

**CENTRAL ELECTRICITY REGULATORY COMMISSION
NEW DELHI**

Petition No. 234/AT/2024

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

Date of Order: 18th November, 2024

In the matter of

Application under Section 63 of the Electricity Act, 2003 for the adoption of Transmission Charges with respect to the transmission system being established by Khavda IV-E2 Power Transmission Limited (a 100% wholly owned subsidiary of Power Grid Corporation of India Limited).

And

In the matter of

Khavda IV-E2 Power Transmission Limited,
(Now known as POWERGRID Khavda IV-E2 Power Transmission Limited)
(A 100% wholly owned subsidiary of Power Grid Corporation of India Limited)

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

.... **Petitioner**

Vs

- 1. Central Transmission Utility of India Limited,**
Saudamini, Plot no.2, Sector -29,
Gurgaon 122001.
- 2. REC Power Development and Consultancy Limited,**
REC Corporate Head Quarter,
D Block, Plot No. I – 4,
Sec – 29 Gurugram – 122001.
- 3 NTPC Renewable Energy Limited,**
Room-408, NETRA Building, E-3,
Ecotech-II, Udyog Vihar, Greater Noida, Gautam
Buddha Nagar – 201306.
- 4 Gujarat State Electricity Corporation Limited,**
Vidyut Bhavan, Race Course,
Vadodara-390007, Gujarat.

- 5 **Gujarat Industries Power Company Limited,**
PO: Petrochemicals,
Vadodara-391346, Gujarat.
- 6 **Chhatisgarh State Power Distribution Co. Limited,**
Post: Sundernagar,
Dangania-492013, Raipur.
- 7 **Goa Electricity Department-WR,**
Goa Electricity DeptCurti,
Ponda-403401
- 8 **Gujarat Urja Vikas Nigam Limited,**
Sardar Patel Vidyut Bhavan,
Racecourse Vadodara – 390007, Gujarat.
- 9 **Heavy Water Board,**
O Floor, Vikram Sarabhai Bhavan, Trombay,
Anushaktinagar,
Mumbai - 400094, Maharashtra.
- 10 **HVDC Bhadrawati, PGCIL,**
PGCIL RHQ, WR-I, Sampriti Nagar,
Off National Highway No. 8,
Taluka: Kamrej, PO: Uppalwadi,
Nagpur- 440026, Maharashtra.
- 11 **HVDC Vindhyachal, PGCIL,**
PGCIL RHQ, WR-I, Sampriti Nagar,
Off National Highway No. 8,
Taluka: Kamrej, PO: Uppalwadi,
Nagpur, 440026, Maharashtra.
- 12 **M.P. Power Management Company Limited,**
14, Shakti Bhawan, Rampur,
Jabalpur – 482008, Madhya Pradesh.
- 13 **MSEDCL,**
Plot No 9, "prakashgad", A K Marg,
Bandra East, Mumbai-400051.
- 14 **ACB India Limited,**
7th Floor, Corporate Tower, Ambience Mall, NH-8,
Gurgaon-122001, Haryana.
- 15 **Torrent Power Limited,**
Torrent Power Ltd. Naranpura Zonal Office, Sola Road,
Ahmedabad-380013, Gujarat.

- 16 **Thermal Powertech Corporation India,**
6-3-1090, Clock C, Level 2, TSR, Towers,
Rajbhavan Road, Somajiguda,
Hyderabad-500082, Telangana.
- 17 **BARC,**
Bhabha Atomic Research Centre, Anushakti Nagar,
Mumbai– 400085 (Maharashtra).
- 18 **GMR Warora Energy Limited,**
Plot B-1, GMR Warora Energy Ltd, Mohabala MIDC
Growth Centre, Post – Warora,
Dist – Chandrapur-442907, Maharashtra.
- 19 **HVDC Champa,**
PGCIL RHQ, WR-I, Sampriti Nagar,
Off National Highway No. 8,
Taluka: Kamrej, PO: Uppalwadi,
Nagpur-440026, Maharashtra.
- 20 **West Central Railway Head Office,**
General Manager's Office,
Electrical Branch, Jabalpur– 482001, Madhya Pradesh.
- 21 **Western Railway,**
Office of Chief Electrical Engineer,
Mumbai.
- 22 **DB Power Limited- Untied,**
Opp Dena Bank, C-31, G- Block,
Mumbai.
- 23 **Chhattisgarh State Power Trading Co. Limited,**
2nd floor Vidyut Sewa Bhawan,
Raipur-492013.
- 24 **TRN Energy Private Limited-Untied,**
7th Floor, Ambience Office Block,
Gurugram.
- 25 **Adani Power (Mundra) Limited,**
Adani Corporate House, Shantigram,
Near Vaishnavdevi Circle,
S G Road Ahmedabad – 382421, Gujarat.
- 26 **Raigarh HVDC Station,**
RPT HVDC Office, Hebbal, Bangalore – 560094.

- 27 **Arcelor Mittal Nippon Steel India Limited,**
27, AMNS House, 2TH KM Surat Hazira road,
Hazira-394270, Gujarat.
- 28 **Central Railway,**
Pcee's office 2nd Floor Parcle Building,
Csmt Mumbai-400001.
- 29 **Dadra and Nagar Haveli and Daman and Power
Distribution Corporation Limited,**
1st & 2nd Floor, Vidyut Bhavan,
NexSilvassa & Daman.
- 30 **MPSEZ Utilities Limited,**
3rd Floor, Adani Corporate House, Ahmedabad.

....Respondents

Parties present:

Shri Rohit Jain, BTL
Shri Siddharth Sharma, CTUIL

ORDER

The Petitioner, Khavda IV-E2 Power Transmission Limited (now known as POWERGRID Khavda IV-E2 Power Transmission Limited) (hereinafter referred to as “ the Petitioner”), has filed the present Petition under Section 63 of the Electricity Act, 2003 (hereinafter referred to as “the Act”) for the adoption of transmission charges in respect of “Transmission System for Evacuation of Power from potential renewable energy zone in Khavda area of Gujarat under Phase-IV (7GW) Part E2” on a Build, Own, Operate and Transfer basis. The Petitioner has made the following prayers:

“a) Adoption of Transmission Charges for Inter-State Transmission System for “Transmission System for Evacuation of Power from potential renewable energy zone in Khavda area of Gujarat under Phase-IV (7GW) Part E2” discovered through competitive bidding process.

b) Allow the sharing and recovery of Transmission Charges for Inter-State Transmission System for “Transmission System for Evacuation of Power from potential renewable energy zone in Khavda area of Gujarat under Phase-IV (7GW) Part E2” as per Sharing of Inter-state Transmission Charges and Losses CERC Regulations 2020 and any other amendment thereon issued from time to time by CERC.

c) Pass such other order / orders, as may be deemed fit and proper in the facts and circumstances of the case.”

2. On receipt of the present Petition, the Bid Process Coordinator (hereinafter referred to as ‘the BPC’), REC Power Development & Consultancy Limited (RECPDCL) (hereinafter referred to as ‘RECPDCL’) vide letter dated 5.7.2024, was directed to submit the relevant documents regarding the complete process of the competitive bidding. The necessary details have been filed by the BPC vide affidavit dated 18.7.2024.

Hearing dated 22.7.2024

3. During the course of the hearing on 22.7.2024, the representative of the Petitioner submitted that the Petitioner has already impleaded the beneficiaries as parties to the Petition and has also served a copy of the Petition on them. However, no response has been received from them. The representative of the Petitioner further prayed to adopt the transmission tariff. After hearing the representative of the Petitioner, the order in the instant Petition was reserved.

4. Vide Record of Proceedings for the hearing dated 22.7.2024, the Respondent Beneficiaries were directed to file their replies/comments on the Petitions, if any. However, no reply has been filed by them.

5. We have considered the submissions of the Petitioner and BPC and perused the documents available on record. Section 63 of the Act provides as under:

“Section 63: Determination of tariff by bidding process: Notwithstanding anything contained in section 62, the Appropriate Commission shall adopt the tariff if such tariff has been determined through transparent process of bidding in accordance with the guidelines issued by the Central Government.”

6. The Government of India, Ministry of Power has notified the “Tariff based Competitive-bidding Guidelines for Transmission Service” and “Guidelines for Encouraging Competition in Development of Transmission Projects” (hereinafter referred to as “the Guidelines”) under Section 63 of the Act vide Resolution No. 15/1/2017-Trans dated 10.8.2021 as amended from time to time. The salient features of the Guidelines are as under:

- (a) The Guidelines are applicable for the procurement of transmission services for transmission of electricity through tariff based competitive bidding for selection of the Transmission Service Provider (TSP) for new transmission system on a Build, Own, Operate and Transfer basis.
- (b) For procurement of the transmission services required for any inter-State transmission Project, the Central Government shall notify the CTUIL or any Central Government Organization/ Central Public Sector Undertaking or its wholly owned subsidiary (Special Purpose Vehicle) to be the Bid Process Coordinator (BPC) who would be responsible for the coordinating the bid process.
- (c) The BPC shall prepare the bid documents in accordance with the Guidelines and obtain approval of the Appropriate Government, or alternatively, the BPC can use the Standard Bid Documents notified by the Ministry of Power. Any material deviation from the Standard Bidding Documents shall be made only with the prior approval of the Appropriate Government. Intimation about

initiation of the bidding process shall be sent by the BPC to the Appropriate Commission.

- (d) For the procurement of the transmission services under the guidelines, BPC shall adopt a single stage two envelope tender process featuring Request for Proposal (RfP). The entire bidding process shall be conducted online through electronic medium under e-reverse bidding framework.
- (e) RfP notice should be published in at least two national newspapers, website of the BPC and preferably in trade magazines also, so as to accord it wide publicity. The bidding shall necessarily be by way of International Competitive Bidding (ICB). For the purpose of issue of RfP, minimum conditions to be met by the bidder shall be specified in the RfP.
- (f) Standard documentation to be provided in the RfP shall include definitions of requirements including brief description of the Project, commissioning milestones to be achieved by the bidders, qualification requirements to be met by the bidders including, minimum net worth, etc. with necessary proof of the same, as outlined in the bid documents, Specified target dates/months for commissioning and commercial operations, Standard Transmission Service Agreement (TSA), agreement(s) under the Central Electricity Regulatory Commission (Sharing of Inter State Transmission Charges and Losses) Regulations as amended from time to time, period of validity of offer of bidder, TSA proposed to be entered with the SPV including amendments, bid evaluation methodology to be adopted by the BPC, specification regarding bid bond as well as the Contract Performance Guarantee to be furnished by the bidders, proposed indemnification agreement between the TSP and the Nodal

Agency, liquidated damages that shall apply in the event of delay in start of providing the transmission services and technical, operational and safety criteria to be met by the bidder/TSP and requirement of obtaining transmission licence from the Appropriate Commission.

(g) The TSP, on the date of acquisition of the SPV from the BPC will enter into a Transmission Service Agreement with the Nodal Agency.

(h) To ensure competitiveness, the minimum number of qualified bidders shall be two. For inter-State transmission system, bids shall be opened in the office of the CEA by a bid committee comprising of at least one member from CEA and one member from BPC. For inter-State transmission system, CEA shall constitute a committee for evaluation of the bids with at least one representative from the CEA and not less than two representatives from the concerned Regional Power Committees and one independent member. Further, in case project is inter-regional, there shall be at least one representative from every concerned RPC. The technical bids shall be examined to ensure that the bids submitted meet minimum eligibility criteria set out in the bid documents on all the technical evaluation parameters. Only the bids that meet all elements of the minimum technical criteria set out in the bid documents shall be considered for further evaluation on the transmission charges bids. The online initial price bids shall be electronically opened by the bid opening committee in the presence of the bid evaluation committee. The bidder who has quoted the lowest transmission charge as per the evaluation procedure shall be considered for the award.

- (i) BPC is required to complete e-reverse bidding after opening of the initial offer within 75 days. The procurer may give extended time frame indicated herein based on the prevailing circumstances, and such alterations shall not be construed to be deviation from these guidelines.
- (j) The TSP shall make an application for the grant of a transmission licence to the Appropriate Commission within five (5) working days from the date of execution of the Share Purchase Agreement for acquisition of the SPV.
- (k) BPC shall make the final result of evaluation of all bids public. The final TSA, along with the certification by the bid evaluation committee, shall be forwarded to the Appropriate Commission, for the adoption of tariff discovered from the quoted annual transmission charges during the e-reverse bidding process in terms of Section 63 of the Act.

7. Therefore, we have to examine whether the Guidelines issued by the Central Government have been followed in the present case in a transparent process of bidding.

8. The Ministry of Power, Government of India, vide its Gazette Notification No. 3733 [F. No. 15/3/2018-Trans-Part (1)] dated 4.9.2023, has notified the REC Power Development and Consultancy Limited (RECPDCL) as a Bid Process Coordinator (BPC) for the purpose of selection of bidder as the Transmission Service Provider to establish the Inter-State Transmission System for the “Transmission System for Evacuation of Power from potential renewable energy zone in Khavda area of Gujarat under Phase-IV (7GW) Part E2” on a Build, Own, Operate and Transfer (BOOT) basis. through the tariff based competitive bidding process.

9. Khavda IV-E2 Power Transmission Limited (the Petitioner) was incorporated on 5.10.2023 under the Companies Act, 2013 as a wholly owned subsidiary of RECPDCL with the objective to establish the “Transmission System for Evacuation of Power from potential renewable energy zone in Khavda area of Gujarat under Phase-IV (7GW) Part E2” (“Project”) and to act as the Transmission Service Provider after being acquired by the successful bidder. The main objectives of the Petitioner Company in its Memorandum of Association are as under:

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

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

11. BPC started the process of selection of the successful bidder with the publication of a Global Invitation for Qualification for the selection of a developer on a BOOT basis for the Project. The notice of the RfP was published in National/International newspapers on 13.10.2023 with the last date of submission of response to RfP as 15.12.2023. Intimation regarding the initiation of the bid process was given to this Commission in accordance with Clause 4.2 of the Guidelines vide letter No. RECPDCL/ISTS/TBCB/2023-24/2356 dated 17.10.2023.

12. The key milestones in the bidding process were as under:

S. No.	Events	Date
1	Publication of RfP	13.10.2023

2	Intimation to the Commission	17.10.2023
3	RfP (Technical)& Price Bid Submission	07.03.2024
4	RfP (Technical) Bid Opening	07.03.2024
5	RfP (Financial) Initial Price Offer -Opening	18.03.2024
6	e-Reverse Auction	19.03.2024
7	Final Bid Evaluation Committee Meeting	22.03.2024
8	Issuance of Lol	15.04.2024
9	Signing of Agreements & transfer of SPV	30.05.2024

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

Sl. No.	Name of the Transmission Element	Scheduled COD in months from Effective Date	Percentage of Quoted Transmission Charges recoverable on Scheduled COD of the Element of the Project	Element(s) which are pre-required for declaring the commercial operation (COD) of the respective Element
1(A)	Augmentation of transformation capacity at KPS2 (GIS) by 2x1500 MVA, 765/400 kV ICT on Bus section-I (5th & 6th) & 2 Nos. 400 kV bays at Bus Section-I for RE interconnection.	21 months from the date of SPV acquisition	46.63%	All the elements at sl. no. 1(A) are required to be commissioned simultaneously as their utilization is dependent on the commissioning of each other.
1(B)	Augmentation of transformation capacity at KPS2 (GIS) by 2x1500 MVA, 765/400 kV ICT on Bus section-II (7th & 8th) & 3 Nos. 400 kV bays at Bus Section-II for RE interconnection.		53.37%	All the elements at sl. no. 1(B) are required to be commissioned simultaneously as their utilization is dependent on the commissioning of each other.

Note:

- The TSP shall implement two complete diameters (1 on Bus Section-I & 1 on bus section-II) at 765 kV level of KPS2 (GIS) consisting of 2 Main Bays & 1 Tie Bay required for completion of diameter (GIS) in one-and-half breaker scheme.
- The TSP shall implement five complete diameters (2 on Bus Section-I & 3 on Bus Section-II) at 400 kV level of KPS2 (GIS) consisting of 2 Main Bays & 1 Tie bay required for completion of diameter (GIS) in one-and-half breaker scheme.
- Further, TSP of KPS2 shall provide space to carry out the above augmentation work.
- 2 Nos. 400 kV bays at Bus Section-I for RE interconnection and 1 No. 400 kV bays at Bus Section-II for RE interconnection are already under implementation at KPS2.

e) *The implementation timeframe: 21 months from date of SPV acquisition.*

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

1.	Sh. Rajesh Kumar Singh, General Manager, SBI, CCGRO-II, New Delhi	Chairman of the Committee
2.	Sh. Bhanwar Singh Meena Director, PSETD Division, Central Electricity Authority	Member
3.	Shri B. S. Bairwa, Director (PSP&A-II), CEA	Member
4.	Sh. P.D. Lone, SE, WRPC	Member
5.	Sh. S M Soni, SE, GETCO	Member
6.	Sh. Raj Kumar Sonkar Chairman, Khavda IV-E2 Power Transmission Limited	Convener- Member of the Committee

15. Responses to RfP were received from the three bidders as per details given below:

Sr. No.	Name of Bidders
1.	Adani Energy Solutions Limited (Formerly known as Adani Transmission Limited)
2.	Power Grid Corporation of India Limited
3.	Sterlite Grid 33 Limited

16. The responses of the bidders were opened on 7.3.2024 in the presence of the representatives of the bidders. Based on the recommendations of the Bid Evaluation Committee, the Initial Offers of all three bidders were opened on 18.3.2024 in the presence of the Bid Evaluation Committee. In the BEC meeting held on 18.3.2024, it was noted that the lowest transmission charge from the Initial Offer submitted by the bidders was Rs. 989.90 million, which shall be the initial ceiling for quoting the final offer during the e-Reverse Auction. Accordingly, the rank of the bidders for participation in the e-reverse auction is as under:

Sr. No.	Name of the Bidder	Quoted Transmission Charges from the Initial Offer (in Rupees Million)	Rank
1.	Power Grid Corporation of India Limited	989.90	L-1
2.	Adani Energy Solutions Limited (Formerly known as Adani Transmission Limited)	1203.21	L-2
3.	Sterlite Grid 33 Limited	1305.50	L-3

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

18. The e-reverse auction was carried out at the MSTC portal on 19.3.2024 after intimating the bidders regarding the lowest initial price offer. The transmission charges for the bidders (in ascending order) emerged as under:

Sr. No.	Name of the Bidder	Quoted Transmission Charges from the Initial Offer (in Rupees Million)	Rank
1.	Power Grid Corporation of India Limited	932.07	L-1
2.	Adani Energy Solutions Limited (Formerly known as Adani Transmission Limited)	934.41	L-2
3.	Sterlite Grid 33 Limited	1305.50	L-3

19. Based on e-reverse bidding, BEC, in its meeting held on 19.3.2024, recommended Power Grid Corporation of India Limited, with the lowest transmission charges of Rs. 932.07 million, as the successful bidder.

20. Letter of Intent was issued by the BPC on 15.4.2024 to the successful bidder, i.e., Power Grid Corporation of India Limited. In accordance with Clause 12.3 of the Guidelines, the BPC has hosted on the website of RECPDCL, the final result of the evaluation of the bids for the selection of a developer for the Project.

21. In accordance with the provisions of the bid documents and upon the issuance of Lol to the successful bidder (Power Grid Corporation of India Limited) and acquisition of SPV (the Petitioner) by the successful bidder, the Petitioner has prayed for the adoption of transmission charges for the Project which has been discovered through the competitive bidding process.

22. In accordance with Clause 2.15.2 of RfP, the selected bidder shall, within 10 days of the issue of the Letter of Intent, accomplish the following tasks:

- a) Provide the Contract Performance Guarantee in favour of the Nodal Agency;
- b) Execute the Share Purchase Agreement and the Transmission Service Agreement;
- c) Acquire, for the Acquisition Price, one hundred per cent (100%) equity shareholding of Khavda IV-E2 Power Transmission Limited from REC Power Development and Consultancy Limited, along with all its related assets and liabilities.

23. In accordance with Clause 2.15.4 of RfP, the selected bidder shall, within five working days of the issue of the acquisition of the SPV by the Successful Bidder, the TSP shall apply to the Commission for the grant of a transmission licence and make an application to the Commission for the adoption of transmission charges, as required under Section 63 of the Act.

24. The proviso to Clause 2.15.2 of the RfP provides that "if for any reason attributable to the BPC, the said activities are not completed by the Selected Bidder within the above period of ten (10) days as mentioned in this clause, such period of 10 days shall be extended, on a day to day basis till the end of the Bid validity period". As

per the above provision, the selected bidder was required to complete all the activities, including the acquisition of SPVs, by 25.4.2024. Though Lol was issued on 15.4.2024, BPC, vide its letter dated 30.5.2024 in terms of Clauses 2.15.2 of RfP, extended the date up to 6.6.2024 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. 30 crores on 29.5.2024 and acquired a hundred per cent equity holding in the applicant company on 30.5.2024 after execution of the Share Purchase Agreement. As per clause 2.15.4 of the RfP, TSP is required to apply to the Commission for the grant of a transmission licence within five working days of the issuance of the acquisition of the SPV to the successful bidder. The successful bidder, namely M/s Power Grid Corporation of India Limited, acquired the SPV on 30.5.2024. Accordingly, the TSP has filed the instant Petition through e-filing for the adoption of the transmission tariff on 6.6.2024.

25. The Petitioner has approached the Commission with a separate application for a grant of transmission license. The Commission, vide order dated 16.10.2024 in Petition No. 233/TL/2024, on being satisfied that the Petitioner, prime facie, qualifies for grant of transmission license as prayed for, directed publication of notices under clause (a) of sub-section (5) of Section 15 of the Act, inviting suggestions/ objections to the proposal of the Commission.

26. In accordance with the Guidelines, BEC has to certify that the tariff has been discovered through a transparent process of bidding and the tariff discovered is in line with prevailing market prices. In the minutes of the Fourth Meeting of the Bid Evaluation Committee meeting held on 22.3.2024, the following have been recorded:

“.... following three (03) bidders were qualified to participate in the electronic reverse auction stage and submit their Final Offer:

Sr. No.	Name of the Bidder	Transmission Charges from the Initial Offer (in Rupees Million)	Rank
1.	<i>M/s Power Grid Corporation of India Limited</i>	989.90	L-1
2.	<i>M/s Adani Energy Solutions Limited (Formerly known as Adani Transmission Limited)</i>	1203.21	L-2
3.	<i>M/s Sterlite Grid 33 Limited</i>	1305.50	L-3

- To start electronic reverse auction on 19.03.2024 at 1000 Hrs (IST) after intimation to all the three (3) qualified bidders regarding lowest initial price offer.

3. Pursuant to the above, BPC confirmed to BEC that all the above three (3) qualified bidders were informed on 18.03.2024 (duly acknowledged by them) regarding the electronic reverse auction start time and lowest initial offer.

4. The electronic reverse auction started on 19.03.2024 at 1000 Hrs (IST) on MSTC portal and 24 bids have been received during electronic reverse auction. Accordingly, Quoted Transmission Charges for each bidder (in ascending order) in as under:

S. No.	Name of the Bidder	Transmission Charges from the Initial Offer (in Rs. Million)	Transmission Charges from the Final Offer (in Rs. Million)	Rank
1.	<i>M/s Power Grid Corporation of India Limited</i>	989.90	932.07	L1
2.	<i>M/s Adani Energy Solutions Limited (Formerly known as Adani Transmission Limited)</i>	1203.21	934.41	L2
3.	<i>M/s Sterlite Grid 33 Limited</i>	1305.50	1305.50	L3

The system generated bid history of electronic reverse auction is enclosed at Annexure-1.

5. As per above table, M/s Power Grid Corporation of India Limited emerged as the Successful Bidder after the conclusion of electronic reverse auction with the lowest annual transmission charges of Rs. 932.07 million which also the Final Offer.

6. *BPC, in their evaluation report (Annexure 2) has confirmed the following:*

- a) *Lowest annual transmission charges of Rs. 932.07 Million discovered through electronic reverse auction is less than the estimated annual transmission charges of Rs. 1306.20 Million which is computed based on the estimated cost as communicated by cost committee and as per prevailing CERC norms.*
- b) *As per provisions of RFP document, successful bidder i.e., M/s Power Grid Corporation of India Limited has submitted original hard copies of Annexure-3 and Annexure-14 and the same are found to be in order.*
- c) *The entire bidding process has been carried out in accordance with the “Tariff based Competitive Guidelines for Transmission Service” and “Guidelines for encouraging competition in development of the Transmission Projects” issued by Ministry of Power, Govt. of India under Section 63 of the Electricity Act, 2003 as amended from time to time.*

7. *After detailed discussions on the evaluation report prepared by BPC (Annexure-2), the Bid Evaluation Committee observed the following:*

- a) *M/s Power Grid Corporation of India Limited, with the lowest annual transmission Charges of **Rs. 932.07 Million**, is the successful Bidder after the conclusion of the electronic reverse auction.*
- b) *The transmission charges discovered after electronic reverse auction is lower than the transmission charges estimated by BPC para 6(a) and is acceptable is acceptable.*

8. *In view of para 7 above, BEC recommended to issue Letter of Intent (LoI) to M/s Power Grid Corporation of India Limited.*

9. *The certificate by BEC to be forwarded to CERC for adoption of tariff in terms of Section 63 of the Electricity Act, 2003 is attached at **Annexure-3.**”*

27. Bid Evaluation Committee (BEC), vide its certificate dated 22.3.2024, certified as under:

“It is certified that:

- a. *The entire bid process has been carried out in accordance with the “Tariff based Competitive Bidding Guidelines for Transmission Service” and “Guidelines for encouraging competition in development of the Transmission Projects” issued by Ministry of Power, Govt. of India under Section 63 of the Electricity Act, 2003 and as amended from time to time.*

- b. M/s Power Grid Corporation of India Limited, with the lowest annual transmission Charges of Rs. 932.07 Million, emerged as the successful Bidder after the conclusion of electronic reverse auction.*
- c. The transmission charges of Rs. 932.07 Million discovered after electronic reverse auction is acceptable.”*

28. In the light of the discussions in the preceding paragraphs, it emerges that the selection of the successful bidder and the discovery of the annual transmission charges of the Project has been carried out by the BPC through a transparent process of competitive bidding in accordance with the Guidelines issued by the Ministry of Power, Government of India under Section 63 of the Act. BEC has certified that the process is in conformity with the Ministry of Power Guidelines. BEC, in its certificate dated 22.3.2024, has certified that Power Grid Corporation of India Limited has emerged as the successful bidder after the conclusion of the e-reverse auction with the lowest transmission charges of Rs. 932.07 million. Based on the certification of the BEC, we approve and adopt the single annual transmission charges of Rs. 932.07 million as per the final offer of the successful bidder subject to the grant of transmission licence to the Petitioner company. The transmission charges shall remain valid throughout the period covered in the TSA.

29. The sharing of the transmission charges by the designated ISTS customers (DICs) shall be governed by the provisions of the Central Electricity Regulatory Commission (Sharing of inter-State Transmission Charges and Losses) Regulations, 2020, as amended from time to time.

30. The Petitioner has informed that the name of the Petitioner company has been changed from 'Khavda IV-E2 Power Transmission Limited' to 'POWERGRID Khavda IV-E2 Power Transmission Limited' with effect from 26.7.2024. The certificate of change of name from 'Khavda IV-E2 Power Transmission Limited' to 'POWERGRID

Order in Petition No. 234/AT/2024

Khavda IV-E2 Power Transmission Limited' dated 26.7.2024 issued by the Registrar of Companies, Delhi has been placed on record. Accordingly, the name of the Petitioner has been changed to 'POWERGRID Khavda IV-E2 Power Transmission Limited' on the record of the Commission.

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

32. Petition No. 234/AT/2024 is disposed of in terms of the above.

Sd/-
(Ramesh Babu V.)
Member

sd/-
(Jishnu Barua)
Chairperson