CENTRAL ELECTRICITY REGULATORY COMMISSION
NEW DELHI

Petition No. 340/TL/2024

Coram:
Shri Jishnu Barua, Chairperson
Shri Ramesh Babu V., Member
Shri Harish Dudani, Member

Date of Order: 7th December, 2024

In the matter of

Petition under Sections 14, 15 and 79(1)(e) of the Electricity Act, 2003 read with Central Electricity Regulatory Commission (Procedure, Terms and Conditions for Grant of Transmission Licence and other related matters) Regulations, 2024 for grant of Transmission Licence with respect to the Transmission System to be implemented by Khavda IV C Power Transmission Limited.

And
In the matter of

Khavda IV C Power Transmission Limited,
DLF Cyber Park, Tower B, 9th Floor,
Udyog Vihar Phase-III Road, Sector 20,
Gurugram- 122008 (Haryana **…Petitioner**

Vs

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

2. REC Power Development and Consulting Limited,
REC Corporate Head Quarter,
D Block, Plot No. I – 4, Sector 29,
Gurugram - 122001.

3. Chhattisgarh State Power Distribution Company Limited,
P.O. Sunder Nagar, Dangania,
Raipur- 492013, Chhattisgarh.

4. Goa Electricity Department-WR,
Goa Electricity DeptCurti,
Ponda-403401.

5. Gujarat Urja Vikas Nigam Limited,
Vidhyut Bhavan, Race Course,
Vadodara-390007.

6. Heavy Water Board,
O Floor, Vikram Sarabhai Bhavan,
Trombay, Anushaktinagar,
Mumbai- 400094, Maharashtra.

7. HVDC Bhadrawati, PGCIL,
PGCIL RHQ, WR-I, Sampriti Nagar,
Off National Highway No. 8,
Taluka: Kamrej, PO: Uppalwadi,
Nagpur-440026, Maharashtra.

8. HVDC Vindhyachal, PGCIL,
PGCIL RHQ, WR-I, Sampriti Nagar,
Off National Highway No. 8,
Taluka: Kamrej, PO: Uppalwadi,
Nagpur-440026, Maharashtra.

9. M.P. Power Management Company Limited,
14, Shakti Bhawan, Rampur,
Jabalpur- 482008.

10. Maharashtra State Electricity Distribution Company Limited,
Prakashgad, 4th Floor, Bandra (East),
Mumbai-400051.

11. ACB India Limited,
7th Floor, Corporate Tower, Ambience Mall, NH-8,
Gurgaon-122 001(Haryana).

12. Torrent Power Limited,
Naranpura Zonal Office, Sola Road,
Ahmedabad-380013.

13. West Bengal State Electricity Distribution Company Limited,
6th Floor Vidyut Bhawan, Karunamoyee, Salt Lake,
Kolkata-700091, West Bengal.

14. Thermal Powertech Corporation India,
6-3-1090, Clock C, Level 2, TSR, Towers,
Raj Bhavan Road, Somajiguda,
Hyderabad- 500082, Telangana.

15. Bhabha Atomic Research Centre,
Anushakti Nagar,
Mumbai – 400085, Maharashtra.

16. GMR Warora Energy Limited,
Plot B-1, Mohabala MIDC Growth Centre, Post – Warora,
District– Chandrapur-442907, Maharashtra.

17. HVDC Champa,
PGCIL RHQ, WR-I, Sampriti Nagar,
Off National Highway No. 8,
Taluka, Kamrej, PO: Uppalwadi,
Nagpur- 440026, Maharashtra.

18. West Central Railway Head Office,
General Manager's Office, Electrical Branch,
Jabalpur-482001.

19. Western Railway,
Office of Chief Electrical Engineer,
Mumbai.

20. East Central Railway, CEDE,
Office of Chief Electrical Engineer,
ECR, Zonal Head Quarter,
Dighikala-844101, Bihar.

21. DB Power Limited – Untied,
Opp Dena Bank, C-31, G- Block,
Mumbai, Maharashtra.

22. Chhattisgarh State Power Trading Company Limited,
2nd Floor, Vidyut Sewa Bhawan,
Raipur.

23. TRN Energy Private Ltd-Untied,
7th Floor, Ambience Office Block,
Gurugram.

24. Adani Power (Mundra) Limited,
Adani Corporate House, Shantigram,
Near Vaishnavdevi Circle, S G Road,
Ahmedabad – 382421.

25. Raigarh HVDC Station,
RPT HVDC Office, Hebbal,
Bangalore-560094.

26. Arcelor Mittal Nippon Steel India Limited,
27, AMNS House, 2th KM Surat Hazira Road,
Hazira-394270, Gujarat, Maharashtra.

27. Central Railway, Pcee's office,
2nd Floor, Parcle Building,
CSMT Mumbai-400001.

28. Dadra and Nagar Haveli and Daman
and Power Distribution Corporation Limited,

1st & 2nd Floor, Vidyut Bhavan,
NexSilvassa & Daman.

29. MPSEZ Utilities Limited,
3rd Floor, Adani Corporate House,
Ahmedabad, Gujarat.

30. Gujarat State Electricity Corporation Limited,
Vidyut Bhavan, Race Course,
Vadodara, Gujarat.

31. Gujarat Industries Power Company Limited,
General Manager (RE Projects & IT), PO, Ranoli,
Dist-Vadodara, Gujarat.

32. NTPC Renewable Energy Limited,
NETRA Building, E-3, Ecotech-II, Udyog Vihar,
Greater Noida, Gautam Budh Nagar-201306, UP.

33. Maharashtra State Electricity Transmission Company Limited,
4th Floor, A Wing,
Prakashganga, E-Block, Plot No. C-19,
BKC Bandra (East),
Mumbai– 400051 (Maharashtra) **…Respondents**

Parties present:
Shri Gaurav Dudeja, Advocate, KIVCPTL
Shri Dhruval Singh, Advocate, KIVCPTL
Shri Abhijit Debnath, Advocate, KIVCPTL
Shri Sandeep Rajpurohit, KIVCPTL
Shri Ritam Biswas, KIVCPTL
Shri Siddharth Sharma, CTUIL
Shri Akshayvat Kislay, CTUIL

ORDER

The Petitioner, Khavda IV C Power Transmission Limited (hereinafter referred to as the "Petitioner"), has filed the present Petition for the grant of a transmission licence under Sections 14 and 15 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, 2024 (hereinafter referred to as "Transmission Licence Regulations") to establish Inter-State transmission system for "Transmission System for Evacuation of

power from potential renewable energy zone in Khavda area of Gujarat under Phase-IV (7 GW): Part C on Build, Own, Operate And Transfer basis (hereinafter referred to as “the Project”) consisting of the following elements:

Transmission System for Evacuation of power from potential renewable energy zone in Khavda area of Gujarat under Phase-IV (7 GW): Part C		
S. No.	***Name of Transmission Element***	***Scheduled COD in months from the Effective Date***
1.	*Establishment of 4x1500 MVA, 765/400 kV and 2x500 MVA, 400/220 kV Boisar-II (GIS) S/s with 2x330 MVAR, 765 kV bus reactors and 2x125 MVAR, 420 kV bus reactors.* *(2x1500 MVA, 765/400 kV ICTs shall be on each 400 kV section and 2x500 MVA, 400/220 kV ICTs shall be on 400 kV Bus Section-II. 2x125 MVAR Bus reactors shall be such that one bus reactor is placed on each 400 kV bus section. 400 kV Bus Sectionaliser to be kept under normally OPEN condition)* • *765/400 kV, 1500 MVA ICT: 4 Nos. (13x500 MVA single phase units including one spare unit)* • *400/220 kV, 500 MVA ICT: 2 Nos.* • *765 kV ICT bays: 4 Nos.* • *400 kV ICT bays: 6 Nos. (2 Nos. on Bus Section-I and 4 Nos. on Bus Section-II)* • *400 kV Bus Sectionaliser: 1 set* • *220 kV ICT bays: 2 Nos.* • *220 kV BC bay: 1 No.* • *330 MVAR, 765 kV bus reactor: 2 Nos.* • *125 MVAR, 420 kV bus reactor: 2 Nos.* • *765 kV reactor bays: 2 Nos.* • *765 kV line bays: 6 Nos.* • *400 kV reactor bays: 2 Nos. (one on each bus section)* • *400 kV line bay: 6 Nos. (4 Nos. on bus Section-I and 2 Nos. on bus Section-II)* • *110 MVAR, 765 kV, 1-ph reactor (spare unit for line/bus reactor): 1 No.* *Future Provisions:* • *765/400 kV ICT along with bays: 2 No.* • *765 kV line bays along with switchable line reactors: 8 Nos.* • *765 kV Bus Reactor along with bay: 2 No.*	

	• *765 kV Sectionaliser bay: 1 set* • *400 kV line bays along with switchable line reactor: 8 Nos.* • *400/220 kV ICT along with bays: 6 Nos.* • *420 kV Bus Reactor along with bay: 2 No.* • *220 kV line bays: 12 Nos.* • *220 kV Sectionalization bay: 1 set* • *220 kV BC: 1 No.*	*24 Months*
2.	*South Olpad (GIS) – Boisar-II (GIS) 765 kV D/c line*	
3.	*2 Nos. of 765 kV line bays at South Olpad (GIS) for termination of South Olpad (GIS) – Boisar-II (GIS) 765 kV D/c line* • *765 kV line bays (GIS) – 2 Nos. (for South Olpad end)*	
4.	*240 MVAR switchable line reactors on each ckt at South Olpad (GIS) and Boisar-II (GIS) end of South Olpad (GIS) – Boisar-II (GIS) 765 kV D/c line (with NGR bypass arrangement)* • *240 MVAR, 765 kV switchable line reactor- 4 [2 for Boisar-II (GIS) and 2 for South Olpad (GIS)]* • *Switching equipment for 765 kV line reactor- 4 (2 for Boisar-II (GIS) and 2 for South Olpad (GIS))* • *1x80 MVAR, 765 kV 1-ph spare line reactor– 1 No. (for Boisar-II end)* • *1x80 MVAR, 765 kV 1-ph spare line reactor proposed for Ahmedabad – South Olpad (GIS) 765 kV line (under Khavda Ph-IV Part B scheme) at South Olpad (GIS) S/s to be used as spare*	
5.	*LILO of Navsari (New) – Padghe (PG) 765 kV D/c line at Boisar-II*	
6.	*Boisar-II (Sec-II) – Velgaon (MH) 400 kV D/c (Quad ACSR/AAAC/AL59 moose equivalent) line*	
7.	*2 Nos. of 400 kV line bays at Velgaon (MH) for termination of Boisar-II – Velgaon (MH) 400 kV D/c (Quad ACSR/AAAC/AL59 moose equivalent) line* • *400 kV line bays (GIS): 2 Nos. [for Velgaon (MH) end]*	
8.	*LILO of Babhaleswar – Padghe (M) 400 kV D/c line at Boisar-II (Sec-I) using twin HTLS conductor with a minimum capacity of 1700 MVA per ckt at nominal voltage*	

9.	*80 MVAR switchable line reactors at Boisar-II end of Boisar-II – Babhaleswar 400 kV D/c line (with NGR bypass arrangement) formed after above LILO* • *80 MVAR, 420 kV switchable line reactor including switching equipment: 2 Nos.*	
10.	*±200 MVAR STATCOM with 2x125 MVAR MSC, 1x125 MVAR MSR at 400 kV bus section-I of Boisar-II and ±200 MVAR STATCOM with 2x125 MVAR MSC, 1x125 MVAR MSR at 400 kV bus section-II of Boisar-II* • *±200 MVAR STATCOM (with MSC/MSR) on 400 kV Section-I* • *400 kV bay – 1 No. on Section-I* • *±200 MVAR STATCOM (with MSC/MSR) on 400 kV section-II* • *400 kV bay – 1 No. on Section-II*	
11.	*± 300 MVAR STATCOM with 3x125 MVAR MSC, 1x125 MVAR MSR at 400 kV level of Navsari (New)(PG) S/s with 1 No. of 400 kV bay (GIS)* • *±300 MVAR STATCOM (with MSC/MSR)* • *400 kV bay: 1 No.*	

Note:

i. Bay(s) required for completion of diameter (GIS) in one-and-half breaker scheme shall also be executed by the TSP.

ii. MSETCL shall carry out reconductoring of the balance portion of Padghe (M) – Boisar-II 400 kV D/c line (i.e., from LILO point up to Padghe(M)) and shall also carry out corresponding upgradation of 400 kV bays at Padghe (M) as may be required in matching time-frame of the LILO line. MSETCL has confirmed the maximum capacity of the line which can be achieved after reconductoring considering clearances in existing towers of Babhaleswar – Padghe (M) 400 kV D/c line as 1700 MVA per ckt.

iii. MSETCL shall implement the LILO of both circuits of Boisar-II – Velgaon 220 kV D/c line at Boisar-II (ISTS) S/s along with 4 Nos. 220 kV GIS bays at Boisar-II in matching time-frame of Boisar-II (ISTS) S/s.

iv. TSP of South Olpad (GIS) S/s shall provide space for work envisaged at Sl. No. 3 and 4.

v. MSETCL shall provide space for the work envisaged at Sl. No. 7 at Velgaon S/s.

vi. TSP of the subject scheme shall implement Inter-tripping scheme on South Olpad (GIS) – Boisar-II (GIS) 765 kV D/c line (for tripping of the switchable line reactor at either end along with the main line breaker).

vii. The implementation timeframe: 24 months from the Effective Date".

2. The Petitioner has made the following prayers:

"a) Grant the 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 potential renewable energy zone in Khavda area of Gujarat under Phase-IV (7 GW): Part C 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(s) as this Commission may deem fit and proper in the facts and circumstances of this case"

Hearing dated 28.10.2024

3. During the course of the hearing on 28.10.2024, the Petitioner submitted that the present Petition has been filed seeking a grant of transmission licence for establishing the "Transmission Scheme for Evacuation of Power from Potential Renewable Energy Zones in Khavda area of Gujarat under Phase IV (7 GW): Part C" ('the Project'). Additionally, CTUIL has submitted its recommendations for the grant of a transmission licence to the Petitioner under Section 15(4) of the Electricity Act, 2003. The representative of CTUIL confirmed that CTUIL has already issued its recommendations for the grant of a transmission licence to the Petitioner Company.

4. Vide Record of Proceedings for the hearing dated 28.10.2024, the Petitioner was directed to implead the Maharashtra State Electricity Transmission Co. Ltd., an entity responsible for downstream elements, as a party to the Petition and to file a revised memo of parties within a week and Respondents were granted the opportunity to file their respective replies within two weeks. The Petitioner has complied with by impleading the Maharashtra State Electricity Transmission Co. Ltd,

as a party to the Petition and has served a copy of the Petition on it to file the reply. However, no reply has been filed by the Respondents.

5. 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, REC Power Development and Consultancy Limited (hereinafter referred to as “RECPDCL”) was notified by the Ministry of Power, Government of India, vide Gazette Notification dated 4.9.2023 as the Bid Process Coordinator (BPC) for the purpose of selection of bidder as the Transmission Service Provider (TSP) for establishment of the Project.

6. RECPDCL, in its capacity as the BPC, initiated the bid process on 28.11.2023 and completed the same on 15.10.2024 in accordance with the Guidelines. M/s Sterlite Grid 38 Limited was selected as the successful bidder, having quoted the lowest transmission charges of Rs. 13,148.08 million in order to provide the transmission services of the transmission system.

7. The RfP was issued on 28.11.2023. At the RfP (Technical and Financial) stage, three bidders, namely, (i) Power Grid Corporation of India Limited, (ii) M/s Adani Energy Solutions Limited (Formerly known as Adani Transmission Limited), and (iii) Sterlite Grid 38 Limited, submitted their offers. The RfP (Technical bids) of the three bidders were opened by the Bid Opening Committee in the Central Electricity Authority on 3.5.2024 in the presence of the bidder’s representatives. Based on the recommendation of the BEC, the RfP (Financial) Bids-Initial Price Offers of the three

bidders were opened on 14.5.2024. The lowest Initial Price Offer discovered at the MSTC portal was Rs. 15,051.33 million. The details of the quoted transmission charges by the bidders are given below:

S. No.	Name of the Bidder	Quoted Transmission Charges from the Initial Offer (in Rs. Million)	Rank
1.	M/s Adani Energy Solutions Limited	15,051.33	L1
2.	M/s Sterlite Grid 38 Limited	15,550.20	L2
3.	M/s Power Grid Corporation of India Limited	16,000.00	L3

8. 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 submitting their final offer.

9. The e-reverse auction of three bidders was carried out at the MSTC portal on 16.5.2024. The following transmission charges, as quoted by each bidder, emerged:

S. No.	Name of the Bidder	Transmission Charges from the Initial Offer (in Rs. Million)	Transmission Charges from the Final Offer (in Rs. Million)	Rank
1.	Sterlite Grid 38 Limited	15,550.20	13,148.08	L1
2.	Adani Energy Solutions Limited	15,051.33	13,181.04	L2
3.	PowerGrid Corporation of India Limited	16,000.00	13,247.20	L3

10. As per the Bid Evaluation Report, Sterlite Grid 38 Limited emerged as the successful bidder with the lowest quoted transmission charges of Rs. 13,148.08 million. BEC, vide its certificate dated 5.8.2024, 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 the e-reverse auction are acceptable.

11. Consequent to its selection as the lowest bidder, a Letter of Intent (LoI) was issued to Sterlite Grid 38 Limited by the BPC on 19.8.2024, which was accepted by M/s Sterlite Grid 38 Limited. Under the terms of RfP and the Letter of Intent, the successful bidder is obligated to accomplish the following tasks:

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

12. The Petitioner has furnished the Contract Performance Guarantee (CPG) in favour of the Nodal Agency, i.e., CTUIL, for Rs. 112.75 crores and has acquired a hundred per cent equity holding in Khavda IV C Power Transmission Ltd on 30.8.2024. The Petitioner entered into a Transmission Service Agreement (TSA) with CTUIL on 15.10.2024.

13. 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”*

14. 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 the Transmission Licence Regulations in this regard. Regulation 4 (1) of the Transmission Licence Regulations, 2024 provides that eligibility for the grant of a licence for inter-State transmission of electricity is contingent upon the entity being selected either through the competitive bidding process under Section 63 of the Electricity Act, 2003 or by the Central Government or its authorized agency to implement a project under the regulated tariff mechanism. Regulation 10(1) of the Transmission Licence Regulations, 2024 provides that in case the licensee has been selected for implementation of the project in accordance with the competitive bidding

guidelines, the transmission tariff in terms of the Transmission Service Agreement shall be adopted by the Commission under Section 63 of the Act. The Project under consideration has been identified for development under competitive bidding by a competent authority, and the selection of the project developer, Khavda IV C Power Transmission Limited, has been certified to have been made in accordance with the Guidelines for competitive bidding.

15. Regulation 5 of the Transmission Licence Regulations, 2024 provides for the procedure for the grant of a transmission licence as under:

1) *The application for the grant of licence shall be made to the Commission in Form-I appended to these regulations and shall be accompanied by such fee as may be prescribed by the Central Government from time to time under subsection (1) of section 15 of the Act.*
2) *The application shall be supported with an affidavit in accordance with Regulation 17 of the Central Electricity Regulatory Commission (Conduct of Business) Regulations, 2023.*
3) *The applicant shall submit the original application in electronic form along with enclosures on the e-filing portal of the Commission and electronically serve a copy of such application on all the concerned DICs of the project and the Central Transmission Utility. The application shall be served through e-mail on the concerned DICs of the project who are not registered on the e-filing portal of the Commission.*
4) *The applicant shall also upload the complete application along with annexures on its website, in English. The applicant shall also upload on its website, the details as per Form-I and Form-II appended to these regulations in the Indian language of the State or the Union Territory where an element of the project or concerned transmission line is situated or proposed to be situated. The application shall be kept posted on the website of the applicant till such time the application is disposed of by the Commission.*
5) *The applicant shall, within 3 working days of filing the application, publish a notice of its application in Form-II appended to these regulations in at least two leading daily digital newspapers, one in English language and another in the Indian language of the State or Union Territory where an element of the project or concerned transmission line is situated or proposed to be situated, inviting comments from the general public. The notice shall also be kept posted on the website of the applicant.*
6) *The Registry of the Commission shall carry out a preliminary scrutiny of the application and convey the defects, if any, as far as possible within 7 days of receipt of the application. The defects shall be rectified by the applicant within a period of 7 days from the date of such intimation from the Registry of the Commission.*

7) *In the notice published in the digital newspapers and on the applicant's website under this Regulation, it shall be indicated that the suggestions and objections to the application, if any, may be filed by any person within 15 days of publication of the notice to The Secretary, Central Electricity Regulatory Commission at the address where the office of the Commission is situated and at email id: registry@cercind.gov.in. Any suggestion or objection received in response to the public notice shall be shared with the applicant and the respondents by the Registry of the Commission.*
8) *The applicant shall within 3 working days from the date of publication of the notice in terms of Clause (5) of this Regulation submit to the affidavit the details of the notice published, names of the digital newspapers in which the notice has been published, the dates and places of their publication and enclosing the relevant pages of the publication of notice.*
9) *The CTUIL shall send its recommendations, if any, to the Commission on the proposal for grant of licence made in the application as far as practicable within a period of 10 (ten) days from the date of receipt of the application with a copy to the applicant: Provided that if CTUIL is unable to submit its recommendations within a period of 10 days, it shall inform the Commission the reasons for the same and submit its recommendations within a period of 30 (thirty) days from the date of receipt of the application: Provided further that along with its recommendations, CTUIL shall submit the copy of approval of the transmission project by the Central Government in terms of Electricity (Transmission System Planning, Development and Recovery of Inter-state Transmission Charges) Rules, 2021 as amended from time to time. Explanation: The recommendations of the Central Transmission Utility shall not be binding on the Commission.*
10) *The applicant may file its comments, duly supported by an affidavit, on the recommendations made by CTUIL and the suggestions and objections, if any, received in response to the public notice within 7 working days of receipt of such suggestions and objections, with an advance copy to the CTUIL and the person, if any, who has filed the suggestions and objections on the proposal made in the application.*
11) *The Commission after considering the suggestions and objections received from the DICs and in response to the public notice published by the applicant, and the recommendations, if any, received from CTUIL may either propose to grant the licence to the applicant or for reasons to be recorded in writing, reject the application.*
12) *Before granting a licence, the Commission shall publish a notice of its proposal on the Commission's website and in two daily digital newspapers, having wide circulation, as the Commission may consider appropriate, stating the name and address of the person to whom it proposes to grant the licence, details of the project for which it proposes to grant a licence, location or route of the elements of the project, and any other details that the Commission may consider appropriate, to invite further suggestions and objections on its proposal within 15 days of the publication of the notice.*
13) *The Commission may, after consideration of the further suggestions and objections, if any, received in response to the public notice in terms of Clause (12) of this Regulation, grant licence to the applicant in Form-III appended to these regulations or for reasons to be recorded in writing, reject the application.*

14) *The Commission shall before granting licence or rejecting the application under the provisions of this Regulation provide an opportunity of hearing to the applicant, CTUIL, the concerned DICs, or the person who has filed suggestions and objections, or any other interested person.*
15) *The Commission shall, within 7 days of making the order to grant the licence to an applicant send a copy of the licence to the Central Government, the Central Electricity Authority, the Central Transmission Utility, the applicant and the concerned DIC(s).”*

16. 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 that Petition will be issued separately. The Petitioner has filed the present Petition for the grant of a transmission licence in accordance with the provisions of the Transmission Licence Regulations, 2024. The Petitioner has submitted proof of service of the copies of the application on the BPC, CTUIL and the 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 a transmission licence in terms of the Central Electricity Regulatory Commission (Payment of Fees) Regulations, 2012. The Petitioner has prayed for the grant of a transmission licence to Khavda IV C Power Transmission Limited with respect to the transmission system as per the details given in paragraph 1 above.

17. 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. 13,148.08 million. The Petitioner has also enclosed copies of the recommendations of the Bid Evaluation Committee.

18. The Petitioner has published the notices on the e-filing portal of the Commission and on its website in Form-II in English and vernacular language. In response, no objection has been received from the general public to the notices.

19. The Petitioner has served the copy of the Application on the Central Transmission Utility of India Limited (CTUIL) as required under Section 15(3) of the Act and Regulation 5(3) of the Transmission Licence Regulations. CTUIL, vide its letter dated 25.10.2024, has recommended the grant of a transmission licence to the Petitioner. The Relevant portions of the said letter dated 25.10.2024 are extracted as under:

> *"This has reference to the Petition No. 340/TL/24 dated 06/09/2024 filled by M/s Khavda IV C Power Transmission Ltd. (KIVCPTL) before Hon'ble Commission vide which M/s KIVCPTL has requested CTU for issuance of its recommendation for grant of Transmission License for subject transmission scheme. In this regard, the following is submitted:*
>
> > *1. M/s Khavda IV C Power Transmission Ltd. (KIVCPTL) has filed a petition under Section 14, 15 and 79(1)(e) of the Electricity Act, 2003 read with CERC (Procedure, Terms and Conditions for Grant of Transmission License and other related matters) Regulations, 2024 for grant of transmission license for "Transmission System for Evacuation of power from potential renewable energy zone in Khavda area of Gujarat under Phase-IV (7 GW): Part C" project on Build, Own, Operate and Transfer (BOOT) basis as ISTS. The detailed scope of the transmission scheme is enclosed at Annexure-I.*
> >
> > *2. As per section 15(3) of the Electricity Act, 2003 and Regulation 5(3) of Transmission License Regulations, 2024, a copy of the application for the grant of transmission license, for the above transmission system has been served on 06/09/2024 for recommendation required u/s 15(4) of the Electricity Act, 2003 and Regulation 5(9) of Transmission License Regulations, 2024.*
> >
> > *3. In reference to the Transmission Scheme "Transmission System for Evacuation of power from potential renewable energy zone in Khavda area of Gujarat under Phase-IV (7 GW): Part C", the following is submitted:*

i) The government of India has set a target for establishing 500GW non fossil generation capacity by 2030, which also includes 30GW RE potential in the Khavda area of Gujarat under ISTS. The Transmission system for evacuation of up to 15GW power from Khavda RE Park is already under implementation in 3 phases.

The Phase-IV (Part A to E) transmission scheme has been planned to enable evacuation of additional 7 GW (beyond 15GW) RE power from Khavda RE park.

The subject scheme (under Part C) includes establishment of a new 765/400/220 kV Boisar II (GIS) S/s along with LILO of Navsari (New) Padghe (PG) 765 kV D/c line at Boisar II (GIS) and LILO of Babhaleswar - Padghe (M) 400 kV D/c line at Boisar II (Sec- 1), South Olpad (GIS) - Boisar II (GIS) 765kV D/c line, Boisar II (Sec-II) - Velgaon (MH) 400 kV D/c line, ±200 MVAR STATCOM with 2x125 MVAR MSC, 1x125 MVAR MSR each at 400 kV bus section-I & II of Boisar-ll (GIS) and ± 300 MVAR STATCOM with 3x125 MVAR MSC, 1x125 MVAR MSR at 400 kV level of Navsari (New) (PG) S/s. The transmission scheme alongwith other Ph-IV schemes will facilitate integration of additional 7 GW REZ in Khavda area (beyond 15 GW) under Ph-IV. The detailed scope of the transmission scheme is enclosed at ***Annexure-I****.*

ii) The subject transmission scheme was discussed and agreed upon in the joint study meeting held amongst CEA, CTUIL and GRID-India on 20/04/2023 & 09/05/2023. Extracts of the minutes of the meeting is enclosed at ***Annexure-II.***

iii) The subject transmission scheme was agreed upon in the 19th Consultation meeting for Evolving Transmission Schemes in WR (CMETS-WR) meeting held on 30/05/2023 respectively. Extract of the minutes of the WRPC(TP) meeting is enclosed at ***Annexure- III.***

iv) The subject transmission system was discussed in the 47th WRPC meetings held on 15/06/2023. Extracts of the minutes of the WRPC meeting is enclosed at ***Annexure-IV****.*

v) The subject transmission system was discussed and agreed upon in the 14th NCT meeting held on 09/06/2023. The extract of the minutes of the NCT meeting is enclosed at ***Annexure-V.***

vi) The Government of India, Ministry of Power, vide Gazette notification dated 04/09/2023 had appointed REC Power Development and Consultancy Ltd. (RPDCL) as the Bid Process Coordinator (BPC) for the purpose of selection of Bidder as Transmission Service Provider (TSP) to establish the subject ISTS through Tariff Based Competitive Bidding (TBCB) process on build, own operate & transfer basis. Copy of Gazette notification is enclosed at ***Annexure-VI.***

4. Pursuant to the process of competitive bidding conducted by the BPC, ***Sterlite Grid 38 Ltd. (SGL 38)*** *emerged as the successful bidder. Thereafter, the BPC issued a Letter of Intent in favour of* ***SGL 38*** *on 19/08/2024. Subsequently,* ***SGL 38*** *acquired* ***Khavda IV C Power***

***Transmission Ltd**. on 30/08/2024, after execution of the Share Purchase Agreement (SPA) and completing all procedural requirements specified in the bid documents. The scheduled COD for the proposed ISTS scheme is 24 months from the date of SPV acquisition, i.e. by 30/08/2026.*

*5. In line with Section 15(4) of the Electricity Act, 2003 and Regulation 5(9) of Transmission License Regulations, 2024, based on details furnished by **M/s Khavda IV C Power Transmission Ltd**., CTU recommends the grant of transmission license to **M/s Khavda IV C Power Transmission Ltd**. for executing the transmission scheme as mentioned in Para-1 above.*

20. 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 extension provided by the BPC, the selected bidder completed all the activities, including the acquisition of the SPV on 30.8.2024 and furnishing the Contract Performance Guarantee in favour of Nodal Agency (CTUIL) for an amount of Rs. 112.75 crores. 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 Khavda IV C Power Transmission Ltd, acquired the SPV on 30.8.2024. Accordingly, the TSP has filed the instant Petition through e-filing for the grant of transmission licence on 6.9.2024.

21. Considering the material on record, we are prima-facie of the view that the Petitioner satisfies the conditions for the grant of 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 in two daily digital newspapers and on the Commission`s website under clause (a) of sub-section (5) of Section 15 of the Act be published to invite suggestions or objections to the grant of transmission licence aforesaid. The objections or suggestions, if any, be filed by any person before the Commission by **22.12.2024.**

22. 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.

23. 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 designing, constructing, erecting, testing, and commissioning 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. It is expected that while carrying out the survey, the Petitioner

has complied with the provisions of clause 2.5.7.3, clause 2.5.7.4 and clause 2.5.7.5 of the RfP. The Petitioner will comply with the provisions of the bidding documents and the TSA for the commissioning of the Project within the SCOD.

24. The Petition shall be listed for the hearing on **26.12.2024.**

Sd/-	sd/-	sd/-
(Harish Dudani)	**(Ramesh Babu V.)**	**(Jishnu Barua)**
Member	**Member**	**Chairperson**