

**CENTRAL ELECTRICITY REGULATORY COMMISSION
NEW DELHI**

Petition No. 436/TL/2024

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

Date of Order: 21st February, 2025

In the matter of

Petition under Section 14 of the Electricity Act, 2003 read with Central Electricity Regulatory Commission (Procedure, Terms and Conditions for Grant of Transmission License and other related matters) Regulations, 2024 for grant of separate RTM Transmission License to POWERGRID Vataman Transmission Limited.

And

In the matter of

**POWERGRID Vataman Transmission Limited,
(A 100% wholly owned subsidiary of Power Grid Corporation of India Limited).**

Registered Office:

B-9, Qutab Institutional Area,
Katwaria Sarai, New Delhi-110016.

Address for Correspondence:

C/o ED (TBCB), Power Grid Corporation of India Limited,
Saudamini, Plot no.2,
Sector -29, Gurgaon-122001.

....Petitioner

Vs

- 1. Madhya Pradesh Power Management Company Limited,
Shakti Bhawan,
Rampur, Jabalpur-482008.**
- 2. Maharashtra State Electricity Distribution Co. Limited,
Prakashgad, Plot No G-9,
A K Marg,
Bandra (East), Mumbai-400051.**
- 3. Gujarat Urja Vikas Nigam Limited,
Sardar Patel Vidyut Bhawan,
Race course road,**

Vadodara-390007.

4. **Electricity Department,**
Vidyut Bhawan, Govt. of Goa,
Panaji-403001, Goa.
5. **DNHDD Power Distribution Corporation Limited,**
Vidyut Bhawan, 66kv Road, Near Secretariat,
Amli, Silvassa-396230.
6. **Chhattisgarh State Power Distribution Company Limited,**
P.O. Sunder Nagar, Dangania,
Raipur, Chhattisgarh-492013.
7. **Central Transmission Utility India Limited,**
Saudamini, Plot No.2, Sector -29,
Gurgaon-122001.
8. **Power System Project Monitoring Division,**
Central Electricity Authority,
Sewa Bhawan, R. K. Puram,
Sector-1, New Delhi-110066.
9. **Gujarat Energy Transmission Corporation Limited,**
Sardar Patel Vidhyut Bhavan,
Race Course, GETCO,
Vadodara-390007, Gujarat.

....Respondents

Parties present:

Shri Prashant Kumar, PVTL
Shri V C Sekhar, PVTL
Shri Swapnil Verma, CTUIL
Shri Ranjeet Rajput, CTUIL

ORDER

The Petitioner, POWERGRID Vataman Transmission Limited (hereinafter referred to as 'Petitioner'), has filed the present Petition under Sections 14 and 15 of the Electricity Act, 2003 (hereinafter referred to as 'the Act') read with the provisions of the Central Electricity Regulatory Commission (Procedure, Terms and Conditions for Grant of Transmission License and other related matters) Regulations, 2024 (hereinafter referred to as 'the Transmission Licence Regulations') for the grant of a separate transmission licence to POWERGRID Vataman Transmission Limited for

“Implementation of 02 no. of 765 kV line bays at Vataman S/s under ISTS for termination of Saurashtra- Vataman 765 kV D/C line of InSTS” under the Regulated Tariff Mechanism (RTM) mode (hereinafter referred to as the ‘transmission project’). The scope of the project for which a transmission licence has been sought is as under:

Transmission Scheme: “Implementation of 02 no. of 765 kV line bays at Vataman S/s under ISTS for termination of Saurashtra- Vataman 765 kV D/C line of InSTS”

S.No.	Scope of the Transmission Scheme	Capacity/km	Implementati on timeframe
1.	Implementation of 02 no. of 765 kV line bays at Vataman S/s under ISTS for termination of Saurashtra- Vataman 765 kV D/C line of InSTS	765 kV bays (including associated tie bays) – 2 nos.	31.7.2027 (refer note a.)
Total Estimated Cost:			Rs 70.96 Crores

Note:

a. Implementation timeframe has been aligned with GETCO’s requirement for 02 nos 765 kV line bays at Vataman S/s for termination of Saurashtra- Vataman 765 kV line.

2. The Petitioner company was incorporated as a special purpose vehicle by PFC Consulting Limited (PFCCL) as part of the Tariff Based Competitive Bidding (‘TBCB’) process for implementation of the “Transmission System for Evacuation of Additional 7GW RE Power from Khavda RE Park under Phase-III Part B” (hereinafter referred to as “Project”) on a Build, Own, Operate and Transfer (BOOT) basis. Power Grid Corporation of India Limited (hereinafter referred to as ‘PGCIL’) participated in the competitive bidding process conducted by PFCCL, and upon emerging as the successful bidder, a Letter of Intent (LOI) was issued by PFCCL to PGCIL on 4.12.2023. In accordance with the bidding documents, PGCIL acquired 100% of the shareholding in the Petitioner Company by executing a Share Purchase Agreement with PFCCL on 26.12.2023. The Petitioner entered into a Transmission

Service Agreement (TSA) with the CTUIL on 26.12.2023. The Commission, in its order dated 13.04.2024 in Petition No. 50/TL/2024, granted a transmission licence (TBCB Licence) to the Petitioner for the aforesaid Project.

3. The Central Transmission Utility of India Limited (CTUIL) vide its Memorandum dated 13.9.2024 had approved and nominated the Petitioner to implement the transmission scheme of the instant Petition through the RTM mode.

4. The Petitioner has submitted that after the grant of a separate transmission licence, the Petitioner shall proceed to implement the transmission scheme under the RTM mode. The estimated cost of the transmission scheme, as per CTUIL's Office Memorandum (OM) dated 13.9.2024, is Rs. 70.96 crores. After completion of the transmission scheme, the Petitioner shall approach the Commission for the determination of the transmission charges in accordance with the Transmission Licence Regulations.

5. The transmission scheme was agreed upon in the 30th Consultation Meeting of the Western Region held on 2.7.2024. The relevant portion of the minutes of the meeting held on 2.7.2024 are extracted as under:

“Request of GETCO for 2 nos. 765kV bays at Vataman for Saurashtra - Vataman 765kV D/c line and 2 nos. 220kV bays at Vapi-II S/s (VNLTTL) for additional outlet from Vapi-II

The details of In-STS scheme in Saurashtra region agreed in 27th CMETS-WR are given below:

- Establishment of 2x1500MVA, 765/400kV Saurashtra substation (near Rajkot)*
- 765 kV D/C Vataman (ISTS) - Saurashtra line (with bays at both ends)*
- 400 kV D/C Amreli - Saurashtra line (Utilising the LILO portion of Chorania - Jetpur line)*
- 400 kV D/C Jetpur - Saurashtra line (Utilising portion of Jetpur - Chorania (one ckt via Hadala) 400kV D/c line)*
- 400 kV D/C Kalavad - Saurashtra line.*

GETCO vide letter dated 30.05.2024 has requested for implementation of 2 nos. 765kV bays at Vataman for Saurashtra - Vataman 765kV D/c line (Mar-27) (agreed in 27th CMETS-WR held on 01.04.2024) under ISTS in order to ensure smooth execution of work.

After deliberations, 2 nos. 765kV bays at Vataman for 765 kV D/C Vataman (ISTS) - Saurashtra line were agreed under ISTS with time-line of Mar-27.

Further, GETCO vide letter dated 30.05.2024 has also informed that GETCO had originally planned the following 220kV outlets from Vapi-II (GIS) S/s for which 4 nos. 220kV bays are already under implementation under ISTS as part of the S/s:

- Vapi-II-Atul220kV D/c line
- LILO of 220 KV Chikhli - Vapi 220kV Sic line at Vapi-II

The same were agreed to be modified to below network after discussions in 1st Joint study meeting on Transmission Planning for Western Region held on 05.11.2021:

- LILO of both circuits of 220 kV D/c Kakrapar - Vapi line (ISTS line) at 400/220 kV Vapi-II substation.
- Already approved LILO of 220 kV Chikhli - Vapi line at Vapi-II Vapi - Vapi-II 220kV T/c line may need to be re-conducted in future based on high loadings in High RE scenario.

The LILO portion interconnecting Vapi to Vapi-II for both the above LILO lines shall be constructed with conductor with minimum capacity of 400 MVA/Ckt at nominal voltage so that in future only the balance 220kV line section (excluding LILO portion) may have to be reconducted based on requirement.

Accordingly, GETCO has sought for implementation of 2 nos. 220kV line bays (LILO of 220 KV Chikhli - Vapi 220kV S/c line at Vapi-II expected by **Mar-25**) under ISTS for smooth execution of above scope of work.

Matter was discussed and CTU Informed that Implementation of the above 220kV bays (2 nos.) would require a minimum of 15 months from award and hence schedule of Mar-25 looks unrealistic. GETCO was requested to provide the updated implementation time-frame within 7 days based on which the scheme shall be discussed again in next meeting.”

6. Based on the above, CTUIL, vide its Office Memorandum dated 13.9.2024, approved the “implementation of 2 nos. of 765 kV line bays at Vataman S/s under ISTS for termination of the Saurashtra- Vataman 765 kV D/C line of InSTS” on RTM mode along with identifying the implementing agency and also addressing the same to the Ministry of Power, Government of India, and NCT.

7. The Commission, after considering the application of the Petitioner in light of the provisions of the Act and the Transmission Licence Regulations, vide its order dated 30.12.2024, *prima facie* proposed to grant a separate transmission licence to the Petitioner to implement the transmission projects detailed in paragraph 1 of the order. The relevant extracts of the order dated 20.8.2024 are extracted as under:

“24. We have considered the Petitioner’s submissions. The Petitioner has filed the present Petition for the grant of a separate RTM transmission licence under Section 15 of the Act read with the Transmission Licence Regulations for the implementation of the transmission project 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 a separate transmission licence aforesaid. The objections or suggestions, if any, be filed by any person before the Commission on or before 10.1.2025.”

8. A public notice under sub-section (5) of Section 15 of the Act was published on 23.1.2025 in all editions of ‘Hindustan Times’ (English) and ‘Dainik Jagran’ (Hindi). No suggestions/objections have been received from members of the public in response to the public notice.

Hearing dated: 16.1.2025 and 6.2.2025

9. During the course of the hearing, the representative of the Petitioner submitted that vide order dated 30.12.2024, the Commission has held that the Petitioner is eligible for the grant of a separate transmission licence and, consequently, directed to issue public notice under Section 15(5)(a) of the Electricity Act, 2003 inviting suggestion or objection to the grant of a transmission licence to the Petitioner. However, in response thereof, no suggestion or objection has been received in response to the public notice.

10. We have noted the above submissions of the Petitioner and CTUIL and

proceed to consider the application of the Petitioner for the grant of the transmission licence.

11. As regards the grant of a transmission licence, Clauses (13) and (14) of Regulation 5 of the Transmission Licence Regulations, 2024 provide as under:

“(15) The Commission may after consideration of the further suggestions and objections, if any, received in response to the public notice as aforesaid, grant licence as nearly as practicable in Form-III attached to these regulations or for reasons to be recorded in writing, reject the application if such application is not in accordance with the provisions of the Act, the rules or regulations made thereunder or any other law for the time being in force or for any other valid reason.

(16) The Commission may, before granting licence or rejecting the application, provide an opportunity of hearing to the applicant, the Central Transmission Utility, the long term customers, or the person who has filed suggestions and objections, or any other person: Provided further that the applicant shall always be given a reasonable opportunity of being heard before rejecting the application.”

12. In our order dated 30.12.2024, we had proposed to grant a transmission licence to the Petitioner company and directed for the issuance of public notice. In response to the public notice, no suggestions/ objections have been received. CTUIL, vide its letter 6.11.2024, has recommended the grant of a transmission licence to the Petitioner company. Considering the submissions of the Petitioner and CTUIL, we direct that the transmission licence be granted to the Petitioner, POWERGRID Vataman Transmission Limited, to establish the transmission scheme through the RTM route as per the details given in paragraph 1 above.

13. The grant of the transmission licence to the Petitioner (hereinafter referred to as “the licensee”) is subject to the fulfilment of the following conditions throughout the period of licence:

(a) The transmission licence shall, unless revoked earlier, remain in force for a period of 25 years from the date of issue;

(b) The transmission licensee shall comply with the provisions of the Transmission Licence Regulations or any subsequent enactment thereof during the period of subsistence of the licence;

(c) The licensee may make an application, two years before the expiry of the initial licence period, for the grant of the transmission licence for another term in accordance with Regulation 9 (2) of the Transmission Licence Regulations, which shall be considered by the Commission in accordance with law;

(d) The licensee shall not enter into any contract for or otherwise engage in the business of trading in electricity during the period of subsistence of the transmission licence;

(e) The licensee shall have the liability to pay the license fee in accordance with the provisions of the Central Electricity Regulatory Commission (Payment of Fees) Regulations, 2012, as amended from time to time or any subsequent enactment thereof. Delay in payment or non-payment of licence fee or a part thereof for a period exceeding sixty days shall be construed as a breach of the terms and conditions of the licence;

(f) The licensee shall comply with the directions of the National Load Despatch Centre under Section 26 of the Act, or the Regional Load Despatch Centre under sub-section (3) of Section 28 or sub-section (1) of Section 29 of the Act, as may be issued from time to time for maintaining the availability of the transmission system;

(g) The licensee shall remain bound by the provisions of the Central Electricity Regulatory Commission (Standard of Performance of inter-State transmission licensees) Regulations, 2012 or subsequent enactment thereof;

(h) The licensee shall provide the non-discriminatory open access to its

Transmission System for use by any other licensee, including a distribution licensee or an electricity trader, or generating company or any other person in accordance with the Act; the Central Electricity Regulatory Commission (Open Access in inter-State Transmission) Regulations, 2008; the Central Electricity Regulatory Commission (Connectivity and General Network Access to the inter State Transmission System) Regulations, 2023; the Central Electricity Regulatory Commission (Indian Electricity Grid Code) Regulations, 2023, as amended from time to time or any subsequent re-enactments thereof;

(i) The licensee shall not undertake any other business for optimum utilization of the transmission system without prior intimation to the Commission and shall comply with the provisions of the Central Electricity Regulatory Commission (Sharing of Revenue Derived from Utilization of Transmission Assets for other business) Regulations, 2020;

(j) The licensee shall remain bound by provisions of the Central Electricity Regulatory Commission (Sharing of inter-State Transmission Charges and Losses) Regulations, 2020 as amended from time to time;

(k) The licensee shall remain bound by the provisions of the Act, the Rules and Regulations framed thereunder, in particular the 2024 Transmission Licence Regulations, the Grid Code, the Standards specified by the Central Electricity Authority, orders and directions of the Commission issued from time to time;

(l) The licensee shall ensure the execution of the Project as per the Technical Standards and Grid Standards of the CEA;

(m) The licensee shall submit all such report or information as may be

required under 2024 Transmission Licence Regulations, Standard of Performance Regulations or any other regulation of the Commission or as per the directions of the Commission as may be issued from time to time;

(n)The licensee shall ensure that the EPC contract for the execution of work under the scope of the project is awarded through a competitive bidding process.

14. CTUIL/its appointed Independent Engineer and the Central Electricity Authority shall monitor the execution of the Project and bring to the Commission's notice any lapse on the part of the licensee in meeting the schedule for further appropriate action in accordance with the provisions of the Act and the Transmission Licence Regulations.

15. In response to the Commission's query regarding the approval of the Central Government to the transmission schemes under the Transmission System Planning Rules, 2021 for the Projects costing up to Rs. 100 crores approved by the NCT/CTUIL as per the Ministry's Order dated 28.10.2021, the CTUIL's representative submitted that it had again approached the Ministry of Power in this regard. However, no clarification has been received so far. CTUIL is directed to place on record the response received from the Ministry of Power as and when it is received. Meanwhile, we grant the transmission licence to the Petitioner Company so that the construction work of the transmission line may not be delayed.

16. An extract of a copy of this order shall be sent to the Central Government in the Ministry of Power and the Central Electricity Authority in terms of sub-section (7) of Section 15 of the Electricity Act, 2003, for their information and record.

17. Petition No. 436/TL/2024 is allowed in terms of the above.

Sd/-
(Harish Dudani)
Member

sd/-
(Ramesh Babu V.)
Member

sd/-
(Jishnu Barua)
Chairperson