CENTRAL ELECTRICITY REGULATORY COMMISSION
NEW DELHI

Petition No. 1029/TL/2025

Coram:

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

Date of Order: 19.10.2026

In the matter of

Application under Section-14 & 15 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 Transmission License for Transmission system for providing connectivity to RE applicant(s) at Navinal (Mundra)(GIS) under Regulated Tariff Mechanism (RTM) route.

And

In the Matter Of:

Navinal Transmission Limited,
C 105, Anand Niketan,
New Delhi 110021

.... **Petitioner**

Vs

1. **Central Transmission Utility of India Limited,**
   Saudamini, Plot No.2, Sector-29,
   Gurgaon-122 001

2. **Madhya Pradesh Power Management Company Limited,**
   Block No. – 11, Ground Floor, Shakti Bhavan,
   Vidhyut Nagar, Rampur,
   Jabalpur–482008, Madhya Pradesh

3. **Chhattisgarh State Power Distribution Company Limited,**
   P.O. Sunder Nagar, Dangania,
   Raipur–492013, Chhattisgarh.
4. **Maharashtra State Electricity Distribution Company Limited,**
   Prakashgad, 4th Floor, Bandra (East),
   Mumbai–400051.

5. **Gujarat Urja Vikas Nigam Limited,**
   Vidhyut Bhavan, Race Course,
   Vadodara–390007.

6. **DNH Power Distribution Corporation Limited,**
   66 kV, Amli Ind. Estate,
   Silvasa–396230, Dadar Nagar Haveli.

7. **Electricity department, Government of Goa,**
   Vidyut Bhavan, Near Mandvi Hotel,
   Panaji, Goa–403001.

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

….**Respondent(s)**

Parties present:

Shri Prashant Kumar, NNTL

ORDER

The Petitioner, Navinal Transmission Limited (hereinafter referred to as "Petitioner"), 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 has applied for grant of separate Transmission Licence for ISTS scheme "Transmission system for providing connectivity

to RE applicant(s) at Navinal (Mundra)(GIS)" awarded through RTM route. The scope of the project for which a transmission licence has been sought is as under:

SNO	Name of the scheme and Implementation timeframe	Estimated Cost (₹ Crores)	Remark
1	Transmission system for providing connectivity to RE applicant(s) at Navinal (Mundra)(GIS) **Implementation timeframe**: 24 months from the date of allocation	105.09	Approved to be implemented under RTM by Navinal Transmission Limited

The detailed scope of work for the instant scheme is as under:

Detailed scope of the scheme is given below:

Sl. Nos.	Description	Scope of work (Type of Substation/Conductor capacity/km/Nos. of bays etc.)
1.	Creation of 220 kV switchyard (Bus Sec-I) at Navinal (Mundra) S/s (GIS) along with installation of 1x500MVA, 400/220 kV ICT at Navinal (Mundra) S/s (GIS).	• 400/220 kV ICT – 1 No. • 400 kV ICT bay – 2 Nos. (Including 1 Nos. for Diameter completion in GIS)* • 220 kV ICT bay – 1 No. • 220 kV BC – 1 No. • 400 kV GIS Bus Duct (m)~ 62m (approx.) • 220 kV GIS Bus Duct (m)~ 62m (approx.) • 400 kV Air Bushing for connecting GIS to AIS -3 Nos. • 220 kV Air Bushing for connecting GIS to AIS -3 Nos. • 220 kV Cable (m) ~ 600m (approx.) • 220 kV Cable Termination Kit -1 Set * *ICT Bay-Tie Bay- Line Bay configuration has been considered for complete diameter of one & half breaker scheme*
2.	1 No. 220 kV line bay (GIS) (on 220 kV Bus Sec-I) for interconnection of Wind project of Adani Wind Energy Kutchh Three Ltd. (2200001083) (300 MW)	• 220 kV line bay–1 No.

2. The Petitioner has made the following prayers:

a) Grant Separate Transmission Licence to the Applicant for implementation of "Transmission system for providing connectivity to RE applicant(s) at Navinal (Mundra)(GIS)" under Regulated Tariff Mechanism (RTM) with detailed scope as per para 8.

b) Allow the Applicant liberty to approach the Hon'ble Commission for determination of transmission charges for the additional scope of work in the proposed Transmission license in this petition in accordance with Section 61, 62 of the Electricity Act, 2003.

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."

3. The Petitioner is an Inter-State Transmission Licensee, implementing the transmission project *"Network Expansion Scheme in Navinal (Mundra) area of Gujarat for drawal of power in the area"* on a Build, Own, Operate and Transfer (hereinafter referred to as "BOOT") basis awarded through the Tariff Based Competitive Bidding route (hereinafter referred to as "TBCB Project"). The Commission, vide order dated 19.11.2025 in Petition No. 426/TL/2024, granted a transmission licence to the Petitioner for the TBCB Project consisting of the following:

S. No.	Name of the Transmission Element	Scheduled COD in months from Effective Date
1.	Establishment of 4x1500 MVA, 765/400 kV Navinal (Mundra) S/s (GIS) with 2x330 MVAr, 765 kV and 1x125 MVAr, 420 kV bus reactors: • 765/400 kV, 1500 MVA ICT – 4 Nos. (13x500 MVA single phase units including one spare ICT Unit) • 765 kV ICT bays – 4 Nos. • 400 kV ICT bays – 4 Nos. • 765 kV Line bays – 4 Nos. • 1x330 MVAr, 765 kV bus reactor- 2 Nos. (7x110 MVAr single phase Reactors including one spare Unit for bus /line reactor) • 765 kV Bus reactor bay – 2 Nos. • 125 MVAr, 420 kV reactor- 1 Nos. • 400 kV Reactor bay- 1 No. **Future provision (space for):** ➢ 765/400 kV ICT along with bays- 5 Nos. ➢ 765 kV line bays along with switchable line reactors – 6 Nos. ➢ 765 kV Bus Reactor along with bay: 2 Nos. ➢ 765 kV Sectionaliser: 1 -set	21 months (14.07.2026)

	➢ 400 kV line bays along with switchable line reactors– 10 Nos. (in addition to 4 Nos. bays for MUL – Navinal (Mundra) (GIS) 400 kV 2xD/C line mentioned under Note) ➢ 400/220 kV ICT along with bays -6 Nos. ➢ 400 kV Bus Reactor along with bays: 3 Nos. ➢ 400 kV Sectionalization bay: 1- set ➢ 220 kV line bays: 10 Nos. ➢ 220 kV Sectionalization bay: 1 set ➢ 220 kV BC and TBC: 2 Nos. ➢ STATCOM (± 300 MVAR) along with MSC (2x125 MVAr) and MSR (1x125 MVAr) and associated bays- 2 Nos.	
2.	LILO of Bhuj-II – Lakadia 765 kV D/C line at Navinal (Mundra) (GIS) S/s with associated bays at Navinal (Mundra) (GIS) S/s	
3.	Installation of 1x330 MVAr switchable line reactor on each ckt at Navinal end of Lakadia – Navinal 765 kV D/C line (formed after above LILO) ➢ 1x330 MVAr, 765 kV switchable line reactor – 2 Nos. ➢ Switching equipment for 765 kV line reactor – 2 Nos.	

Note:

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

(2) The TSP shall implement five complete diameters at 765 kV level of Navinal (Mundra) (GIS) consisting of 2 Main Bays and 1 Tie Bay required for completion of diameter (GIS) in one-and-half breaker scheme. (4 ICT bays + 4 Line Bays + 2 Bus Reactor Bays).

(3) Further, the TSP shall also implement four complete diameters at 400 kV level of Navinal (Mundra) (GIS) consisting of 2 Main Bays and 1 Tie Bay required for completion of diameter (GIS) in one-and-half breaker scheme. (4 ICT bays +1 Bus Reactor Bay + 3 for dia completion).

(4) The following scope of works for interconnection of 400/220 kV MUL (Distribution Licensee) S/s with Navinal (Mundra) S/s (GIS) is under the scope of MUL (shall be constructed and maintained by a licensee at the cost of such entity) and is required to be implemented in the same time frame

- *MUL – Navinal (Mundra) (GIS) 400 kV 2xD/C (Twin HTLS - Quad Moose equivalent) and KCL, MPL shall get interconnected with 400/220 kV Substation of MUL for drawal of power.*
- *MUL shall implement one complete diameter (GIS) consisting of 2 main bays and 1 Tie bay in one and half breaker scheme at Navinal end as 3 line bays can be terminated in spare bays being implemented by TSP for completion of dia.*
- *4 Nos. 400 kV Line bays at the Distribution Licensee MUL end.*

4. CTUIL Vide OM dated 04.08.2025, has assigned the transmission project, based on the approval granted by the National Committee on Transmission (NCT) in its 31st Meeting held on 14.07.2025, nominated Petitioner to implement the ISTS transmission scheme i.e., “Providing connectivity to RE applicant(s) at Navinal (Mundra)(GIS)” through “Regulated Tariff Mechanism” (RTM) mode. The estimated cost of the scheme as approved in the 31st NCT dated 14.07.2025 is Rs. 105.09 crores.

5. The Petitioner has submitted that after the grant of a transmission licence, the Petitioner shall proceed to implement the transmission scheme under the RTM mode. The Petitioner has estimated the project cost at ₹144.89 crore, which exceeds the CTUIL-indicated estimate of ₹105 crore by more than 10%. Accordingly, the Petitioner approached CTUIL to revise the cost estimate vide its letter dated 29.10.2025; however, CTUIL clarified that, as per the 31st NCT decision, cost variations are to be placed before the Commission and will not be taken up by NCT in future. The petitioner has estimated the cost based on the least-cost principle for budgetary offers received from prospective vendors for the proposed scope of work awarded vide CTUIL letter dated 04.08.2025. The Petitioner also submitted that it shall procure equipment, work and services through a transparent process of competitive bidding for the proposed scheme in compliance with Regulation 101 of the Central Electricity Regulatory Commission (Terms and Conditions of Tariff) Regulations, 2024. Upon completion of the Project, the Applicant shall approach the Commission with the actual costs incurred for determination of transmission charges in accordance with Sections 61 and 62 of the Electricity Act, 2003.

Hearing dated 21.01.2026:

6. The relevant extracts of the ROP of the hearing dated 21.01.2026 are as below:

"*The representative of the Petitioner submitted that the present Petition has been filed for the grant of a separate transmission licence to implement the transmission system for providing Connectivity to RE applicant(s) at Navinal (Mundra)(GIS) ('the Project') under the Regulated Tariff Mechanism (RTM) route. He further submitted that the said Project has been awarded to the Petitioner by CTUIL vide letter dated 4.8.2025, and the estimated cost of the Project is Rs.105.09 crore. He further submitted that the Petitioner has already complied with all the requirements under the Transmission Licence Regulations, 2024 and has also filed its compliance affidavit.*

2. Considering the submissions made by the representative of the Petitioner, the Commission directed as under:

(a) Admit and issue notice to the Respondents;

(b)The Respondents to file their replies, if any, within two weeks with a copy to the Petitioner, who may file its rejoinder(s), if any, within two weeks thereafter.

(c)The Petitioner to file, on affidavits, within two weeks, a copy of the Investment Approval for the scheme. Detailed item-wise estimation of the cost of the instant scheme and the justification for the increase/decrease regarding the estimated cost of 105.06 crore.

(d) CTUIL is directed to file the following information, on an affidavit, within two weeks:

(i) When the estimated cost of the instant scheme is Rs. 105.09 crore, and planned specifically for the evacuation of 300 MW of Wind power from AWEK3L, why is ATS considered only for the amount of Rs. 83.06 crore.

(ii) Details of connectivity/ GNA/GNARE granted at Navinal (Mundra) S/s with the scheduled start date of connectivity/ start date of GNA (for drawal).

(iii) The rationale for planning instant augmentation at the 220kV level at the Navinal (Mundra) GIS substation, even though around 3000 MVA transforming capacity was available at the 400kV level (without applying the N-1 planning criterion) on 19.11.2025, whereas 300 MW connectivity application for wind project by AWEK3L was made on 06.07.2024 and same was discussed in the 32nd CMETS on 24.09.2024.

(iv) The present status of cost to be deposited by the GNA/GNARE grantee entities at Navinal (Mundra) S/s as directed vide Order dated 19.11.2025 in Petition 426/TL/2025.

(v) Detailed item-wise estimation of the cost of the instant scheme.
……."

Hearing dated 19.02.2026

7. During the course of the hearing, the representatives of the Petitioner and Respondent, CTUIL, sought time to comply with the directions issued vide Record of Proceedings dated 21.01.2026. Considering the request, the Commission permitted one week to the Petitioner and CTUIL to file their respective affidavits in compliance with the said Record of Proceedings.

Submissions of the Petitioner:

8. In compliance with the RoP dated 21.01.2026, the Petitioner, vide affidavit dated 19.02.2026, had made the following submissions:

a) The estimated cost of the project based on September 2024 price level is INR 105.09 Cr. However, our cost estimate stands at INR 144.89 Cr. The project is proposed to be implemented through Debt (70%) and Equity (30%), with a loan component from domestic borrowing/bonds/External Commercial Borrowing (ECB), etc., and an equity component through the holding company (AESL).

Submissions of Respondent-1/ CTUIL:

9. CTUIL vide affidavit dated 02.03.2026 has made the following submission in compliance of the information sought vide RoP dated 21.01.2026:

i. When the estimated cost of the instant scheme is Rs. 105.09 crore, and planned specifically for the evacuation of 300 MW of Wind power from AWEK3L, why is ATS considered only for the amount of Rs. 83.06 crore?

a) In the 32nd CMETS-WR meeting on 24.09.2024, the application of M/s Adani Wind Energy Kutchh Three Ltd. (300 MW) was deliberated for injection of power at the Navinal (Mundra) GIS substation at the 220-kV level.

b) The scope included the creation of a 220kV switchyard (Bus Section-I) at Navinal (Mundra) (GIS), installation of 1×500 MVA, 400/220 kV ICT, and one 220 kV GIS line bay for interconnection with the wind project.

c) Since the Navinal/ Mundra area is not an MNRE-declared REZ, these elements were treated as part of the Associated Transmission System (ATS) for the RE project, as agreed in the 32nd CMETS-WR meeting.

d) The applicant was issued an in-principle intimation on 08.01.2025, indicating the ATS estimated cost of Rs. 83.06 crore (March 2024 price level). As per the In-principle grant of Connectivity, the applicant thereafter submitted requisite Conn-BG1 of Rs. 50 Lakhs along with unequivocal acceptance for execution of ATS vide letter dated 23.01.2025.

e) Based on the consent & submission of Conn-BG1, intimation for submission of Conn-BG2 was issued vide letter dated 20.05.2025 and subsequently, Conn-BG2 of Rs. 83.06 crore was furnished by the applicant.

f) After AWEK3L submitted the required Conn-BG2 on 16.06.2025, the scheme was required to be placed before the competent authority for approval. During this process, the ATS cost was recalculated based on additional inputs dated 12.02.2025 from the TSP (i.e., after the intimation of the ATS amount to AWEK3L on 08.01.2025), such as requirements for bus ducts and 220 kV cables at the September 2024 price level. Consequently, the ATS cost was revised from ₹83.06 crore to ₹105.09 crore.

g) As per Regulation 8.3(b) of the erstwhile GNA Regulations, prior to the effectiveness of the 3rd amendment (for cases falling under Regulation 7.2), the Conn-BG2 amount must not exceed the ATS cost intimated under Regulation 7.2.

h) Accordingly, the scheme was deliberated in the 31st NCT meeting on 14.07.2025, wherein it was intimated that Conn-BG2 of Rs. 83.06 crore had been received, even though the updated cost of the ATS is now Rs. 105.09 crore. NCT vide letter dated 04.08.2025 approved the scheme to be implemented under RTM route through Navinal Transmission Limited [a subsidiary of M/s. Adani Energy Solutions Limited (AESL), i.e. TSP of Navinal (Mundra) (GIS)] with SCOD of 04.08.2027.

ii. The details of Connectivity/GNA/GNARE granted at Navinal (Mundra) Substation are as below:

Sl. No.	**GNA/GNA-RE Application no.**	**Entity Name (**as per application)	**Connectivity/ GNA/GNA-RE**	**Quantum (MW)**	**Start Date/Effective date**	**End Date**	**Transmission Scheme Name**	**Remarks**
GNA/GNA-RE								
1	*2200000064*	*MPSEZ Utilities Limited*	*GNA*	*1300*	*31-Aug-2026*	*31-May-2050*	*Network Expansion Scheme in Navinal (Mundra) area of Gujarat for drawal of power in the area*	*Granted*
2	*2200000124*	*Mundra Petrochem Limited*	*GNA-RE*	*1140*	*31-Aug-2026*	*31-May-2050*	*Network Expansion Scheme in Navinal (Mundra) area of Gujarat for drawal of power in the area*	*Granted*
3	*2200000122*	*MPSEZ Utilities Limited*	*GNA*	*495*	*1-Apr-2029*	*31-Mar-2054*	*Network Expansion Scheme in Navinal (Mundra) area of Gujarat for drawal of power in the area*	*Granted*

Sl. No.	GNA/GNA-RE Application no.	Entity Name (as per application)	Connectivity/ GNA/GNA-RE	Quantum (MW)	Start Date/Effective date	End Date	Transmission Scheme Name	Remarks
GNA/GNA-RE								
4	*2200000129*	*Kutch Copper Limited*	*GNA-RE*	*115*	*31-Aug-2026*	*31-May-2050*	*Network Expansion Scheme in Navinal (Mundra) area of Gujarat for drawal of power in the area*	*Granted*
			Total	**3050**				
Connectivity								
1	2200001083	Adani Wind Energy Kutchh Three Limited	**Connectivity**	300	04-08-2027	NA	**Augmentation** (other than ATS) Network Expansion Scheme in Navinal (Mundra) area of Gujarat for drawal of power in the area **ATS** Transmission System for providing connectivity to RE applicant(s) at Navinal (Mundra)(GIS)	*Granted*

iii. The rationale for planning instant augmentation at the 220kV level at the Navinal (Mundra) GIS substation, even though around 3000 MVA transforming capacity was available at the 400kV level (without applying the N-1 planning criterion) on 19.11.2025, whereas 300 MW connectivity application for wind project by AWEK3L was made on 06.07.2024 and same was discussed in the 32nd CMETS on 24.09.2024.

a) The application of AWEK3L for 300 MW connectivity was deliberated in the 32nd CMETS-WR meeting held on 24.09.2024. Considering the quantum of

300 MW and the applicant's specific request, it was assessed that providing connectivity at the 220kV level of the Navinal (Mundra) GIS substation would be the most appropriate and technically efficient option. During the meeting, the applicant also confirmed that no future expansion of the project was envisaged.

b) Although transformation capacity existed at the 400kV level at Navinal (Mundra), creation of a new 400 kV DTL switchyard and associated 400 kV DTL for a 300 MW renewable project was considered neither technically justified nor economically viable for the generation project. Such an arrangement would also have resulted in significant underutilization of a 400kV bay (capacity more than 1000 MW) at the ISTS end and was therefore not recommended.

c) Accordingly, connectivity at the 220kV voltage level was planned, requiring establishment of a 220kV switchyard (Bus Section-I) along with installation of 1×500 MVA, 400/220 kV ICT and one 220 kV GIS line bay for interconnection of the wind project of Adani Wind Energy Kutchh Three Ltd. (AWEK3L). These system elements were agreed as the most suitable configuration for enabling the evacuation of 300 MW wind generation while ensuring optimal utilisation of the existing network infrastructure.

d) Since Navinal/ Mundra area is not a declared REZ by MNRE, the works w.r.t. Creation of 220 kV switchyard (Bus Sec-I) at Navinal (Mundra) S/s (GIS) along with installation of 1x500 MVA, 400/220 kV ICT at Navinal (Mundra) S/s (GIS) were agreed as part of the Associated Transmission System of the above RE project in the 32nd CMETS-WR.

iv. Status of Cost to be deposited by the GNA/GNARE grantee entities at Navinal (Mundra) S/s as directed vide Order dated 19.11.2025 in Petition 426/TL/2025.

e) In terms of the above order dated 13.02.2025 in Petition 73TL2025, bills are being raised at Rs. 16 lacs/MW on the entities covered under Regulation 17.1(iii) and granted GNA/GNA-RE of a cumulative of 3050 MW capacity at Navinal (Mundra) S/s.

v. item-wise estimation of the cost of the instant scheme:

S. No.	Transmission Elements	Cost of the Transmission System Element (in Rs. Crore)		Remarks
		As per March'24 Price Level	As per September'24 Price Level	
1	Creation of 220kV switchyard (Bus Sec-I) at Navinal (Mundra) S/s (GIS) along with installation of 1x500MVA, 400/220 kV ICT at Navinal (Mundra) S/s (GIS) 400/220kV ICT – 1 No. 400kV ICT bay – 1 No.* 220kV ICT bay – 1 No. 220kV BC – 1 No.	75.88	96.81	As per TSP inputs dated 12.02.2025 (i.e., subsequent to the intimation of ATS amount to AWEK3L on 08.01.2025), the requirement of 400kV and 220kV GIS Bus Duct for Interconnection of the proposed ICT of 62meters, along with 220kV XLPE cable of 600meters, was considered in the revised cost estimate at September'24 Price Level.
2	1 no. 220kV line bay (GIS) (on 220kV Bus Sec-I) for interconnection of Wind project of Adani Wind Energy Kutchh Three Ltd. (2200001083) (300MW) 220kV line bay–1 no.	7.18	8.28	
	Total	**83.06 (Refer note 1)**	**105.09 (Refer remarks)**	

**ICT Bay-Tie Bay- Line Bay configuration has been considered for complete diameter of one & half breaker scheme.*

Note-1:

At the time of cost estimation of the ATS, the SLD and GA of Navinal (Mundra) S/s were not finalised. Accordingly, the requirement of 400kV and 220kV GIS Bus Duct along with associated equipment for Interconnection of the proposed ICT was not considered.

Hearing dated 03.03.2026:

10. The relevant extracts of ROP of the hearing dated 03.03.2026 are as below:

"*At the outset, the representative of the Petitioner submitted that the Petitioner and CTUIL have filed their respective affidavits furnishing the information called for vide Record of Proceedings dated 21.1.2026.*

2. Considering the above, the Commission directed the Respondent, CTUIL, to file the following information/clarification, on an affidavit, within a week:

(a) Copy of CTUIL OM vide which it has communicated to TSP for implementation of instant scheme under RTM with an estimated cost of Rs. 83.06 crore.

(b) When the cost of ATS was revised to Rs. 105.09 crore, and the same was approved in the 31st NCT dated 14.07.2025, whether the revised cost of ATS was taken from the connectivity grantee?

(c) Comments on the variation in the estimated cost of the Project as per the Petitioner (Rs. 144.89 crore) vis-à-vis the estimated cost approved by NCT (Rs. 105.09 crore)

(d) How does an instant transmission system ensure optimal utilisation of existing network infrastructure when there is already a margin of about 1500 MW available at the 400kV level?

3. The Petition will be listed for hearing on 18.3.2026."

Submissions of Respondent-1/ CTUIL:

11. CTUIL vide affidavit dated 17.03.2026 has made the following submissions:

I. Copy of CTUIL OM vide which it has communicated to TSP for implementation of instant scheme under RTM with an estimated cost of Rs. 83.06 crore.

II. When the cost of ATS was revised to Rs. 105.09 crore, and the same was approved in the 31st NCT dated 14.07.2025, whether the revised cost of ATS was taken from the connectivity grantee?

a) 4x1500 MVA, 765/400 kV Navinal (Mundra) (GIS) Substation is being implemented under the ISTS scheme "Network Expansion Scheme in Navinal (Mundra) area of Gujarat for drawal of power in the area" through TBCB route by Navinal Transmission Ltd. (NTL) (a subsidiary of Adani Energy Solutions Ltd. (AESL)) with SCOD of 21 months from the effective date. The SPV acquisition of this scheme took place on 14/10/2024. Further, CERC, vide order dated 19/11/2025 in Petition No. 426/TL/2024, granted the transmission license for this scheme.

b) At the time of estimation of the ATS cost [i.e. creation of a 220kV switchyard (Bus Section-I) at Navinal (Mundra) (GIS), installation of 1×500 MVA, 400/220 kV ICT, and establishment of one 220 kV GIS line bay for interconnection of the wind project], the SLD and GA of Navinal (Mundra) S/s had not been finalised by the TSP (NTL). Accordingly, an estimated cost of ₹83.06 crore (March 2024 price level) was worked out.

c) Pursuant to the in-principle grant of connectivity, the applicant submitted Conn-BG1 of ₹50 lakh, along with unequivocal acceptance for execution of ATS vide letter dated 23.01.2025.

d) Based on the applicant's acceptance and submission of Conn-BG1, CTU issued an intimation on 20.05.2025 for submission of Conn-BG2, and the applicant subsequently furnished Conn-BG2 amounting to ₹83.06 crore.

e) Subsequently, upon receipt of Conn-BG2 from AWEK3L, the subject scheme was required to be placed before the competent authority. In the meantime, vide email dated 12/02/2025, the TSP informed that 400 kV and 220 kV GIS bus ducts and 220 kV cable would be required for implementation of the ATS scope of works. Accordingly, the ATS cost was recalculated, including the requirements of bus ducts and 220 kV cables, at September 2024 price levels. Consequently, the ATS cost estimate was revised from ₹83.06 crore to ₹105.09 crore.

f) In accordance with Regulation 8.3(b) of the erstwhile GNA Regulations, prior to the effectiveness of the 3rd amendment (for cases under Regulation 7.2), the Conn-BG2 amount cannot exceed the ATS cost intimated under Regulation 7.2. Hence, despite the revised cost of ₹105.09 crore, CTU could not seek any additional amount from AWEK3L beyond the originally intimated ATS cost of ₹83.06 crore.

g) Since the revised scheme cost exceeded ₹100 crore, approval of the scheme was required from the NCT as per the MoP order dated 28.10.2021 regarding reconstitution of NCT. Accordingly, the scheme was placed for approval in the 31st NCT meeting held on 14.07.2025, wherein it was noted that Conn-BG2 of ₹83.06 crore had already been received, although the updated ATS cost was now ₹105.09 crore.

h) NCT, vide letter dated 04.08.2025, approved implementation of the scheme under the RTM route through NTL (a subsidiary of AESL), with SCOD 04.08.2027 and an approved estimated cost of ₹105.09 crore.

i) Additionally, in line with Regulation 8.3(b) of the erstwhile GNA Regulations, CTU could not seek the revised ATS cost of ₹105.09 crore from the applicant, even though it exceeded the ATS cost of ₹83.06 crore intimated in the in-principle grant dated 08.01.2025.

III. Comments on the variation in the estimated cost of the Project as per the Petitioner (Rs. 144.89 crore) vis-à-vis the estimated cost approved by NCT (Rs. 105.09 crore)

j) NCT vide letter dated 04.08.2025 approved the implementation of "Transmission System for providing connectivity to RE applicant(s) at Navinal (Mundra)(GIS)" in its 31st meeting held on 14.07.2025 under RTM mode through NTL (a subsidiary of AESL), i.e., the TSP of Navinal (Mundra)(GIS), with an estimated cost of

₹105.09 Cr. Further, M/s AESL, vide its letter dated 29.10.2025, submitted the DPR cost of ₹144.89 Cr., along with a detailed cost breakup for the above scheme.

k) The comparison between the NCT estimated cost and TSP estimated cost is as follows:

All figs. in ₹Cr.

Particulars	**M/s AESL**	**As per 31st NCT (Sep'24 Price Level) ***	**Difference**
Supply/ Services/ Civil including T&D	116.97	97.52	19.45
IDC	15.17	7.58	7.59
Contingency	6.00	-	6.00
Pre-Operative cost	6.75	-	6.75
Total	**144.89**	**105.10**	**39.79**

**NCT estimated cost of the subject scheme has been calculated in line with the Indicative cost matrix used by the CEA Cost committee and IDC at 7.77% for 24 Months completion period has been considered. Further, Contingency and Pre-Operative cost has not been considered in the NCT cost estimation.*

IV. How does an instant transmission system ensure optimal utilisation of existing network infrastructure when there is already a margin of about 1500 MW available at the 400kV level?

l) The available margin of 1450 MW at the 400kV level of the Navinal (Mundra) substation pertains exclusively to the drawal of power by bulk consumers and GH/GA loads seeking connectivity under the ISTS at Navinal (Mundra). This margin cannot be utilized for injection of power into the grid.

m) For injection of power, only 300 MW margin was available at Navinal (Mundra) S/s at the time of granting connectivity to AWEK3L. Any injection beyond 300 MW would necessitate additional system strengthening at the substation for onward evacuation of power. Accordingly, the connectivity application for 300 MW from AWEK3L was deliberated in the 32nd CMETS-WR meeting on 24.09.2024.

n) Given the limited injection margin, the modest project capacity, and the applicant's confirmation that no future expansion was envisaged, CTU assessed that providing connectivity at the 220kV level of the Navinal (Mundra) GIS substation was the most technically suitable and efficient option.

o) Providing connectivity at the 400kV level would have required establishment of a new 400 kV DTL switchyard along with associated 400 kV DTL lines specifically for a 300 MW renewable project. Such an arrangement was assessed to be neither technically warranted nor economically prudent. Further, it would have resulted in significant under-utilization of a 400kV bay, which is designed for capacities exceeding 1000 MW, thereby making the option suboptimal.

p) In view of these considerations, connectivity at the 220kV level was planned. This involved the development of a 220kV switchyard (Bus Section-I) along with installation of 1×500 MVA, 400/220 kV ICT, and construction of one 220 kV GIS line bay for interconnection of the wind project of Adani Wind Energy Kutchh Three Ltd. (AWEK3L). This configuration was determined to be the most appropriate for enabling evacuation of 300 MW of wind generation while ensuring optimum utilization of existing grid infrastructure.

Hearing dated 18.03.2026:

12. During the course of the hearing, the representative of the Petitioner submitted that, pursuant to the directions issued during the hearing dated 03.03.2026, CTUIL has furnished the requisite information regarding the cost of the project on 17.03.2026. Considering the submissions made by the Petitioner's representative, the Commission reserved the matter for Order.

Analysis and Decision:

13. We have considered the submissions of the Petitioner and CTUIL. The Petitioner has filed the present Petition for grant of a separate Transmission Licence for the implementation of the transmission project, namely "*Providing connectivity to RE applicant(s) at Navinal (Mundra)(GIS)*" under RTM mode.

14. The subject transmission scheme was discussed and agreed upon in the 32nd 'Consultation Meeting for Evolving Transmission Schemes (CMETS) in Western Region'

held on 29.09.2024 & the 31st meeting of the "National Committee on Transmission" (NCT) held on 14.07.2025 and, vide its Minutes of the Meeting, NCT notified as under:

*"**4.5 Transmission System for providing connectivity to RE applicant(s) at Navinal (Mundra)(GIS)***

4.5.1 Representative of CTUIL stated that "Network Expansion Scheme in Navinal (Mundra) area of Gujarat for drawal of power in the area" involves Establishment of 765/400 kV (4x1500 MVA) Navinal (Mundra) S/s (GIS) with the LILO of Bhuj-II - Lakadia 765 kV D/c line at Navinal (Mundra) (GIS) S/s. The scheme is presently under implementation by Navinal Transmission Limited [a subsidiary of M/s Adani Energy Solutions Limited (AESL)] with SCOD of 14/07/2026. The scheme shall cater to supply of 3000 MW power to Bulk consumers and for meeting 1500 MW demand for Green Hydrogen/Ammonia projects.

4.5.2 Further, "Transmission System for supply of power to Green Hydrogen/Ammonia manufacturing potential in Mundra area of Gujarat under Phase-I: Part B1 scheme (3 GW at Navinal S/s)" scheme includes Augmentation of Transformation capacity at 765/400 kV Navinal (Mundra) S/s (GIS) by 2x1500 MVA ICTs and Navinal (Mundra) (GIS) - Bhuj 765 kV D/c line along with ±300MVAr STATCOM & 2x125MVAr MSC & 1x125MVAr MSR at 400 kV Bus sections- I & II of Navinal (Mundra) (GIS). The above scheme has been planned for meeting additional 3000 MW drawal requirement of Green Hydrogen/Ammonia projects (cumulative up to 7500 MW drawal in Mundra area).

4.5.3 Representative of CTUIL further stated that an application was received from M/s Adani Wind Energy Kutchh Three Ltd. 300 MW Wind Project for injection of power at Navinal (Mundra) (GIS) S/s at 220 kV level. This shall entail Creation of 220 kV switchyard (Bus Sec-I) at Navinal (Mundra) S/s (GIS) along with installation of 1x500MVA, 400/220 kV ICT at Navinal (Mundra) S/s (GIS) along with 1 Nos. 220 kV line bay (GIS) (on 220 kV Bus Sec-I) for interconnection of Wind project of Adani Wind Energy Kutchh Three Ltd.

4.5.4 Since, Navinal/Mundra area is not a declared REZ by MNRE, the works w.r.t. Creation of 220 kV switchyard (Bus Sec-I) at Navinal (Mundra) S/s (GIS) along with installation of 1x500MVA, 400/220 kV ICT at Navinal (Mundra) S/s (GIS) was agreed as part of Associated Transmission System. In-principle intimation was issued to M/s Adani Wind Energy Kutchh Three Ltd. (300 MW) vide letter dated 08.01.2025 along with estimated cost of ATS (including cost of 220 kV bay) of Rs. 83.06 Cr. at Mar-24 price level towards which acceptance for ATS was received on 23.01.2025. Subsequently, Conn-BG2 dated 16.06.2025 of Rs. 83.06 Cr. has been received from applicant. The cost has later been updated based on additional inputs received from TSP dated 08.05.2025 (regarding Bus Ducts/220 kV cable requirement, etc.) on Sep-24 price level to Rs. 105.09 Cr.

4.5.5 Grid-India stated that a significant quantum of GH2/ Bulk load in Navinal area [9250MW out of 15000 MW (Kandla: 3GW, MUL: 12 GW)] has been considered in service while planning of transmission system for RE in Khavda complex. In case of any delay in commissioning of this load, there would be severe overloading of the transmission system planned for RE evacuation. He suggested that the commissioning of this load may be monitored proactively and additional system, in case of any delay in commissioning of these loads, may be planned timely.

4.5.6 After deliberations, the transmission scheme "Transmission System for providing connectivity to RE applicant(s) at Navinal (Mundra) (GIS)" was approved for implementation as mentioned below:

4.5.7 Summary of the scheme is given below:

Sl. No.	*Name of the scheme and tentative implementation timeframe*	*Estimated Cost (₹ Crore)*	*Remarks*
1	*Transmission System for providing connectivity to RE applicant(s) at Navinal (Mundra) (GIS)* ***Tentative implementation timeframe:*** *24 months from date of allocation*	*105.09*	*Approved under RTM through Navinal Transmission Limited [a subsidiary of M/s Adani Energy Solutions Limited (AESL)] i.e. the TSP of Navinal (Mudra) (GIS)*

Sl. No.	***Description***	***Scope of Work (Type of Substation/Conductor capacity/km/Nos. of bays etc.)***
1	*Creation of 220 kV switchyard (Bus Sec-I) at Navinal (Mundra) S/s (GIS) along with installation of 1x500 MVA, 400/220 kV ICT at Navinal (Mundra) S/s (GIS).*	*• 400/220 kV ICT – 1 No.* *• 400 kV ICT bay – 2 Nos. (including 1 No. for diameter completion in GIS)* *• 220 kV ICT bay – 1 No.* *• 220 kV BC – 1 No.* *• 400 kV GIS Bus Duct – ~62 m (approx.)* *• 220 kV GIS Bus Duct – ~62 m (approx.)* *• 400 kV Air Bushing for connecting GIS to AIS – 3 Nos.* *• 220 kV Air Bushing for connecting GIS to AIS – 3 Nos.* *• 220 kV Cable – ~600 m (approx.)* *• 220 kV Cable Termination Kit – 1 Set* *Note: ICT Bay–Tie Bay–Line Bay configuration has been considered for complete diameter of one-and-half breaker scheme.*
2	*1 No. 220 kV line bay (GIS) (on 220 kV Bus Sec-I) for interconnection of Wind project of Adani Wind Energy Kutchh Three Ltd. (2200001083) (300 MW).*	*• 220 kV line bay – 1 No.*

15. Based on the approval, as above, MOP, vide OM dated 04.08.2025, communicated to CTUIL the approval of the scheme for "Providing connectivity to RE applicant(s) at Navinal (Mundra)(GIS)" along with identifying the implementing agency and also addressing the same to the Ministry of Power, Government of India, and NCT. The relevant portion of the said Office Memorandum dated 04.08.2025 is extracted as under:

*"**Subject: Implementation of ISTS Transmission/Communication Schemes approved by NCT in its 31st meeting held on 14.07.2025- regarding***

***महोदय**/Sir,*

The undersigned is directed to inform that NCT has approved implementation of the following ISTS Transmission and Communication Schemes in its 31st meeting held on 14.07.2025, in line with MoP office order dated 28.10.2021 and MoP Guidelines dated 9th March, 2022, to be implemented through Regulated Tariff Mechanism (RTM) route by agency as indicated below:

I. The transmission schemes approved by NCT under RTM route is given below

Sl. No.	***Name of Transmission Scheme***	***Implementation Mode***	***Implementation timeframe***	***Estimated Cost (₹ Cr)***
1	*Network Expansion Scheme for drawal of power at South Kalamb S/s: Part B (WTPL line reconductoring)*	*RTM through Western Transco Power Ltd (WTPL) (a subsidiary of AESL)*	*24 months from the date of allocation*	*5*
2	*Network Expansion Scheme for drawal of power at South Kalamb S/s: Part C (POWERGRID Bay Upgradation)*	*RTM through POWERGRID*	*24 months from the date of allocation*	*11*
3	*Transmission System for providing connectivity to RE applicant(s) at Navinal (Mundra) (GIS)*	*RTM through Navinal Transmission Limited (a subsidiary of M/s Adani Energy Solutions Limited)*	*24 months from the date of allocation*	*105.09*
4	*North Eastern Region Expansion Scheme-XXIII (NERES-XXIII)*	*RTM through POWERGRID*	*30 months from the date of allocation*	*117.65*

…….

The above schemes are awarded to CTUIL for implementation under RTM mode. CTUIL is requested to take necessary action for entering into a concession agreement with the respective agency for implementation of the above schemes.

CTU is requested to intimate the implementing Agency. Detailed scope of the schemes are as per minutes of the meeting. Copy of the minutes are enclosed."

Based on the above, CTUIL, vide OM dated 04.08.2025, requested the implementing agency "Navinal Transmission Limited" to initiate implementation of the scheme under the RTM mode.

16. We have considered the submissions of the Petitioner and CTUIL, and the information available on record. CTUIL has submitted that the instant scheme under RTM for connectivity to the RE project of 300 MW Wind project is planned at the 220kV voltage level, requiring establishment of a 220kV switchyard (Bus Section-I), after agreeing as the most suitable configuration for enabling the evacuation while ensuring optimal utilization of the existing network infrastructure. CTUIL has submitted that the evacuation at 400 kV level was assessed to be neither technically warranted nor economically prudent, and it would have resulted in significant under-utilization of a 400kV bay, which is designed for capacities exceeding 1000 MW, thereby making the option suboptimal.

~~17.~~ The initial cost estimation of the scheme was Rs. 83.06 Crores, based on the March 2024 price level; however, it was re-estimated as Rs. 105.09 crores, based on the updated price level of September 2024 and the increase due to the extension of the 400kV bus duct and 220 kV bus duct given as input by TSP. After the increase in the cost of the scheme, it was above Rs. 100 Crore and accordingly approved by the National Committee on Transmission (NCT), for which element-wise details have been furnished by the CTUIL.

18. It has been noted that the instant scheme has been planned as ATS for the applicant even after the increase in the estimated of cost of the instant scheme; the Conn BG2, regarding the estimated cost of ATS, was not revised to the increased estimated cost of

the instant scheme. Regulation 7.2 of the GNA Regulations, prior to its 3rd amendment, is as under:

". In-principle Grant of Connectivity by the Nodal Agency

7.2. In case the Nodal Agency, after the interconnection study undertaken in accordance with Regulation 6.1 of these regulations, determines that augmentation (with ATS or without ATS) is required, the Nodal Agency shall intimate in-principle grant of Connectivity to the Applicant within 90 days from the last day of the month in which the application had been received:

Provided that intimation for in-principle grant of Connectivity shall mention the ATS and terminal bay(s), estimated cost of such ATS and terminal bay(s), minimum design features for dedicated transmission lines to be constructed by the Applicant and the likely date of start of Connectivity:
….

For cases covered under Regulation 7.2 of these regulations, where augmentation with ATS is required, with ATS the following procedure shall be followed:

The entity that has been intimated in-principle grant of Connectivity, shall submit its consent for execution of ATS and terminal bay(s), as intimated under Regulation 7.2 of these regulations, along with Conn-BG1, within one month of intimation of in-principle grant of Connectivity, failing which the application for Connectivity shall be closed and application fee shall be forfeited.

The Nodal Agency, within 6 (six) months of furnishing of Conn-BG1 as per clause (a) of this Regulation, shall intimate to such entity, (i) amount of Conn-BG2 to be furnished towards ATS and terminal bay(s), which shall not exceed the estimated cost intimated under Regulation 7.2 of these regulations, (ii) the timeline for completion of ATS and terminal bay(s), and (iii) firm date of start of Connectivity:

Provided that if such ATS and terminal bay(s) are planned for more than one entity, Conn-BG2 shall be furnished in proportion to the quantum of Connectivity applied for by such entities:"

As per the above, Conn BG2 should be equivalent to the estimated cost of ATS and terminal bay(s), and the in-principle grant should mention the estimated cost of such ATS and terminal bay(s).

19. The instant scheme was planned as ATS for Adani Wind Energy Kutchh Three Limited (AWEK3L); however, CTUIL intimated Conn BG2 as Rs. 83.06 crores at the time of in-principle grant, which was furnished by AWEK3L. However, the estimated cost of the scheme was revised based on the Petitioner's report, and based on the revised cost estimate, the approval of NCT was obtained. CTUIL did not intimate the revised cost of ATS to AWEK3L, as per Regulation 8.3 read with Regulation 7.2 of the GNA Regulations.

20. We have taken note of submissions of CTUIL regarding revision in Conn BG2. We also note that Conn-BG2 serves as security of investment by the transmission licensee in case the generating station relinquishes. In the instant case, there is an increase of almost 20% as estimated by CTU while intimating Conn-BG2, vs the revised estimated cost within the next 3 months. We note that CTUIL's initial estimate did not include bus duct cost. In our opinion, the Conn BG2 amount should be estimated prudently by CTUIL such that the cost of stranded asset does not fall on the public at large.

21. Section 14 of the Act provides that the Appropriate Commission may, on an application made under Section 15 of the Act, grant a licence to any person to transmit electricity as a transmission licensee in any area as may be specified in the licence. The word "person" has been defined in Section 2 (49) of the Act to include any company or body corporate or association or body of individuals, whether incorporated or not, or artificial juridical person. The Petitioner company is incorporated under the Companies Act, 2013 and is

already a transmission licensee. The main objective of the Petitioner Company is as under:

> *"To plan, promote and develop an integrated and efficient power transmission system network in all its aspects including planning, investigation, research, design and engineering, preparation of preliminary, feasibility and definite project reports, construction, operation and maintenance of transmission lines, sub-stations, load dispatch stations and communication facilities and appurtenant works, coordination of integrated operation of state, regional and national grid system, execution of turn- key jobs for other utilities/organizations and wheeling of power in accordance with the policies, guidelines and objectives laid down by the Central Government from time to time."*

22. Section 15 (1) of the Act provides that every application under Section 14 of the Act shall be made in such manner and in such form as may be specified by the Appropriate Commission and shall be accompanied by such fees as may be prescribed by the Central Government. The Commission has specified the Transmission Licence Regulations in this regard. Regulation 4 (1) of the Transmission Licence Regulations provides that eligibility for the grant of a licence for inter-State transmission of electricity is contingent upon the entity being selected either through the competitive bidding process under Section 63 of the Electricity Act, 2003 or by the Central Government or its authorized agency to implement a project under the regulated tariff mechanism. The transmission project under consideration has been identified for development under the regulated tariff mechanism by a competent authority, and the selection of the project developer has been certified to have been made in accordance with the MOP order dated 28.10.2021.

23. Regulation 5 of the Transmission Licence Regulations provides for the procedure for grant of a transmission licence as under:

"(1) The application for the grant of licence shall be made to the Commission in Form-I appended to these regulations and shall be accompanied by such fee as may be prescribed by the Central Government from time to time under sub-section (1) of section 15 of the Act.

(2) The application shall be supported with an affidavit in accordance with Regulation 17 of the Central Electricity Regulatory Commission (Conduct of Business) Regulations, 2023.

(3) The applicant shall submit the original application in electronic form along with enclosures on the e-filing portal of the Commission and electronically serve a copy of such application on all the concerned DICs of the project and the Central Transmission Utility. The application shall be served through email on the concerned DICs of the project who are not registered on the efiling portal of the Commission.

(4) The applicant shall also upload the complete application along with annexures on its website, in English. The applicant shall also upload on its website, the details as per Form-I and Form-II appended to these regulations in the Indian language of the State or the Union Territory where an element of the project or concerned transmission line is situated or proposed to be situated. The application shall be kept posted on the website of the applicant till such time the application is disposed of by the Commission.

(5) The applicant shall, within 3 working days of filing the application, publish a notice of its application in Form-II appended to these regulations in at least two leading daily digital newspapers, one in English language and another in the Indian language of the State or Union Territory where an element of the project or concerned transmission line is situated or proposed to be situated, inviting comments from the general public. The notice shall also be kept posted on the website of the applicant.

(6) The Registry of the Commission shall carry out a preliminary scrutiny of the application and convey the defects, if any, as far as possible within 7 days of receipt of the application. The defects shall be rectified by the applicant within a period of 7 days from the date of such intimation from the Registry of the Commission.

(7) In the notice published in the digital newspapers and on the applicant's website under this Regulation, it shall be indicated that the suggestions and objections to the application, if any, may be filed by any person within 15 days of publication of the notice to The Secretary, Central Electricity Regulatory Commission at the address where the office of the Commission is situated and at email id: registry@cercind.gov.in. Any suggestion or objection received in response to the public notice shall be shared with the applicant and the respondents by the Registry of the Commission.

(8) The applicant shall within 3 working days from the date of publication of the notice in terms of Clause (5) of this Regulation submit to the Commission on affidavit the details of the notice published, names of the digital newspapers in which the notice has been published, the dates and places of their publication and enclosing the relevant pages of the publication of notice.

(9) The CTUIL shall send its recommendations, if any, to the Commission on the

proposal for grant of licence made in the application as far as practicable within a period of 10 (ten) days from the date of receipt of the application with a copy to the applicant:

Provided that if CTUIL is unable to submit its recommendations within a period of 10 days, it shall inform the Commission the reasons for the same and submit its recommendations within a period of 30 (thirty) days from the date of receipt of the application:

Provided further that along with its recommendations, CTUIL shall submit the copy of approval of the transmission project by the Central Government in terms of Electricity (Transmission System Planning, Development and Recovery of Inter-state Transmission Charges) Rules, 2021 as amended from time to time. Explanation: The recommendations of the Central Transmission Utility shall not be binding on the Commission.

(10) The applicant may file its comments, duly supported by an affidavit, on the recommendations made by CTUIL and the suggestions and objections, if any, received in response to the public notice within 7 working days of receipt of such suggestions and objections, with an advance copy to the CTUIL and the person, if any, who has filed the suggestions and objections on the proposal made in the application.

(11) The Commission after considering the suggestions and objections received from the DICs and in response to the public notice published by the applicant, and the recommendations, if any, received from CTUIL may either propose to grant the licence to the applicant or for reasons to be recorded in writing, reject the application.

(12) Before granting a licence, the Commission shall publish a notice of its proposal on the Commission's website and in two daily digital newspapers, having wide circulation, as the Commission may consider appropriate, stating the name and address of the person to whom it proposes to grant the licence, details of the project for which it proposes to grant a licence, location or route of the elements of the project, and any other details that the Commission may consider appropriate, to invite further suggestions and objections on its proposal within 15 days of the publication of the notice.

(13) The Commission may, after consideration of the further suggestions and objections, if any, received in response to the public notice in terms of Clause (12) of this Regulation, grant licence to the applicant in Form-III appended to these regulations or for reasons to be recorded in writing, reject the application.

(14) The Commission shall before granting licence or rejecting the application under the provisions of this Regulation provide an opportunity of hearing to the applicant, CTUIL, the concerned DICs, or the person who has filed suggestions and objections, or any other interested person.

(15) The Commission shall, within 7 days of making the order to grant the licence to an applicant send a copy of the licence to the Central Government, the Central Electricity Authority, the Central Transmission Utility, the applicant and the concerned DIC(s)."

24. The Petitioner has filed the present Petition for the grant of a separate RTM transmission licence in accordance with the Transmission Licence Regulations. The Petitioner has submitted proof of service of the copies of the application on CTUIL and the beneficiaries, and proof of web posting of the complete application. The Petitioner has further undertaken to pay the applicable licence fee upon the grant of a transmission licence in terms of the Central Electricity Regulatory Commission (Payment of Fees) Regulations, 2012. The Petitioner has prayed for the grant of a transmission licence to Navinal Transmission Limited with respect to the transmission project as per the details given in paragraph 1 above.

25. The Petitioner has made the Application as per Form-I and paid a fee of Rs. One lakh as prescribed by the Central Government. As per the direction of the Commission, the Petitioner has served a copy of the Application on the beneficiaries of the transmission project.

26. The Petitioner has published the notices on its website in Form-II in English and the Vernacular language. The Petitioner has also published the notice digitally in all editions of The Indian Express: Ahmedabad English Edition and Kutch Uday: Gandhi Dham Gujarati Edition (in English and Gujarati language respectively) on 09.12.2025 and 08.12.2025, respectively. In response, no objection has been received from the general public to the notices.

27. The Petitioner has served a copy of the application on CTUIL as required under Section 15(3) of the Act and Regulation 5 (3) of the Transmission Licence Regulations. CTUIL, vide its affidavit dated 16.12.2025, recommended granting a transmission licence to

the Petitioner. The relevant portions of the letter dated 16.12.2025 submitted vide affidavit are extracted as under: -

> *"**Sub: Recommendation of CTU under Section 15(4) of Electricity Act, 2003 and Regulation 5(9) of CERC (Procedure, Terms and Conditions for grant of Transmission License and other related matters) Regulations, 2024 on an application filed by "M/s Navinal Transmission Limited (NTL)" before Hon'ble CERC for Grant of Transmission License for implementation of ISTS scheme "Transmission system for providing connectivity to RE applicant(s) at Navinal (Mundra) (GIS)".***
>
> *……..*
> *This has reference to petition filed (with Diary No. 625_2025) by M/s Navinal Transmission Limited (NTL) before Hon'ble CERC under Section 14, 15 and 79(1)(e) of the Electricity Act, 2003 and CERC (Procedure, Terms and Conditions for grant of Transmission License and other related matters) Regulations, 2024 for grant of separate transmission license to establish the "Transmission system for providing connectivity to RE applicant(s) at Navinal (Mundra) (GIS)" ISTS scheme under RTM route. In this regard, the following is submitted:*
>
> *1. Justification of the ISTS scheme:*
>
> *i) "Network Expansion Scheme in Navinal (Mundra) area of Gujarat for drawal of power in the area" involves Establishment of 765/400 kV (4x1500 MVA) Navinal (Mundra) S/s (GIS) with the LILO of Bhuj-II - Lakadia 765 kV D/c line at Navinal (Mundra) (GIS) S/s. The scheme shall cater to supply of 3000 MW power to Bulk consumers and for meeting 1500 MW demand from Green Hydrogen/Ammonia projects.*
>
> *ii) In the 32nd CMETS-WR meeting held on 24.09.2024, an application was received from M/s Adani Wind Energy Kutchh Three Ltd. (2200001083): 300MW Wind Project for injection of power at Navinal (Mundra) (GIS) S/s at 220kV level.*
>
> *iii) This shall entail Creation of 220kV switchyard (Bus Sec-I) at Navinal (Mundra) S/s (GIS) along with installation of 1x500MVA, 400/220 kV ICT at Navinal (Mundra) S/s (GIS) along with 1 no. 220kV line bay (GIS) (on 220kV Bus Sec-I) for interconnection of Wind project of Adani Wind Energy Kutchh Three Ltd.*
>
> *iv) Since, Navinal/Mundra area is not a declared REZ by MNRE, the works w.r.t. Creation of 220kV switchyard (Bus Sec-I) at Navinal (Mundra) S/s (GIS) along with installation of 1x500MVA, 400/220 kV ICT at Navinal (Mundra) S/s (GIS) was agreed as part of Associated Transmission System of the above RE project in the 32nd CMETS-WR.*
>
> *v) The subject scheme shall enable interconnection of Wind project of Adani Wind Energy Kutchh Three Ltd. (2200001083) (300MW) at 220kV level of Navinal (Mundra) S/s.*
>
> *The detailed scope and schematic diagram of the subject ISTS scheme is enclosed at Annexure-I.*
> *2. The subject ISTS scheme has been agreed/approved in various forums as detailed below:*

S. No.	Meeting	Meeting No.	Date	Remarks
1	Consultation Meeting for Evolving Transmission Schemes in WR region	32nd	24th Sept. 2024	Relevant excerpts attached as Annexure-II
2	National Committee on Transmission (NCT)	31st	14th July 2025	Relevant excerpts attached as Annexure-III

3. Details of major activities undertaken by various agencies towards implementation of the ISTS scheme are as follows:

S. No.	Head	Information
1	Office Memorandum Ref. & Date (CTUIL/NCT/MoP)	CEA-PS-12-13/3/2019-PSPA-II Division /52387/2025 dated 04th Aug 2025 (Relevant excerpts attached as Annexure-IV)
2	CTU forwarding letter Ref & Date (in case of NCT/MoP OM)	CTUIL/OM/27/31st NCT dated 04th Aug 2025 (Relevant excerpts attached as Annexure-V)
3	Implementing Agency	Approved under RTM route through Navinal Transmission Limited [a subsidiary of M/s Adani Energy Solutions Limited (AESL)], i.e. TSP of Navinal (Mundra) (GIS)
4	Implementation Timeframe and SCoD of the Scheme	Implementation timeframe: 24 months from the date of allocation, i.e. 04th August 2027

4. Details of inter-connecting upstream/ downstream transmission system for subject transmission elements are as below:

Sr. No.	Details of Transmission system	STU/ ISTS	Implementing Agency	Implementation Mode (RTM/TBCB)	Commissioning Schedule/Status	Status	Mismatch with the subject scheme, if any
Downstream:							

1	*Network Expansion Scheme in Navinal (Mundra) area of Gujarat for drawal of power in the area:* *• Establishment of 4×1500 MVA, 765/400 kV Navinal (Mundra) S/s (GIS) with 2×330 MVAr, 765 kV and 1×125 MVAr, 420 kV bus reactors* *• LILO of Bhuj-II – Lakadia 765 kV D/c line at Navinal (Mundra) (GIS) S/s with associated bays*	*ISTS*	*Navinal Transmission Limited (a subsidiary of Adani Energy Solutions Limited)*	*TBCB*	*14/07/2026*	*Under Implementation*	*---*
Upstream:							
1	*RE Project of Adani Wind Energy Kutchh Three Ltd. (2200001083): 300 MW*						

5. Details of Connectivity/GNA application granted at Sub Station/Pooling Station included in the subject ISTS scheme, if any:

Sr. No.	***Applicant Name***	***App.No.***	***Type of applicant (Generator/ Bulk Consumer / Distribution Licensee etc.)***	***Quantum of Connectivity /GNA Granted/ Applied for (MW)***	***Type of Grant (Connectivity / GNA / GNARe)***	***Start Date of Connectivity / GNA***	***Conn BGs Furnished***
1	*Adani Wind Energy Kutchh Three Limited*	*2200001083*	*Generator*	*300*	*Connectivity*	*04-08-2027*	*Conn-BG1:* ***Rs. 0.5 Cr.*** *Conn-BG2:* ***Rs. 83.06 Cr.*** *Conn-BG3:* ***Rs. Nil***

"Effective date shall be with commissioning of identified transmission system for

connectivity under GNA mentioned in respective grants (including elements of subject scheme).

6. In line with Section 15(4) of the Electricity Act, 2003; Regulation 5(9) of CERC Transmission License Regulations, 2024; and based on details furnished by M/s Navinal Transmission Limited in its petition, CTU recommends the grant of separate transmission license to M/s Navinal Transmission Limited for executing the ISTS scheme "Transmission system for providing connectivity to RE applicant(s) at Navinal (Mundra)(GIS)".

28. We have considered submissions of the Petitioner and CTUIL, and information available on record.

29. Regarding the optimal utilization of already planned network infrastructure, CTUIL vide affidavit(s) dated 02.03.2026 and 17.03.2026 has submitted justification as under:

a) The available margin of 1450 MW at the 400kV level of the Navinal (Mundra) substation pertains exclusively to the drawal of power by bulk consumers and GH/GA loads seeking connectivity under the ISTS at Navinal (Mundra). This margin cannot be utilized for injection of power into the grid.

b) For injection of power, only 300 MW margin was available at Navinal (Mundra) S/s at the time of granting connectivity to AWEK3L. Any injection beyond 300 MW would necessitate additional system strengthening at the substation for onward evacuation of power. Accordingly, the connectivity application for 300 MW from AWEK3L was deliberated in the 32nd CMETS WR meeting on 24.09.2024. Since Navinal/ Mundra area is not a declared REZ by MNRE and during the meeting the applicant also confirmed that no future expansion of the project was envisaged, therefore, creation of a 220kV switchyard (Bus Sec-I) at Navinal (Mundra) S/s (GIS) along with the installation of 1x500 MVA, 400/220 kV ICT at Navinal (Mundra) S/s (GIS) was agreed as part of the Associated Transmission System. This configuration was determined to be the most appropriate for enabling evacuation of 300 MW of wind generation while ensuring optimum utilization of existing grid infrastructure.

c) Given the limited injection margin, the modest project capacity, and the applicant's confirmation that no future expansion was envisaged, CTU assessed that providing connectivity at the 220kV level of the Navinal (Mundra) GIS substation was the most technically suitable and efficient option.

d) Providing connectivity at the 400-kV level would have required establishment of a new 400 kV DTL switchyard along with associated 400 kV DTL lines specifically for a 300 MW renewable project. Such an arrangement was assessed to be neither technically warranted nor economically prudent. Further, it would have resulted in significant underutilization of a 400kV bay, which is designed for capacities exceeding 1000 MW, thereby making the option sub-optimal.

30. CTUIL has submitted that the instant scheme under RTM is for the purpose of connectivity to a 300 MW Wind project, which is planned to be connected at the 220kV voltage level, requiring establishment of a 220kV switchyard (Bus Section-I) as the most suitable configuration for enabling the evacuation while ensuring optimal utilization of the existing network infrastructure. CTUIL has submitted that the evacuation at 400 kV level was assessed to be neither technically warranted nor economically prudent, and it would have resulted in significant under-utilization of a 400kV bay, which is designed for capacities exceeding 1000 MW, thereby making the option suboptimal. CTUIL has submitted that no other generators are expected to be connected at 220 kV and the area is not a potential RE area. As per submission made by CTUIL, Commission observes that the scheme under the instant petition has been planned to create a new voltage level (220 kV voltage level at a 6000 MVA, 765/400 kV Navinal substation, which has already been granted transmission license for drawal of 3050 MW power by bulk consumers/ distribution licensee, i.e. 17.1(iii) entities) for providing connectivity specifically to a 300 MW generator. Commission observes that scheme for a generator

(specifically in light of CTU submission) is supposed to be dedicated in nature. Further, as per Regulation 5.6 of GNA Regulations an applicant may also be granted connectivity at a terminal bay of an ISTS sub-station already allocated to an entity covered under Regulation 17.1(iii). At Navinal substation, GNA has already been granted to 17.1(iii) entities. The option of granting connectivity to the generator through a dedicated system of bulk consumer should be explored, which would avoid creation of the asset (400/220 kV ICT along with 220 kV voltage level) proposed under the instant petition as well as for overall cost optimisation on the public at large. Accordingly, CTUIL is directed to make submission with respect to above observation / option.

31. Regarding the estimated cost, CTUIL has stated that the instant scheme has been planned as ATS for Adani Wind Energy Kutchh Three Limited (AWEK3L) with an estimated cost of Rs. 83.06 crores and therefore, CTUIL intimated Conn BG2 as Rs. 83.06 crores at the time of in-principle grant, which was furnished by AWEK3L. However, the estimated cost of the scheme was revised to Rs. 105.09 crores based on the Petitioner's report ; accordingly, based on the revised cost estimate, approval of NCT was obtained as the project cost exceeded Rs.100 crores. CTUIL submitted that it did not intimate the revised cost of ATS to AWEK3L as per Regulation 8.3 read with Regulation 7.2 of the GNA Regulations, where it provides that the Conn-BG2 amount cannot exceed the ATS cost intimated under Regulation 7.2.

32. We note that projects, such as the instant one, approved under RTM by the NCT are not under competitive bidding and their tariff has to be determined under the Tariff Regulations. The Tariff Regulations require an approved capital cost, against which the actual cost is taken as a cost overrun, whose prudence check is carried out by the Commission when the RTM licensee files a tariff petition after achieving COD. We are

of the view that the initial estimated cost for purposes of tariff shall be considered as Rs 105.09 crore (as approved by NCT).

33. Considering the material on record, and subject to our observations and directions under the Order for CTUIL to file the information, we 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 transmission licence aforesaid. The objections or suggestions, if any, be filed by any person before the Commission on or before **05.11.2026**.

34. It is noted that the NCT, vide approval dated 14.07.2025, requested the CTUIL to take necessary action for entering into a Concession Agreement with the respective agency for implementation of the instant scheme. Accordingly, CTUIL is directed to provide a copy of the Concession Agreement within a month.

35. The Petition shall be listed for hearing on **10.11.2026**.

Sd/-	**Sd/-**	**Sd/-**	**Sd/-**
(Ravinder Singh Dhillon)	**(Harish Dudani)**	**(Ramesh Babu V)**	**(Jishnu Barua)**
Member	**Member**	**Member**	**Chairperson**