

**CENTRAL ELECTRICITY REGULATORY COMMISSION
NEW DELHI**

Petition No. 267/MP/2024

Coram:

**Shri Jishnu Barua, Chairperson
Shri Ramesh Babu V., Member
Shri Harish Dudani, Member
Shri Ravinder Singh Dhillon, Member**

Date of Order: 31.12.2025

In the matter of:

Petition under Regulation 86 of Central Electricity Regulatory Commission (Conduct of Business) Regulations, 1999 and Regulation 25 of Central Electricity Regulatory Commission (Terms and Conditions of Tariff) Regulations, 2024 seeking approval for establishment of Transmission Line Stores along with associated infrastructure for 400 kV D/C Teesta-III – Kishanganj Transmission Line of Sikkim Power Transmission Limited (formerly Teestavalley Power Transmission Limited).

And in the matter of:

Sikkim Power Transmission Ltd.
(formerly Teesta Valley Power Transmission Ltd.)
B2/1A, Safdarjung Enclave, Africa Avenue
New Delhi-110029

... Petitioner

Vs.

1. PTC India Limited.
2nd Floor NBCC Tower
15, Bhikaji Cama Palace,
New Delhi -110066.
2. Energy and Power Department
Government of Sikkim
Kazi Road, Gangtok -737101, Sikkim.
3. Sikkim Urja Limited (formerly Teesta Urja Limited),
B2/1A, Safdarjung Enclave, Africa Avenue, New Delhi-110029.
4. Sneha Kinetic Power Projects Private Limited,
Sonam Complex, Jeevan Theng Marg Development Area,
Near Little Pixel International School,
Gangtok-737101, Sikkim.



5. Powergrid Corporation of India Limited,
Saudamini, Plot No.2, Sector 29,
Near IFFCO Chowk
Gurgaon-122001, Haryana.
 6. Punjab State Power Corporation Limited,
The Mall, Patiala-147001, Punjab.
 7. Uttar Haryana Bijli Vitran Nigam Limited,
Vidyut Sadan, Plot No. C16, Sector-6
Panchkula-134109, Haryana.
 8. Dakshin Haryana Bijli Vitran Nigam Limited,
Vidyut Sadan, Vidyut Nagar, Hisar-125005, Haryana.
 9. Haryana Power Purchase Centre,
Shakti Bhawan, Sector-6,
Panchkula-134109, Haryana.
 10. Ajmer Vidyut Vitran Nigam Limited,
Vidyut Bhawan, Panchsheel Nagar,
Makarwali Road, Ajmer-305004, Rajasthan.
 11. Jaipur Vidyut Vitran Nigam Limited,
Vidyut Bhawan, Janpath,
Jaipur-302005, Rajasthan.
 12. Jodhpur Vidyut Vitran Nigam Limited,
New Powerhouse, Industrial Area,
Jodhpur-342003, Rajasthan.
 13. Rajasthan Urja Vikas Nigam Limited,
Vidyut Bhawan, Janpath,
Jyoti Nagar Jaipur-302005, Rajasthan.
 14. Uttar Pradesh Power Corporation Limited,
Shakti Bhawan, 14, Ashok Marg,
Lucknow-226001, Uttar Pradesh.
- ... Respondent(s)**

For Petitioner : Shri Anand K. Ganeshan, Advocate, STPL
Shri Vidhan Vyas, Advocate, STPL

ORDER

Sikkim Power transmission Limited (formerly known as Teestavalley Power Transmission Limited) has filed the instant petition for approval of establishment of Transmission Line Stores along with associated infrastructure for 400 kV D/C Teesta-



III – Kishanganj Transmission Line (TLS) under Regulation 86 of Central Electricity Regulatory Commission (Conduct of Business) Regulations 1999 (1999 Business Regulations) and Regulation 25 of Central Electricity Regulatory Commission (Terms and Conditions of Tariff) Regulations, 2024 (2024 Tariff Regulations)

2. The Petitioner has made the following prayers in the instant Petition:

- “a) Admit the Petition and grant approval to the Petitioner for establishment of permanent Transmission Line Stores along with associated infrastructure as proposed in the petition hereinabove;*
- b) Permit the Petitioner to claim the additional capitalization incurred for the establishment of permanent Transmission Line Stores along with associated infrastructure on actual basis in the truing up exercise;*
- c) The filing fee paid by the Petitioner in Petition No. 226/MP/2023 may be permitted to be adjusted towards the fee to be paid by the Petitioner for the instant petition.*
- d) Pass such other relief as Hon'ble Commission deems fit and appropriate under the circumstances of the case and in the interest of justice.”*

3. The Petitioner had earlier filed Petition No. 226/MP/2023 for the grant of approval for the establishment of TLS and to claim the additional capitalisation incurred for the establishment of TLS on an actual basis at the time of truing-up under the Central Electricity Regulatory Commission (Terms and Conditions of Tariff) Regulations, 2019 (2019 Tariff Regulations). On the Petitioner's request, the Commission allowed the Petitioner to withdraw the said petition, with liberty to file a fresh petition in terms of the 2024 Tariff Regulations, vide order dated 10.5.2024 in Petition No. 226/MP/2023. Accordingly, the Petitioner has filed the instant petition seeking approval for the establishment of TLS and the consequent expenditure under Regulation 25 of the 2024 Tariff Regulations.

4. The gist of the submissions made by the Petitioner in support of its claims are as follows:

- a. The 400 kV D/C Teesta-III - Kishanganj Transmission Line of 215 km (110 km - hilly terrain and 105 km - plains) (transmission line) traverses through Sikkim, West Bengal and Bihar. It was planned for the evacuation of power from



various Hydro Generating Stations in Sikkim, and it is currently being utilised for evacuating about 2300 MW from various Hydro Generating Stations in Sikkim.

b. The transmission line passes through difficult hilly terrain having steep mountains, with an altitude in the range of 1000m – 2600m in the states of Sikkim and West Bengal.

c. There is no alternative route for evacuation of power from Teesta-III HEP (1,200 MW) and Dikchu HEP (96 MW) to Rangpo Sub-station, Sikkim. Any tower collapse up to the Rangpo LILO Point Section of the transmission line will lead to the complete shutdown of the above-mentioned HEPs. Therefore, it is necessary to have TLS at strategic locations for the speedy restoration of the transmission line in the event of a breakdown.

d. To maintain the healthiness of the transmission lines, different types of spares, viz., towers and tower parts, hardware, accessories, conductor, insulators, earthwire, OPGW, etc., are required to be stored in sufficient/ quantity at strategic locations. Therefore, three temporary stores are presently being maintained in West Bengal, Bihar, and Sikkim.

e. The Petitioner proposes to establish permanent stores in West Bengal and Bihar including associated infrastructure to comply with the “Guidelines for availability of spares and inventories for Power Transmission System (Transmission Lines & Sub-station/-Switchyard) Assets” (CEA Guidelines), notified by Central Electricity Authority in July 2020, which emphasises the importance of maintaining spares for transmission system assets and Regulation 5(b) of the Central Electricity Regulatory Commission (Standards of Performance of Inter-state Transmission Licensees) Regulations, 2012 (2012



Performance Standards Regulations), which specifies the maximum time limit for restoration of different types of failures of transmission lines.

f. As per the provisions of its Transmission Services Agreement (TSA) agreement dated 8.8.2016 executed with Central Transmission Utility, it is required to operate and maintain the transmission line by adopting Prudent Utility Practices for the purpose of ensuring the safe, efficient and economic design, construction, commissioning, operation, repair and maintenance of any part of the transmission system.

g. The uncertainties associated with maintaining the stores on leased land like non-renewal of lease agreements, increase in the lease rental charges, restriction of lease period, frequent shifting of stores on non-renewal of lease, expenditure associated with shifting, etc., necessitates the establishment of permanent stores on the land owned by the Petitioner for storage of transmission line materials for smooth O&M of the transmission line.

h. The Petitioner was not able to procure land for establishing a permanent store during the construction of the Project due to financial constraints, and after commissioning of the Project due to the COVID-19 pandemic.

i. 4 acres of land in Darjeeling District in West Bengal and 3 acres of land in Kishanganj District in Bihar are required for establishing permanent TLS in West Bengal and Bihar, at a cost of ₹1100.00 lakh, which includes the cost of land, cost of establishment of stores, other associated infrastructure costs, etc.

j. The expenditure towards the establishment of TLS is claimed under Regulation 25(1) of the 2024 Tariff Regulations, which provides for approval of the additional capital expenditure in respect of a transmission system incurred



or projected to be incurred within the original scope of work and after the cut-off date, after a prudence check.

5. The matter was heard on 26.11.2024, and notice was issued to the Respondents on the issue of maintainability. However, none of the Respondents filed any reply.

6. During the hearing on 8.5.2025, the learned counsel for the Petitioner submitted that the instant petition is maintainable since the claims regarding ACE fall within the original scope of the work, although these claims are being raised after the cut-off date, and this is in accordance with the provisions of Regulations 25(1) of the 2024 Tariff Regulations. He further submitted that Regulation 25(1)(b) of the 2019 Tariff Regulations, recognise 'change in law or compliance with any existing law' with respect to ACE incurred or projected to be incurred within the original scope and after the cut-off date in respect of an existing project or a new project while the corresponding provision under Regulation 25(1)(b) of the 2024 Tariff Regulations provides 'change in law or compliance with any existing law which is not provided for in the original scope of work' in respect of ACE incurred or projected to be incurred in respect of an existing project or a new project. Referring to the above inconsistency between the 2019 Tariff Regulations and the 2024 Tariff Regulations, the Petitioner placed reliance on the case of H.S. Vankani and Ors. V. State of Gujarat and Ors [reported in (2010) 4 Supreme Court Cases 301], wherein the Hon'ble Supreme Court observed that the Courts have to avoid a construction of an enactment that leads to an unworkable, inconsistent or impracticable result, since such a situation is unlikely to have been envisaged by the rule-making authority. After hearing the learned counsel for the Petitioner, the order was reserved on maintainability, and the



Respondents were given one more opportunity to file their reply on maintainability, and the Petitioner was given an opportunity to file a rejoinder, if any. Still, no reply has been filed by any of the Respondents.

Analysis and decision

7. We have considered the submissions made by the Petitioner on the maintainability of the petition. We examine the maintainability of the instant petition on the grounds of (a) jurisdiction, (b) cause of action, and (c) impermissibility under law.

8. Section 79(1)(c) and (d) of the Act provides the Commission with the power to regulate the inter-State transmission of electricity and to determine the tariff of the inter-State transmission of electricity, respectively. The Petitioner, an inter-State transmission licensee under the Act, has filed the instant petition seeking approval for establishing TLS and to claim the cost of establishing the TLS under Regulation 25 of the 2024 Tariff Regulations, which are applicable to the transmission system under Section 62 read with Section 79 of the Act. As the Commission has the jurisdiction to regulate the tariff of the transmission licensees in terms of Section 79(1)(c) and (d) of the Act, the instant petition is maintainable.

9. As regards the cause of action, the Petitioner has submitted that the transmission line is the only line for the evacuation of power from Teesta-III and other generators in Sikkim, and the breakdown of the line would lead to the shutdown of the said generators. Therefore, it is essential to establish TLS at strategic locations for the speedy restoration of the transmission line. Accordingly, the Petitioner has sought approval for establishing the TLS in West Bengal and Bihar and permission to claim the cost of constructing the TLS as ACE under Regulation 25(1) of the 2024 Tariff



Regulations. We are of the view that the Petitioner has established a “cause of action” to consider the prayers made by the Petitioner on merit.

10. Further, the prayers made by the Petitioner in the instant petition are not barred by provisions of law. Therefore, the petition is maintainable on this count as well.

11. In view of the above, the instant petition is maintainable, and accordingly it is admitted. Issue notice to the Respondents.

12. The Petitioner is directed to serve a copy of the petition along with the enclosures on all 14 Respondents and file proof of service on affidavit within one week of the issue of this order. The Respondents are directed to file their reply by 28.1.2026 and the Petitioner to file its rejoinder, if any, by 11.2.2026. The parties are directed to adhere to the specified timelines and to complete the pleadings within the time allotted. Further, no extension of time shall be granted.

13. The petition shall be listed for hearing “on merits” in due course, and notice will be issued to the parties accordingly.

sd/-
(Ravinder Singh Dhillon)
(Member)

sd/-
(Harish Dudani)
(Member)

sd/-
(Ramesh Babu V.)
(Member)

sd/-
(Jishnu Barua)
(Chairperson)

