

**CENTRAL ELECTRICITY REGULATORY COMMISSION
NEW DELHI**

Petition No. 293/TL/2023

Coram:

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

Date of order: 13th March, 2024

In the matter of:

Petition under Section 14 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 for grant of separate Transmission Licence to POWERGRID Ramgarh Transmission Limited for implementation of scope of work as detailed in the Petition through RTM mode.

And

In the matter of

**POWERGRID Ramgarh Transmission Limited (PRTL),
B-9, Qutab Institutional Area, Katwaria Sarai,
New Delhi 110 016.**

Address for correspondence: ED (TBCB),
Power Grid Corporation of India Limited,
Saudamini, Plot no.2, Sector -29,
Gurgaon 122001, Haryana

...Petitioner

Vs

**1. Uttar Pradesh Power Corporation Limited,
(Formerly Uttar Pradesh State Electricity Board)
Shakti Bhawan, 14, Ashok Marg,
Lucknow-226001 (Uttar Pradesh).**

**2. Ajmer Vidyut Vitran Nigam Limited,
132 kV, GSS RVPNL Sub-station Building,
Caligiri Road, Malviya Nagar,
Jaipur-302017 (Rajasthan).**

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

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

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

6. Punjab State Power Corporation Limited,
Thermal Shed Tia, Near 22 Phatak,
Patiala-147001 (Punjab).

7. Haryana Power Purchase Centre,
Shakti Bhawan, Sector-6,
Panchkula-134109 (Haryana).

8. Power Development Deptt.
Govt. of Jammu & Kashmir
Mini Secretariat, Jammu

9. BSES Yamuna Power Ltd. (BYPL)
B-Block, Shakti Kiran, Bldg. (Near Karkardooma Courts),
Karkardoomam 2nd Floor,
New Delhi-110092

10. BSES Rajdhani Power Ltd. (BRPL),
SES Bhawan, Nehru Place,
New Delhi-110019.

11. Tata Power Delhi Distribution Ltd. (TPDDL)
NDPL House, Hudson Lines,
Kingsway Camp, Delhi-110009.

12. Chandigarh Administration
Sector -9, Chandigarh.

13. Uttarakhand Power Corporation Limited,
Urja Bhawan, Kanwali Road,
Dehradun (Uttarakhand).

14. New Delhi Municipal Council,
Palika Kendra, Sansad Marg,

New Delhi-110002.

15. North Central Railway
Allahabad (Uttar Pradesh).

16. Chief Operating Officer,
Central Transmission Utility India Limited (CTUIL)
Saudamini, Plot no.2, Sector -29,
Gurgaon 122001.

17. Chief Engineer,
Power System Project Monitoring Division
Central Electricity Authority,
Sewa Bhawan, R. K. Puram,
Sector-1, New Delhi - 110 066

...Respondents

The following were present:

Shri Prashant Kumar, PRTL
Shri Yatin Sharma, CTUIL
Shri Siddharth Sharma, CTUIL

ORDER

The Petitioner, POWERGRID Ramgarh Transmission Limited (hereinafter referred to as 'PRTL'), has filed the present Petition under Section 14 and 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 system for evacuation of power from REZ in Rajasthan (20GW) under Phase-III Part E1", "400 kV & 220 kV bays to RE generators at Fatehgarh-III (erstwhile Ramgarh-II) PS under ISTS" and "implementation of Bus Sectionalizer at 400kV level of 765/400/220 kV Fatehgarh-III PS (Section-2)" through Regulated Tariff Mechanism (RTM) mode.

2. The Petitioner has submitted that subsequent to the filing of the Petition, Central Transmission Utility of India Limited (hereinafter referred to as 'CTUIL') has provided an implementation schedule for the remaining RTM projects assigned to it and accordingly, it had filed an amended petition for the grant of a separate licence for the (i) "implementation of 400 kV bays for RE generators at Fatehgarh-III (erstwhile Ramgarh-II) PS under ISTS"; (ii) "Transmission system for evacuation of power from REZ in Rajasthan (20GW) under Phase-III Part E1"; (iii) "Grant of 400 kV & 220 kV bays to RE generators at Fatehgarh-III (erstwhile Ramgarh-II) PS under ISTS"; (iv) "Transmission system for evacuation of power from REZ in Rajasthan (20GW) under phase-III Part E-2", and (v) "implementation of Bus Sectionalizer at 400kV level of 765/400/220 kV Fatehgarh-III PS (Section-2)" through RTM mode.

3. The Petitioner has made the following prayers:

"(a) Grant separate Transmission License to the Applicant for implementation of scope of works under Regulated Tariff Mechanism (RTM) mode as detailed in the petition.

(b) Allow the Applicant the liberty to approach the Hon'ble Commission with actual cost on completion of works for determination of transmission charges for the aforementioned additional scope in accordance with Section 61, 62 of the Electricity Act, 2003 and applicable Tariff Regulations as per 8 (2) of the Transmission Licence Regulations.

(d) 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."

4. The Petitioner is an Inter-State Transmission Licensee and was awarded a Transmission system strengthening scheme for evacuation of power from solar energy zones in Rajasthan (8.1 GW) under phase II- Part A on a Build, Own, Operate and

Maintain basis through the Tariff Based Competitive Bidding (hereinafter referred to as “TBCB Project”) mode. The Commission vide order dated 31.5.2021 in Petition No. 89/TL/2021 granted a transmission licence to the Petitioner for the aforesaid TBCB Project consisting of the following scope of the work:

Sr. No.	Name of the Transmission Element	Scheduled COD in months from Effective Date
1.	Establishment of 400/220 kV, 4x500 MVA at Ramgarh- II (Fatehgarh-III) PS with 420kV (2x125 MVAR) bus reactor	18 months i.e. December, 20 22
2.	Ramgarh-II (Fatehgarh-III) PS – Fatehgarh- II PS 400kV D/c line (Twin HTLS*)	
3.	2 no. of 400 kV line bays at Fatehgarh- II for Ramgarh-II (Fatehgarh-III) PS– Fatehgarh- II PS 400kV D/c line	
4.	Ramgarh –II (Fatehgarh-III) PS– Jaisalmer-II (RVPN) 400 kV D/c line (Twin HTLS*)	
5.	2 no. of 400 kV line bays each at Jaisalmer- II for Ramgarh- II (Fatehgarh-III) - Jaisalmer-II 400kV D/c line	

***with a minimum capacity of 2100 MVA on each circuit at a nominal voltage**

5. The Petitioner has submitted that the following projects have been awarded to it under RTM;

(a) Ministry of Power (MoP) Notification No. 15/3/2018-Trans Pt(1) dated 16.7.20121 - **“Implementation of 400 kV bays to RE generators at Bhadla-II PS, Fatehgarh-II, & Fatehgarh-III (erstwhile Ramgarh-II) PS”**

(b) MoP notification No. 15/3/2018-Trans Pt(1) dated 1.12.2021 and CTUIL Office memorandum ref No. C / CTUIL/OM/02 dated 2.12.2021 in reference to MOP notification – **“Transmission system for evacuation of power from REZ in Rajasthan (20GW) under Phase-III Part E1”, “Grant of 400 kV & 220 kV bays to RE generators at Fatehgarh-III (erstwhile Ramgarh-II) PS under ISTS”, and “Transmission system for evacuation of power from REZ in Rajasthan (20GW) under phase-III Part E-2”.**

6. The Petitioner has submitted that CTUIL only provided implementation schedule for the “Implementation of 400 kV bays to RE generators at Bhadla-II PS, Fatehgarh-II, & Fatehgarh-III (erstwhile Ramgarh-II) PS” and “grant of 400 kV & 220 kV bays to RE generators at Fatehgarh-III (erstwhile Ramgarh-II) PS under ISTS”. Accordingly, Petitioner had filed Petition No. 146/TL/2022 to grant a separate transmission licence for the above two transmission projects. During the proceedings of Petition No. 146/TL/2022, the representative of CTUIL submitted that the implementation schedule of the various elements of the Project is liable to further changes on account of deferment of the SCOD of various renewable generators, for whom the instant transmission projects have been planned, coming at the Fatehgarh-III Pooling Station due to GIB issue. After considering the submission of CTUIL, the Commission observed that no purpose would be served to keep the instant Petition pending till the finalization of the implementation schedule of the elements of the Projects, which are further likely to be changed in future. Accordingly, Petition No.146/TL/ 2022 was disposed of with liberty to the Petitioner to approach the Commission after finalization of the implementation schedule of the Projects, etc.

7. Meanwhile, CTUIL vide Office memorandum ref No. C/CTU/AI/00/12th CCTP dated 21.4.2023 allotted the Transmission scheme “*implementation of scope of Bus Sectionalizer at 400kV level of 765/400/220 kV Fatehgarh-III PS (Section-2)*” to PGCIL. Subsequently, CTUIL, on 8.6.2023, issued an amendment to OM dated 21.4.2023 wherein an implementing agency for the project under Regulated Tariff Mechanism (RTM) mode has been changed from Power Grid Corporation of India Limited to the Petitioner. Further, CTUIL provided an implementation schedule for the transmission projects, namely,

(a) Transmission system for evacuation of power from REZ in Rajasthan (20GW) under Phase-III Part E1, (b) Grant of 400 kV & 220 kV bays to RE generators at Fatehgarh-III (erstwhile Ramgarh-II) PS under ISTS, and (c) Implementation of the scope of Bus Sectionalizer at 400kV level of 765/400/220 kV Fatehgarh-III PS (Section-2)

8. Accordingly, based on the implementation timeframe for the above projects intimated by CTUIL and in compliance with the Commission directions in Petition No. 146/TL/2022, the Petitioner has filed an instant petition for the grant of a separate transmission licence to implement the above projects under RTM mode.

9. The Petitioner has submitted that on completion of transmission projects under RTM mode, it shall approach the Commission with the actual cost incurred for determination of the transmission charges in accordance with Sections 61, 62 of the Act and Tariff Regulations in vogue as per Regulation 8 (2) of the Transmission Licence Regulations.

Hearing dated 25.10.2023

10. During the course of the hearing, the representative of the Petitioner submitted that the present Petition had been filed seeking a separate transmission licence to the Petitioner for the implementation of the three transmission projects (i) Transmission System for evacuation of power from the REZ in Rajasthan (20 GW) under Phase III Part E1, (ii) Grant of 400 & 220 kV bays to RE generators at Fatehgarh-III (erstwhile Ramgarh II) PS and (iii) Bus Sectionalizer at 400 kV level of 765/400/220 KV Fatehgarh III PS (Section 2) under the Regulated Tariff Mechanism (RTM). The representative further submitted that the above Projects have been allotted to the Petitioner in terms of (i)

CTUIL's OM dated 2.12.2021 read with MoP's Notification dated 1.12.2021 [for Projects (i) & (ii)] and (ii) CTUIL's OM dated 21.4.2023 read with 8.6.2023 [for Project (iii)].

11. In response to the specific query of the Commission with regard to the approval of the Central Government for the transmission project covered in the instant Petition, the representative of the CTUIL submitted that the MoP vide OM dated 1.12.2021 approved the Project (i) and (ii) to be implemented through RTM basis as per the recommendations of the NCT (in 5th Meeting) and the CTUIL vide OM dated 2.12.2021 awarded the above projects to the Petitioner. The representative also added that such recommendations were issued by the NCT prior to the MoP's Office Order dated 28.10.2021 whereby the revised/amended Terms of Reference of the NCT were issued. However, the project (iii) has been awarded to the Petitioner by CTUIL as the costing of the same is less than Rs 100 crore, vide CTUIL OM dated 21.4.2023 and 8.6.2023. The representative of CTUIL also submitted that MoP vide its OM dated 1.12.2021 awarded the Project (i) and (ii) to CTUIL for their implementation under the RTM route while further directing CTUIL to take necessary action for entering into a Concession Agreement with the concerned agencies for their implementation. In response to another query regarding the implementation schedules with regard to the certain Bays (400 kV & 200 kV) under Project (ii), the representative of the CTUIL submitted that for 1 No. of 220 kV bay and 3 Nos. of 400 kV bays the connectivity intimations to the various RE developers are yet to be issued and since the regulatory compliance like BG submissions etc. are pending, the implementation of above bays will be taken up after the completion of the above compliances.

12. Vide Record of Proceedings for the hearing dated 23.10.2023, the Petitioner was directed to file the following information:

(a) As per the Petitioner's submissions, implementation of the 1 No. 220 kV line bay and 3 No. 400 kV line bays at Fatehgarh-III covered under the scope of the Petitioner in the instant Petition shall be kept on hold. When were these works to be taken up by the Petitioner?

(b) A copy of Form II posted on its website along with the date of posting (required as per Regulation 7 of the Central Electricity Regulatory Commission (Procedure, Terms and Conditions for Grant of Transmission Licence and other related matters) Regulations, 2009, read with the order dated 22.1.2022 in Petition No. 1/SM/2022.

(c) A copy of the Concession Agreement executed with CTUIL for the implementation of the transmission schemes covered under the present Petition.

13. The Petitioner, vide its affidavit dated 8.11.2023, has submitted as under:

(a) With regard to the (a) above, the Petitioner is implementing the 05 nos. 220 kV bays & 03 nos. 400 kV bays with a completion schedule as per the implementation schedule provided by CTUIL. Regarding 01 no. 220 kV bays & 03 nos. 400 kV bays, implementation timeframe for the same is awaited from the CTUIL and the Petitioner shall implement these bays as per the implementation schedule to be provided by CTUIL.

(b) With regard to (b) above, Form -II was posted on the website on 22.8.2023 and the same is attached as Annexure -I.

(c) Concession Agreement is yet to be provided by CTUIL and same shall be executed upon receipt from CTUIL.

14. Vide Record of Proceedings for the hearing dated 23.10.2023, CTUIL was directed to submit the following information:

(a) Date of the Implementation Schedule of the 1 no. 220 kV line bay and 3 no.(s) of 400 KV bays at Fatehgarh-III PS covered under the Transmission Scheme of “Grant of 400 & 220 kV bays to RE generators at Fatehgarh-III PS under ISTS”

(b) A copy of the approval of the Central Government as per the Electricity (Transmission System Planning, Development and Recovery of Inter-state Transmission Charges) Rules, 2021 for the transmission project “implementation of scope of Bus Sectionalizer at 400 kV level of 765/400/220 kV Fatehgarh-III PS (Section-2)” project.

15. The CTUIL, vide its affidavit dated 11.12.2023, has submitted as under:

(i) With regard to the date of the Implementation Schedule of the 1 no. 220 kV line bay and 3 no.(s) of 400 KV bays at Fatehgarh-III PS, these bays are planned for various RE developers granted connectivity at 220kV and 400kV level of Fatehgarh-III PS (Section-II). Based on the information regarding their generation schedule received from developers, the bay implementation schedule for 1 no. of 220kV and 3 nos. of 400kV bays was informed to TSP vide email dated 16.11.2023. Further, bay implementation schedule for the remaining 1 no. of 400kV bay was informed to TSP vide email dated 8.12.2023. Bay implementation schedule is summarized as below:

Bay*	Implementation Schedule	Remarks
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1 no. of 220kV bay	Bay to be implemented matching with RE Generator i.e. 30.06.2025	
1 no. of 400kV bay	Bay to be implemented matching with RE Generator i.e. 31.03.2025	
1 no. of 400kV bay	Bay to be implemented matching with start date of connectivity of RE Generator i.e. 20.09.2025	
2 nos. of 400kV bay	Bay to be implemented within 15 months from 16.11.2023 i.e. 15.2.2025	Best efforts to be made to implement the bay matching with "Transmission System for evacuation of power from the REZ in Rajasthan (20 GW) under Phase III Part, EI " i.e. 1.2.2025

**Various regulatory compliances i.e. submission of requisite BGs, issuance of final grant and signing of agreements, are pending for these bays.*

(ii) Regarding the approval of the Central Government, subsequent to notification of the Electricity (Transmission System Planning, Development and Recovery of Inter-state Transmission Charges) Rules, 2021, a meeting was held on 5.10.2021 to discuss the transmission related issues for renewable energy under the Chairmanship of the Hon'ble Minister of Power & NRE wherein it was decided that for small works like bay addition and/or ICT augmentation up to Rs.500 crore need not be consulted in RPC and will be approved by NCT and it would not require approval of the Ministry of Power. In the above meeting, TOR of NCT was also decided to be modified. Accordingly, NCT was reconstituted by MoP, Gol vide order dated 28.10.2021 wherein it was indicated that (a) for the ISTS Projects costing more than Rs. 500 crore, NCT shall recommend to MoP for the implementation of such projects along with their mode of implementation, (b) for ISIS Projects costing between Rs. 100 crore to Rs. 500

crore, the NCT shall approve such projects along with their mode of implementation under intimation to MoP, and c) for ISTS Projects costing less than or equal to Rs. 100 crore, CTUIL will approve such projects along with their mode of implementation under intimation to the NCT and MoP. Since the cost of Bus Sectionalizer at 400 kV level of 765/400/220 kV Fatehgarh-III PS (Section-2) is less than Rs. 100 crore, accordingly, it was awarded to PRTL vide CTU OMs dated 21.4.2023 & 8.6.2023 in line with the order of MoP dated 28.10.2021. However, the Commission vide ROP dated 8.12.2023 in Petition No. 322/TL/2023 had directed the CTUIL to approach the Ministry of Power, Government of India with regard to the requirement of approval of the Central Government to the Transmission Scheme under the Transmission System Planning Rules for the Projects costing up to Rs. 500 crore vis-à-vis the Transmission Schemes/Projects approved by NCT/CTUIL as per the Ministry's Order dated 28.10.2021 and to file the outcome thereof, if any, on affidavit in this regard. Accordingly, the matter is being taken up with the Ministry of Power and outcome of the same shall be placed before the Commission.

Hearing dated 13.12.2023

16. During the course of the hearing, the representative of the Petitioner submitted that under Project “grant of 400 & 220 kV bays to the RE generators at Fatehgarh-III (erstwhile Ramgarh II) PS”, 1 No. 220 kV bay and 3 No. 400 kV bays at Fatehgarh III PS were kept on hold as the implementation timeframe for them was awaited from the CTUIL. However, CTUIL has now intimated the implementation schedule in respect of the certain 400 kV bays. The representative of the Petitioner further submitted that CTUIL has also

intimated the implementation schedule for the “Implementation of 400kV bays for RE generators at Fatehgarh-III (erstwhile Ramgarh-II) PS under ISTS” and “Transmission system for evacuation of power from REZ in Rajasthan (20GW) under phase-III Part E-2” and accordingly, the Petitioner may be permitted to file the amended Petition.

17. The representative of the CTUIL submitted that insofar as the approval of the Central Government under the Transmission System Planning Rules for the Project is concerned, CTUIL has already approached the Ministry of Power, Govt. of India, seeking clarification on the requirement of a separate approval of the Central Government to the Transmission Schemes/Projects under the Transmission Planning Rules for the Projects costing up to Rs. 500 crore vis-à-vis the Transmission Scheme approved by NCT/CTUIL in terms of the Ministry’s Order dated 28.10.2021 as per the direction of the Commission in similar matters. Further, in response to the specific query of the Commission regarding the concerned implementing agency for Project (i) as per the Ministry’s OM dated 1.12.2021, the representative of CTUIL submitted that although the said OM inadvertently refers to the implementing agency as PGCIL, all the deliberations/discussions in this regard was with reference to Petitioner only, a subsidiary of PGCIL.

18. Vide Record of Proceedings dated 15.12.2023, the Petitioner was directed to file an amended Petition and to serve the copies of the amended Petition on the Respondents. The Respondents were directed to file their replies. However, no replies have been received from the Respondents.

19. In compliance with the above direction, the Petitioner has filed the amended Petition on 29.12.2023 for the grant of a separate transmission licence covering all RTM

transmission projects assigned to the Petitioner by MOP/CTUIL for transmission projects as under:

(a) Implementation of 400kV bays for RE generators at Fatehgarh-III (erstwhile Ramgarh-II) PS under ISTS:

S no	Scope of the Transmission Scheme	Capacity/km	Implementation timeframe
1	1 no. of 400 kV bay at Fategarh-III PS (erstwhile Ramgarh-II)	• 400 kV line bays -1	20.9.2025
Total Estimated Cost:			Rs. 16.30 crore

(b) Transmission projects assigned under Government of India, Ministry of Power, vide notification No. 15/3/2018-Trans Pt(1) dated 1.12.2021 and CTUIL vide Office memorandum ref No. C/CTUIL/OM/02 dated 2.12.2021 in reference to the aforesaid MOP notification:

(i)Transmission system for evacuation of power from REZ in Rajasthan (20GW) under Phase-III Part E1

S. No.	Scope of the Transmission Scheme	Capacity/km	Implementation timeframe
1.	Establishment of 3x1500 MVA 765/440 kV & 3x500 MVA, 400/220 kV pooling station at Fatehgarh-3 (new section*) (In addition to 4x500 MVA ICT proposed under Rajastahn SEZ Ph-II of section-1) along with 2x330 MVA, 765 kV & 2x125 MVAR,420 kV Bus Reactors	765/440 kV 1500 MVA ICT: 3 Nos. (10x500) MVA, including one spare unit) 330MVA, 765 KV bus reactor-2 (7x110 MVA including one spare unit) 765 kV ICT bays-3 nos. 400/220KV, 500MVA ICT-3 nos. 400 kV ICT bays 6 nos. 220 ICT bays 3 nos. 765kV line bays -2 Nos. 765kV reactor bays -2 nos. 125 MVA, 420kV/bus reactor-2 nos. 420 kV reactor bays -2 nos.	1.2.2025
Total Estimated Cost:			Rs. 435 crore

(ii) Grant of 400 kV & 220 kV bays to RE generators at Fatehgarh-III (erstwhile Ramgarh-II) PS under ISTS:

S. No	Scope of the Transmission Scheme	Capacity/km	Implementation timeframe
1.	6 nos. of 220 kV bays and 3 nos of 400 kV bays along with bus extension of 220 kV & 400 kV bus as well as bus sectionaliser arrangement between both the levels i.e. 400 kV new section and 220 kV new section with under implementation section at Fatehgarh-III PS.	400 kV line bays -3 nos. 220 kV line bays-6 nos. 400 kV bus sectionaliser - 1 no. 220 kV bus sectionaliser – 1 no.	As per table A
Total Estimated Cost:			Rs. 82.45 crore including IDC of Rs. 2.30 crore.

S. No.	Element	Implementation schedule as per CTUIL
1	1 nos. 220kV line bays at Fatehgarh-III	31.10.2024
2	1 no. 220kV line bays Fatehgarh-III	31.10.2024
3	1 no. 220kV line bays Fatehgarh-III	31.7.2024
4	1 no. 220kV line bays Fatehgarh-III	31.12.2024
5	1 no. 220kV line bays Fatehgarh-III	31.3.2025
6	1 no. 220kV line bays Fatehgarh-III	30.6.2025
7	1 no. 400kV line bays at Fatehgarh-III	1.2.2025
8	1 no. 400kV line bays at Fatehgarh-III	1.2.2025
9	1 no. 400kV line bays at Fatehgarh-III	31.03.2025

(iii) Transmission Project: Transmission system for evacuation of power from REZ in Rajasthan (20GW) under phas-III Part E-2:

S. No	Scope of the Transmission Scheme	Capacity/km	Implementation timeframe
1.	Augmentation of 3x1500 MVA 765/440 kV & 2x500 MVA,400/220 kV pooling station at	765/440 kV 1500 MVA ICT: 3 Nos. 400/220 kV, 500MVA ICT-2 nos. 765 kV ICT bay-3 nos.	As per table B

S. No	Scope of the Transmission Scheme	Capacity/km	Implementation timeframe
.			
	Fatehgarh-3 (new section).	400 kV ICT bay-5 nos. 220 kVICT bays 2 nos.	
Total Estimated Cost:			Rs. 245 crore

Table

S. No.	Element	Implementation schedule as per CTUIL
1	1x500MVA, 400/220kV ICT (1st):	31.3.2025
2	1x500MVA, 400/220kV ICT (2nd):	30.6.2025
3	1x1500MVA, 765/400kV ICT (1st):	31.3.2025
4	2x1500MVA, 765/400kV ICT (2nd & 3rd):	30.6.2025

(iv) Transmission project assigned by CTUIL vide Office memorandum ref No. C/CTU/AI/00/12th CCTP dated 21.4.2023 and subsequent amendment issued on 8.6.2023:

Transmission Project-implementation of Bus Sectionalizer at 400 kV level of 765/400/220 kV Fatehgarh-III PS (Section-2).

S. No	Scope of the Transmission Scheme	Capacity/km	Implementation timeframe
.			
1.	1 Set of Bus sectionalizer at 400kV level of 765/400/220kV Fatehgarh-III PS (Section-2)	400 kV Bus sectionalizer - 1 set	01.01.2025
Total Estimated Cost:			Rs. 17.11 crore

20. Vide Record of Proceedings dated 15.12.2023, the CTUIL was directed to submit the following information:

(a) As per the MoP's OM dated 1.12.2021, the agency for execution of the

“Transmission system for evacuation of power from REZ in Rajasthan (20GW) under Phase-III Part E1” was PGCIL. However, CTUIL vide letter dated 2.12.2021 awarded the same to Powergrid Ramgarh Transmission Ltd. (PRTL). CTUIL to clarify whether any amendment was issued by the Ministry of Power with regard to the change of agency against the said transmission scheme and submit the copy of same; and

(b) Information as called for vide Record of Proceedings for the hearing dated 25.10.2023.

21. The CTUIL, vide affidavit dated 8.2.2024, has submitted as under:

(a) Transmission system for evacuation of power from REZ in Rajasthan (20GW) under Phase-III Part E1 & E2 was recommended to be implemented under RTM in the 5th National Committee on Transmission (NCT) meetings held on 25.8.2021 and 2.9.2021. Under the said scheme, 765/400 & 400/220kV ICTs were to be implemented at new section (Section-II) of Fatehgarh-III PS. At that time, Fatehgarh-III PS (Section-I) was under implementation as part of Rajasthan SEZ Ph-II Part-A by subsidiary of POWERGRID i.e. POWERGRID Ramgarh Transmission Limited (PRTL). Subsequently, MoP vide OM dated 1.12.2021 awarded “Transmission system for evacuation of power from REZ in Rajasthan (20GW) under Phase-III Part E1 & E2” to CTUIL with the implementing agency as “PGCIL”. However, CTUIL vide its letter dated 2.12.2021 allocated the above schemes to PRTL. In 5th NCT meeting, while recommending the Part E-1 scheme, it was mentioned that *“Transmission system for 1.9 GW at Fatehgarh - 3 (Phase –II) is already under implementation by the subsidiary of PGCIL. Transmission system under Phase-III- Part E1 is for evacuating 6 GW potential at Fatehgarh-3 (Phase-III), which is utilising the future provision of the earlier approved scheme under Phase-II.”*

(b) After deliberations, the scheme was proposed to be awarded under RTM mode. Further, in the 1st NCT (old) meeting held on 27.7.2018, it was discussed

that implementation of augmentation of existing ISTS sub-station through TBCB may have the certain connotations, namely (i) Providing access to the sub-station to the developer (selected through TBCB) for 25-35 years, which may have implication on safety and security of the substations and grid, (ii) May not be cost effective as the developer has to enter into O&M agreement for 25-35 years with existing owner of the sub-station for carrying out O&M of the augmentation works, (iii) May result in delay and affect power supply, and (iv) There may be jurisdictional issues with regard to the sharing of common facilities such as AC distribution board (ACDB), DC distribution board (DCDB), and control room, etc., which may jeopardize the augmentation work. In view of above, the NCT decided that the augmentation / modification at existing ISTS sub-stations may be done by the owner of the substation. Vide the said OM, MoP awarded "Grant of 400kV & 220kV bays to RE Generators at Fatehgarh-III (erstwhile Ramgarh-II) PS under ISTS" to CTU with implementing agency as M/s PRTL. Hence, it may be gathered that although the said OM refers to the implementing agency as "PGCIL" for Part E-1 & E-2, all the deliberations/discussions in this regard was with reference to Petitioner only. In view of the above, as well as owner of Fatehgarh-III PS (Section-I & II) being PRTL, Transmission system for evacuation of power from the REZ in Rajasthan (20GW) under Phase-III Part E1 & E2 was allocated to PRTL vide CTU OM dated 2.12.2021. CTUIL had acted in a bona-fide understanding of MoP OM dated 1.12.2021, however, if required, it shall approach MOP for amendment in said notification.

Hearing dated 14.2.2024

22. During the course of the hearing, the representative of the CTUIL submitted that CTUIL has already given its recommendations for the grant of a separate transmission licence to the Petitioner under Section 15(5) of the Electricity Act, 2003. He further submitted that insofar as the clarification on the requirement of a separate approval of the Central Government to the Transmission Schemes/Projects under Transmission

Planning Rules for the Projects costing up to Rs. 500 crore vis-à-vis the Transmission Schemes/ Projects approved by NCT/CTUIL in terms of the Ministry's Order dated 28.10.2021, CTUIL has already approached the Ministry of Power and the requisite clarification is awaited.

Analysis and Decision

23. 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 (i) "Implementation of 400kV bays for RE generators at Fatehgarh-III (erstwhile Ramgarh-II) PS under ISTS", (ii) "Transmission system for evacuation of power from REZ in Rajasthan (20GW) under Phase-III Part E1", (iii) "Grant of 400 kV & 220 kV bays to RE generators at Fatehgarh-III (erstwhile Ramgarh-II) PS under ISTS", (iv) "Transmission system for evacuation of power from REZ in Rajasthan (20GW) under phase-III Part E-2" and (v) "implementation of Bus Sectionalizer at 400kV level of 765/400/220 kV Fatehgarh-III PS (Section-2)" through RTM mode.

24. The Ministry of Power, vide its Notification No. 15/3/2018-Trans Pt(1) dated 16.7.2021, has assigned the Transmission project "Implementation of 400kV bays for RE generators at Fatehgarh-III (erstwhile Ramgarh-II) PS under ISTS" to Petitioner through RTM mode. Relevant extracts of the said Notification are as under:

"Subject: New transmission schemes to be taken up under Regulated Tariff Mechanism (RTM).

The undersigned is directed to inform that Hon'ble Minister for Power has approved the implementation of following transmission schemes, which were recommended by 4th meeting of the National Committee on Transmission (NCT), under the

Regulated Tariff Mechanism (RTM) mode by agencies as indicated in the table below:

Sl. No.	Elements	Agency
2	<i>Implementation of 400kV bay for RE generators at Fatehgarh-III (erstwhile Ramgarh-II) PS</i>	<i>Powergrid Ramgarh Transmission Ltd. (Subsidiary of PGCIL)</i>

25. Subsequently, 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 to 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.”

26. Based on the above, CTUIL vide its Office Memorandum dated 2.12.2021 has approved the implementation of (i) “Transmission system for evacuation of power from REZ in Rajasthan (20GW) under Phase-III Part E1”, (ii) “Grant of 400 kV & 220 kV bays to RE generators at Fatehgarh-III (erstwhile Ramgarh-II) PS under ISTS”, (iii) “Transmission system for evacuation of power from REZ in Rajasthan (20GW) under phase-III Part E-2” and vide its Office Memorandum dated 8.6.2023 has approved the “implementation of Bus Sectionalizer at 400kV level of 765/400/220 kV Fatehgarh-III PS (Section-2)” through RTM mode along with identifying the implementing agency and also addressed the same to the Ministry of Power, Government of India and NCT. The relevant portions of the said Office Memorandum dated 2.12.2021 are extracted as under:

“Sub: implementation of new Transmission Schemes under Regulated Tariff Mechanism (RTM).

Dear Sir,

Ministry of Power vide OM dated 01.12.2021 awarded following new transmission schemes to CTUIL for their implementation under RTM mode by agencies as indicated in the table below:

<i>S.. No.</i>	<i>Elements</i>	<i>Agency</i>
<i>3</i>	<i>Transmission system for evacuation of power from REZ in Rajasthan (20GW) under Phase-III Part E1</i>	<i>M/s PRTL — Powergrid Ramgarh Transmission Limited</i>
<i>4</i>	<i>Transmission system for evacuation of power from REZ in Rajasthan (20GW) under Phase-III Part E2</i>	<i>M/s PRTL — Powergrid Ramgarh Transmission Limited</i>
<i>7</i>	<i>Grant of 400kV & 220kV bays to RE generators at Fatehgarh-III (erstwhile Ramgarh-II) PS under ISTS</i>	<i>M/s PRTL — Powergrid Ramgarh Transmission Limited</i>

The relevant portion of the said Office Memorandum dated 8.6.2023 is extracted as under:

AMENDMENT TO OFFICE MEMORANDUM DATED 21.4.2023

Sub: Inter-State Transmission Schemes (costing up to Rs. 100 Cr.) to be taken up for implementation under Regulated Tariff Mechanism (RTM)- Modification in the name of Implementing Agency of Transmission Scheme "Implementation of Bus Sectionalizer at 400kV level of 765/400/220kV Fatehgarh-111 PS (Section-2)" allotted vide CTU OM Ref. No. C/CTU/AI/00/12th CCTP dated 21.04.2023.

This is with reference to Office Memorandum Ref No. C/CTU/AI/00/12th CCTP dated 21.04.2023 issued by CTU wherein Transmission Scheme "Implementation of Bus Sectionalizer at 400kV level of 765/400/220kV Fatehgarh-III PS (Section-2)" was approved to be implemented by POWERGRID.

Subsequently, POWERGRID vide email dated 21.04.2023 informed that since, the Fatehgarh-III PS is being implemented by "POWERGRID Ramgarh Transmission Ltd." The same may be reviewed.

In view of the above, the name of the implementing agency of Transmission Scheme "Implementation of Bus Sectionalizer at 400kV level of 765/400/220kV Fatehgarh-111 PS (Section-2)" is modified as below:

Implementation of Bus Sectionalizer at 400kV level of 765/400/220kV Fatehgarh-III PS (Section-2)

<i>Sl.</i>	<i>Name of Transmission Scheme</i>	<i>Implementing Agency</i>
<i>Northern Region</i>		
	<i>Implementation of Bus Sectionalizer at 400kV level of 765/400/220kV Fatehgarh-III PS (Section-2)</i>	<i>Powergrid Ramgarh Transmission Limited</i>

27. 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, 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”

28. 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."*

29. The Petitioner has filed the present Petition for the grant of a separate 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 respondent for the Project.

30. 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 29.12.2023 in English and Hindi. It has been submitted by the Petitioner that no objection has been received in response to the public notices.

31. 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 27.9.2023 and 12.2.2024, has recommended the grant of a transmission licence to the Petitioner.

32. We have considered the submissions of the Petitioner and CTUIL. The Petitioner has filed the present Petition for the issuance of a separate transmission licence for the implementation of (i) "Implementation of 400kV bays for RE generators at Fatehgarh-III (erstwhile Ramgarh-II) PS under ISTS", (ii) "Transmission system for evacuation of power from REZ in Rajasthan (20GW) under Phase-III Part E1", (iii) "Grant of 400 kV & 220 kV bays to RE generators at Fatehgarh-III (erstwhile Ramgarh-II) PS under ISTS", (iv) "Transmission system for evacuation of power from REZ in Rajasthan (20GW) under phase-III Part E-2", and (v) "implementation of Bus Sectionalizer at 400kV level of 765/400/220 kV Fatehgarh-III PS (Section-2)" through RTM mode.

33. 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 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.”

34. In the present case, the Petitioner does not fulfil any of the eligibility conditions for the grant of a transmission licence. However, in the 6th 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 Ministry of Power from time to time would be approved by CTUIL, including its mode of implementation and NCT is to 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 Transmission schemes have been identified for

implementation through RTM mode by CTUIL/NCT and the Ministry of Power. The non-grant of a transmission licence to any agency nominated by NCT 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 schemes, 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.

35. 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”.

36. 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 has already implemented 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 less than or equal to Rs.100 crore and NCT to 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.

37. Since the Petitioner is already an inter-State transmission licensee and has been identified as an agency to implement the project as per RTM, in view of the peculiar facts and circumstances, as stated above, 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 separate 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 **28.3.2024**.

38. The Petition shall be listed for hearing on **3.4.2024**.

Sd/-
(P.K. Singh)
Member

sd/-
(Arun Goyal)
Member

sd/-
(Jishnu Barua)
Chairperson