

**CENTRAL ELECTRICITY REGULATORY COMMISSION  
NEW DELHI**

**Petition No. 50/TL/2024**

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

**Date of Order: 21<sup>st</sup> March, 2024**

**In the matter of**

Application under Sections 14 & 15 of the Electricity Act, 2003 read with Central Electricity Regulatory Commission (Procedure, Terms and Conditions for the grant of Transmission License and other related matters) Regulations, 2009 with respect to Transmission Licence to Vataman Transmission Limited.

**And**

**In the matter of**

**Vataman Transmission Limited,**  
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. Chief Operating Officer,**  
Central Transmission Utility of India Limited,  
Saudamini, Plot no.2, Sector -29,  
Gurgaon-122001, Haryana
- 2. General Manager,**  
PFC Consulting Limited 9th Floor,  
A-Wing, Statesman House Connaught Place,  
New Delhi- 110001
- 3. General Manager,**  
Adani Renewable Energy Holding Four Limited,  
4th Floor, South Wing, Adani Corporate House,  
Shantigram, SG Highway, Ahmedabad, Gujarat
- 4. Adani Green Energy Limited,**  
4th Floor, South Wing, Adani Corporate House,

Shantigram, SG Highway,  
Ahmedabad, Gujarat

**5. Head Project and Execution,**

Sarjan Realities Private Limited,  
5th floor, Godrej Millenium,9, Koregaon Park,  
Vasani Nagar Koregaon Park, Pune

**6. Dy. General Manager,**

NTPC Renewable Energy Limited,  
Plot-A-8A, NTPC Ltd, Engineering Office Complex,  
Sector-24, Noida-201301, Uttar Pradesh

**7. Superintending Engineer [RE-2],**

Gujarat State Electricity Corporation Limited,  
Vidyut Bhavan, Race Course,  
Vadodara-390007, Gujarat

**8. General Manager,**

NHPC Limited,  
NHPC Office Complex, RE Division,  
Sector 33 Faridabad, Haryana

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

Goa Electricity Dept Curti,  
Ponda-403401

**10. Goa Electricity Department-WR,**

The Tata power company limited,  
Corporate Centre, 34 Sant Takaram Road,  
Carnac Bunder,  
Mumbai-400009

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

Sardar Patel Vidyut Bhavan,  
Race Course, Vadodara-390007

**12. Heavy Water Board,**

O Floor, Vikram Sarabhai Bhawan,  
Trombay, Anushaktinagar,  
Mumbail- 400094, Maharashtra

**13. HVDC Bhadrawati, PGCIL,**

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

**14. HVDC Vindhyachal, PGCIL,**

PGCIL RHQ, WR-I, Sampriti Nagar, , Off  
National Highway No. 8, Taluka: Kamrej,

PO: Uppalwadi, Nagpur- 440026, Maharashtra

**15. M.P. Power Management Company Limited,**  
14, Shakti Bhawan, Rampur,  
Jabalpur – 482008

**16. MSEDCL,**  
Plot No 9, "prakashgad", A K Marg,  
Bandra East, Mumbai-400051

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

**18. Torrent Power Limited,**  
Torrent Power Ltd. Naranpura Zonal Office,  
Sola Road, Ahmedabad-380 013

**19. West Bengal State Electricity Distribution Company Limited,**  
6th Floor Vidyut Bhawan, Karunamoyee,  
Salt Lake, Kolkata-700 091,  
West Bengal.

**20. Thermal Powertech Corporation India Limited,**  
6-3-1090, Clock C, Level 2, TSR ,  
Towers, Rajbhavan Road, Somajiguda ,  
Hyderabad- 500082, Telangana

**21. Bhabha Atomic Research Centre,**  
Anushakti Nagar, Mumbai,  
Maharashtra- 400085

**22. GMR Warora Energy Limited,**  
Plot B-1, GMR Warora Energy Ltd,  
Mohabala MIDC Growth Centre,  
Post-Warora, District Chandrapur-442 907,  
Maharashtra

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

**24. West Central Railway Head Office,**  
General Manager's Office, Electrical Branch,  
Jabalpur– 482 001

**25. Western Railway,**  
Office of Chief Electrical Engineer,  
Mumbai

- 26. East Central Railway,**  
CEDE, Office of Chief Electrical Engineer,  
ECR, Zonal Head Quarter,  
Dighikala-844101, Bihar
- 27. DB Power Limited- Untied,**  
Opp Dena Bank, C-31, G- Block,  
Mumbai
- 28. Chhattisgarh State Power Trading Company Limited,**  
2nd Floor, Vidyut Sewa Bhawan,  
Raipur
- 29. TRN Energy Private Ltd-Untied,**  
7th Floor, Ambience Office Block,  
Gurugram
- 30. Adani Power (Mundra) Limited,**  
Adani Corporate House, Shantigram,  
Near Vaishnavdevi Circle, S G Road,  
Ahmedabad- 382421
- 31. Raigarh HVDC Station,**  
RPT HVDC Office, Hebbal,  
Bangalore – 560094
- 32. Arcelor Mittal Nippon Steel India Limited,**  
27, AMNS House, 2th KM Surat Hazira Road,  
Hazira-394270, Gujarat
- 33. Central Railway,**  
Pcee's office, 2nd Floor, Parcle Building,  
CSMT, Mumbai-400001
- 34. Dadra and Nagar Haveli and Daman & Power Distribution Corporation Limited,** 1st & 2nd Floor,  
Vidyut Bhavan, NexSilvassa & Daman
- 35. MPSEZ Utilities Limited,**  
3rd Floor, Adani Corporate House,  
Ahmedabad
- ....Respondents

**Parties present:**

Shri Mani Kumar, V2L123  
Shri Rohit Jain, V2L123  
Shri Siddharth Sharma, CTUIL

## ORDER

The Petitioner, Vataman Transmission Limited, 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, 2009 (hereinafter referred to as “Transmission Licence Regulations”) to establish the “Transmission System for Evacuation of Additional 7GW RE Power from Khavda RE Park under Phase-III Part B” on a Build, Own, Operate and Transfer (BOOT) basis (hereinafter referred to as “the Project”) consisting of the following elements:

Sr. No	Name of the Transmission Element	Scheduled COD
1.	<p>Establishment of 765 kV switching station near Vataman with 2x330MVAR, 765 kV bus reactor</p> <ul style="list-style-type: none"><li>• 330 MVAR 765 kV bus reactor-2 (7x110 MVAR single phase reactor units including 1 spare unit for line/bus reactor)</li><li>• 765 kV bus reactor bays- 2</li><li>• 765 kV line bays- 8 (for lines at Sl. 2, 5 &amp; 7)</li></ul> <p>Future Scope:</p> <p>Space for</p> <ul style="list-style-type: none"><li>• 765/400kV ICT along with bays- 6 Nos.</li><li>• 765 kV line bays along with switchable line reactors – 6 Nos</li><li>• 765kV Bus Reactor along with bay: 2 Nos.</li><li>• 765kV Sectionalizer bay: 1 -set</li><li>• 400 kV line bays along with switchable line reactor- 12 Nos.</li><li>• 400/220kV ICT along with bays -8 Nos.</li><li>• 400 kV Bus Reactor along with bay: 2 Nos.</li><li>• 400kV Sectionalization bay: 1- set</li><li>• 220 kV line bays: 16 Nos.</li><li>• 220kV Sectionalization bay: 2 sets</li><li>• 220kV BC and TBC: 3 Nos.</li><li>• STATCOM (<math>\pm 300</math> MVAR) along with MSC (2x125</li></ul>	24 months from the date of SPV acquisition

	MVAr) & MSR (1x125 MVAr) alongwith associated bays: 1 No.
2.	Halvad – Vataman 765 kV D/c line
3.	1x330 MVAr switchable line reactor on each ckt. at Vataman end of Halvad – Vataman 765 kV D/c line. <ul style="list-style-type: none"> <li>• 330 MVAr, 765 kV switchable line reactor- 2 Nos. (6 x 110 MVAr single phase reactor unit) [110 MVAr single phase spare bus reactor unit to be used as spare for line reactor]</li> <li>• Switching equipment for 765 kV line reactors- 2</li> </ul>
4.	2 nos. of 765 kV line bays at Halvad end for termination of Halvad – Vataman 765 kV D/c line <ul style="list-style-type: none"> <li>• 765 kV line bays– 2 Nos. (for Halvad end)</li> </ul>
5.	LILO of Lakadia – Vadodara 765 kV D/c line at Vataman 765 kV switching station
6.	240 MVAr 765 kV switchable line reactor on each ckt at Vataman end of Lakadia – Vataman 765 kV D/c line with NGR bypassing arrangement <ul style="list-style-type: none"> <li>• 240 MVAr, 765 kV switchable line reactor- 2 (7x 80 MVAr single phase reactor unit including 1 spare unit)</li> <li>• Switching equipment for 765 kV line reactors- 2</li> </ul>
7.	Vataman switching station- Navsari (New)(GIS) 765 kV D/c line
8.	330 MVAr switchable line reactors on each ckt at Navsari (New) (GIS) end of Vataman switching station – Navsari (New) (GIS) 765 kV D/c line <ul style="list-style-type: none"> <li>• 330 MVAr, 765 kV switchable line reactor- 2 Nos. (6x 110 MVAr single phase reactor unit) [110 MVAr spare reactor unit at Navsari being implemented by PGCIL, would be used as spare]</li> <li>• Switching equipments for 765 kV line reactor- 2</li> </ul>
9.	2 Nos. of 765 kV GIS line bays at Navsari (New) for termination of Vataman switching station – Navsari (New)(GIS) 765 kV D/c line <ul style="list-style-type: none"> <li>• 765 kV line bays (GIS)-2 Nos. (2 Nos. for Navsari (New) end)</li> </ul>

Note:

*(I) Developer of Halvad S/s shall provide space for implementation of 2 Nos. of 765 kV line bays for termination of Halvad – Vataman 765 kV D/c line*

*(II) Developer of Navsari (New)(GIS) S/s shall provide space for implementation of 2 Nos. of 765 kV line bays alongwith switchable line reactors for termination of Vataman switching station – Navsari (New)(GIS) 765 kV D/c line. Also, developer of Navsari (New)(GIS) S/s to allow the use of 110 MVAr single phase spare reactor unit for 330MVAr SLR on each ckt at Navsari (New) (GIS) end of Vataman switching station–Navsari (New) (GIS) 765 kV D/c line.*

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

*(IV) Logic for Inter-tripping scheme for tripping of the switchable line reactor alongwith main line breaker at Lakadia and Vadodara end after LILO of Lakadia – Vadodara 765 kV D/c line at Vataman 765 kV switching stations shall be enabled by the existing owner of the line (i.e. M/s LVTPL) after LILO of Lakadia-Vadodara 765 kV D/c line at Vataman 765 kV switching station.”*

2. The Petitioner has made the following prayers:

“(a) *Grant Transmission License to the Applicant;*

*(b) Allow the sharing and recovery of Transmission Charges for Inter-State Transmission System for “Transmission System for Evacuation of Additional 7GW RE Power from Khavda RE Park under Phase-III Part B” as per Sharing of Inter-state Transmission Charges and Losses CERC Regulations 2020 and any other amendment thereon issued from time to time by CERC; and*

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

### **Hearing dated 6.3.2024**

3. During the course of the hearing on 6.3.2024, the representative of the Petitioner submitted that the Petitioner has already served the copy of the Petition on the Bid Process Coordinator (BPC) and the Central Transmission Utility of India Limited (CTUIL) and has complied with all the requirements under the Transmission Licence Regulations including publishing of notice on its website inviting suggestions/objections on its application for the grant of a transmission licence. However, no suggestion /objection has been received. The representative of the Petitioner further submitted that pursuant to being declared as a successful bidder in a tariff based competitive bidding process, Power Grid Corporation of India Limited (PGCIL) acquired the Petitioner company on 26.12.2023. He further stated that the Petitioner is in the process of changing the name of the company and will place the relevant details by way of an additional affidavit pursuant to such change. The

representative of the Petitioner submitted that there had been a delay of 8 days due to a delay in reflecting the filing fees status and urged the Commission to condone the same.

4. The representative of the CTUIL submitted that CTUIL has issued its recommendations for the grant of a transmission licence to the Petitioner company. He further submitted that there is no mismatch in the present case.

5. Vide Record of Proceedings for the hearing dated 6.3.2024, respondents were directed to file their replies. However, no reply has been received from them.

6. 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-15042023-245170 dated 13.4.2023 as the Bid Process Coordinator (BPC) for the purpose of selection of the bidder as Transmission Service Provider (TSP) to establish the Inter-State Transmission System for the “Transmission System for Evacuation of Additional 7GW RE Power from Khavda RE Park under Phase-III Part B”, through tariff based competitive bidding process on BOOT basis.

7. PFCCL, in its capacity as the BPC, initiated the bid process on 16.6.2023 and completed the same on 26.12.2023 in accordance with the provisions of the Guidelines. Power Grid Corporation of India Limited was selected as the successful bidder having quoted the lowest transmission charges of Rs. 4018.15 million per



annum to provide the transmission services to the transmission system's beneficiaries.

8. As per the BPC, RfP was issued on 16.6.2023. At the RfP (Technical and Financial) stage, three bidders, namely, (i) Power Grid Corporation of India Limited, (ii) Sterlite Grid 23 Limited, and (iii) Adani Energy Solutions Limited (Formerly known as Adani Transmission 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 7.11.2023 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 four bidders were opened on 28.11.2023. The lowest Initial Price Offer discovered (Best Deal) at the MSTC portal was Rs. 4600.00 million per annum. The details of the quoted transmission charges by the 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>
<b>1.</b>	Power Grid Corporation of India Limited	4,600.00	L-1
<b>2.</b>	Sterlite Grid 23 Limited	5,489.80	L-2
<b>3.</b>	Adani Energy Solutions Limited (Formerly known as Adani Transmission Limited)	5,577.51	L-3

9. 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 e-reverse auction stage, in the ascending order of the initial offer, is as under:

Sr. No.	Name of the Bidder	Quoted Transmission Charges from the Initial Offer (in Rs. Million)	Rank
1.	Power Grid Corporation of India Limited	4,600.00	L-1
2.	Sterlite Grid 23 Limited	5,489.80	L-2
3.	Adani Energy Solutions Limited (Formerly known as Adani Transmission Limited)	5,577.51	L-3

10. E-reverse auction of all three qualified bidders was carried out at the MSTC portal on 29.11.2023, and the following transmission charges for the bidders (in ascending order) 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.	Power Grid Corporation of India Limited	4,600.00	4,018.15	L-1
2.	Adani Energy Solutions Limited (Formerly known as Adani Transmission Limited)	5,577.51	4,028.23	L-2
3.	Sterlite Grid 23 Limited	5,489.80	5,489.80 (not participated in e-RA)	L-3

11. As per the Bid Evaluation Report dated 30.11.2023, Power Grid Corporation of India Limited emerged as the successful bidder with the lowest quoted transmission charges of Rs. 4018.15 million per annum. BEC, vide its certificate dated 30.11.2023, has certified that the entire bid process was 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 are acceptable.

12. Consequent to its selection as the lowest bidder, a Letter of Intent (LoI) was issued to Power Grid Corporation of India Limited by the BPC on 4.12.2023 which was accepted by Power Grid Corporation of India 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;

(b) Execute the Share Purchase Agreement and the Transmission Service Agreement;

(c) Acquire, for the acquisition price, 100% share equity shareholding of Vataman Transmission Limited from PFCCCL along with all its related assets and liabilities;

(d) Make an application to this Commission for the adoption of the transmission charges, as required under Section 63 of the Act; and

(e) Apply to this Commission for the grant of a transmission licence;

13. The Petitioner has furnished the Contract Performance Guarantee (CPG) in favour of the Nodal Agency, i.e. CTUIL, for an aggregate value of Rs. 76 crore on 26.12.2023 and has acquired a hundred per cent equity holding in Vataman Transmission Limited on 26.12.2023. The Petitioner entered into a Transmission Service Agreement (TSA) with CTUIL on 26.12.2023.

14. 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”*

15. 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 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 a competent authority in the Ministry of Power/ CEA. Ministry of Power, vide its letter No. 25-17/25/2023-PG dated 6.12.2023, had issued prior approval to the Project under Section 68 of the Act. Selection of the Project developer, Vataman

Transmission Limited, has certified to have been made in accordance with the Guidelines.

16. Regulation 7 of the Transmission Licence Regulations read with the order dated 22.1.2022 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 a 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."

17. The Petitioner has approached the Commission with a separate application for the adoption of the 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. The Petitioner has submitted proof of service of the copies of the application on the BPC and CTUIL 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 Vataman Transmission Limited with respect to the transmission system as per the details given in paragraph 1 above.

18. 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 the copy of the Application on the beneficiaries of the transmission project. The transmission charges quoted by the Petitioner, which have been recommended by the Bid Evaluation Committee for acceptance, is Rs. 4,018.15 million per annum. The Petitioner has enclosed copies of the recommendations of the Bid Evaluation Committee.

19. 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 Hindi (Vernacular) language. No objection has been received from the general public in response to the notices.

20. 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

19.1.2024, has recommended the grant of a transmission licence to the Petitioner.

The relevant portions of the said letter dated 19.1.2024 are extracted as under:

*“This has reference to the Petition (Diary)No.27/2024 dated 10.01.2024 filled by **M/s. Vataman Transmission Ltd. (VTL)** before Hon’ble Commission vide which **M/s. VTL** 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. Vataman Transmission Ltd. (VTL) has filed an application/petition under Section 14 & 15 of the Electricity Act, 2003 read with CERC (Procedure, Terms and Conditions for Grant of Transmission License and other related matters) Regulations, 2009 for grant of transmission license for **“Transmission System for Evacuation of Additional 7GW RE Power from Khavda RE Park under Phase-III-Part B”** 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 7(6) of the Transmission Licence Regulations, 2009, a copy of the application for the grant of transmission license, for the above transmission system has been received on 10.01.2024 for recommendation required u/s 15(4) of the Electricity Act, 2003 and Regulation 7(11) of the Transmission License Regulations, 2009.*

3. *In reference the Transmission Scheme for **“Transmission System for Evacuation of Additional 7GW RE Power from Khavda RE Park under Phase-III-Part B”**, 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 8GW power from Khavda RE Park is already under implementation in 2 phases.*

*For evacuation of additional 7GW from Khavda area (beyond 8GW), KPS2-Halvad-Vataman-Navsari (New) 765 kV D/C line corridor has been approved. The new 765kV switching station at Halvad is proposed through LILO of Lakadia-Ahmedabad 765 kV D/C line at Halvad. Similarly, the new 765 kV switching station at Vataman is proposed through LILO of Lakadia – Vadodara 765kV D/c line at Vataman.*

*The subject scheme (under Part B) included establishment of a new 765kV Vataman switching Station along with Halvad- Vataman 765 kV D/C line, LILO of Lakadia – Vadodara 765kV D/C line at Vataman and Vataman-Navsari (New) (GIS) 765kV D/c line. The detailed scope of the transmission scheme is enclosed at **Annexure-I**.*



ii) The transmission scheme was agreed upon in the 3rd WRPC (TP) meeting held on 14.06.2021 respectively. Extract of the minutes of the WRPC (TP) meeting is enclosed at **Annexure-II**.

iii) The transmission system was discussed in the 45th WRPC meetings held on 02.12.2022. Extract of the minutes of the WRPC meeting is enclosed at **Annexure-III**.

iv) The transmission system discussed and agreed upon in the 11th NCT meeting held on 28.12.2022 & 17.01.2023. Extract of the minutes of the NCT meeting is enclosed at **Annexure-IV**.

v) The Government of India, Ministry of Power, vide Gazette notification dated 13.04.2023 had appointed PFC Consulting Ltd. (PFCCL) 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-V**.

4. Pursuant to the process of competitive bidding conducted by the BPC, Power Grid Corporation of India Ltd. emerged as the successful bidder. Thereafter, the BPC issued a Letter of Intent in favour of Power Grid Corporation of India Ltd. on 04.12.2023. Subsequently, Power Grid Corporation of India Ltd. acquired **Vataman Transmission Ltd. (VTL)** on 26.12.2023, after execution of the Share Purchase Agreement (SPA) and completing all procedural requirements specified in the RFP documents. The scheduled COD for the proposed ISTS scheme is 24 months from the date of SPV acquisition.

5. In line with Section 15(4) of the Electricity Act, 2002 and Regulation 7(11) of Transmission License Regulations, 2009, based on details furnished by **M/s. Vataman Transmission Ltd.**, CTU recommends the grant of transmission license to **M/s. Vataman Transmission Ltd.** for executing the transmission scheme as mentioned in Para -1 above.”

21. 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 14.12.2023. Though Lol was issued on 4.12.2023, BPC, vide its letter dated 26.12.2023 in terms of proviso to Clause 2.15.2 of RfP has extended

the date up to 26.12.2023 for completion of the activities by the successful bidder. The selected bidder furnished the Contract Performance Guarantee in favour of the Nodal Agency (CTUIL) for an amount of Rs. 76 crore on 26.12.2023 and acquired a hundred per cent equity-holding in the applicant company on 26.12.2023 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 Power Grid Corporation of India Limited, acquired the SPV on 26.12.2023. Accordingly, the TSP has filed the instant Petition through e-filing for the grant of a transmission license on 10.1.2024. There is a delay of eight days in filing the petition. In this regard, the petitioner during the hearing dated 6.3.2024 has submitted that it had paid the transmission license fees on 2.1.2024. However, the application could be filed online on 10.1.2024 due to the issue of reflection of payment in the e-filing portal. The representative of the Petitioner submitted that there had been a delay of 8 days due to a delay in reflecting the filing fees status and urged the Commission to condone the same. Since the Petitioner could not file the application due to procedural laps, the same is condoned.

22. 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 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 the grant of a transmission licence aforesaid. The objections or suggestions, if any, be filed by any person before the Commission by **4.4.2024**.

23. 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 bidding documents and TSA for the commissioning of the Project within the SCOD.

24. 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 over run 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.

25. 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, including Article 16.4, Article 5.1.1 and Article 5.4 of the TSA.

26. The Petition shall be listed for hearing on **10.4.2024**.

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

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

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