

**CENTRAL ELECTRICITY REGULATORY COMMISSION
NEW DELHI**

Petition No. 351/TL/2022

Coram:

Shri I. S. Jha, Member

Shri Arun Goyal, Member

Shri P. K. Singh, Member

Date of Order: 6th February, 2023

In the matter of

Application under Section 14 & Section 15 of the Electricity Act, 2003 read with Central Electricity Regulatory Commission (Procedure, Terms and Conditions for Grant of Transmission Licence and other related matters) Regulations, 2009 with respect to Transmission Licence to Gadag II-A Transmission Limited.

And

In the matter of

Gadag II-A Transmission Limited,
138, Ansal Chambers-II, Bhikaji Cama Place,
New Delhi-110066

.....**Petitioner**

Vs

1. Chief Operating Officer,
Central Transmission Utility of India Limited
Saudamini, Plot No.2, Sector-29,
Gurugram-12200, Haryana
2. Chief Executive Officer,
REC Power Development and Consultancy Limited
REC Corporate Head Quarter, D Block,
Plot No. I – 4, Sector – 29,
Gurugram- 12200, Haryana
3. Solar One Energy Private Limited,
The Oberoi Center, Building No.-11,
Level-6, DLF CyberCity, Ph-II,
Gurugram- 122002, Haryana
4. Project Eight Renewable Power Private Limited,
S2904, 29th Floor, World Trade Centre,
Brigade Gateway Campus,
Rajajinagar, Bangalore-560055, Karnataka
5. Serentica Renewable India Private Limited,
DLF Cyber Park, 9th Floor, Tower B,
Udyag Vihar, Phase-3, Sector 20,

Gurgaon-122008, Haryana.

6. AVP, ReNew Naveen Urja Private Limited,
Commercial Block-1, Zone-6,
Golf Course Road, DLF City Phase V,
Gurugram, Haryana 122009.

7. Kerala State Electricity Board Limited,
Vaidhyuthi Bhawan, Pattom,
Thiruvananthapuram- 695004, Kerala

8. Tamil Nadu Generation and Distribution Company Limited,
NPKRR Maaligai, 144, Anna Salai,
Chennai- 600002.

9. Southern Power Distribution Company of Andhra Pradesh Limited,
D.NO:19-13-65/A, Srinivasapuram Tiruchanoor Road,
Tirupati - 517503

10. Eastern Power Distribution Company of Andhra Pradesh Limited,
P&T Colony, Seethammadhara,
Visakhapatnam- 530017.

11. Southern Power Distribution Company of Telangana Limited,
6-1-50, Mint Compound, Hyderabad -500 063

12. Northern Power Distribution Company of Telangana Limited,
2-5-31/2 Vidyuth Bhavan, Nakkalgutta,
Hanamkonda, Warangal-506001

13. Bangalore Electricity Supply Company Limited, BESCOM
K.R.Circle,
Bengaluru-560001

14. Gulbarga Electricity Supply Company Limited,
Station Road, Kalaburagi,
Karnataka 585102

15. Hubli Electricity Supply Company Limited,
Navanagar, P.B.Road, Hubli-580025

16. Mangalore Electricity Supply Company Limited,
MESCOM Bhavan, Corporate Office,
MESCOM, Kavour Cross Road, Bejai,
Mangalore – 575004.

17. Chamundeswari Electricity Supply Corporation Limited,
No. 29, Vijaynagar 2nd Stage,
Hinkal, Mysore- 570017.

18. Electricity Department, Govt of Puducherry,
137, NSC Bore Road, Electricity Department,
Puducherry- 605001.

.....Respondents

Parties present:

Shri Amit Kumar, GTTL
Shri Mohit Jain, GTTL
Shri Ankush Khurana, GTTL
Shri Venkatesh Gorli, CTUIL
Shri Swapnil Verma, CTUIL
Shri Siddharth Sharma, CTUIL
Shri Ranjeet Singh, CTUIL
Shri Lashit Sharma, CTUTIL

ORDER

The Petitioner, Gadag II-A Transmission Limited, has filed the present Petition for grant of transmission licence under Section 14 and Section 15 of the Electricity Act, 2003 (hereinafter referred to as “the Act”) read with the Central Electricity Regulatory Commission (Procedure, Terms and Conditions for grant of Transmission Licence and other related matters) Regulations, 2009 (hereinafter referred to as “Transmission Licence Regulations”) to establish Inter-State Transmission System for “Transmission Scheme for Solar Energy Zone in Gadag (1500 MW), Karnataka: Part A-Phase-II ”, on Build, Own, Operate and Transfer (BOOT) basis (hereinafter referred to “Transmission System” or “Project”) consisting of the following elements:

| S. No. | Name of the Transmission Element | Scheduled COD from Effective Date |
|--------|--|-----------------------------------|
| 1 | Gadag PS - Koppal PS 400 kV (high capacity equivalent to quad moose) D/C Line | 18 Months |
| 2 | 400 kV Line bays at Koppal PS: 2 nos. & 400 kV Line bays at Gadag PS: 2 nos. [for termination of Gadag PS Koppal PS 400 kV (high capacity equivalent to quad moose) D/C Line] | 18 Months |
| 3 | 400/220 kV, 3x500 MVA ICT Augmentation at Gadag Pooling Station <ul style="list-style-type: none">• 400/220 kV, 500 MVA ICT-3 nos.• 400 kV ICT bays- 3 nos.• 220 kV ICT bays- 3 nos. | 18 Months |

| S. No. | Name of the Transmission Element | Scheduled COD from Effective Date |
|--------|--|-----------------------------------|
| | <ul style="list-style-type: none"> • 220 kV line bays- 4 nos. • 220 kV Sectionalization bays- 1 sets • 200 kV Bus Coupler (BC) Bay- 1 nos. • 220 kV Transfer Bus Coupler (TBC) Bay-1 nos | |

Note:

i) Developer of Koppal PS shall provide space for 2 no. of 400 kV line bays at Koppal PS. for termination of Gadag PS-Koppal PS 400 kV (high capacity equivalent to quad moose) D/C Line.

ii) Developer of Gadag PS under phase-I scheme shall provide space for augmentation of Gadag PS for above mentioned elements and space for ICT augmentation at Gadag pooling station.

2. The Petitioner has made the following prayers:

“(a) Grant Transmission License to the Applicant for establishing, operating and maintaining the Project as provided under the Transmission Service Agreement;

“(b) Allow the recovery of Transmission Charges for Inter-State Transmission system “Transmission Scheme for Solar Energy Zone in Gadag (1500 MW), Karnataka: Part A-Phase-II” as per Sharing of Inter-State Transmission Charges and Losses CERC Regulation, 2020 and any other amendment thereon issued from time to time by CERC;

“(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 such other order(s) and/or direction(s), as may be deemed fit and proper in the facts and circumstances of the present case.”

Hearing dated 17.1.2023

3. During the course of hearing on 17.1.2023, representative of the Petitioner submitted that the Petitioner has already served the copy of the Petitions on the BPC and CTUIL and has complied with all the requirements under the Transmission Licence Regulations including publishing of notice on its website inviting suggestions/objections on its application for grant of transmission licence. However, no suggestion /objection has been received.

4. The representative of CTUIL submitted that CTUIL vide its letter dated 14.12.2022 has recommended for grant of transmission licence to the Petitioner for the Project which include 3x500 MVA, 400/220 kV ICTs augmentation at Gadag Pooling station, Gadag PS-Koppal PS 400 KV D/C line and 400 kV line bays at both end.

5. In response to the specific query of the Commission with regard to the Project being part of the ATS for generating stations, the representative of CTUIL replied in affirmative and submitted that the Project includes the 4 Nos. of 220 kV line bays for generators, which have already been granted Stage II Connectivity at Gadag PS. The representative of CTUIL added that one of the generators has also applied for the LTA for 297.5 MW. The representative of RECPDCL, Bid Process Coordinator, confirmed that the entire bid process had been conducted as per the provisions of the Guidelines notified by the Ministry of Power, Government of India.

6. Vide Record of Proceedings for the hearing dated 17.1.2023, the Petitioner was directed to implead the generators whose ATS is covered under instant Petition and the beneficiaries of the Southern Region as party to the Petition and to file revised memo of parties. The Respondents were directed to file their reply, if any. The Petitioner was directed to confirm that it has co-ordinated with the transmission licensees at the both ends (i.e. Koppal PS & Gadag PS) with regard to required space for substation/ bays /augmentation works and being aware about the layout of the Koppal PS & Gadag PS and to provide copy of SLD of the transmission scheme.

7. The Petitioner vide its affidavits dated 20.1.2023 has filed revised memo of parties by impleading the generators whose ATS is covered under instant Petition and

the beneficiaries of the Southern Region. The Petitioner has served copy of the Respondents. However, no reply has been filed by them. CTUIL has filed the information called for.

8. The Petitioner vide its affidavit dated 23.1.2023 has submitted that it has coordinated with the both the transmission licensees i.e Koppal-Narendra Transmission Limited (owner of Koppal PS) and Gadag Transmission Limited (owner of Gadag PS) with regard to availability of required space for substation/ bays /augmentation works to be done by Gadag II-A Transmission Limited. The Petitioner has further submitted that it had also visited both the sub-stations (i.e Koppal PS and Gadag PS) and is aware about the layout of the sub-stations, which are being developed. The Petitioner has placed on record the copy of the SLD of the transmission scheme.

9. The Petitioner has submitted that in accordance with the “Guidelines for Encouraging Competition in Development of Transmission Projects” and “Tariff Based Competitive Bidding Guidelines for Transmission Service” (hereinafter referred to as “the Guidelines”) issued by Ministry of Power, Government of India, under Section 63 of the Act, REC Power Development and Consultancy Limited (RECPDCL) was notified by Central Electricity Authority, Government of India, vide Gazette Notification. F. No. CEA-PS-11-15(11)/1/2021-PSPA-I Division dated 31.1.2022 as the Bid Process Coordinator (BPC) for the purpose of selection of bidder as Transmission Service Provider (TSP) to establish “Transmission Scheme for Solar Energy Zone in Gadag (1500 MW), Karnataka: Part A-Phase-II”, through tariff based competitive bidding process on Build, Own Operate and Transfer (BOOT) basis.

10. RECPDCL in its capacity as the BPC initiated the bid process on 10.2.2022 and completed the same on 18.11.2022 in accordance with the Guidelines. ReNew Transmission Ventures Private Limited (RTVPL) was selected as the successful bidder having quoted the lowest transmission charges of Rs. 245.43 million in order to provide transmission services to the beneficiaries of the transmission system.

11. At RfP (Technical and Financial) stage, five bidders, namely, (i) ReNew Transmission Ventures Private Limited, (ii) Adani Transmission Limited, (iii) Power Grid Corporation of India Limited, (iv) Sterlite Grid 15 Limited, and (v) Megha Engineering & Infrastructures Limited submitted their offers. The RfP (Technical bids of the five bidders were opened by Bid Opening Committee in Central Electricity Authority on 18.8.2022 in the presence of representative of bidders. Based on the recommendation of the Bid Evaluation Committee (BEC), the RfP (Financial) Bids-Initial Price Offer of the five bidders were opened on 6.9.2022. Lowest Initial Price Offer discovered (Best Deal) at MSTC portal was Rs. 258.13 million. Based on the recommendation of BEC, four bidders were qualified to participate in the e-reverse auction stage. E-reverse auction of all four bidders was carried out at MSTC portal on 7.9.2022 and the following transmission charges for bidders (in ascending order) emerged:

| Sr. No. | Name of Bidder | Final quoted transmission charges (Rs.in million) | Rank |
|----------------|---|--|-------------|
| 1 | ReNew Transmission Ventures Private Limited | 245.43 | L1 |
| 2 | Adani Transmission Limited | 246.05 | L2 |
| 3 | Power Grid Corporation of India | 249.80 | L3 |
| 4 | Megha Engineering & Infrastructures Limited | 378.00 | L4 |

12. As per the Bid Evaluation Report dated 12.9.2022, ReNew Transmission Ventures Private Limited emerged as the successful bidder with the lowest quoted transmission charges of Rs. 245.43 million. BEC vide its certificate dated 12.9.2022 has certified that entire bid process has been carried out in accordance with the Guidelines issued by the Ministry of Power under Section 63 of the Act. BEC has further certified that the transmission charges discovered through e-reverse auction is acceptable.

13. Consequent to its selection as the lowest bidder, Letter of Intent (LoI) was issued to ReNew Transmission Ventures Private Limited by the BPC on 19.9.2022 which was accepted by ReNew Transmission Ventures Private Limited. Under the terms of RfP and the Letter of Intent, the successful bidder is obligated to accomplish the following tasks:

(a) Provide Contract Performance Guarantee in favour of Central Transmission Utility of India Limited (CTUIL);

(b) Execute Share Purchase Agreement and Transmission Service Agreement;

(c) Acquire, for the Acquisition Price, 100% share equity share holding of Gadag II-A Transmission Limited from RECPDCL along with all its related assets and liabilities;

(d) Make an application to this Commission for adoption of transmission charges, as required under Section 63 of the Act; and

(e) Apply to this Commission for grant of transmission licence;

14. The Petitioner has furnished the Contract Performance Guarantee (CPG) in favour of Nodal Agency i.e., CTUIL for an aggregate value of Rs. 9 crore on 18.11.2022 and has acquired hundred percent equity holding in Gadag II-A

Transmission Limited on 18.11.2022. The Petitioner entered into Transmission Service Agreement (TSA) with CTUIL on 18.11.2022.

15. 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 has been incorporated under the Companies Act, 2013. 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”

16. 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 Transmission Licence Regulations in this regard. Regulation 3 of the Transmission Licence Regulations provides that the Empowered Committee shall identify the Projects included in the transmission plan to be developed under the Guidelines issued under Section 63 of the Act. Regulation 4 of the Transmission Licence Regulations provides that in case of projects identified for development under the Guidelines for competitive bidding, selection of the project developer shall be made in accordance

with the procedure laid down in the Guidelines. The Project under consideration has been identified for development under competitive bidding by competent authority in the Ministry of Power/ CEA. Central Electricity Authority, vide its letter No. CEA-PS-11-12/1/2021-PSPA-I Division-Part (1) dated 7.9.2022 had issued prior approval to the Project under Section 68 of the Act. Selection of the Project developer, Gadag II-A Transmission Limited (GTL), has certified to have been made in accordance with the Guidelines.

17. Regulation 7 of the Transmission Licence Regulations read with the order dated 22.1.2022 passed in Petition No.1/SM/2022 [whereby the Commission, in the exercise of 'Power to Relax' under Regulation 24 of the Transmission Licence Regulations, modified/amended Clause (4), Clause (7), Clause (9) and Clause (12) and dispensed with Clause (10) of Regulation 7] provide for the procedure for grant of transmission licence as under:

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

(2) In case of the person selected for implementation of the project in accordance with the guidelines for competitive bidding, the application shall also contain such additional information, as may be required under these guidelines.

(3) The application shall be supported by affidavit of the person acquainted with the facts stated therein.

(4) Before making an application, the applicant shall submit the original application in electronic form along with annexures and enclosures on the e-filing portal of the Commission so that the same is served electronically on all the long-term customers of the project registered on the e-filing portal of the Commission. Also, a copy of the same be served through e-mail on the long term customers of the project not registered on the e-filing portal of the Commission. Further, the applicant shall also post the complete application along with annexures and enclosures in English and in the vernacular language, on its website.

(5) The application shall be kept on the website till such time the licence is issued or the application is rejected by the Commission.

(6) Immediately on making the application, the applicant shall forward a copy of the application to the Central Transmission Utility.

(7) The applicant shall, within 7 days after filing the application, post the application on the e-filing portal of the Commission and on its website in Form-II attached to these regulations in English language and in Vernacular language of the State or Union Territory where an element of the project or a long-term customer is situated, inviting comments from the general public.

(8) As far as possible, within 7 days of receipt of the application the Secretariat of the Commission shall convey defects, if any, if noticed on preliminary scrutiny of the application for rectification and the defects conveyed shall be rectified by the applicant in such time as may be indicated in the letter conveying the defects.

(9) In the notice published on the e-filing portal of the Commission and on the applicant's website under clause (7) it shall be indicated that the suggestions and objections, if any, on the application, may be filed before the Secretary, Central Electricity Regulatory Commission, Third Floor, Chanderlok Building, Janpath, New Delhi-110001 (or the address where the office of the Commission is situated), with a copy to the applicant, by any person, including the long-term customers, within 30 days of publication of the notice

.....

(10) The Central Transmission Utility shall send its recommendations, if any, to the Commission on the proposal made in the application within a period of thirty days from the date of receipt of application by it:

Provided that copy of the recommendations, if any, made by the Central Transmission Utility shall always be forwarded to the applicant:

Provided further that these recommendations of the Central Transmission Utility shall not be binding on the Commission.

(11) The applicant may file its comments, duly supported by an affidavit, on the recommendations made by the Central Transmission Utility and the suggestions and objections, if any, received in response to the notice posted on the e-filing portal of the Commission and on the applicant's website by him, within 45 days of service of copy of the application on the Central Transmission Utility or publication of notice posted on the e-filing portal of the Commission and on the applicant's website, with an advance copy to the Central Transmission Utility or the person who has filed the suggestions and objections on the proposal made in the application, as the case may be.

(12) The Commission after considering the suggestions and objections received in response to the public notice published by the applicant and the recommendations, if any, of the Central Transmission Utility may, propose to grant transmission licence or for reasons to be recorded in writing, reject the application."

18. The Petitioner has approached the Commission by a separate application for adoption of transmission charges in respect of the transmission system which is presently under consideration of the Commission and order in that Petition will be

issued separately. The Petitioner has filed the present Petition for grant of transmission licence in accordance with the Transmission Licence Regulations. The Petitioner has submitted proof of service of the copies of the application on the BPC and CTUIL and proof of web posting of the complete application. The Petitioner has further undertaken to pay the applicable licence fee upon the grant of transmission licence in terms of the Central Electricity Regulatory Commission (Payment of Fees) Regulations, 2012. The Petitioner has prayed for grant of transmission licence to Gadag II-A Transmission Limited with respect to the transmission system as per details given in paragraph 1 above.

19. The Petitioner has made the Application as per Form-I and paid fee of Rs. one lakh as prescribed by the Central Government. As per direction of the Commission, the Petitioner has served copy of the Application on the beneficiaries of the transmission project for the Project. The transmission charges quoted by the Petitioner which have been recommended by the Bid Evaluation Committee for acceptance, is Rs. 245.43 million. The Petitioner has also enclosed copies of the recommendations of the Bid Evaluation Committee.

20. The Petitioner vide its affidavit dated 28.11.2022 has placed on record the relevant copies of the notices wherein notices were published in terms of the Regulation 7(7) of the Transmission Licence Regulations. The Petitioner has published the notices on the e-filing portal of the Commission and on its website in Form-II in English language and in Kannada (Vernacular) language. No objection has been received from the general public in response to the public notices.

21. The Petitioner has served the copy of the Application on the Central Transmission of Utility of India Limited (CTUIL) as required under Section 15(3) of the Act and Regulation 7(6) of the Transmission Licence Regulations. CTUIL vide its letter dated 14.12.2022 has recommended for grant of transmission licence to the Petitioner. Relevant portion of the said letter dated 14.12.2022 is extracted as under:

"This has reference to petition filed M/s Gadag II-A Transmission Limited for grant of Transmission License for subject transmission scheme against the application/petition filed to CERC. In this regard, following is submitted:

1. M/s Gadag II-A Transmission Limited has filed application/petition under Section 14 of the Electricity Act, 2003 and CERC (Procedure, Terms and Conditions for grant of Transmission License and other related matters) Regulations, 2009 for grant of transmission license to establish Transmission Scheme " Transmission Scheme for Solar Energy Zone in Gadag (1500 MW), Karnataka: Part A-Phase-III" on Build, Own, Operate and Transfer (BOOT) basis as ISTS. The detailed scope of the scheme is enclosed at Annexure-I.

2. As per section 15(3) of Electricity Act, 2003 copy of the application for grant of transmission license, for the above transmission system has been received on 25.11.2022 for recommendation required U/S 15(4) of the Electricity Act, 2003.

3. In reference to the Transmission Scheme " Transmission Scheme for Solar Energy Zone in Gadag (1500 MW), Karnataka: Part A-Phase-III" following is submitted:

i) The Transmission Scheme for REZ in Gadag, Karnataka includes 2.5 GW RE potential (1000 MW under Phase-I & 1500 MW under Phase-II). The transmission scheme involves establishment of Gadag Pooling Station and its interconnection with ISTS grid at Narendra New and Koppal PS through 400kV D/c line for evacuation of RE power from Gadag area. The present scheme under Phase-II involves augmentation of Gadag PS with 3x500 MVA ICTs and its interconnection with Koppal PS, which shall facilitate integration and immediate evacuation of 1.5 GW RE potential of Gadag REZ.

ij) The transmission scheme was agreed in the 1st and 2nd meeting of Southern Region Standing Committee on Transmission (SRSCOT) held on 7.9.2018 and 10.6.2019 respectively. Extract of the minutes of 1st and 2nd SRSCOT meetings are enclosed at Annexure-II.

iii) The transmission scheme was discussed in the 38th and Special meeting of Southern Regional Power Committee (SRPC) held on 23.12.2020 and 14.07.2021 respectively. Extract of the minutes of meetings are enclosed at Annexure-III.

iv) The National Committee on Transmission (NCT) in its 4th meeting held on 31.7.2019 has recommended the implementation of the subject transmission scheme through TBCB route. Extract of the minutes of 4th NCT meeting are enclosed at Annexure IV.

v) Ministry of Power vide Gazette notification dated 24.1.2020 (copy enclosed at Annexure-V) has appointed REC Transmission Projects Company Limited as BPC for bidding of the subject scheme through TBCB route.

vi) The National Committee on Transmission (NCT) in its 4th meeting held on 20.1.2021 & 28.1.2021 has recommended the implementation of the subject transmission scheme in two phases. Extract of the minutes of 4th NCT meeting are enclosed at Annexure-VI.

vii) Hon'ble Commission has also granted Regulatory Approval for the transmission scheme vide order dated 26.11.2021 in Petition No. 200/MP/2019.

viii) Subsequently, the Transmission Scheme for evacuation of power from Gadag SEZ under Phase-II was discussed and agreed in the 8th NCT meeting held on 25.03.2022 for implementation of 3x500 MVA, 400/220 kV ICTs and 4 nos. of 220 kV line bays under TBCB along with transmission line Gadag PS -- Koppal PS 400 kV (high capacity equivalent to quad moose) D/c line. Extract of the minutes of 8th NCT meeting are enclosed at Annexure-VII. Further, in the 9th NCT meeting held on 28.09.2022, provision for bus sectionalizer at 220 kV level was included in the scope of works and same was communicated to the BPC. Extract of the minutes of 9th NCT meeting is enclosed at Annexure-VIII.

ix) CEA vide Gazette notification dated 31.01.2022 (copy enclosed at Annexure-IX) has appointed REC Power Development and Consultancy Limited as BPC for bidding of the subject scheme through TBCB route.

4. BPC vide email dated 30.11.2022 has intimated that M/s ReNew Transmission Ventures Private Limited is the successful bidder and has acquired M/s Gadag II-A Transmission Limited on 18.11.2022 (Copy of SPV transfer intimation enclosed at Annexure-X). The Commissioning schedule the scheme is 18 months (18.05.2024) from the date of transfer of SPV.

5. In line with Section 15 (4) of the Electricity Act, 2003, based on details furnished by M/s Gadag II-A Transmission Limited, CTU recommends grant of transmission license to M/s Gadag II-A Transmission Limited for executing the transmission scheme as mentioned in Para-1 above”

22. We have considered the submissions of the Petitioner, BPC and CTUIL. 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, selected bidder was required to complete all the activities including acquisition of SPVs by 7.9.2022. Though Lol was issued on 19.9.2022, BPC, vide its letter dated 21.11.2022, in terms of Clauses 2.15.2 of RfP extended the date upto

25.11.2022 for completion of all activities by the successful bidder. The selected bidder furnished the Contract Performance Guarantee in favour of Nodal Agency (CTUIL) for an amount of Rs. 9 crore and has acquired hundred percent equity-holding in the applicant company on 18.11.2022 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 grant of transmission licence within five working days of the issuance of the acquisition of the SPV to the successful bidder. Successful bidder, namely ReNew Transmission Ventures Private Limited acquired the SPV on 18.11.2022. Accordingly, the TSP has filed the instant Petition through e-filing for grant of transmission licence on 25.11.2022.

23. Considering the material on record, we are *prima-facie* of the view that the Petitioner satisfies the conditions for grant of inter-State transmission licence under Section 15 of the Act read with Transmission Licence Regulations for construction, operation and maintenance of the transmission system as described in para 1 of this order. We therefore, direct that a public notice under clause (a) of sub-section (5) of Section 15 of the Act be published to invite suggestions or objections to grant of transmission licence aforesaid. The objections or suggestions, if any, be filed by any person before the Commission, by 17.2.2023.

24. It is expected that while carrying out the survey, the Petitioner has complied with the provisions of clause 2.5.7.3, clause 2.5.7.4 and clause 2.5.7.5 of the RfP. The Petitioner will comply with the provisions of bidding documents and TSA for commissioning of the Project within the SCOD.

25. In order to ensure that the Project is implemented within the time schedule as provided in the TSA, the licensee should not approach the Commission for extension of time for execution of the Project or for increase in the transmission charges over and above what is permissible under the provisions of the TSA. Accordingly, the Petitioner is directed to file an affidavit by 15.2.2023 to the effect that the execution of the Project shall not be delayed due to time taken in obtaining statutory clearances required under the RfP and/ or adjudication of any claim of the Petitioner arising under the TSA.

26. It is observed that as per Article 5.1.1 of the TSA, the TSP at its own cost and expense, shall be responsible for designing, constructing, erecting, completing and commissioning each element of the Project by scheduled COD in accordance with the various regulations of the Central Electricity Authority regarding Technical Standards and Grid Standards, Prudent Utility Practices and other applicable laws. Further, Article 5.4 of the TSA provides that the TSP shall ensure that the Project is designed, built and completed in a good workman like manner using sound engineering and construction practices and using only materials and equipment that are new and of international utility grade quality such that the useful life of the Project will be till the expiry date. Further, the design, construction and testing of all equipment, facilities, components and systems of the Project shall be in accordance with Indian Standards and Codes issued by Bureau of Indian Standards. Accordingly, the Petitioner is directed to submit the information by 15.2.2023 with regard to quality control mechanism available or to be put in place by to ensure the compliance of the requirements stipulated in Article 5.1.1 and Article 5.4 of the TSA.

27. The Petition shall be listed for hearing on 22.2.2023.

Sd/-
(P.K. Singh)
Member

Sd/-
(Arun Goyal)
Member

Sd/-
(I.S. Jha.)
Member