently under consideration of the Commission and the order in which the Petition will be issued separately. 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 service of the copies of the application on the BPC,



CTUIL and Western Region beneficiaries and proof of web posting of the complete application. The Petitioner has further undertaken to pay the applicable licence fee upon the grant of transmission licence in terms of the Central Electricity Regulatory Commission (Payment of Fees) Regulations, 2012. The Petitioner has prayed for a grant of a transmission licence to Fatehgarh III Beawar Transmission Limited with respect to the transmission system as per the details given in paragraph 1 above.

20. The Petitioner has made the Application as per Form-I and paid a fee of Rs. one lakh as prescribed by the Central Government. As per the direction of the Commission, the Petitioner has served a copy of the Application on the beneficiaries of the transmission project for the Project. The transmission charges quoted by the Petitioner, which have been recommended by the Bid Evaluation Committee for acceptance, is Rs. 1357.57 million per annum. The Petitioner has also enclosed copies of the recommendations of the Bid Evaluation Committee.

21. The Petitioner has published the notices on the e-filing portal of the Commission and on its website in Form-II in English language and in Hindi (Vernacular) language. No objection has been received from the general public in the notices.

22. The Petitioner has served a copy of the Application on the Central Transmission of Utility of India Limited (CTUIL) as required under Section 15(3) of the Act and Regulation 7(6) of the Transmission Licence Regulations. CTUIL, vide its letter dated 6.9.2023 has recommended the grant of a transmission licence to the Petitioner. The relevant portion of the said letter dated 6.9.2023 is extracted as under:

*“This is with reference to Petition No. 318/TL/2023 filed by M/s FBTL before Hon’ble Commission for grant of Transmission License to facilitate implementation of Transmission System for Evacuation of Power from REZ in*

Rajasthan (20 GW) under Phase III - Part G. In this regard, following is submitted:

- In order to integrate and evacuate power from additional 20 GW renewable potential of Renewable Energy Zones (Fatehgarh: 9,1 GW, Bhadia: 8GW, Ramgarh: 2.9 GW) in Rajasthan, various transmission alternatives were evolved and deliberated in the 3<sup>rd</sup> NRPC-TP meeting held on 19.02.21. Based on the discussion, Transmission System for Evacuation of Power from REZ in Rajasthan (20 GW) under Phase III (hybrid (EHVAC& HVDC) transmission system) was agreed in above meeting for evacuation of power from above zones. Extract of the minutes of 3<sup>rd</sup> NRPC-TP meeting are enclosed at **Annexure-I**. The subject transmission project was also agreed as part of above-mentioned transmission scheme. The detailed scope of the subject scheme is attached at **Annexure-II**.
- Subsequently transmission scheme was agreed in the 5<sup>th</sup> meeting of National Committee of Transmission (NCT) held on 25.09.2021 & 02.09.2021. Extract of minutes of meeting are attached at **Annexure-III**. Transmission Scheme was also agreed in the 49<sup>th</sup> NRPC meeting held on 27/09/2021. Extract of the 49<sup>th</sup> NRPC minutes are enclosed at **Annexure-IV**.
- Ministry of Power, Govt, of India vide gazette notification dated 06/12/2021 has identified M/s PFC Consulting Ltd. as Bid Processing Coordinator (BPC) for the purpose of selection of bidder as Transmission Service Provider (TSP) to establish the above referred project through TBCB route. Bid Evaluation Committee appointed by the BPC has selected Sterlite Grid 19 Limited as successful bidder. Sterlite Grid 19 Limited has subsequently acquired Fatehgarh III Beawar Transmission Ltd. after execution of the requisite Share Purchase Agreement (SPA) on 01.08.2023.
- As part of subject scheme, Fatehgarh-III - Beawar 765kV D/c line (2nd) is to be established with completion schedule as 31.01.2025. 765/400/220kV Fatehgarh-III PS (Section-II) is to be implemented by POWERGRID Ramgarh Transmission Ltd. with expected commissioning schedule as 01.02.2025. Beawar S/s is to be implemented under Transmission System for Evacuation of Power from REZ in Rajasthan (20 GW) under Phase III - Part F with commissioning schedule as 18 months from effective date. RECPDCL has issued Lol to M/s Sterlite Grid 27 Limited on 25.08.2023 for Phase-III Part-F and SPV is expected to be transferred in Sep'23 (expected completion as 31.03.2025). Implementation of this project shall facilitate transfer of power from RE generation (About 3.4GW) proposed to be connected in Fatehgarh Complex.
- It is also to mention that part (about 56%) of Fatehgarh-III - Beawar 765kV D/c line (2nd) falls in GIB Potential area. Further, the Committee

*constituted by Hon'ble Supreme Court, comprising of members from MNRE, Wil and Corbett Foundation, vide its letter dated 29.12.2022 has ratified overhead laying of Fatehgarh-III - Beawar 765kV D/c line (2nd) (under present application) with the stipulated conditions including installation of bird diverters.*

*Keeping above in view and based on details furnished by M/s FBTL, CTU, in line with Section 15(4) of the Electricity Act, 2003, recommends grant of transmission license to M/s FBTL for executing the subject transmission scheme.”*

23. We have considered the submissions of the Petitioner, BPC and CTUIL. 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 SPVs, by 13.3.2023. Though Lol was issued on 3.3.2023, BPC, vide its letter dated 1.8.2023 in terms of Clauses 2.15.2 of RfP extended the date up to 1.8.2023 for completion of all activities by the successful bidder. The selected bidder furnished the Contract Performance Guarantee in favour of Nodal Agency (CTUIL) for an amount of Rs. 42 crore on 27.7.2023 and acquired hundred per cent equity-holding in the applicant company on 1.8.2023 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 grant of a transmission licence within five working days of the issuance of the acquisition of the SPV to the successful bidder. The successful bidder, namely Sterlite Grid 19 Limited, acquired the SPV on 1.8.2023. The Petitioner has submitted that it filed the application online on 5.8.2023 as it took time for approval of the registration of the TSP on the online portal for the submission of the application.

24. Considering the material on record, we are *prima facie* of the view that the Petitioner satisfies the conditions for the grant of an inter-State transmission licence under Section 15 of the Act read with the 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 grant of the transmission licence aforesaid. The objections or suggestions, if any, be filed by any person before the Commission, by 15.2.2024.

25. It is expected that while carrying out the survey, the Petitioner has 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 bidding documents and the TSA for commissioning of the Project within the SCOD.

26. The Petitioner has undertaken that it shall implement the Project as per the provisions of the TSA. The Petitioner has also undertaken that the time overrun and cost overrun, if applicable, shall be claimed by the Petitioner in accordance with the applicable provisions of the TSA read with the provisions of the Act, the bidding documents and the regulations of the Central Electricity Regulatory Commission.

27. It is observed that, as per Article 5.1.1 of the TSA, the TSP, at its own cost and expense, shall be responsible for the designing, constructing, erecting, testing, and commissioning of each element of the Project by scheduled COD in accordance with the various regulations of the Central Electricity Authority regarding Technical Standards and Grid Standards, Prudent Utility Practices and other applicable laws. Further, Article 5.4 of the TSA provides that the TSP shall ensure that the Project is designed, built, and completed in a good workman-like manner using sound

engineering and construction practices and using only materials and equipment that are new and of international utility-grade quality, such that the useful life of the Project will be till the expiry date. Further, the design, construction, and testing of all equipment, facilities, components, and systems of the Project shall be in accordance with Indian Standards and Codes issued by the Bureau of India Standards. In this regard, the Petitioner has submitted that it would implement the Project as per the provisions of the TSA, including Article 16.4, Article 5.1.1 and Article 5.4 of the TSA.

28. The Petition shall be listed for hearing on **19.2.2024**.

**Sd/-**  
**(P.K. Singh)**  
**Member**

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

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