

**CENTRAL ELECTRICITY REGULATORY COMMISSION
NEW DELHI**

Petition No. 322/TL/2024

Coram:

Shri Jishnu Barua, Chairperson

Shri Ramesh Babu V., Member

Shri Harish Dudani, Member

Shri Ravinder Singh Dhillon, Member

Date of Order: 13th May, 2025

In the matter of

Application under Sections 14, 15 and 79(1)(e) 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 seeking grant of Transmission License to NERGS-I Power Transmission Limited.

And

In the matter of

NERGS-I Power Transmission Limited,

Core-4, Scope Complex 7,
Lodhi Road, New Delhi-110003.

....Petitioner

Vs

1. Central Transmission Utility of India Limited,

Saudamini, Plot No.2, Sector-29
Gurgaon-122001.

2. REC Power Development & Consultancy Limited,

D-Block, REC Headquarter
Plot No. I-4, Sector-29
Gurgaon-122001.

3. Dept. of Power, Government of Arunachal Pradesh,

Dept, of Power, Govt, of AP, Vidyut Bhawan, Zero Point Tinali,
Itanagar-791111, Arunachal Pradesh.

4. Manipur State Power Company Limited,

Electricity Complex,
Patta No. 1283 under 87(2) Khwai Bazar,
Keishampat, Imphal West Manipur-795001.

- 5. Power and Electricity Department, Mizoram,**
Power & Electricity Department, Govt of Mizoram,
Kawlphetha building, New Secretariat Complex,
Khatla Aizawl-796001, Mizoram.
 - 6. Dept, of Power, Government of Nagaland,**
Electricity House, AG Colony, Kohima- 797001, Nagaland.
 - 7. Tripura Power Transmission Limited,**
Urja Bhawan, 79 Tilla, Agartala-799006, Tripura.
 - 8. Assam Electricity Grid Corporation Limited,**
Bijulee Bhawan, Paltan Bazar, Guwahati- 781001, Assam.
 - 9. Assam Power Dist. Co. Limited,**
Bijulee Bhawan, Paltan Nagar,
Guwahati- 781001, Assam.
 - 10. Meghalaya Energy Corporation Limited,**
Lum Jingshai, Short round Road,
Shillong-793001,
....**Respondents**
- Meghalaya.

Parties present:

Ms. Poonam Verma Sengupta, Advocate, NREGSPTL
Shri Saunak Rajguru, Advocate, NREGSPTL
Shri Pradyumn Amit Sharma, Advocate, NREGSPTL
Shri Piyush Sachdev, Advocate, APDCL
Shri Swapnil Verma, CTUIL
Shri Ranjeet S Rajput, CTUIL

ORDER

The Petitioner, NERGS-I Power Transmission Limited (hereinafter referred to as “the Petitioner/NERGS”), has filed the present Petition for the grant of a transmission licence under Sections 14, 15 and 79(1)(e) 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 License and other related matters) Regulations, 2024 (hereinafter referred to as “the Transmission Licence Regulations”) for the establishment of Inter-State transmission system for “North Eastern Region Generation Scheme-I (NERGS-I)” (hereinafter

referred to as “Project”) on a Build, Own, Operate and Transfer basis, consisting of the following elements:

Sl. No.	Scope of Transmission Scheme	SCOD in months from Effective Date
1.	▪ Establishment of new 400 kV switching station (to be upgraded to 400/220 kV level in future) at Bokajan in Assam. ○ 420 kV 80 MVAr Bus reactor – 2 nos. ○ 400 kV bus reactor bays: 2 nos. ○ 420 kV, 50 MVAr switchable line reactor: 2 nos. (one in each circuit of Bokajan – New Mariani 400 kV D/c line formed after LILO of both circuits of Misa (POWERGRID) – New Mariani (POWERGRID) 400 kV D/c line at Bokajan) ○ 400 kV line bays: 5 Nos. <i>[4 nos. for termination LILO of both circuits of Misa – New Mariani 400 kV D/c line at Bokajan (LILO under this scheme) and 1 no. of 400 kV line bays at Bokajan (ISTS) switching station for termination of APDCL – Bokajan dedicated transmission line (line is under the scope of M/s APDCL)]</i> Additional space for future expansion: ▪ 400/220 kV, 4x500 MVA ICTs along with associated ICT bays at both voltage levels. ▪ 420kV, 2x125 MVAr bus reactor along with associated bays. ▪ 9 nos. of 400 kV line bays (along with space for switchable line reactor) for future lines. ▪ 10 nos. of 220 kV line bays for future lines. ▪ 400 kV bus sectionaliser bay: 1 set. ▪ 220 kV bus sectionaliser bay: 1 set. ▪ 220 kV bus coupler bay: 2 no. ▪ 220 kV transfer bus coupler bay: 2 no.	31 st December 2026
2.	LILO of both circuits of Misa (POWERGRID) – New Mariani (POWERGRID) 400 kV D/c line at Bokajan.	

2. The Petitioner has made the following prayers:

“a) Grant Transmission License to the Applicant for development and operation of Inter-State Transmission System for Transmission of Electricity under the “North Eastern Region Generation Scheme-I (NERGS-I)”;

(b) Allow recovery of Transmission Charges for Inter-State Transmission System for Transmission of Electricity under the “North Eastern Region Generation Scheme-I (NERGS-I)” as per CERC (Sharing of Inter-state Transmission Charges and Losses) Regulations, 2020 and any other amendment thereto issued from time to time by this Ld. Commission;

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

Hearing dated 10.10.2024

3. During the course of the hearing on 10.10.2024, the learned counsel for the Petitioner submitted the Petitioner has complied with all the requirements as envisaged under the Act and the Transmission Licence Regulations, and CTUIL has also given its recommendations under Section 15(4) of the Act for the grant of a transmission licence to the Petitioner.

4. Vide Record of Proceedings (hereinafter referred to as “RoP”) for the hearing dated 10.10.2024, the Petitioner was directed to furnish details of the upstream and downstream network associated with the project, along with its Scheduled Commercial Operation Date (SCOD), as well as the quantum of connectivity granted at the proposed Bokajan sub-station.

5. The Petitioner, vide affidavit dated 28.10.2024 in compliance with the RoP dated 10.10.2024, has submitted as under:

a) Details of the upstream and downstream network, along with its SCOD: -

Particulars of NERGS' Project	Details	SCOD
Upstream network	4 nos. 400 kV line bays for termination of LILO of both circuits of Misa - New Mariani 400 kV D/c line at Bokajan; and	31.12.2026

	1 no. of 400 kV line bay at Bokajan (ISTS) switching station for termination of APDCL – Bokajan dedicated transmission line.	
Downstream network	10 nos. of 220kV line bays for future lines	-

b) Quantum of connectivity granted at the proposed Bokajan sub-station:

As per the information with NERGS, Assam Power Distribution Company Limited (hereinafter referred to as “APDCL”) has applied for the ISTS connectivity under the Central Electricity Regulatory Commission (Connectivity and General Network Access to the Inter-State Transmission System) Regulations, 2022. Since, NERGS is not privy to such application, it is not in a position to confirm whether the connectivity has been granted, and the quantum thereof. It would be ideal for CTUIL to update the Commission *qua* quantum of connectivity granted at the proposed Bokajan sub-station.

Hearing dated 12.11.2024

6. Vide Record of Proceedings for the hearing dated 12.11.2024, the Petitioner was directed to implead all beneficiaries of the Project/Designated Inter-State Customers (DICs) of the North Eastern Region as parties to the Petition and to file a revised memo of parties. The Petitioner, vide affidavit dated 21.11.2024, has submitted that all beneficiaries of the NERGS Project/DICs of the North Eastern Region, as intimated by the Central Transmission Utility of India Limited (hereinafter referred to as “CTUIL”), have already been arrayed as party to the Respondents and duly mapped on the Commission’s portal. Accordingly, there remain no other beneficiaries, who are required to be impleaded as parties to the Respondents. Also, the impleaded Respondents were directed to file their respective replies, especially

regarding the readiness of the downstream system, within a week with a copy to the Petitioner, who may file its rejoinder within a week thereafter.

7. In addition, vide Record of Proceedings dated 12.11.2024, CTUIL was directed to submit the details of the connectivity granted at the Bokajan substation, the status of the APDCL project, and the Associated Transmission System (ATS) for the APDCL project.

8. CTUIL, vide affidavit dated 30.12.2024, in compliance with the RoP dated 12.11.2024, has submitted as under:

a) Details of connectivity:

750 MW ISTS connectivity has been granted to Assam Power Distribution Company Limited (APDCL) for its solar generation project in Karbi Anglong, Bokajan, Assam with start date of connectivity as 31.12.2026. (*Intimation of final grant of connectivity attached as **Annexure 1**.*)

b) Status of the APDCL project:

In 23rd JCC meeting of NER held on 20.9.2024, APDCL neither attended the meeting nor submitted the status. Therefore, the completion schedule may be considered as start date of connectivity i.e. 31.12.2026, as the ISTS project (NERGS-I) completion schedule has been fixed matching with completion schedule of APDCL.

c) ATS for the APDCL project viz. North Eastern Region Generation Scheme-I (NERGS-I):

Sl. No.	Scope of the Transmission Scheme	Capacity (MVA) / Line length (km) / Nos.
1.	Establishment of new 400 kV switching station (to be upgraded to 400/220 kV level in future) at Bokajan in Assam Additional space for future expansion: - 400/220 kV, 4x500 MVA ICTs along with associated ICT bays at both voltage levels - 420 kV, 2x125MVA bus reactor along with associated bays - 9 nos. of 400 kV line bays (along with	420 kV, 80 MVA bus reactor: 2 nos. 400kV bus reactor bays: 2 nos. 420 kV, 50 MVA switchable line reactor: 2 nos.. (one in each circuit of Bokajan – New Mariani 400 kV D/c line

Sl. No.	Scope of the Transmission Scheme	Capacity (MVA) / Line length (km) / Nos.
	- space for switchable line reactor) for future lines - 10 nos. of 220 kV line bays for future lines - 400 kV bus sectionaliser bay: 1 set - 220 kV bus sectionaliser bay :1 set - 220 kV bus coupler bay: 2 no. - 220 kV transfer bus coupler bay: 2 no.	formed after LILO of both circuits of Misa (POWERGRID) – New Mariani (POWERGRID) 400kV D/c line at Bokajan) 400 kV line bays: 5 nos. [4 nos.. for termination of LILO of both circuits of Misa – New Mariani 400 kV D/c line at Bokajan (LILO under this scheme) & 1 no. for termination of APDCL – Bokajan dedicated transmission line (line under scope of M/s APDCL)]
2.	LILO of both circuits of Misa (POWERGRID)- New Mariani (POWERGRID) 400kV D/c line at Bokajan	20 km (10km Loop in and 10 km Loop out)

Note:

(i) The line lengths mentioned above are approximate as the exact length shall be finalized by the TSP.

Hearing dated 30.12.2024

9. During the course of the hearing, in response to a specific query from the Commission regarding the status of APDCL's solar project, the representative of APDCL submitted that while the project work had commenced, APDCL may be permitted to file an affidavit to bring on record the status of the works and the anticipated completion timeframe. Accordingly, APDCL was directed to place on record the implementation status of the project to facilitate the evacuation of power through the Bokajan sub-station within two weeks.

10. APDCL, vide affidavit dated 13.1.2025 in compliance with the RoPs dated 12.11.2024 and 30.12.2024, has submitted as under:

a) The Government of Assam launched a project titled 'Implementation of 1000 MWp Solar Power Plants under Mukhya Mantri Sauro Shakti Prokolpo,' which was approved in July 2022 by the Department of Economic Affairs (DEA) for seeking loan assistance from the Asian Development Bank (ADB). The project was approved in the Assam Cabinet meeting held on 31.3.2023, designating the Power (Electricity) Department, Government of Assam, as the Executing Agency, while APDCL was assigned the role of Implementing Agency. Accordingly, a total of 18,000 Bighas of land was allotted to APDCL by the Karbi Anglong Autonomous Council (KAAC) at Lahorijan, Bokajan, in the Karbi Anglong district of Assam.

b) In furtherance of the project, APDCL applied for the grant of Stage-I Connectivity to the Inter-State Transmission System (ISTS) for the 1000 MW solar project under the GNA Regulations, 2022, through the online application portal of the CTUIL, vide Application No. 2200000050 dated 15.5.2023, with the proposed connectivity start date of 31.12.2025. The in-principle grant of connectivity for the evacuation of power from the 1000 MW solar project was approved in the 20th Consultation Meeting for Evolving Transmission Schemes in the North Eastern Region (CMETS-NER) held on 23.6.2023, and APDCL was accordingly informed vide CTUIL letter dated 22.8.2023.

c) Subsequently, APDCL, vide letter dated 8.1.2024, sought a revision of the granted connectivity from 1000 MW to 750 MW. Further, vide letter dated 24.1.2024, APDCL requested an extension of the connectivity start date from 31.12.2025 to 31.12.2026.

d) The matter concerning the revision of the grant of connectivity was deliberated in the 27th Consultation Meeting for Evolving Transmission Schemes in the North Eastern Region (CMETS-NER) held on 29.1.2024. Pursuant to the discussions therein, the grant of connectivity to APDCL was revised from 1000 MW to 750 MW, with the connectivity start date revised to 31.12.2026. Subsequently, CTUIL, vide letter dated 16.8.2024, conveyed the final grant of 750 MW ISTS connectivity to APDCL, with the revised connectivity start date as 31.12.2026.

e) The power generated from the ADB-funded solar project of APDCL shall be evacuated through a 400/33 kV pooling substation to the newly proposed 400 kV Bokajan ISTS switching substation, which is being developed under the North-Eastern Region Generation Scheme-I. The construction of the Bokajan ISTS switching substation and its associated transmission infrastructure has been awarded to NERGS-I Power Transmission Limited, a wholly owned subsidiary of Techno Electric and Engineering Company Limited, through the Tariff-Based Competitive Bidding (TBCB) process, with the BPC, RECPDCL. The APDCL project comprises three solar plant packages of 250 MW each, ensuring the structured evacuation of power to the ISTS network.

f) The tendering process for the 250 MW solar plant (Package-I) has been completed, and the issuance of the Letter of Acceptance is anticipated in January 2025. The tendering process for the 400/33 kV pooling substation is currently in progress, with the tender expected to be floated by February 2025. Given the standard timelines for tender closing, bid evaluation, issuance of the Letter of Acceptance, and contract execution, the award is expected by June 2025, with the execution of works commencing thereafter. As per the tender documents, the completion period for the pooling substation is stipulated as 18 months from the commencement of work. However, considering the complexities associated with similar projects, including the installation of high-capacity power transformers and the challenging terrain of the project site, adherence to the stipulated timeline may pose practical difficulties, necessitating adjustments to accommodate unforeseen implementation challenges.

g) The present case has been impacted by force majeure events, resulting in a delay in the implementation and execution of the works undertaken by APDCL. In particular, the communal unrest and the prevailing law and order situation in the Karbi Anglong district during February 2024 significantly disrupted project activities, including the Socio-Economic and Biodiversity Survey, which was critical for the preparation of essential project documents such as the Detailed Project Report, Resettlement Plan, and Indigenous

Peoples Plan. Consequently, these disruptions delayed the approval of the loan and project-related documents by ADB. The events in the Karbi Anglong district were widely reported by national and international media. APDCL, while submitting the present affidavit, reserves its right to invoke the force majeure clause in its agreement with NERGSPTL. In support of the foregoing, a copy of the prohibitory orders issued under Section 144 CRPC by the District Magistrate, Karbi Anglong, dated 16.2.2024, was also placed on record.

h) The loan agreement with the Asian Development Bank (ADB) is yet to be executed and is anticipated to be finalized by February 2025. Owing to the aforementioned factors, including force majeure events and delays in critical project approvals, APDCL is currently behind the scheduled timeline for the completion of the entire project before the connectivity start date of 31.12.2026.

i) The execution of the project may further be delayed due to the following reasons: -

i. The hilly terrain of the remote project location with difficult connectivity can make transportation of materials and equipment difficult.

ii. Seasonal issues like heavy rainfall and landslides may disrupt connectivity to the project location and create constructional and logistical problems.

iii. Karbi Anglong has previously experienced ethnic tensions and political unrest as well as insurgency in the district, and such issues may severely hinder project implementation.

iv. Due to perceived lack of awareness among the local people or disputes over compensation for land acquisition or resettlement of the people, the project completion time may be further delayed.

j) In light of the aforementioned factors, the completion timeline for the 750 MW Solar Power Plant is likely to be extended by at least one year, i.e., until 31.12.2027. The present project, undertaken by a State-owned agency, is

one of the largest solar power initiatives in the North Eastern region, with the objective of enhancing power accessibility across major areas. The delay in its implementation is attributable to circumstances beyond the control of APDCL. However, APDCL remains committed to expediting the execution of the project to the extent possible.

Hearing dated 16.1.2025

11. During the course of the hearing, the learned counsel for the Respondent, APDCL, reiterated the submissions contained in the affidavit dated 13.1.2025. In response to a specific query of the Commission regarding the feasibility of aligning the commissioning timelines of both projects so as to avoid the Petitioner's transmission project being stranded, the representative of CTUIL sought liberty to convene a joint meeting of the concerned parties to explore the possibility of amicably aligning the commissioning schedules.

12. Vide Record of Proceedings dated 16.1.2025, the Commission directed CTUIL to convene the joint meeting, as referred to in earlier proceedings, within a period of two weeks and to place on record the outcome thereof by way of an affidavit within one week thereafter.

13. CTUIL, in compliance with the directions issued vide RoP dated 16.1.2025, has submitted that a joint meeting was convened on 28.1.2025 through virtual mode, with participation from CTUIL, the generator-APDCL, and the Transmission Service Provider (TSP) – NERGS-I Power Transmission Limited. During the meeting, the parties deliberated on the possibility of mutually realigning the commissioning schedules of the generation and transmission projects with a view to avoiding any

potential mismatch and consequential idling of the transmission assets to be developed under the scheme.

Hearing dated 19.2.2025

14. During the course of the hearing, the learned counsel for the Respondent, APDCL, sought a period of four weeks' time to place on record the outcome of the deliberations proposed to be held in the forthcoming meeting of the Board of Directors. The learned counsel for the Petitioner opposed the time sought by APDCL and submitted that any further delay in the matter would have a cascading effect on the project timelines.

15. After hearing the learned counsel for the parties, the Commission directed the Petitioner and APDCL to file an affidavit within two weeks on the outcome of the meeting. dated 28.1.2025. The APDCL was directed to place on record a copy of the minutes of the meeting to be held between the Petitioner and APDCL within two weeks.

16. APDCL, in compliance with the RoP dated 19.2.2025, vide affidavit dated 5.3.2025, has submitted that a joint meeting was conducted on 28.1.2025 among CTUIL, the Transmission Service Provider, and APDCL to explore alignment options between the transmission and generation projects to avoid mismatch and possible idling of transmission assets. During the meeting, APDCL apprised the stakeholders regarding the law & order situation in Karbi Anglong district arising out of communal unrest in February 2024, which hindered the socio-economic and biodiversity surveys essential for project documentation mandated by the ADB, thereby delaying the signing of the loan agreement. APDCL has further submitted as under:

a. It was not made aware of the financial implications of the options discussed in the meeting, and accordingly, vide email dated 4.2.2025, requested CTUIL to provide the tentative financial implications of all three options. In response, NERGS-I Power Transmission Limited vide letter dated 17.2.2025 submitted that (i) deferment of Scheduled COD by six months would result in an additional cost of ₹17.65 crores on account of Interest During Construction (IDC) and Incidental Expenditure During Construction (IEDC); (ii) scrapping of the scheme would result in a cost of ₹10.32 crores to be borne by APDCL; and (iii) under the status quo scenario, where APDCL delays commissioning, an estimated ₹15.20 crores would be levied as bilateral charges by CTUIL for a delay of six months.

b. The ADB loan agreement is yet to be signed, and key preconditions, including finalization of project-affected families, disclosure of the entitlement matrix, and completion of the Resettlement and Indigenous Peoples Plan, are pending. The rehabilitation and resettlement exercise requires detailed re-verification and scrutiny of voluminous data, which is underway.

c. A further deferment of the commissioning date from the scheduled COD of 31.12.2026 is foreseeable. APDCL reiterated that the initial delay was attributable to force majeure conditions beyond its control, including ethnic conflict, protests by local people, and imposition of prohibitory orders under Section 144 of CrPC. In this regard, APDCL submitted that Clause 11.7(c) of the Transmission Service Agreement permits extension of scheduled COD by upto 180 days in case of force majeure without any financial compensation to the TSP.

d. In exercise of powers under applicable law and in view of the force majeure provisions under the Transmission Service Agreement, the Commission may consider extension of the commissioning date without any price implication to APDCL. Since APDCL is a wholly owned Government of Assam entity, any adverse financial implication would ultimately burden the public exchequer or end users. Without prejudice, and in the event that the Commission considers it appropriate to require APDCL to adopt one of the

three options deliberated in the joint meeting dated 28.1.2025, APDCL may be allowed to opt for Option No. (iii), i.e., APDCL shall be liable for bilateral bills raised by CTUIL as per the applicable extant CERC Regulations. The 750 MW solar power project is a significant infrastructure undertaking expected to cater to the energy needs of the North-Eastern region and despite circumstances beyond its control, APDCL is making all efforts to expedite completion of the project.

Hearing dated 13.3.2025

17. During the course of the hearing held on 13.3.2025, the learned counsel for the Petitioner mainly reiterated the submissions made in the Petition and the additional affidavit filed. The learned counsel for the Petitioner contended that the force majeure claims raised by APDCL are devoid of merit and the present Petition is not the appropriate proceeding for APDCL to seek relief on grounds of alleged force majeure. It was also argued that since APDCL is not a party to the Transmission Service Agreement (TSA) executed between the Petitioner and CTUIL, it is not open for APDCL to invoke Article 11 of the TSA for claiming Force Majeure relief.

18. The learned counsel for the Respondent, APDCL, reiterated the submissions made in the affidavit dated 5.3.2025. The representative of CTUIL submitted that, in compliance with the direction of the Commission, a joint meeting between the parties was convened, and the Minutes of Meeting dated 28.01.2025 were placed on record, wherein APDCL indicated its preference for 'Option 3'. With regard to the Force Majeure relief claimed by APDCL, the representative of CTUIL reiterated the Petitioner's position that APDCL is not a party to the TSA executed between the Petitioner and CTUIL, and therefore, cannot invoke Article 11 of the TSA to claim Force Majeure relief.

19. Vide Record of Proceedings dated 13.3.2025, the Commission directed the Petitioner and the Respondent, APDCL, to submit on an affidavit, within a week, the present status of their respective projects. Subject to the above, the matter was reserved for order.

20. The Petitioner, in compliance with the RoP dated 13.3.2025, vide affidavit dated 24.3.2025, has submitted the present status of the NERGS' Project as under:

-

Sl. No.	Particulars
1.	NERGS completed a single line diagram & layout of the project, based on the land coordinates provided by REC Power Development and Consultancy Limited.
2.	NERGS has placed orders for all major equipment required for development of its Project viz. (i) Reactors; (ii) Breakers; (iii) Current Transformers; (iv) Isolators; (v) Insulators; (vi) Clamps connectors & hardware; (vii) Tentative quantity of earthing materials; (viii) Tentative quantity of cable; (ix) Conductors and (x) structure of the switching station.
3.	NERGS has identified the tower types for the transmission line to be developed for NERGS' Project, and the design engineering activities towards the same are in progress.
4.	NERGS has completed the preliminary line survey works up to the LILO point and tower spotting for the Project.

As on 17.2.2025, NERGS had already spent Rs. 10.31 crores towards the Project.

21. APDCL, vide affidavit dated 25.3.2025, has submitted the present status of APDCL's Project as under:

S.No.	Particulars
1.	A Letter of Acceptance has been issued by APDCL to the successful bidders for the development of a 250 MW solar plant (2 lots of 125 MW) on 10.03.2025.
2.	In furtherance of the above, a Letter of Acceptance has been issued to the successful bidder for the development

	of solar park common infrastructure on 10.03.2025 as well.
3.	Tender Notice for the construction of 400/33 kV Pooling Substation has been published on 21.03.2025. This is the critical project as far as the present Petition is concerned.
4.	Re-verification of Project Affected Families is in process. This would enable APDCL to resolve the disputes with regard to compensation and rehabilitation of families, which may not have been included previously, resulting in the present day protest and subsequent negotiations.
5.	Project Readiness checklist has been submitted to the Department of Economic Affairs, Govt. of India (DEA), which is required for the Loan signing. The Loan signing with the Asian Development Bank is expected by 15.04.2025

22. 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 the Ministry of Power, Government of India, under Section 63 of the Act, REC Power Development & Consultancy Limited (RECPDCL) was notified by the Ministry of Power, Government of India, vide Gazette Notification dated 26.10.2023 as the Bid Process Coordinator (BPC) for the purpose of selection of bidder as the Transmission Service Provider (TSP) for grant of an inter-State transmission licence to the Applicant for establishment of the Inter-State transmission system for “North Eastern Region Generation Scheme-I (NERGS-I)” on a Build, Own, Operate and Transfer basis.

23. RECPDCL, in its capacity as the BPC, initiated the bid process on 20.11.2023 and completed the same on 30.7.2024 in accordance with the Guidelines. Techno Electric & Engineering Company Limited was selected as the successful bidder, having quoted the lowest transmission charges of Rs. 303.68 million to provide the transmission services to the transmission system’s beneficiaries.

24. The RfP was issued on 20.11.2023. At the RfP (Technical and Financial) stage, four bidders, namely, (i) Power Grid Corporation of India Limited; (ii) Sterlite Grid 6 Limited; (iii) Techno Electric & Engineering Company Limited, and (iv) Indigrid 2 Limited & Indigrid 1 Limited submitted their offers. The RfP (Initial Offers) of the four bidders were opened by the Bid Opening Committee on 9.5.2024 in the presence of the representative of the bidders. The lowest Initial Price Offer discovered (Best Deal) at the MSTC portal was Rs. 355 million.

25. As per Clause 2.5 of the RfP document, Initial Offers shall be ranked on the basis of ascending order for the determination of the qualified bidders. The bidders holding the first fifty per cent of the ranks (with any fraction rounded off to a higher integer) or four bidders, whichever is higher, shall be considered to be qualified for participating in the electronic reverse auction stage and submitting their final offer. Accordingly, the qualified bidders are as under:

Sr. No.	Name of the Bidder	Quoted Transmission Charges from the Initial Offer (in Rs. Million)	Rank
1.	Power Grid Corporation of India Limited	355.00	L1
2.	Techno Electric & Engineering Company Limited	391.00	L2
3.	Sterlite Grid 6 Limited	410.20	L3
4.	Indigrid 2 Limited & M/s Indigrid 1 Limited - Consortium	420.00	L4

26. The e-reverse auction of four bidders was carried out at the MSTC portal on 10.5.2024. The following transmission charges, as quoted by each bidder, emerged:

Sr. 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.	Techno Electric &	391.00	303.68	L1

	Engineering Company Limited			
2.	Power Grid Corporation of India Limited	355.00	304.45	L2
3.	Sterlite Grid 6 Limited	410.20	Not participated in electronic reverse auction	L3
4.	Indigrid 2 Limited & M/s Indigrid 1 Limited - Consortium	420.00	Not participated in an electronic reverse auction	L4

27. As per the Bid Evaluation Report dated 24.5.2024, Techno Electric & Engineering Company Limited emerged as the successful bidder with the lowest quoted transmission charges of Rs. 303.68 million. BEC, vide its certificate dated 24.5.2024, has certified that the 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 the e-reverse auction are acceptable.

28. Consequent to its selection as the lowest bidder, a Letter of Intent (LoI) was issued to Techno Electric & Engineering Company Limited by the BPC on 3.6.2024, which was accepted by Techno Electric & Engineering Company 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, a 100% equity share of NERGS-I Power 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 the grant of a transmission licence;

29. Techno Electric & Engineering Company Limited has furnished the Contract Performance Guarantee (CPG) in favour of Nodal Agency, i.e., CTUIL, for Rs. 2 crores on 25.7.2024 and has acquired a hundred per cent equity holding in NERGS-I Power Transmission Limited on 30.7.2024. The Petitioner entered into a Transmission Service Agreement (TSA) with CTUIL on 30.7.2024.

30. 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”

31. 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 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. Regulation 10(1) of the Transmission Licence Regulations provided that in case the licensee has been selected for implementation of the project in accordance with the competitive bidding guidelines, the transmission tariff in terms of the Transmission Service Agreement shall be adopted by the Commission under Section 63 of the Act. The Project under consideration has been identified for development under competitive bidding by a competent authority, and the selection of the Project developer, NERGS-I Power Transmission Limited, has been certified to have been made in accordance with the Guidelines for competitive bidding.

32. Regulation 5 of the Transmission Licence Regulations provides for the procedure for granting 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 e-filing 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)."

32. The Petitioner has approached the Commission with a separate application for the adoption of transmission charges in respect of the transmission system, which is presently under consideration by the Commission, and the order in that Petition will be issued separately. The Petitioner has filed the present Petition for the

grant of a transmission licence in accordance with the provisions of the Transmission Licence Regulations. The Petitioner has submitted proof of service of the copies of the application on the BPC, CTUIL, and Northern Region 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 the 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 NREGS-I Power Transmission Limited with respect to the transmission system as per the details given in paragraph 1 above.

33. The Petitioner 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 Respondent/beneficiaries. The transmission charges quoted by the Petitioner, which have been recommended by the Bid Evaluation Committee for acceptance, are Rs. 303.68 million. The Petitioner has also enclosed copies of the recommendations of the Bid Evaluation Committee.

34. The Petitioner has published the notices on its website in Form-II in English and in the Vernacular language on 8.8.2024. The Petition has also published the notices digitally in the Arunachal Front, The North East Times, The People's Chronicle, Meghalaya Times, Newslink, Eastern Mirror, and Tripura Observer (English) and Arun Bhumi, Amar Asom, Poknapham, U Nongsain Hima, The Aizwal Post, Tir Yimym, Tripura Darpan (Vernacular) on 8.8.2024. No objection has been received from the general public to the notices.

35. The Petitioner has served a 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 5(3) of the Transmission Licence Regulations. CTUIL, vide its letter dated 12.8.2024, has recommended the grant of a transmission licence to the Petitioner. The Relevant portions of the said letter dated 12.8.2024 are extracted as under:

“This has reference to petition filed (with diary no. 489/2024) by M/s NERGS-I Power Transmission Limited (NPTL) 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 transmission license to establish the North Eastern Region Generation Scheme-1 (NERGS-I) ISTS scheme on Build, Own, Operate and Transfer (BOOT) basis. In this regard, following is submitted:

1. Justification for the scheme: The instant scheme North Eastern Region Generation Scheme-1 (NERGS-I) is being established to grant ISTS Connectivity of 750MW to Mis Assam Power Distribution Company Limited (APDCL) for its solar generation project in Karbi Anglong, Bokajan, Assam. The scheme inter alia comprises of establishment of a new 400KV substation at Bokajan in Assam through LILO of both circuits of existing Misa - New Mariani 400kV D/c line. The scheme is being implemented as Associated Transmission System (ATS) In terms of GNA Regulations, 2022. The detailed scope of the transmission scheme is enclosed at Annexure-I.

2. The subject scheme has been agreed/approved in various forums as detailed below:

Sl. No.	Meeting	Meeting No.	Date	Remarks
1.	Consultation Meeting for Evolving Transmission Schemes in North Eastern Region (CMETS-NER)	20 th & 27 th	23.6.2023 & 29.1.2024	Relevant extract of minutes is attached at Annexure-IIa & Annexure-IIb respectively.
2.	National Committee on Transmission (NCT)	15 th & 17 th	25.8.2023 & 31.1.2024	Relevant extract of minutes is attached at Annexure-IIIa & Annnexure-IIIb respectively.

Note: - Estimated cost of the ISTS scheme is less than INR 500 Cr. Accordingly, the same was not sent to NERPC for deliberation in line with MoP office order no. 15/3/2018-Trans-Pt (5) dated 28.10.2021 regarding reconstitution of NCT.

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

<i>Gazette Notification</i>	<i>Gazette Notification No. 730 [Avt. III/4/Exty./512/2023-24] dated 26.10.2023</i>
<i>SCoD of the Scheme (Final)</i>	<i>31.12.2026</i>
<i>Bid Process Coordinator (BPC)</i>	<i>Rural Electrification Corporation Power Development and Consultancy Limited (RECPDCL)</i>
<i>Name of the special purpose vehicle (SPV)</i>	<i>NREGS-I Power Transmission Limited (NPTL)</i>
<i>Successful Bidder</i>	<i>M/s Techno Electric & Engineering Company Limited</i>
<i>Letter of Intent (LoI) issuance date</i>	<i>3.6.2024</i>
<i>Date of SPV transfer</i>	<i>30.7.2024</i>

4. *In line with Section 15(4) of the Electricity Act, 2003; Regulation 5(9) of CERC Transmission License Regulations, 2024; and sed on details furnished by M/s NERGS-I Power Transmission Limited (NERGS) in its petition, CTU recommends the grant of transmission license to M/s NERGS- Power Transmission Limited for executing the ISTS scheme namely "North Eastern Region Generation Scheme-1 (NERGS-I) with detailed scope of works given at Annexure-1."*

36. 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, the selected bidder was required to complete all the activities, including the acquisition of SPVs, by 13.6.2024. Though LoI was issued on 3.6.2024, BPC, vide its letter dated 30.7.2024 in terms of Clause 2.15.2 of RfP, extended the date up to 6.8.2024 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. 2.00 crores on 25.7.2024 and acquired a hundred per cent equity-holding in the applicant company on 30.7.2024 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 Techno Electric & Engineering Company Limited, acquired the SPV on 30.7.2024. Accordingly, the TSP has filed the instant Petition through e-filing for the grant of a transmission licence on 6.8.2024.

37. Considering the material on record, we are *prima-facie* of the view that the Petitioner satisfies the conditions for the grant of an inter-State transmission licence under Section 15 of the Act read with the 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 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 by **25.5.2025**.

38. 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, testing, 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 the Bureau of India Standards. 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 the bidding documents and the TSA for the commissioning of the Project within the SCOD.

39. The Petition shall be listed for the hearing on **29.5.2025**.

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