

**CENTRAL ELECTRICITY REGULATORY COMMISSION
NEW DELHI**

Petition No. 75/AT/2025

Coram:

Shri Jishnu Barua, Chairperson

Shri Ramesh Babu V., Member

Shri Harish Dudani, Member

Shri Ravinder Singh Dhillon, Member

Date of Order: 28th August, 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 Pune-III Transmission Limited.

And

In the matter of

Pune- III 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. PFC Consulting Limited,

Urjanidhi, 1, Barakhamba Lane, Connaught Place,

New Delhi, Delhi-110001.

3. Madhya Pradesh Power Management Company Limited,

Block No.-11, Ground Floor,

Shakti Bhavan, Vidhyut Nagar, Rampur,

Jabalpur-482008, Madhya Pradesh.

4. Chhattisgarh State Power Distribution Company Limited,

P.O. Sunder Nagar, Dangania,

Raipur-492013, Chhattisgarh.

5. Maharashtra state Electricity Distribution Company Limited,

Prakashgad, 4th Floor,

Bandra (East), Mumbai-400051.

6. Gujarat Urja Vikas Nigam Limited,
Vidhyut Bhavan, Racecourse Road,
Vadodara-390007.

7. DNH Power Distribution Corporation Limited,
66 kV, Amii Ind. Estate,
Silvasa-396230, Dadar Nagar Haveli.

8. Electricity Department, Government of Goa,
Vidyut Bhavan, Near Mandvi Hotel,
Panaji-403001, Goa.

**9. Dadra and Nagar Haveli and Daman and Diu Power
Distribution Corporation Limited,**
1st & 2nd Floor, Vidyut Bhavan, Silvassa,
Dadra & Nagar Haveli-396230.

10. Maharashtra state Electricity Transmission Company Limited,
Prakashgad, 4th Floor,
E- Block, Plot No. C-19,
Bandra (East), Mumbai-400051.

...Respondents

Parties present:
Shri Prashant Kumar, PTL

ORDER

The Petitioner, Pune- III Transmission Limited, has filed the present Petition under Section 63 of the Electricity Act, 2003 read with Section 79(1)(c) & (d) of the Electricity Act, 2003 (hereinafter “the Act”) seeking the adoption of transmission tariff discovered through the tariff based competitive bidding process for the purpose of selection of Bidder as the Transmission Service Provider (TSP) to establish the Inter-State Transmission System for “Transmission System for evacuation of power from potential renewable energy zone in Khavda area of Gujarat under Phase-IV (7GW): Part D” on a Build, Own, Operate and Transfer Basis (hereinafter referred to as “BOOT Basis”). The Petitioner has made the following prayers:

“(a) Adopt the Transmission Charges discovered through competitive bidding process for Inter-state transmission system for the Project “Transmission

System for evacuation of power from potential renewable energy zone in Khavda area of Gujarat under Phase-IV (7GW): Part D”.

(b) Allow the sharing and recovery of transmission charges for inter-state transmission system of “Pune - III Transmission Limited ” as per CERC (Sharing of Inter-state Transmission Charges and Losses Regulations) Regulation, 2020 and any other amendments thereon issued from time to time by Hon’ble Commission.

(c) Condone any inadvertent errors omissions/errors/shortcomings and permit the Petitioner to add/change/modify/alter these filings and make further submissions as may be required at a future date.

(d) Pass 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 “the BPC”), PFC Consulting Limited (hereinafter referred to as “PFCCL”), vide letter dated 9.1.2025, was directed to submit the relevant documents regarding the complete process of the competitive bidding. The necessary details have been filed by the BPC under an affidavit dated 20.1.2025.

Hearing dated 19.2.2025

3. Notice was issued to the Respondents to file their respective replies. Vide Record of Proceedings for the hearing dated 19.2.2025, the Bid Process Coordinator (BPC), i.e., PFCCL, was directed to file an affidavit within two weeks furnishing: (i) the computation of the levelised tariff estimated as per the norms specified by the Commission, and (ii) the reasons for the comparatively higher tariffs discovered through the bidding process.

4. The PFCCL, in compliance with the Record of Proceedings (hereinafter referred to as “RoP”) dated 19.2.2025, vide affidavit dated 6.3.2025, has submitted as under:

i. With reference to the computation of the levelised tariff estimated as per the norms specified by the Commission, the BPC has placed on record a chart annexed as Annexure A.

ii. The reasons for a higher tariff than the levelised tariff estimated as per CERC norms (Rs. 4,560.78 million per annum) are due to the following factors:

a) The bid process for the transmission scheme “Transmission System for Evacuation of Power from potential renewable energy zone in Khavda area of Gujarat under Phase-IV (7GW): Part D” was initiated by PFCCL through single stage bidding process with the issuance of the RfP, TSA and SPA documents on 19.10.2023 in accordance with the “Tariff Based Competitive Bidding Guidelines for Transmission Service” and “Guidelines for Encouraging Competition in Development of Transmission Projects” issued by the Ministry of Power, Government of India under Section 63 of the Act.

b) The Cost Committee (constituted by CEA) meeting for the transmission scheme was held on 2.2.2024, and the cost for the transmission scheme, including Right of Way (RoW) cost, was approved as Rs. 3,381.28 crores.

- The RoW compensation was calculated on the basis of the Government of Gujarat’s (GoG) RoW Guidelines issued on 31.12.2021 (copy enclosed at Annexure-C). As per the said Guidelines, Tower Footing cost was calculated at 85% of land value; Corridor Cost was calculated at 15% of land value; and for the land value, Jantri rates (official rates as per the Superintendent

of Stamp, Gujarat) with an annual 10% compounding escalation if Jantri rates are not revised;

c) The RfP bid for the transmission scheme “Transmission System for Evacuation of Power from potential renewable energy zone in Khavda area of Gujarat under Phase-IV (7GW): Part D” was submitted on 19.04.2024.

(d) Meanwhile, GoG has issued revised RoW Guidelines vide GoG Tharav No. GET-11-2015-Gol-199-K dated 01.03.2024 (copy enclosed at Annexure-D) as per which, Tower Footing cost is to be calculated at 200% of land value; Corridor Cost is to be calculated at 25% of land value; and for the land value, 200% of the Jantri rates (official rates as per the Superintendent of Stamp, Gujarat) with an annual 10% compounding escalation if Jantri rates are not revised;

(e) CERC tariff was calculated on the basis of the project cost as approved by the Cost Committee on 2.2.2024, which was calculated as per the previous RoW policy. However, the bidder had accounted for RoW compensation as per the latest policy at the time of bid submission, leading to a higher tariff than initially estimated.

Hearing dated 2.4.2025, 29.4.2025 and 19.5.2025

5. During the course of the hearing on 2.4.2025, it was observed that the transmission charges discovered in the bid process (Rs. 5892.41 Million per annum) are approximately 29.20% higher than the transmission charges calculated based on the prevailing CERC norms considering the capital cost of the Project as assessed by the Cost Committee (Rs.4560.78 Million per annum) and the primary justification provided for such an increase is that the capital cost of the Project assessed by the

Cost Committee (Rs. 3381.28 crores) was based on the previous RoW Policy and as such did not take into the account the Govt. of Gujarat's Revised RoW Guidelines issued on 1.3.2024, which the bidders had to account for as the bid deadline was 19.4.2024. Accordingly, the BPC was directed to have the capital cost of the Project re-assessed by the Cost Committee in view of the GoG's Revised RoW Guidelines dated 1.3.2024 and to indicate the consequential increase in project cost and the levelized transmission charges calculated based on the prevailing norms so that the meaningful examination of the reasonability of the discovered transmission charges can be undertaken. Accordingly, the BPC was directed to file its affidavit in this regard.

6. During the course of the hearing on 29.4.2025, the representative of the Respondent, PFCCL, sought additional time to file the compliance affidavit in terms of the directions issued vide RoP dated 2.4.2025. He further submitted that as the PFCCL was directed to have the capital cost of the Project re-assessed by the Cost Committee in light of the revised Right of Way (RoW) Guidelines issued by the Government of Gujarat on 1.3.2024, and to indicate the resultant increase in project cost along with the levelised transmission charges computed as per prevailing norms. It was submitted that, as per the prescribed procedure, the Cost Committee meeting is to be preceded by a meeting of the Bid Evaluation Committee ("BEC"), and coordination among the members of both committees would require additional time. Considering the submissions, an additional 2 weeks' time was granted to BPC to file the compliance affidavit.

7. During the course of the hearing on 19.5.2025, the representative of the Respondent, PFCCL, sought further additional time to file the compliance affidavit in

terms of the directions issued vide RoP dated 2.4.2025. Considering the submissions, the PFCCL was permitted to file the said affidavit on or before 28.5.2025.

Hearing dated 5.6.2025

8. During the course of the hearing on 5.6.2025, in response to the Commission's specific query regarding the status of the affidavit to be filed by the BPC, justifying the difference between the normative tariff as per the Commission's norms and the tariff discovered through the competitive bidding process, the representative of PFCCL submitted that despite efforts to convene the Cost Committee meeting, the same could not be held as scheduled due to exigencies and non-availability of members from Maharashtra. Accordingly, sought a further time to file the compliance affidavit.

9. The BPC, i.e., PFCCL, in compliance with the RoPs dated 2.4.2025, 29.4.2025, and 19.5.2025, vide affidavit dated 19.6.2025, has submitted as under:

- a) The Cost Committee meeting was held on 5.6.2025 at 1500 hrs through hybrid mode in the office of the Chief Engineer (PSE&TD), CEA, for reassessment of the capital cost of the subject transmission scheme.
- b) All the transmission lines "Boisar-II – Pune-III 765 kV D/c line", "Narendra (New) – Pune (GIS) 765 kV D/c line" and "Hinjewadi-Koyna 400 kV S/c line" are passing through the State of Maharashtra and accordingly, the rates of RoW compensation as per the Government of Gujarat's Revised RoW Guidelines dated 01.03.2024 are not applicable to this project. During the hearing held on 19.5.2025, this fact was duly informed to the Commission and was duly acknowledged by them. It was further advised by the Commission to reassess the capital cost, considering the

applicable RoW guidelines, and submit the same to the Commission for its consideration.

c) The Cost Committee deliberated on various factors affecting the project cost and took note of the following:

- i) The RoW cost needs to be reassessed considering the update in rates between the time period of the cost Committee meeting and bid submission. Accordingly, all applicable RoW Guidelines, viz., RoW Guidelines of Maharashtra dated 1.12.2022, MoP Guidelines dated 14.6.2024, and CTUIL Cost Matrix (March-2024) were considered and the Committee decided to opt for the rates as per CTUIL Cost Matrix (March-2024), which has the highest rates amongst all.
- ii) Application of older rates (CTUIL Cost Matrix at March 2023 price level) for transmission elements due to non-availability of updated rates at the time of the Cost Committee meeting held on 02.02.2024. The same is updated to the 2024 price level.
- iii) Application of a completion factor for a period of 32 months (from April-2024 to November-2026, i.e., 24 months from the SPV transferred date, i.e., 19.11.2024) to appropriately account for escalation in costs over the project implementation period.
- iv) The loop-out portion in “LILO of Narendra (New) – Pune (GIS) 765 kV D/c line at Pune III” was inadvertently missed, leading to a significant under-estimation of the actual line length and associated costs.

d) Erroneous application of single circuit per km rate instead of double circuit in cost estimation of “LILO of Hinjewadi - Koyna 400 kV S/c line at Pune-III (GIS) S/s.” The capital cost of the subject transmission scheme was accordingly re-assessed as under:

Original and reassessed cost	Cost of Line/ Substation (Rs. crores)	RoW Cost (Rs. crores)	Total cost (Rs. crores)
Cost as per the Cost Committee meeting held on 02.02.2024	3,283.22	98.05	3,381.27
Re-assessed Cost as per the Cost Committee meeting held on 05.06.2025	3,849.82	171.46	4,021.28

e) The cost committee primarily observed the increase in the estimated cost of the project as under:

- i. Correction of omission of loop-out length in earlier estimation: In the earlier cost assessment, only the loop-in length for the “LILLO of Narendra (New) – Pune (GIS) 765 kV D/c line at Pune III” was considered. The loop-out portion was inadvertently omitted, leading to a significant under-estimation of the actual line length and associated costs. This oversight has now been rectified.
- ii) Revision in RoW Cost: The RoW compensation has been reassessed considering multiple applicable guidelines, i.e., the RoW guidelines of Maharashtra dated 01.12.2022, the Ministry of Power guidelines dated 14.06.2024, and the CTUIL Cost Matrix (March-2024). The highest of these, i.e., RoW costs as

per the CTUIL matrix, was considered, contributing significantly to the increase in project cost.

iii) Application of completion factor: In the earlier cost estimation, the completion factor was not considered for escalation in prices expected over the implementation period. A completion factor for a period of 32 months (from April-2024 to November-2026) has now been applied to appropriately account for cost variations, thereby increasing the overall project cost.

f) The committee deliberated that the above corrections and updates were necessary for arriving at a realistic estimate of the capital cost, as directed by the CERC.

g) The updated computation of the levelized tariff based on the revised capital cost in accordance with prevailing CERC norms is computed and is 11.24% higher than the tariff quoted by the successful bidder.

Hearing dated 20.6.2025

10. During the course of the hearing on 20.6.2025, the representative of the Petitioner submitted that the BPC i.e., PFCCL, has filed the compliance affidavit, wherein the reassessed capital cost of the Project, as per the Cost Committee's meeting held on 5.6.2025, has been indicated as Rs. 4021.28 crores, as against the earlier estimated cost of Rs. 3381.28 crores. The increase in cost has been attributed to (i) correction of omission of loop-out length in the earlier estimate, (ii) revision in Right of Way (RoW) cost, and (iii) application of the completion factor. Based on the revised cost, the levelised tariff discovered through the competitive bidding process is 11.24% higher than the estimated transmission charges as per *prevailing CERC*

norms. Accordingly, the matter was reserved for orders. However, no reply has been received from the Respondents despite notice.

Analysis and Decision

11. We have considered the submissions of the Petitioner, BPC, and CTUIL 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.”

12. 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 the transmission services for transmission of electricity through tariff based competitive bidding for selection of the Transmission Service Provider (TSP) for a 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 (BPC) who would be responsible for 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 the 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 a Request for Proposal (RfP). The entire bidding process shall be conducted online through an electronic medium under the e-reverse bidding framework.

(e) RfP notice should be published in at least two national newspapers, the 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 issuing the 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 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.

13. 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.

14. The Ministry of Power, Government of India, vide its Gazette Notification No. CG-DL-E-06092023-248580 dated 4.9.2023, has notified the PFCCL as a Bid Process Coordinator for the purpose of selection of bidder as Transmission Service Provider
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to establish the Inter-State Transmission System for “Transmission System for evacuation of power from potential renewable energy zone in Khavda area of Gujarat under Phase-IV (7GW): Part D” on a Build, Own, Operate and Transfer Basis through a tariff based competitive bidding process.

15. Pune-III Transmission Limited was incorporated on 16.1.2024 under the Companies Act, 2013 as a wholly owned subsidiary of PFCCL with the objective to establish the inter-State Transmission System for “Transmission System for evacuation of power from potential renewable energy zone in Khavda area of Gujarat under Phase-IV (7GW): Part D” 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”.

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

17. 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 19.10.2023, with the last date of submission of response to RfP as 27.12.2023. Intimation regarding the initiation of the bid process

was given to this Commission on 23.10.2023 in accordance with Clause 4.2 of the Guidelines dated 10.8.2021.

18. Factual Matrixes of the bidding are as under:

S. No.	Events	Date
1.	Publication of RfP	19.10.2023
2.	Intimation to the Commission	23.10.2023
3.	RFP (Technical)& Price Bid Submission	19.4.2024
4.	RFP (Technical) Bid Opening	19.4.2024
5.	RFP (Financial) Initial Price Offer -Opening	25.9.2024
6.	e-Reverse Auction	26.9.2024
7.	No. of Bidders participated in the e-Reverse Auction	3 bidders participated (mentioned in para 23)
8.	Rounds of E-Reverse Auction	178 rounds
9.	Final Bid Evaluation Committee Meeting	17.10.2024
10.	Issuance of the Lol	21.10.2024
11.	Signing of Agreements & transfer of SPV	19.11.2024
12.	Estimated Cost of the Project	Rs. 3381.28 crores

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

Sr. No.	Name of the Transmission Element	Scheduled COD in months from Effective Date
1.	Establishment of 2x1500 MVA, 765/400 kV & 3x500 MVA, 400/220 kV Pune-III (GIS) S/s with 2x330 MVAR, 765 kV bus reactor and 2x125 MVAR, 420 kV bus reactor • 765/400 kV, 1500 MVA ICT-2 Nos. (7x500 MVA including one spare unit) • 400/220 kV, 500 MVA ICT - 3 Nos. • 765 kV ICT bays- 2 Nos. • 400 kV ICT bays- 5 Nos. • 220 kV ICT bays- 3 Nos. • 220 kV BC bay- 1 No. • 330 MVAR, 765 kV bus reactor- 2 Nos. • 125 MVAR, 420 kV bus reactor- 2 Nos. • 765 kV reactor bay- 2 Nos. • 765 kV line bay- 6 Nos. • 400 kV reactor bay- 2 Nos.	24 months (19.11.2026)

Sr. No.	Name of the Transmission Element	Scheduled COD in months from Effective Date
	• 400 kV line bay- 2 Nos. • 110 MVAR, 765 kV, 1-ph reactor (spare unit for line/bus reactor)- 1 No. Future Provisions: Space for • 765/400 kV ICT along with bays- 4 No. • 765 kV line bays along with switchable line reactors - 8 Nos. • 765 kV Bus Reactor along with bay: 2 No. • 765 kV Sectionalizer bay: 1- set • 400 kV line bays along with switchable line reactor - 12 Nos. • 400/220 kV ICT along with bays - 5 Nos. • 400 kV Bus Reactor along with bay: 2 No. • 400 kV Sectionalization bay: 1 set • 220 kV line bays: 12 Nos. • 220 kV Sectionalization bay: 1 set • 220 kV BC: 1 No. ® STATCOM (±300 MVAR) along with MSC (3x125 MVAR) & MSR (1x125 MVAR): alongwith 1 No. 400 kV bay: 1 No. • 80 MVAR, 765 kV, 1-ph reactor (spare unit for line reactor)-1 No.	
2.	Boisar-II – Pune-III 765 kV D/c line • 2 Nos. of 765 kV line bays at Boisar-II for termination of Boisar-II – Pune-III 765 kV D/C line	
3.	330 MVAR switchable line reactors at Pune-III end of Boisar-II – Pune-III 765 kV D/c line (with NGR bypass arrangement) • 330 MVAR, 765 kV switchable line reactor- 2 Nos. • Switching equipment for 765 kV line reactor- 2 Nos. • 1x110 MVAR spare bus reactor being established under present scheme at Pune-III (GIS) to be used as spare	
4.	2 Nos. of 765 kV line bays at Boisar-II for termination of Boisar-II - Pune-III 765 kV D/c line • 765 kV line bays (GIS) - 2 Nos. (for Boisar-II end)	
5.	LILO of Narendra (New) – Pune (GIS) 765 kV D/c line at Pune-III	

Sr. No.	Name of the Transmission Element	Scheduled COD in months from Effective Date
6.	330 MVAR switchable line reactors at Pune-III end of Narendra (New) – Pune-III(GIS) 765 kV D/c line (with NGR bypass arrangement) • 330 MVAR, 765 kV switchable line reactor- 2. • Switching equipment for 765 kV line reactor- 2 • 1x110 MVAR spare bus reactor (1-ph) being implemented at Pune-III (GIS) S/s under present scheme shall be used as spare	
7.	LILO of Hinjewadi- Koyna 400 kV S/c line at Pune-III (GIS) S/s	
8.	80 MVAR, 420 kV switchable Line Reactor at Pune-III (GIS) end of Pune-III (GIS) – Koyna 400 kV line formed after above LILO (with NGR bypass arrangement) • 80 MVAR, 420 kV switchable line reactor along with switching equipment-1 No.	

Note:

- i. Bay(s) required for completion of diameter (GIS) in one-and-half breaker scheme, shall also be executed by TSP.
- ii. Logic for inter-tripping scheme for tripping of the 330 MVAR switchable line reactor along with main line breaker at Pune (GIS) end of Pune (GIS) – Narendra (New) 765 kV D/c line shall be implemented by the owner of the line after LILO of Narendra (New) – Pune (GIS) 765 kV D/c line at Pune-III.
- iii. MSETCL shall implement the following 220 kV lines along with 5 Nos. 220 kV GIS bays at Pune-III (GIS) S/s in matching time-frame of Pune-III S/s:
 - a. LILO of both circuits of Jejuri-Phursungi 2220 kV D/c line at Pune-III S/s with HTLS conductor (twin zebra equivalent) along with reconductoring of balance line section viz. LILO point to phursungi and LILO points to Jejuri with HTLS conductor (twin zebra equivalent)
 - b. Nanded City- Pune PG III 220 kV S/c line with HTLS conductor (twin zebra equivalent)
- iv. TSP of Boisar-II S/s shall provide space for work envisaged at Sl. No.4. The line lengths mentioned above are approximate as the exact length shall be obtained after the detailed survey.
- v. The line lengths mentioned above are approximate as the exact length shall be obtained after the detailed survey.

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

S. No.	Name	Designation
1.	Sh. Rajesh Kumar Singh, General Manager, SBI, CCGRO-II, New Delhi	Chairman of the Committee
2.	Sh. P.D. Lone, SE (Operations), WRPC	Member
3.	Sh. Amit Naik, SE (Systems), MSETCL	Member
4.	Sh. B.S. Bairwa, Chief Engineer (PSPA-II) CEA	Member
5.	Sh. Bhanwar Singh Meena, Director (PSE&TD), Central Electricity Authority	Member
6.	Sh. Milind M. Dafade, Chairman, Pune III Transmission Limited	Convener - Member

21. The RfP was first issued on 19.10.2023. At the RfP (Technical and Financial) stage, three bidders, namely, (i) Adani Energy Solutions Limited (Formerly known as Adani Transmission Limited); (ii) Power Grid Corporation of India Limited; and (iii) Sterlite Grid 21 Limited submitted their offers. The RfP (Technical) bids of the bidders were opened by the Bid Opening Committee in the Central Electricity Authority on 19.4.2024 in the presence of a representative of the bidders. Based on the recommendation of the Bid Evaluation Committee (BEC), the RfP (Financial) Bids Initial Price Offer of the bidders were opened on 25.9.2024. The Lowest Initial Price Offer discovered (Best Deal) at the MSTC portal was Rs. 9,201.33 million per annum. The details of the quoted transmission charges by the bidders are given below:

Sr. No.	Name of the Bidder	Quoted Transmission Charges from the Initial Offer (in Rs. Million per annum)	Rank
1.	Adani Energy Solutions Limited	9,201.33	L1
2.	Power Grid Corporation of India Limited	9,500.00	L2
3.	Sterlite Grid 21 Limited	12,000.10	L3

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

23. The e-reverse auction was conducted on the MSTC portal on 26.9.2024 and the same was concluded on 28.9.2024. The details of the three qualified bidders are as under:

Sr. No.	Name of the Bidder	Quoted Transmission Charges from the Initial Offer (in Rs. Millions per annum)	Rank
1.	Adani Energy Solutions Limited	5,892.41	L1
2.	Power Grid Corporation of India Limited	5,907.18	L2
3.	Sterlite Grid 21 Limited	6,951.30	L3

24. Based on the e-reverse bidding, BEC, in its meeting held on 17.10.2024, recommended Adani Energy Solutions Limited, with the lowest transmission charges of Rs. 5,892.41 million per annum, as the successful bidder.

25. The Letter of Intent was issued by the BPC on 21.10.2024 to the successful bidder, i.e., Adani Energy Solutions Limited. In accordance with Clause 12.3 of the Guidelines, the BPC has hosted on the website of PFCCL 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 Lol to the successful bidder (Adani Energy Solutions Limited) and acquisition of the 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 the 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, a 100% equity share of Pune-III Transmission Limited from PFCCL along with all its related assets and liabilities.

28. 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 31.10.2024. Though Lol was issued on 21.10.2024, BPC, vide its letter dated 19.11.2024 in terms of Clause 2.15.2 of RfP, extended the date up to 19.11.2024 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. 70.00 crores on 16.11.2024 and acquired a hundred per cent equity-holding in the applicant company on 19.11.2024 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 Adani Energy Solutions Limited, acquired the SPV on 19.11.2024. Accordingly, the TSP has filed the instant Petition through e-filing for the adoption of transmission charges on 22.11.2024.

29. The Petitioner has approached the Commission with a separate application for a grant of transmission licence. The Commission, vide order dated 2.8.2025 in Petition No. 78/TL/2025, on being satisfied that the Petitioner, *prime facie*, qualifies for the grant of a transmission licence 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.

30. 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 sixth Meeting of the Bid Evaluation Committee held on 17.10.2024, the following have been recorded:

"I. The sixth meeting of the Bid Evaluation Committee (BEC) for opening of RFP (Financial) bids for the transmission scheme "Transmission System for Evacuation of Power from potential renewable energy zone in Khavda area of Gujarat under Phase-IV (7GW): Part D" was held on 17.10.2024, at 1230 hrs (IST) through Video Conferencing (VC).

II. BPC informed BEC the following:

i) The RFP (Financial) Bid - Initial Offer for the following three (03) qualified bidders were opened online on the MSTC portal by the Bid Opening Committee in the office of Central Electricity Authority (CEA) in presence of BEC members through VC on 25.09.2024 at 1100 hrs (IST):

- a. Adani Energy Solutions Limited*
- b. Power Grid Corporation of India Limited*
- c. Sterlite Grid 21 Limited*

ii) The lowest Quoted Transmission Charges from the Initial Offer discovered was Rs.9,201.33 million per annum which was declared as the initial price for quoting the final offers during the e-reverse auction process.

iii) As per Clause No. 3.5.1 of the RFP document, "...Quoted Transmission Charges of such Initial Offer shall be ranked on the basis of the ascending Initial Offer submitted by each Qualified Bidder. Based on such ranking of the Qualified Bidders, first fifty per cent of the ranking (with any fraction rounded off to higher integer) or four Qualified Bidders,

whichever is higher, shall qualify for participating in the electronic reverse auction".

iv) Accordingly, all the three (03) bidders as mentioned below were qualified to participate in the e- reverse auction:

- a. Adani Energy Solutions Limited
- b. Power Grid Corporation of India Limited
- c. Sterlite Grid 21 Limited

v) The lowest Initial Offer at the MSTC portal i.e., Rs.9,201.33 million per annum was communicated (duly acknowledged by bidders) to the above three (03) bidders qualified for participating in the e- reverse auction process which was held at MSTC Portal on 26.09.2024 at 1000 hrs (IST) onwards.

vi) On the conclusion of the e-Reverse Auction on 28.09.2024 at 1657 hrs (IST) after 178 (One Hundred and Seventy-Eight) rounds, "Adani Energy Solutions Limited" has emerged as a successful bidder with the lowest Quoted Transmission Charges during the e-bidding stage (The Evaluation Report attached at Annexure-A).

vii) The Final Offer for Quoted Transmission Charges of each bidder as quoted at the time of closing of the e-reverse auction are as under (a copy of the e-reverse bidding statement generated at the MSTC portal is attached in Annexure-B):

Sr. No.	Name of the Bidder	Quoted Transmission Charges from the Initial Offer (in Rs. Million per annum)	Rank
1.	Adani Energy Solutions Limited	5,892.41	L1
2.	Power Grid Corporation of India Limited	5,907.18	L2
3.	Sterlite Grid 21 Limited	6,951.30	L3

viii) Further as per the provisions of the RFP document, only one value for annual Transmission Charges is to be quoted by the bidder. In addition to the online submission, the Bidder with the lowest Final Offer is required to submit original hard copies of Annexure 3-Power of Attorney, Annexure 4-Power of Attorney from Consortium Members (if applicable), Annexure 6- Consortium Agreement (if applicable) and Annexure 14- Bid Bond, before issuance of Lol.

ix) Accordingly, as per the requirement, 'Adani Energy Solutions Limited' (the Bidder with the lowest Final Offer) had submitted the original hard

copies of Annexure 3 and Annexure 14 to BPC on 03.10.2024. The other annexures were not applicable to the bidder.

x) The original hard copies of Annexure 3 and Annexure 14 submitted by 'Adani Energy Solutions Limited' are in order. There is no discrepancy between the online submission and physical documents submitted.

III. In view of the above, BPC proposed that 'Adani Energy Solutions Limited' with the Final Offer (Quoted Transmission Charges) of Rs.5,892.41 million per annum, may be declared as the successful bidder.

IV. BPC, in their evaluation report (Annexure-A) has confirmed the following:

i) The levelised tariff for the project based on CERC Regulations has been computed based on the estimated cost as communicated by the Cost Committee constituted by CEA and the methodology for the calculation of tariff as per CERC norms.

ii) 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 the Ministry of Power, Govt, of India under Section 63 of the Electricity Act, 2003 and as amended from time to time.

V. During the meeting, BPC apprised the BEC regarding the following:

i) 'Adani Energy Solutions Limited' is the successful Bidder after the conclusion of the e-reverse auction process with the lowest Quoted Transmission Charges of Rs.5,892.41 million per annum.

ii) The estimated project cost approved by the Cost Committee in its meeting held on 02.02.2024. was calculated on the basis of RoW guidelines dated 16.07.2020 issued by Ministry of Power (MoP) which stipulated that tower base compensation shall be 85% of the land value and RoW corridor compensation shall be 15% of the land value. However, MoP has issued the revised RoW guidelines dated 14.06.2024 wherein that tower base compensation has been increased to 200% and RoW corridor compensation has increased to 30%. Additionally, the land rates obtained from the recently awarded projects for Shirur and Daund areas (copy enclosed at Annexure-C), are almost two and half times higher than the rates considered for estimating the RoW cost during the estimation of the project cost.

iii) The e-reverse auction was concluded after 178 (One Hundred and Seventy Eight) rounds in which all the three bidders participated, which indicates significant competition among bidders.

VI. Considering the facts mentioned at Sl. No. V above, BEC recommended the following:

i) The quoted tariff discovered through e-reverse bidding process, although higher than the Levelised Tariff estimated as per CERC norms, is acceptable.

ii) 'Adani Energy Solutions Limited' may be issued Letter of Intent (LoI)."

32. The Commission, vide RoP dated 2.4.2025 observed that the transmission charges discovered in the bid process (Rs. 5892.41 million per annum) were approximately 29.20% higher than the transmission charges calculated based on the prevailing CERC norms considering the capital cost of the Project as assessed by the Cost Committee (Rs.4560.78 million per annum). Accordingly, BPC was directed to have the capital cost of the Project re-assessed by the Cost Committee in view of the GoG's Revised RoW Guidelines dated 1.3.2024 and to indicate the consequential increase in project cost and the levelized transmission charges calculated based on the prevailing norms so that the meaningful examination of the reasonability of the discovered transmission charges can be undertaken.

33. In response, the BPC, vide its affidavit dated 19.6.2025, has submitted the reassessed cost of the project and consequential increase in project cost and the levelized transmission charges as follows:

"g) The cost committee has observed the increase in estimated cost of the project observed primarily due to following factors:

i) Correction of omission of loop-out length in earlier estimation: In the earlier cost assessment, only the loop-in length for the "LIL of Narendra (New) - Pune (GIS) 765 kV D/c line at Pune III" was considered. The loop-out portion was inadvertently omitted, leading to a significant underestimation of the actual line length and associated costs. This oversight has now been rectified.

ii) Revision in RoW Cost: The RoW compensation has been reassessed considering multiple applicable guidelines i.e., the RoW guidelines of Maharashtra dated 01.12.2022, the Ministry of Power guidelines dated 14.06.2024, and the CTUIL Cost Matrix (March-2024). The highest of these,

i.e., RoW costs as per CTUIL matrix, was considered, contributing significantly to the increase in project cost.

iii) Application of completion factor: In the earlier cost estimation, completion factor was not considered for escalation in prices expected over the implementation period. A completion factor for a period of 32 months (from April-2024 to November-2026) has now been applied to appropriately account for cost variations, thereby increasing the overall project cost.

h) The committee deliberated that the above corrections and updates were necessary for arriving at a realistic estimate of the capital cost, as directed by the CERC.

i) The updated computation of levelized tariff based on the revised capital cost in accordance with prevailing CERC norms is computed and is 11.24% higher than the tariff quoted by successful bidder. (Computation of levelised Tariff estimated as per CERC norms is enclosed at Annexure-A)."

34. Bid Evaluation Committee (BEC), vide its certificate dated 17.10.2024, certified as under:

"It is hereby certified that:

1. 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 and as amended from time to time.

2. Adani Energy Solutions Limited emerged as the Successful Bidder after the conclusion of e-reverse bidding process with the lowest Quoted Transmission Charges of Rs.5,892.41 million per annum.

3. The quoted tariff is higher than the Levelised Tariff calculated based on CERC norms considering the capital cost for the Project "Transmission System for Evacuation of Power from potential renewable energy zone in Khavda area of Gujarat under Phase-IV (7GW): Part D" as assessed by Cost Committee. The quoted tariff discovered through e-reverse bidding process is acceptable."

35. 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 17.10.2024, 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. 5,892.41 million per annum. It is noted that BPC vide its affidavit dated 19.6.2025 has submitted the reassessed cost of the project and consequential increase in project cost and the levelized transmission charges and in addition in para g (i) of the said affidavit, has mentioned, "*The updated computation of levelized tariff based on the revised capital cost in accordance with prevailing CERC norms is computed and is 11.24% higher than the tariff quoted by successful bidder. (Computation of levelised Tariff estimated as per CERC norms is enclosed at Annexure-A).*" However, the same does not appear to be correct. Nonetheless, in para V and VI of the BPC report dated 17.10.2024 concluded that "*VI. Considering the facts mentioned at Sl. No. V above, BEC recommended the following:*

i) The quoted tariff discovered through e-reverse bidding process, although higher than the Levelised Tariff estimated as per CERC norms, is acceptable.

ii) 'Adani Energy Solutions Limited' may be issued Letter of Intent (LoI)."

36. It is noted that BPC, in its Evaluation Report, has confirmed that the lowest annual transmission charges of Rs. 5,892.41 million per annum discovered through electronic reverse auction is 11.24% higher than the estimated annual transmission charges of Rs. 4560.78 million per annum, which is computed based on the prevailing CERC norms. Based on the certification of the BEC, we approve and adopt the single annual transmission charges of Rs. 5,892.41 million per annum as per the final offer of the successful bidder, subject to the grant of a transmission licence to the Petitioner company. The transmission charges shall remain valid throughout the period covered

in the TSA.

37. In addition, it is observed that the language used in the minutes of the BPC/BEC meetings requires clarity. Accordingly, BPC, PFC Consulting Limited is directed to ensure that all future minutes are drafted with due diligence and strictly in accordance with the prescribed Guidelines.

38. 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.

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

40. Petition No. 75/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