

**CENTRAL ELECTRICITY REGULATORY COMMISSION
NEW DELHI**

Petition No. 253/AT/2025

Coram:

Shri Jishnu Barua, Chairperson

Shri Ramesh Babu V., Member

Shri Harish Dudani, Member

Shri Ravinder Singh Dhillon, Member

Date of Order: 26th May, 2025

In the matter of

Application under Section 63 of the Electricity Act, 2003 for the adoption of Transmission Charges with respect to the Transmission System being established by Rajasthan Part I Power Transmission Limited.

And

In the matter of

Rajasthan Part I Power Transmission Limited,
C-105, Anand Niketan,
New Delhi-110021.

...Petitioner

Versus

1. Central Transmission Utility of India Limited,
Saudamini, Plot No.2, Sector-29,
Gurgaon-122001.

2. REC Power Development and Consultancy Limited,
Core-4, Scope Complex,
7, Lodhi Road, Central Delhi-110003.

3. Power Grid Corporation of India Limited,
Saudamini, Plot No.2, Sector 29,
Gurgaon-122001, Haryana.

4. Chandigarh Electricity Department,
UT-Chandigarh, Div-11, Opposite, Transport Nagar,
Industrial Area Phase-I, Chandigarh.

5. BSES Rajdhani Power Limited,
2nd Floor, B-Block, BSES Bhavan,
Nehru Place, New Delhi-110019.

6. BSES Yamuna Power Limited,
Shakti Kiran Building,
Karkardooma, Delhi-110032.

7. New Delhi Municipal Council,
AAO (Commercial), 19th Floor, NDMC,
Palika Kendra, Sansad Marg,
New Delhi-110001.

8. Delhi Transco Limited,
I.P. Estate, ITO,
New Delhi-110002.

9. Haryana Power Purchase Centre,
UHBVN, IP 3 & 4, 4th Floor, Sector 14,
Panchkula-134113, Haryana.

10. Jammu And Kashmir State Power Development Corporation Limited,
Exhibition Ground, Opposite J&K High Court,
Srinagar-190009, Jammu and Kashmir.

11. Himachal Pradesh State Electricity Board Limited,
Vidyut Bhawan, Shimla-171004, Himachal Pradesh.

12. Punjab State Power Corporation limited,
Shed T-1A, shakti vihar, PSPCL,
Patiala-147001, Punjab.

13. Rajasthan Urja Vikas Nigam Limited,
Vidyut Bhawan, Janpath Jyoti Nagar,
Jaipur-302005, Rajasthan.

14. Tata Power Delhi Distribution Limited,
NDPL House, Hudson Lines,
Kingsway Camp, Delhi-110009.

15. Uttarakhand Power Corporation Limited,
V.C.V. Gabar Singh Urja Bhawan,
Kanwali Road, Dehradun-248001, Uttarakhand.

16. Uttar Pradesh Power Corporation Limited,
10th Floor Shakti Bhawan Extn.,
14 Ashok Marg, Lucknow-226001, Uttar Pradesh.

17. Bhadla III Transmission Limited,
B-9, Qutab Institutional Area,
Katwaria Sarai, New Delhi-110016.

...Respondents

Parties present:

Shri Prashant Kumar, RPTL
Shri Shashank Singh, RECPDCL
Shri Ranjeet S. Rajput, CTUIL

ORDER

The Petitioner, Rajasthan Part I Power Transmission Limited (hereinafter referred to as “the Petitioner”), has filed the present Petition under Section 63 of the Electricity Act, 2003 (hereinafter referred to as “the Act”) for the adoption of transmission charges to establish the “Transmission System For Evacuation of Power From REZ In Rajasthan (20 GW) Under Phase-III Part I” on a Build, Own, Operate and Transfer basis (hereinafter referred to as “the Project”). The Petitioner has made the following prayers:

“(1) Adopt Transmission Charges for the Project discovered through competitive bidding process.

(2) Allow the Transmission Charges of “Transmission System For Evacuation Of Power From REZ In Rajasthan (20 GW) Under Phase-III Part I” to be part of POC pool under CERC (Sharing of Inter-state Transmission Charges and Losses Regulations) Regulation, 2020 and its amendment thereof issued from time to time by Hon’ble Commission.

(3) 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.

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

2. On receipt of the present Petition, the Bid Process Coordinator (hereinafter referred to as “BPC”), REC Power Development and Consultancy Limited (hereinafter referred to as “RECPDCL”), vide letter dated 19.2.2025, was directed to submit the relevant documents regarding the complete process of competitive bidding. The necessary details have been filed by the BPC vide affidavit dated 28.2.2025.

Hearing dated 13.3.2025 and 30.4.2025

3. The matter was admitted, and notices were issued to the Respondents to file their respective replies and rejoinders. However, no reply has been received from any of the Respondents. Further, vide Record of Proceedings for the hearing dated

13.3.2025, the BPC was directed to file an affidavit, furnishing details of the revision and increase in the estimated cost of the scheme by more than ₹5,500 crores, along with supporting documents.

4. The BPC, in compliance with the RoP dated 13.3.2025, vide its affidavit dated 28.3.2025, has submitted that in the Cost Committee Meeting held on 24.10.2024, the cost estimate of the project was revised from Rs 17,088.98 crores to Rs. 22,676.31 crores by the Cost Committee on account of the following:

(a) The earlier cost estimate was carried out based on the indicative cost matrix data of March 2023 (the latest available at that time) as provided by the Central Transmission Utility of India Limited (hereinafter referred to as "CTUIL"). As the cost matrix data of March 2024 is available now, it was decided to consider the same for cost estimation.

(b) Considering the one-and-a-half breaker scheme at the 400kV level, 4/3rd of the 400kV bay cost (₹ 9.70 crore) has been taken to calculate the cost of 1 set of 400kV Bus sectionaliser (4/3rd of ₹ 9.70 crores ₹ 13 crores).

(c) UPPTCL vide letter dated 3.9.2024 provided the unit cost for 4x500 MVA ICTs and 110 MVAR Bus Reactor as under:

- 765/400 KV, 4X500 MVA single phase ICTs: ₹ 71.02 Cr. (excluding of GST).
- 110 MVAR Single phase, Bus Reactor: ₹ 9.62 Cr. (excluding of GST).

Hence, to calculate the unit cost of 1500 MVA ICT, 3/4th of the cost provided by UPPTCL for 4x500 MVA single-phase ICTs has been considered, while estimating the cost of 765/400 KV, 1500 MVA ICTs at Fatehpur. The unit cost of 110 MVAR Bus Reactor has been considered as provided by UPPTCL.

(d) For estimating the cost of ±800 kV Bhadla (HVDC) [LCC] terminal station, the value of land was considered at the 200% of the circle rate as per the Govt. of Rajasthan notification dated 14.6.2016, for the land at a distance of more than 30 km from the city boundary.

(e) With regard to HVDC terminal stations, the Ministry of Power (MoP) vide letter dated 5.4.2023 waived off the requirement of Minimum Local Content (MLC) of 60% for the subject project. It was also indicated in the approval that necessary efforts should be taken by the bidders to increase the Minimum Local Content.

(f) In case of similar HVDC project in Khavda region, MoP vide letter dated 2.7.2024 accorded approval for MLC requirement of 25% for HVDC stations. The Committee, after deliberations, decided to consider the Minimum Local Content (MLC) of 25% for captioned project as well, with inflation rate of 6% per annum on MLC for estimating the cost of each HVDC terminal station. Further, for imported items, it was decided to consider cumulative inflation rate @27.76% based on the inflation rate of Europe for last 7 years (i.e., from year 2017 till 2024).

(g) It was deliberated that HVDC projects have longer gestation periods, and in the present HVDC project, the gestation period is 48 months for Bipole-1 and 54 months for Bipole-2. During this long period, there may be price variation. Further, the risk associated with the project increases if the gestation period is longer. Therefore, it becomes pertinent that the completion factor should be taken into account on the total cost of the Project. In view of it, the committee decided to consider a completion factor of 1.17, which is the highest available in the CTUIL cost matrix, March 2024, for the project with a completion period of 42 months.

(h) The Right of Way (RoW) compensation for the transmission lines indicated in cost matrix data of March 2024 is based on the MoP guidelines dated 15.10.2015 (85% land value for Tower Footing and 15% of land value for the line corridor). However, the Ministry of Power have issued revised guidelines on 14.6.2024, prescribing RoW compensation @ 200% land value for Tower Footing and 30% of land value for the line corridor. Accordingly, in order to align with the latest guidelines issued by the MoP, it was decided to calculate RoW compensation considering two times of RoW compensation rate indicated in the cost matrix.

5. During the course of the hearing, the representative of the Petitioner submitted that BPC has already complied with the directions issued vide Record of Proceedings dated 13.3.2025, and he prayed to adopt the transmission charges.

Analysis and Decision

6. We have considered the submissions of the Petitioner and BPC and perused the documents available on record. Section 63 of the Act provides as under:

“Section 63: Determination of tariff by bidding process: Notwithstanding anything contained in section 62, the Appropriate Commission shall adopt the tariff if such tariff has been determined through transparent process of bidding in accordance with the guidelines issued by the Central Government.”

7. The Ministry of Power, Government of India has notified the “Tariff based Competitive bidding Guidelines for Transmission Service” and “Guidelines for Encouraging Competition in Development of Transmission Projects” (hereinafter referred to as “the Guidelines”) under Section 63 of the Act vide Resolution No. 15/1/2017-Trans dated 10.8.2021, as amended from time to time. The salient features of the Guidelines are as under:

(a) The Guidelines are applicable for the procurement of transmission services for transmission of electricity through tariff based competitive bidding for selection of the Transmission Service Provider (TSP) for new transmission system on a Build, Own, Operate and Transfer basis.

(b) For procurement of the transmission services required for any inter-State transmission Project, the Central Government shall notify the CTUIL or any Central Government Organization/ Central Public Sector Undertaking or its

wholly owned subsidiary (Special Purpose Vehicle) to be the Bid Process Coordinator who would be responsible for the coordinating the bid process.

(c) The BPC shall prepare the bid documents in accordance with the Guidelines and obtain approval of the Appropriate Government, or alternatively, the BPC can use the Standard Bid Documents notified by the Ministry of Power. Any material deviation from the Standard Bidding Documents shall be made only with the prior approval of the Appropriate Government. Intimation about initiation of the bidding process shall be sent by the BPC to the Appropriate Commission.

(d) For the procurement of the transmission services under the Guidelines, BPC shall adopt a single stage two envelope tender process featuring Request for Proposal (hereinafter referred to as "RfP"). The entire bidding process shall be conducted online through electronic medium under e-reverse bidding framework.

(e) The RfP notice should be published in at least two national newspapers, website of the BPC, and preferably in trade magazines also, so as to accord it wide publicity. The bidding shall necessarily be by way of the International Competitive Bidding (ICB). For the purpose of issue of RfP, minimum conditions to be met by the bidder shall be specified in the RfP.

(f) Standard documentation to be provided in the RfP shall include definitions of requirements including brief description of the Project, commissioning milestones to be achieved by the bidders, qualification requirements to be met by the bidders including, minimum net worth, etc. with necessary proof of the same, as outlined in the bid documents, Specified target dates/months for commissioning and commercial operations, Standard

Transmission Service Agreement (TSA), agreement(s) under the Central Electricity Regulatory Commission (Sharing of Inter State Transmission Charges and Losses) Regulations as amended from time to time, period of validity of offer of bidder, TSA proposed to be entered with the SPV including amendments, bid evaluation methodology to be adopted by the BPC, specification regarding bid bond as well as the Contract Performance Guarantee to be furnished by the bidders, proposed indemnification agreement between the TSP and the Nodal Agency, liquidated damages that shall apply in the event of delay in start of providing the transmission services and technical, operational and safety criteria to be met by the bidder/TSP and requirement of obtaining transmission licence from the Appropriate Commission.

(g) The TSP, on the date of acquisition of the SPV from the BPC will enter into a Transmission Service Agreement with the Nodal Agency.

(h) To ensure competitiveness, the minimum number of qualified bidders shall be two. For inter-State transmission system, bids shall be opened in the office of the CEA by a bid committee comprising of at least one member from the CEA and one member from BPC. For inter-State transmission system, CEA shall constitute a committee for evaluation of the bids with at least one representative from the CEA and not less than two representatives from the concerned Regional Power Committees and one independent member. Further, in case project is inter-regional, there shall be at least one representative from every concerned RPC. The technical bids shall be examined to ensure that the bids submitted meet minimum eligibility criteria set out in the bid documents on all the technical evaluation parameters. Only the bids that meet all elements of the minimum

technical criteria set out in the bid documents shall be considered for further evaluation on the transmission charges bids. The online initial price bids shall be electronically opened by the bid opening committee in the presence of the bid evaluation committee. The bidder who has quoted the lowest transmission charge as per the evaluation procedure shall be considered for the award.

(i) BPC is required to complete e-reverse bidding after opening of the initial offer within 75 days. The Procurer may give extended time frame indicated herein based on the prevailing circumstances, and such alterations shall not be construed to be deviation from these guidelines.

(j) The TSP shall make an application for the grant of a transmission licence to the Appropriate Commission within five (5) working days from the date of execution of the Share Purchase Agreement for acquisition of the SPV.

(k) BPC shall make the final result of evaluation of all bids public. The final TSA, along with the certification by the bid evaluation committee, shall be forwarded to the Appropriate Commission for the adoption of tariff discovered from the quoted annual transmission charges during the e-reverse bidding process in terms of Section 63 of the Act.

8. Therefore, we have to examine whether the Guidelines issued by the Central Government have been followed in the present case in a transparent process of bidding.

9. The Ministry of Power, Government of India, vide its Gazette Notification No. 221 [F. No. 15/3/2018- Trans-Pt (1)] dated 13.1.2023 has notified the REC Power Development and Consultancy Limited (hereinafter referred to as "RECPDCL") as a

BPC for the purpose of selection of a bidder as the Transmission Service Provider to establish the “Transmission system for evacuation of power from REZ in Rajasthan (20 GW) under Phase-III Part I” on a Build, Own, Operate and Transfer basis through a tariff based competitive bidding process.

10. Rajasthan Part I Power Transmission Limited was incorporated on 30.4.2023 under the Companies Act, 2013 as a wholly owned subsidiary of RECPDCL with the objective to establish the inter-State Transmission System to establish the Inter-State transmission system for the “Transmission system for evacuation of power from REZ in Rajasthan (20 GW) under Phase-III Part I” and to act as the Transmission Service Provider after being acquired by the successful bidder. The main objectives of the Petitioner Company in its Memorandum of Association are as under:

“To develop Power System Network, 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 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”.

11. BPC prepared the bidding document (RfP) in accordance with the Standard Bid Documents issued by the Ministry of Power, Government of India.

12. BPC started the process of selection of the successful bidder with the publication of a Global Invitation for Qualification for the selection of a developer on a BOOT basis for the Project. The notice of the RfP was published in National/International newspapers on 11.07.2023 initially, wherein the following three bidders submitted their bids:

Sr. No.	Name of Bidders
1.	M/s Adani Energy Solutions Limited
2.	M/s Power Grid Corporation of India Limited
3.	Sterlite Grid 37 Limited

13. The Initial Offers of the above three bidders were opened in the office of CEA on 29.5.2024 in the presence of the BEC. The details of the quoted transmission charges (Initial Price Offer) by the bidders are given below:

Sr. No.	Name of the Bidder	Quoted Transmission Charges from the Initial Offer (in Rs. Million)	Rank
1.	Power Grid Corporation of India Limited	37,000.00	L1
2.	Sterlite Grid 37 Limited	48,850.20	L2
3.	M/s Adani Energy Solutions Limited	57,000.99	L3

14. The e-reverse auction was held on 30.5.2024 with an initial price offer of Rs 37,000 million quoted by Power Grid Corporation of India Ltd as a ceiling for quoting final price offers. However, since no bids were received during the e-reverse auction, Power Grid Corporation of India Ltd emerged as the successful bidder with the lowest annual transmission charges of Rs. 37,000 million.

15. In its seventh meeting held on 09.08.2024 to discuss acceptability of quoted tariff, BEC recommended for re-bidding of the scheme by annulling the current bidding process observing that the discovered tariff was 55.41% higher than the estimated tariff, which seemed not aligned with the prevailing market prices and that no bids were submitted during the e-Reverse Auction stage.

16. Accordingly, the RfP was re-published in National/International newspapers on 17.8.2024 with the last date of submission of response to the RfP up to 17.9.2024 (re-bidding). Intimation regarding the initiation of the bid process was given to this

Commission on 11.7.2023 (initial) and 20.8.2024 (re-bidding) in accordance with Clause 4.2 of the Guidelines dated 10.8.2021.

17. Factual Matrix of the bidding is as under:

S. No.	Events	Date
1.	Re-publication of RfP	17.8.2024,
2.	RFP (Technical) & Price Bid Submission	08.10.2024
3	RFP (Technical) Bid Opening	08.10.2024
4.	RFP (Financial) Initial Price Offer Opening	27.11.2024
5.	e-Reverse Auction	28.11.2024
6.	No. of Bidders participated in the e-Reverse Auction	None of the bidders participated in e-Reverse Auction
7.	Final Bid Evaluation Committee Meeting	2.12.2024
8.	Issuance of Lol	3.12.2024
9.	Signing of Agreements & Transfer of SPV	20.1.2025
10.	Estimated Cost of the Project	Rs.226763.10 Million

18. The scope of the Project as per the Request for Proposal and the Transmission Service Agreement is as under:

Sl. No.	Scope of the Transmission Scheme	Scheduled COD in months from Effective Date
1	<i>Establishment of 6000 MW, $\pm$800 kV Bhadla (HVDC) [LCC] terminal station (4x1500 MW) at a suitable location near Bhadla-3 substation</i> <i>400/33 kV, 2x50 MVA transformers for exclusively supplying auxiliary power to HVDC terminal.</i> <i>400 kV bus sectionaliser-2 nos. (1 Set) at Bhadla (HVDC) station</i> <i>Future provisions: Space for</i> <i>400 kV line bays along with switchable line reactor: 4 Nos.</i> <i>400 kV Bus Reactor along with bay: 1 no</i> <i>400 kV Sectionalisation bay: 1 set</i>	<i>48 months for Bipole-1 (20/01/2029) and 54 months for Bipole-2 (20/07/2029)</i>
2	<i>Establishment of 6000 MW, $\pm$800 kV Fatehpur (HVDC) [LCC] terminal station (4x1500 MW) at suitable location near Fatehpur (UP)</i>	

Sl. No.	Scope of the Transmission Scheme	Scheduled COD in months from Effective Date
3	<i>Bhadla-3 – Bhadla (HVDC) 400 kV 2xD/c quad moose line along with the line bays at both substations</i> 400 kV line bays -8 nos.	48 months (20/01/2029)
4	<i>±800 kV HVDC line (Hexa lapwing) between Bhadla (HVDC) & Fatehpur (HVDC) (with Dedicated Metallic Return)</i>	
5	<i>Establishment of 5x1500 MVA, 765/400 kV ICTs at Fatehpur (HVDC) along with 2x330 MVar (765 kV) bus reactor</i> 765/400 kV 1500 MVA ICTs: 5 nos. (16x500 MVA, including one spare unit) 765 kV ICT bays – 5 nos. 400 kV ICT bays – 5 nos. 400 kV Bus sectionaliser-2 nos. [1 Set] 765 kV line bays – 4 nos. 330MVar, 765 kV Bus Reactor -2 nos. (7x110 MVar, including one spare unit) 765 kV reactor bays- 2 nos. <i>Future provisions: Space for</i> 765/400 kV ICT along with bay: 1 no. 765 kV line bay along with switchable line reactor: 4nos. 765 kV Bus Reactor along with bays: 2 nos. 400/220 kV ICTs along with bays: 4nos. 400 kV line bays along with switchable line reactor: 4 nos. 400 kV Bus Reactor along with bay: 1 no. 220 kV line bays: 6 nos.	
6	<i>LILO of both ckts of 765 kV Varanasi – Kanpur (GIS) D/c line at Fatehpur</i>	

Note:

(i) Developer of Bhadla-III PS to provide space for 4 nos. of 400 kV bays at their substation.

(ii) HVDC terminals will be implemented with 100% power reversal capability.

19. For the purpose of evaluation of the bids, the Bid Evaluation Committee (BEC) comprising the following was constituted:

1.	Sh. Rajesh Kumar Singh, General Manager, SBI, CCGRO-II, New Delhi	Chairman of the Committee
2.	Sh. D.K. Meena, SE (Operations), NRPC, BEC	Member
3.	Sh. V.A. Kale, SE, RVPN, BEC	Member

4.	Sh. Bhanwar Singh Meena, Director (PSE&TD), CEA	Member
5.	Shri B. S. Bairwa, Chief Engineer (I/C), CEA, BEC	Member
6.	Sh. Kuldeep Rai, Chairman, SPV, BEC	Convener- Member of the Committee

20. Responses to the RfP were received from the four bidders as per details given below:

Sr. No.	Name of Bidders
1.	Adani Energy Solutions Limited
2.	Sterlite Grid 37 Limited
3.	IndiGrid 2 Limited
4.	Power Grid Corporation of India Limited

21. The RfP (Technical) bids of the bidders were opened by the Bid Opening Committee in the Central Electricity Authority on 8.10.2024 in the presence of a representative of bidders. Based on the recommendation of the Bid Evaluation Committee (BEC), the RfP (Financial) Bids-Initial Price Offer of the bidders were opened on 27.11.2024. Lowest Initial Price Offer discovered (Best Deal) at the MSTC portal was Rs. 35,570.00 million with the following rank of the bidders, for participation in the e-reverse auction:

Sr. No.	Name of the Bidder	Quoted Transmission Charges from the Initial Offer (in Rs. Million)	Rank
4.	Adani Energy Solutions Limited	35,570.00	L1
5.	Sterlite Grid 37 Limited	35,600.00	L2
6.	IndiGrid 2 Limited	36,150.00	L3
7.	Power Grid Corporation of India Limited	40,820.00	L4

22. As per the provisions of the RfP documents, BEC recommended the above four qualified bidders to participate in the e-reverse auction stage and to submit their final offer.

23. The e-reverse auction among the four qualified bidders was conducted on the MSTC portal on 28.11.2024 after intimating the bidders regarding the lowest initial price offer. However, none of the bidders participated in the e-reverse auction. The details of the four qualified bidders are as under:

Sr. No.	Name of the Bidder	Quoted Transmission Charges from the Final Offer (in Rs. Million)	Rank
1.	Adani Energy Solutions Limited	35,570.00 (Not Participated in e-RA)	L1
2.	Sterlite Grid 37 Limited	35,600.00 (Not Participated in e-RA)	L2
3.	IndiGrid 2 Limited	36,150.00 (Not Participated in e-RA)	L3
4.	Power Grid Corporation of India Limited	40,820.00 (Not Participated in e-RA)	L4

24. As per the RfP, in case no final offer is received during the e-reverse bidding stage, then the lowest 'Initial Offer' shall be deemed to be the final offer. Accordingly, based on the e-reverse bidding, in the BEC meeting held on 2.12.2024, Adani Energy Solutions Limited, with the lowest transmission charges of Rs. 35,570.00 million, was declared as the successful bidder after detailed deliberations and considering the fact that the lowest tariff discovered in the re-bidding process i.e., Rs. 35,570 million is lower than the lowest tariff discovered in previous bidding process. BEC recommended issuing the Letter of Intent to the L1 bidder, i.e., Adani Energy Solutions Limited.

25. Letter of Intent was issued by the BPC on 3.12.2024 to the successful bidder, i.e., Adani Energy Solutions Limited. In accordance with Clause 12.3 of the Guidelines, the BPC hosted on the website of RECPDCL, the final result of the evaluation of the bids for the selection of a developer for the Project.

26. In accordance with the provisions of the bid documents and upon the issuance of LoI to the successful bidder (Adani Energy Solutions Limited) and acquisition of SPV (the Petitioner) by the successful bidder, the Petitioner has prayed for the adoption of transmission charges for the Project which has been discovered through the competitive bidding process.

27. In accordance with Clause 2.15.2 of RfP, the selected bidder shall, within 10 days of the issue of the Letter of Intent, accomplish the following tasks:

- a) Provide the Contract Performance Guarantee in favour of the Nodal Agency;
- b) Execute the Share Purchase Agreement and the Transmission Service Agreement;
- c) Acquire, for the Acquisition Price, one hundred per cent (100%) equity shareholding of Rajasthan Part I Power Transmission Limited from RECPDCL, along with all its related assets and liabilities.

28. In accordance with Clause 2.15.4 of RfP, the selected bidder shall, within five working days of the issue of the acquisition of the SPV by the Successful Bidder, the TSP shall apply to the Commission for the grant of a transmission licence and make an application to the Commission for the adoption of transmission charges, as required under Section 63 of the Act.

29. 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 the SPV, by 13.12.2024. Though LoI was issued on

3.12.2024, BPC, vide its letter dated 20.1.2025, in terms of Clause 2.15.2 of RfP, extended the date up to 27.1.2025 for completion of all 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. 6,685,000,000/- on 18.1.2025 and acquired a hundred per cent equity holding in the applicant company on 20.1.2025 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 adoption of transmission charges within five working days of the issuance of the acquisition of the SPV to the successful bidder. The successful bidder, namely Adani Energy Solutions Limited, acquired the SPV on 20.1.2025. Accordingly, the TSP has filed the instant Petition through e-filing for the adoption of transmission charges on 25.1.2025.

30. The Petitioner has approached the Commission with a separate application for a grant of transmission licence. The Commission, vide order dated 23.5.2025 in Petition No. 252/TL/2025, on being satisfied that the Petitioner, *prime facie*, qualifies for grant of transmission license as prayed for, directed publication of notices under clause (a) of sub-section (5) of Section 15 of the Act, inviting suggestions/ objections to the proposal of the Commission. Accordingly, notices have been published.

31. In accordance with the Guidelines, BEC has to certify that the tariff has been discovered through a transparent process of bidding, and the tariff discovered is in line with prevailing market prices. In the minutes of the fourth Meeting of the Bid Evaluation Committee held on 2.12.2024, the following have been recorded:

“ 1. The 4th meeting of Bid Evaluation Committee (BEC) for the subject project was held on 02.12.2024 at 1015 Hrs (1ST) through video conference to discuss the evaluation of financial bids after conclusion of electronic reverse auction (carried out on 28.11.2024 from 1030 Hrs 1ST onwards).

All the members of the Bid Evaluation Committee were present. The agenda of the meeting was taken up for discussions.

2. The Bid Evaluation Committee had met earlier on 27.11.2024 where the Initial Offers were opened and following were recommended:

- As per provisions of RFP document, following four (04) bidders were qualified to participate in the electronic reverse auction stage and submit their Final Offer:

Sr. No.	Name of the Bidder	Quoted Transmission Charges from the Initial Offer (in Rs. Million)	Rank
1	Adani Energy Solutions Limited	35,570.00	L1
2	Sterlite Grid 37 Limited	35,600.00	L2
3	IndiGrid 2 Limited	36,150.00	L3
4	Power Grid Corporation of India Limited	40,820.00	L4

- To start electronic reverse auction on 28.11.2024 at 1030 Hrs (1ST) after intimation to all the four (04) qualified bidders regarding lowest initial price offer.

3. Pursuant to the above, BPC confirmed to BEC that all four (04) qualified bidders were informed on 27.11.2024 (duly acknowledged by them) regarding the electronic reverse auction start time and lowest initial offer.

4. The electronic reverse auction started on 28.11.2024 at 1030 Hrs (1ST) on MSTC portal. No bids were received during the period of e-Reverse Auction and it concluded on 1230 Hrs (1ST) on the same day. As per clause 9.12 of the guidelines, since no bids were received during e-RA, the Initial Offers are considered as the Final Offers as per provisions of the RFP. The details of quoted transmission charges after e-Reverse Auction is summarized below:

Sr. 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	Adani Energy Solutions Limited	35,570.00	35,570.00	L1
2	Sterlite Grid 37 Limited	35,600.00	35,600.00	L2
3	IndiGrid 2 Limited	36,150.00	36,150.00	L3
4	Power Grid Corporation of India Limited	40,820.00	40,820.00	L4

The system generated bid history of electronic reverse auction is enclosed at Annex-1.

5. As per above table, Adani Energy Solutions Limited (Formerly known as Adani Transmission Limited) emerged as the successful Bidder after the conclusion of electronic reverse auction with the lowest annual transmission charges of Rs. 35,570.00 million which is also the Final Offer.

6. BPC appraised the BEC that the bid process of the project was earlier annulled and rebidding was initiated based on recommendation of BEC, as the discovered tariff i.e., Rs. 37,000 million was found to be 55.41% higher than the estimated tariff calculated as per CERC norms and estimated cost of the project i.e., Rs. 17,088.98 Crores.

7. BPC further appraised the BEC that:

a) The estimated cost of the project was revisited by Cost Committee in line with the estimated cost of HVDC project of Khavda region and the cost estimate of the subject project was revised from Rs. 17,088.98 Crore to Rs. 22,676.31 Crore.

b) The lowest transmission charges discovered after electronic reverse auction i.e. Rs. 35,570 million is lower than the lowest transmission charges discovered in the previous bidding process (i.e., Rs. 37,000 million).

c) Lowest annual transmission charges of Rs. 35,570.00 million discovered through electronic reverse auction is 10.99% higher than the estimated annual transmission charges of Rs. 32,048.29 million which is computed based on the estimated cost (Rs. 22,676.31 Crore) as communicated by cost committee and as per prevailing CERC norms.

8. After thorough discussions on the evaluation report prepared by BPC (**Annexure 2**), the Bid Evaluation Committee observed the following:

a) M/s Adani Energy Solutions Limited with the lowest annual transmission charges of Rs. 35,570.00 million, is the successful Bidder after the conclusion of the electronic reverse auction.

b) The transmission charges discovered after electronic reverse auction is lower than the transmission charges discovered in the previous bidding process (i.e., Rs. 37,000 million) and is acceptable.

9. BPC, in their evaluation report (**Annexure 2**) has confirmed the following:

a) As per provisions of RFP Document, successful bidder i.e., M/s Adani Energy Solutions Limited has submitted original hard copies of Annexure-3 and Annexure-14 and the same are found to be in order.

b) The entire bid process has been carried out in accordance with the "Tariff based Competitive Bidding Guidelines for Transmission Service" and "Guidelines for encouraging competition in development of the Transmission Projects" issued by Ministry of Power, Govt, of India under Section 63 of the Electricity Act, 2003 as amended from time to time.

10. After detailed deliberations and considering the fact that the lowest tariff discovered in the rebidding process i.e., Rs. 35,570 million is lower than the lowest tariff discovered in previous bidding process, BEC recommended to issue the Letter of Intent (LOI) to the LI bidder, i.e., M/s Adani Energy Solutions Limited.

11. The certificate by BEC to be forwarded to CERC for adoption of tariff in terms of Section 63 of the Electricity Act, 2003 is attached at Annexure 3."

32. Bid Evaluation Committee, vide its certificate dated 2.12.2024, has certified as under:

"It is hereby certified that:

a. The entire bid process has been carried out in accordance with the "Tariff based Competitive Bidding Guidelines for Transmission Service" and "Guidelines for encouraging competition in development of the Transmission Projects" issued by Ministry of Power, Govt, of India under Section 63 of the Electricity Act, 2003 as amended from time to time.

b. M/s Adani Energy Solutions Limited, with the lowest annual transmission charges of Rs. 35,570.00 million, emerged as the successful Bidder after the conclusion of electronic reverse auction.

c. The transmission charges of Rs. 35,570.00 million discovered after electronic reverse auction is acceptable."

33. In the light of the discussions in the preceding paragraphs, it emerges that the selection of the successful bidder and the discovery of the annual transmission charges of the Project has been carried out by the BPC through a transparent process of competitive bidding in accordance with the Guidelines issued by the Ministry of Power, Government of India under Section 63 of the Act. BEC has certified that the process is in conformity with the Ministry of Power Guidelines. BEC, in its certificate dated 2.12.2024, has certified that Adani Energy Solutions Limited has emerged as the

successful bidder after the conclusion of the e-reverse auction with the lowest transmission charges of Rs. 35,570.00 million. During the hearing held on 13.03.2025, the BPC was directed to submit an affidavit to substantiate the reason for the increase in the estimated cost of the Project. Accordingly, the BPC vide its affidavit dated 28.03.2025 has submitted that the earlier cost estimate was based on the March 2023 cost matrix issued by CTUIL. However, with the availability of the March 2024 cost matrix, it was decided to consider the same for the cost estimation. Key revisions include updated cost of the 400 kV Bus Sectionaliser, 1500 MVA ICTs, and Bus Reactor based on data received vide per UPPTCL's letter dated 03.09.2024, and revision of land valuation for the ± 800 kV Bhadla (HVDC) terminal station based on 200% of the circle rate notified by the Government of Rajasthan. Further, MoP vide letter dated 05.04.2023 waived the 60% MLC requirement, and, consequently, a 25% MLC with applicable inflation was adopted in accordance with MoP's approval for a similar project in Khavda. For imported items, it was decided to consider the cumulative inflation rate of @27.76% based on the inflation rate of Europe for the last 7 years (i.e., from 2017 to 2024). A completion factor of 1.17 was applied in view of the extended gestation period of up to 54 months. Additionally, RoW compensation has been revised in accordance with the MoP guidelines dated 14.06.2024, considering 200% land value for tower footing and 30% for the corridor, resulting in an increase in the overall project cost. Considering the submissions of the BPC and based on the certification of the BEC that the lowest tariff discovered in the rebidding process i.e., Rs. 35,570 million is lower than the lowest tariff discovered in the previous bidding process of Rs. 37,000 million, we approve and adopt the single annual transmission charges of Rs. 35,570.00 million as per the final offer of the successful bidder subject to the grant of transmission

licence to the Petitioner company. The transmission charges shall remain valid throughout the period covered in the TSA.

34. The sharing of the transmission charges by the designated ISTS customers (DICs) shall be governed by the provisions of the Central Electricity Regulatory Commission (Sharing of inter-State Transmission Charges and Losses) Regulations, 2020, as amended from time to time.

35. Extract copy of this order shall be sent to the Nodal agency, CTUIL.

36. Petition No. 253/AT/2025 is disposed of in terms of the above.

Sd/-
(Ravinder Singh Dhillon)
Member

sd/-
(Harish Dudani)
Member

sd/-
(Ramesh Babu V.)
Member

sd/-
(Jishnu Barua)
Chairperson