

**CENTRAL ELECTRICITY REGULATORY COMMISSION
NEW DELHI**

Petition No. 350/TL/2025

Coram:

Shri Jishnu Barua, Chairperson

Shri Ramesh Babu V., Member

Shri Ravinder Singh Dhillon, Member

Date of Order: 23rd June, 2025

In the matter of

Application under Sections 14 & 15 of the Electricity Act, 2003 read with the Central Electricity Regulatory Commission (Procedure, Terms and Conditions for Grant of Transmission License and other related matters) Regulations, 2024 with respect to Transmission License to POWERGRID KPS 1 and 2 Augmentation Transmission Limited, (erstwhile Khavda V-B1B2 Power Transmission Limited).

And

In the matter of

**POWERGRID KPS 1 and 2 Augmentation Transmission Limited,
(erstwhile Khavda V-B1B2 Power Transmission Limited),
(A 100% wholly owned subsidiary of Power Grid Corporation of India Limited)**

Registered office:

B-9, Qutab Institutional Area,
Katwaria Sarai, New Delhi-110016.

Address for correspondence:

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

...Petitioner

VERSUS

1. Central Transmission Utility of India Limited,

Shram Shakti Bhawan,
Rafi Marg, New Delhi-110001.

2. REC Power Development and Consultancy Limited,

(A wholly owned subsidiary of REC Limited)
Core-4, SCOPE Complex,
7, Lodhi Road, New Delhi-110003.

3. Adani Green Energy Limited,

6th Floor, CT Tower-1, Inspire Business Park,
Opp. Adani Corporate House,

Nr. Vaishnodevi Circle,
Khodiyar, Ahmedabad-382421.

4. Gujarat Industries Power Company Limited,
PO: Petrochemicals Gujarat.

5. Chhattisgarh State Power Distribution Co. Limited,
CSPDCL, Post: Sundernagar,
Dangania, Raipur-492013.

6. Goa Electricity Department-WR,
Goa Electricity DeptCurti, Ponda-403401.

7. Gujarat Urja Vikas Nigam Limited,
Sardar Patel Vidyut Bhavan,
Racecourse Vadodara-390007.

8. Heavy Water Board,
O Floor, Vikram Sarabhai Bhavan, Trombay,
Anushaktinagar, Mumbai-400094, Maharashtra.

9. HVDC Bhadrawati, PGCIL,
PGCIL RHQ, WR-I, Sampriti Nagar,
Off National Highway No. 8,
Taluka: Kamrej, PO: Uppalwadi,
Nagpur, 440026 Maharashtra.

10. HVDC Vindhyachal, PGCIL,
PGCIL RHQ, WR-I, Sampriti Nagar,
Off National Highway No. 8, Taluka: Kamrej,
PO: Uppalwadi, Nagpur-440026, Maharashtra.

11. M.P. Power Management Company Limited,
14, Shakti Bhawan, Rampur,
Jabalpur-482008.

12. MSEDCL,
Plot No. 9, "Prakashgad",
A K Marg, Bandra East, Mumbai-400051.

13. ACB India Limited,
7th Floor, Corporate Tower, Ambience Mall, NH-8,
Gurgaon-122 001, Haryana.

14. Torrent Power Limited,
Torrent Power Ltd. Naranpura Zonal Office,
Sola Road, Ahmedabad-380013.

15. Thermal Powertech Corporation India,
6-3-1090, Clock C, Level 2, TSR, Towers, Rajbhavan Road,

Somajiguda, Hyderabad-500082, Telangana.

16. Bhabha Atomic Research Centre,
Anushakti Nagar,
Mumbai-400085, Maharashtra.

17. GMR Warora Energy Limited,
Plot B-1, GMR Warora Energy Ltd.,
Mohabala MIDC Growth Centre,
Post-Warora, Dist-Chandrapur-442907, Maharashtra.

18. HVDC Champa,
PGCIL RHQ, WR-I, Sampriti Nagar,
Off National Highway No. 8, Taluka: Kamrej,
PO: Uppalwadi, Nagpur-440026, Maharashtra.

19. West Central Railway Head Office,
General Manager's Office, Electrical Branch,
Jabalpur-482 001.

20. Western Railway,
Office of Chief Electrical Engineer, Mumbai.

21. DB Power Limited- Untied,
Opp. Dena Bank, C-31, G- Block, Mumbai.

22. Chhattisgarh State Power Trading Co. Limited,
2nd floor Vidyut Sewa Bhawan, Raipur.

23. TRN Energy Private Ltd-Untied,
7th Floor, Ambience Office Block, Gurugram.

24. Adani Power (Mundra) Limited,
Adani Corporate House, Shantigram, Near Vaishnavdevi Circle,
S G Road Ahmedabad-382421.

25. Raigarh HVDC Station,
RPT HVDC Office, Hebbal, Bangalore-560094.

26. Arcelor Mittal Nippon Steel India Limited,
27, AMNS House, 2TH KM Surat Hazira road,
Hazira-394270, Gujarat.

27. Central Railway,
Pcee's office, 2nd Floor Parcle,
Building CSMT, Mumbai-400001.

**28. Dadra & Nagar Haveli & Daman and
Power Distribution Corporation Limited,**
1st & 2nd Floor, Vidyut Bhavan, NexSilvassa & Daman

29. MPSEZ Utilities Limited,
3rd Floor, Adani Corporate House,
Ahmedabad.

...Respondents

Parties present:

Shri Rohit Jain, KVB1B2PTL
Shri Ranjeet S. Rajput, CTUIL
Shri Swapnil Verma, CTUIL

ORDER

The Petitioner, POWERGRID KPS 1 and 2 Augmentation Transmission Limited (erstwhile Khavda V-B1B2 Power Transmission Limited), has filed the present Petition for the grant of a transmission licence under Sections 14 and 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, 2024 (hereinafter referred to as “the Transmission Licence Regulations”) to establish the inter-State transmission system for “Augmentation of transformation capacity at KPS1 (GIS) and KPS2 (GIS) (Phase-V Part B1 and Part B2 scheme)” (hereinafter referred to as “the Project”) on a Build, Own, Operate and Transfer basis, consisting of the following elements:

Sr. No	Name of the Transmission Element	Scheduled COD	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.	Augmentation of transformation capacity at KPS1 (GIS) by 1x1500 MVA, 765/400 kV ICT on Bus section-II (9th) <ul style="list-style-type: none">1500 MVA, 765/400 kV	24 months	44.85%	Elements marked at Sl. No. 1 and 2 can be commissioned separately as

	ICT-1 No. • 765 kV ICT bay- 1 No. on Bus section-II* • 400 kV ICT bay- 1 No. (+1 No. (with Sw. LR bay provision) for Dia. Completion in GIS) on bus Section-II	from date of allocation to implementing agency (18.02.2027)		their utilization is not dependent of each other
2.	Augmentation of transformation capacity at KPS2 (GIS) by 1x1500 MVA, 765/400 kV ICT on Bus section-I (9th) • 1500 MVA, 765/400 kV ICT - 1 No. • 765 kV ICT bay - 1 No. (+1 No. (with Sw. LR bay provision) for Dia. Completion in GIS) on Bus section-I • 400 kV ICT bay - 1 No. (+1 No. (with Sw. LR Bay provision) for Dia. Completion in GIS) on Bus section-I.		55.15%	

** As per TSP (M/s Khavda-Bhuj Transmission Limited) mail dated 14.6.2024, half dia has been considered for 765 kV ICT bay due to space constraint.*

Note:

- i. TSP of KPS1 (M/s Khavda-Bhuj Transmission Limited) shall provide space for above augmentation works at KPS1 (Section-II)*
- ii. TSP of KPS2 (KPS2 Transmission Limited (POWERGRID)) shall provide space for above augmentation works at KPS2 (Section-I)*

2. The Petitioner has made the following prayers:

- “a) Grant Transmission Licence to the Applicant; and*
- b) Allow the sharing and recovery of Transmission Charges for Inter-State Transmission System for “Augmentation of transformation capacity at KPS1 (GIS) and KPS2 (GIS) (Phase-V Part B1 and Part B2 scheme)” 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 & circumstances of the case.”*

Hearing dated 30.4.2025

3. Notice was issued to the parties to file the reply and rejoinder. During the course of the hearing, the representative of the Petitioner submitted that there was a delay of 10 days in filing the instant Petition due to the non-reflection of the filing fees on the e-portal, and accordingly, prayed to condone the said delay.

4. Vide Record of Proceedings ("RoP") for the hearing dated 30.4.2025, CTUIL was directed to furnish the details of the inter-connecting upstream and downstream transmission systems, as well as the details of connectivity and GNA granted and/or applications received at KPS1 (GIS) and KPS2 (GIS).

5. CTUIL, in compliance with the RoP dated 30.4.2025, vide affidavit dated 26.5.2025, has submitted as under:

i) Details of the inter-connecting upstream/downstream transmission system are as below:

Upstream Transmission System

- Khavda Phase-V Part B1 scheme would facilitate immediate injection of about 810MW power from AGEL generation projects (Refer to the table below) at KPS1 (Sec-II) in order to maintain N-1 compliance of 765/400kV ICTs.
- Khavda Phase-V Part B2 scheme would facilitate immediate injection of about 600MW power from the GIPCL generation project (Refer to the table below) at KPS2 (Sec-I) in order to maintain N-1 compliance of 765/400kV ICTs.

Downstream transmission System:

- For onwards evacuation of power from above generation projects linked with Khavda Phase-V (Part B1 and Part B2 scheme), Khavda Phase-I to V schemes would be required. However, as per early requirement indicated by associated generation projects for injection of power, the subject ICTs would facilitate immediate injection of power at KPS1 & KPS2, even though the transmission system for onward evacuation of power under GNA would come later.

ii) The details of the connectivity / GNA granted and / or applications received at KPS 1 (Sec-II) & KPS 2 (Sec-I) as per the following table, with relevant documents:

- The subject scheme KPS1 (GIS) (Phase-V Part B1) and KPS2 (GIS) (Phase-V Part B2) includes augmentation of transformation capacity at KPS1(GIS) by 1x1500 MVA, 765/400 kV ICT on Bus section-II (9th) & Augmentation of transformation capacity at KPS2(GIS) by 1x1500 MVA, 765/400 kV ICT on Bus section-I (9th) respectively.
- Applications received at Khavda PS which are granted connectivity at KPS 1 & KPS 2 S/s for which instant augmentation has been planned are listed below:

Sl. No.	Name of the applicant	Date application of	Type of application	Connectivity Quantum (MW)	Pooling Station	Start date of connectivity/ GNA
1.	Adani Green Energy Limited	10.01.2024	REGS	650	KPS 1 (Sec-II)	19.05.2029*
2.	Adani Green Energy Limited	10.01.2024	REGS	100	KPS 1 (Sec-II)	19.05.2029*
3.	Adani Green Energy Limited	11.05.2024	REGS	60	KPS 1 (Sec-II)	19.05.2029*
4.	Gujarat Industries Power Company Ltd	29.07.2023	REGS	600	KPS 2 (Sec-I)	19.11.2028

**The date of commencement of connectivity under GNA is interim and based on the expected commissioning schedule of the identified common transmission system, i.e., Phase V (8GW) (presently, the VSC scheme is under bidding stage).*

Applicants at Sl. No. 1 to 3 are linked with Khavda Phase-V (Part B1 scheme) & Khavda Phase-I to Phase-V scheme (both LCC & VSC HVDC).

Applicants at Sl. No. 4 are linked with Khavda Phase-V (Part B2 scheme) & Khavda Phase-I to Phase-V scheme (only Bipole 1 of LCC HVDC).

Hearing dated 29.5.2025

6. During the course of the hearing, the representative of the Petitioner submitted that all compliances have been duly undertaken by the Petitioner. He further submitted that there has been a change in the name of the Petitioner Company, and an affidavit to this effect has already been filed on 28.5.2025. In response to the specific query raised by the Commission regarding the upstream and downstream transmission system details, the representative of CTUIL submitted that the Project pertains to augmentation of ICT at two substations, namely KPS-1 and KPS-2, for ensuring N-1 compliance, and therefore, the requirement of providing upstream and downstream

transmission system details does not strictly apply to the present case. He further submitted that CTUIL has filed its compliance affidavit in accordance with the directions issued vide RoP dated 30.4.2025. After hearing the parties, the Commission reserved the matter for orders.

7. No reply has been filed by the Respondents despite notice.

8. 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 and Consultancy Limited (hereinafter referred to as “RECPDCL”) was notified by the Ministry of Power, Government of India, vide Gazette Notification No. 753 [ADVT.-III/4/Exty./523/2024-25] dated 25.9.2024 as the Bid Process Coordinator (hereinafter referred to as “BPC”) for the purpose of selection of bidder as the Transmission Service Provider (hereinafter referred to as “TSP”) for the grant of an inter-State transmission licence to the Applicant to establish the inter-State transmission system for “Augmentation of transformation capacity at KPS1 (GIS) and KPS2 (GIS) (Phase-V Part B1 and Part B2 scheme)” on a Build, Own, Operate and Transfer basis.

9. RECPDCL, in its capacity as the BPC, initiated the bid process on 30.9.2024 and completed it on 18.2.2025 in accordance with the Guidelines. Power Grid Corporation of India Limited was selected as the successful bidder, having quoted the lowest transmission charges of Rs. 698.58 million to provide the transmission services to the transmission system’s beneficiaries.

10. The RfP was issued on 30.9.2024. At the RfP (Technical and Financial) stage, two bidders, namely, (i) M/s Adani Energy Solutions Limited; and (ii) Power Grid Corporation of India Limited, submitted their offers. The RfP (Technical) bids of the two bidders were opened by the Bid Opening Committee in the Central Electricity Authority on 18.12.2024 in the presence of a representative of the bidders. Based on the recommendation of the Bid Evaluation Committee (hereinafter referred to as “BEC”), the RfP (Financial) Bids-Initial Price Offer of the bidders were opened on 18.12.2024. The Lowest Initial Price Offer discovered (Best Deal) at the MSTC portal was Rs. 794.00 million. The details of the quoted transmission charges by the bidders are given below:

Sr. No.	Name of the Bidder	Quoted Transmission Charges from the Initial Offer (in Rs. Million)	Rank
i	Adani Energy Solutions Limited	794.00	L1
ii	Power Grid Corporation of India Limited	904.06	L2

11. 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.

12. The e-reverse was conducted on the MSTC portal on 19.12.2024 and was concluded on 20.12.2024. 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.	Power Grid Corporation of India Limited	904.06	698.58	L1
2.	Adani Energy Solutions Limited	794.00	700.34	L2

13. As per the Bid Evaluation Report dated 24.12.2024, Power Grid Corporation of India Limited emerged as the successful bidder with the lowest quoted transmission charges of Rs. 698.58 million. BEC, vide its certificate dated 24.12.2024, 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.

14. Consequent to its selection as the lowest bidder, a Letter of Intent (hereinafter referred to as "LoI") was issued to Power Grid Corporation of India Limited by the BPC on 6.1.2025, which was accepted by Power Grid Corporation of India 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 the 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 Khavda V-B1B2 Power Transmission Limited from RECPDCL along with all its related assets and liabilities;

(d) Make an application to this Commission for the 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;

15. Power Grid Corporation of India Limited has furnished the Contract Performance Guarantee (hereinafter referred to as “CPG”) in favour of the Nodal Agency, i.e., CTUIL, for Rs. 15 crores on 18.2.2025 and has acquired a hundred per cent equity holding in Khavda V-B1B2 Power Transmission Limited (now known as POWERGRID KPS 1 and 2 Augmentation Transmission Limited) on 18.2.2025. The Petitioner entered into a Transmission Service Agreement (hereinafter referred to as “TSA”) with CTUIL on 18.2.2025.

16. 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”

17. 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 has been certified to have been made in accordance with the Guidelines for competitive bidding.

18. Regulation 5 of the Transmission Licence Regulations, 2024 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)."

19. 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, 2024. The Petitioner has submitted proof of service of the copies of the application on the BPC, CTUIL, and the beneficiaries and proof of web posting of the complete application. The Petitioner has further undertaken to pay the applicable licence fee upon the grant of a transmission licence in terms of the Central Electricity Regulatory Commission (Payment of Fees) Regulations, 2012. The Petitioner has prayed for the grant of a transmission licence to POWERGRID KPS 1 and 2 Augmentation Transmission Limited (erstwhile Khavda V-B1B2 Power Transmission Limited) with respect to the transmission system as per the details given in paragraph 1 above.

20. 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. 698.58 million. The Petitioner has also enclosed copies of the recommendations of the Bid Evaluation Committee.

21. The Petitioner has published the notices on its website in Form-II in English and in the Vernacular language. The Petitioner has published the notices in the Free Press Gujarat (English) and the Divya Bhaskar (Gujarati Language) on 13.3.2025. No objection has been received from the general public to the notices.

22. 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 17.3.2025, has recommended the grant of a transmission licence to the

Petitioner. The Relevant portions of the said letter dated 17.3.2025 are extracted as under:

“This has reference to the Transmission License Petition having Diary no. 135/2025 dated 07.03.2025 filled by M/s Khavda V-B1B2 Power Transmission Limited (KVB1B2) before Hon'ble Commission vide which M/s KVB1B2PTL has requested CTU for issuance of its recommendation for grant of Transmission License for subject transmission scheme. In this regard, the following is submitted:

- 1. M/s Khavda V-B1B2 Power Transmission Limited (KVB1B2PTL) has filed a petition under Section 14, 15 and 79(1)(e) of the Electricity Act, 2003 read with CERC (Procedure, Terms and Conditions for Grant of Transmission License and other related matters) Regulations, 2024 for grant of transmission license for “Augmentation of transformation capacity at KPS1 (GIS) and KPS2 (GIS) (Phase-V Part B1 and Part B2 scheme)” project on Build, Own, Operate and Transfer (BOOT) basis as ISTS. The detailed scope of the transmission scheme is enclosed at Annexure-I.*
- 2. M/s Khavda V-B1B2 Power Transmission Limited (KVB1B2PTL) has mapped Nodal Agency i.e., CTUIL on the e-portal of Hon'ble Commission, to serve a copy of the application for the grant of Transmission License, for the above transmission system as per section 15(3) of the Electricity Act, 2003 and Regulation 5(3) of Transmission License Regulations, 2024 for recommendation required u/s 15(4) of the Electricity Act, 2003 and Regulation 5(9) of Transmission License Regulations, 2024.*
- 3. In reference to the Transmission Scheme “Augmentation of transformation capacity at KPS1 (GIS) and KPS2 (GIS) (Phase-V Part B1 and Part B2 scheme)”, the following is submitted:*

- i) The subject scheme KPS1 (GIS) (Phase-V Part B1) and KPS2 (GIS) (Phase-V Part B2) includes augmentation of transformation capacity at KPS1(GIS) by 1x1500 MVA, 765/400 kV ICT on Bus section-II (9th) & Augmentation of transformation capacity at KPS2(GIS) by 1x1500 MVA, 765/400 kV ICT on Bus section-I (9th) respectively.*

KPS1 S/S with 3x1500 MVA ICTs on Sec-I is already commissioned by M/s Adani under TBCB route. 1x1500 MVA Addl. ICT at Sec-I is also being implemented by M/s Adani (under RTM) under Khavda Ph-IV Part E1 scheme. Further, Sec-II of KPS1 is being established by M/s Megha Engineering & Infrastructures Limited with SCOD of Jan-25 with 4x1500 MVA ICTs.

Applications for 810 MW have been received at KPS1 (Sec-II) from M/s Adani Green Energy Ltd. which shall result in total connectivity of 5260 MW at KPS1 (Sec-II). This shall require ICT Augmentation

at KPS1 (Sec-II) in order to maintain N-1 compliance. However, onwards evacuation will be through Khavda Ph-V system, which is presently under tendering process. Hence, the subject ICT would facilitate immediate injection of power at KPS1 (Sec-II). However, onwards evacuation would be based on available margins only.

KPS2 S/s with 4x1500 MVA ICTs (2x1500 MVA on Sec-I & 2x1500 MVA on Sec-II) is under implementation by M/s POWERGRID under TBCB route. 4x1500 MVA (2x1500MVA on Sec-I & 2x1500 MVA on Sec-II) Addl. ICTs are also being implemented by POWERGRID (under TBCB) under Khavda Ph-IV Part E2 scheme. Now, Cumulative applications for 5159 MW have been received at KPS2 (Sec-I) and 4091 MW have been received at KPS2 (Sec-II).

Since the planned 4x1500 MVA ICTs at KPS2 would be sufficient only for injection upto ~4500 MW, RE Generation to the tune of 659 MW at KPS2 (Sec-I) shall require ICT Augmentation at KPS2 (Sec-I) in order to maintain N-1 compliance. However, onwards evacuation will be through Khavda Ph-V system, which is presently under tendering process. Hence, the subject ICT would facilitate immediate injection of power at KPS2 (Sec-I). However, onwards evacuation would be based on available margins only.

- ii) The subject transmission scheme was agreed upon in the 28th Consultation meeting for Evolving Transmission Schemes in WR (CMETS-WR) meeting held on 30.4.2024. Extract of the minutes of the above meeting is enclosed at Annexure-II.
 - iii) The subject transmission system was discussed and agreed upon in the 21st NCT meeting held on 06/08/2024. The extract of the minutes of the NCT meeting is enclosed at Annexure-III.
 - iv) The Central Electricity Authority (Ministry of Power) vide notification dated 25.9.2024 had appointed REC Power Development and Consultancy Limited (RECPDCL) as the Bid Process Coordinator (BPC) for the purpose of selection of Bidder as Transmission Service Provider (TSP) to establish the subject ISTS through Tariff Based Competitive Bidding (TBCB) process on build, own operate & transfer basis. Copy of CEA notification is enclosed at Annexure-IV.
4. Pursuant to the process of competitive bidding conducted by the BPC, Power Grid Corporation of India Ltd. emerged as the successful bidder. Thereafter, the BPC issued a Letter of Intent in favour of Power Grid Corporation of India Ltd. on 06/01/2025. Subsequently, Power Grid Corporation of India Ltd. acquired Khavda V-B1B2 Power Transmission Limited (KVB1B2PTL) on 18/02/2025, after execution of the Share Purchase Agreement (SPA) and completing all procedural requirements specified in the bid documents. The scheduled COD for the proposed ISTS scheme is 24 months from effective date as per TSA (i.e. 18/02/2027).

5. In line with Section 15(4) of the Electricity Act, 2003 and Regulation 5(9) of Transmission License Regulations, 2024, based on details furnished by M/s Khavda V-B1B2 Power Transmission Limited (KVB1B2PTL), CTU recommends the grant of transmission license to M/s Khavda V-B1B2 Power Transmission Limited (KVB1B2PTL) for executing the transmission scheme as mentioned in Para-1 above."

23. 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 16.1.2025. Though Lol was issued on 6.1.2025, BPC, vide its letter dated 18.2.2025 in terms of Clause 2.15.2 of RfP, extended the date up to 25.2.2025 for completion of all activities by the successful bidder. The selected bidder furnished the Contract Performance Guarantee in favour of the Nodal Agency (CTUIL) for an amount of Rs. 15 crores on 18.2.2025 and acquired a hundred per cent equity-holding in the applicant company on 18.2.2025 after execution of the Share Purchase Agreement. As per clause 2.15.4 of the RfP, the 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, Power Grid Corporation of India Limited, acquired the SPV on 18.2.2025. Accordingly, the TSP has filed the instant Petition through e-filing for the grant of a transmission licence on 7.3.2025. The Petitioner has submitted that there has been a delay of 10 days in the filing of the instant Petition due to the non-reflection of the filing fees of the Petition on the e-portal and requested to condone the delay in the filing of the instant Petition. Since the Petitioner could not file the Petition due to procedural

lapse, we condone the said delay.

24. The Petitioner, vide its affidavit dated 28.5.2025, has informed that the name of the Petitioner company has been changed from 'Khavda V-B1B2 Power Transmission Limited' to 'POWERGRID KPS 1 and 2 Augmentation Transmission Limited' with effect from 14.5.2025. The certificate of change of name from 'Khavda V-B1B2 Power Transmission Limited' to 'POWERGRID KPS 1 and 2 Augmentation Transmission Limited', dated 14.5.2025, issued by the Registrar of Companies, Manesar, Haryana, has been placed on record. Accordingly, the name of the Petitioner has been changed to 'POWERGRID KPS 1 and 2 Augmentation Transmission Limited', and the same has been taken on record.

25. Considering the material on record, we are *prima facie* of the view that the Petitioner satisfies the conditions for the grant of inter-State transmission licence under Section 15 of the Act, read with Transmission Licence Regulations for 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 the grant of a transmission licence aforesaid. The objections or suggestions, if any, be filed by any person before the Commission by **11.7.2025**.

26. The Petitioner has undertaken that it shall implement the Project as per the provisions of the TSA. The Petitioner has also undertaken that the time overrun and cost overrun, if applicable, shall be claimed by the Petitioner in accordance with the applicable provisions of the TSA, read with the provisions of the Act, the bidding documents, and the regulations of the Central Electricity Regulatory Commission.

27. 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. In this regard, the Petitioner has submitted that it would implement the Project as per the provisions of the TSA, i.e., Articles 16.4, 5.1.1, and 5.4. 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.

28. The Petition shall be listed for the hearing on **15.7.2025**.

Sd/-
(Ravinder Singh Dhillon)
Member

sd/-
(Ramesh Babu V.)
Member

sd/-
(Jishnu Barua)
Chairperson