

**CENTRAL ELECTRICITY REGULATORY COMMISSION
NEW DELHI**

Petition No. 464/TL/2025

Coram:

Shri Ramesh Babu V., Member

Shri Ravinder Singh Dhillon, Member

Date of Order: 28th June, 2025

In the matter of

Application under Sections 14 & 15 of the Electricity Act, 2003 read with Central Electricity Regulatory Commission (Procedure, Terms and Conditions for Grant of Transmission License and other related matters) Regulations, 2024 with respect to Transmission License to Kurnool III PS RE Transmission Limited.

And

In the matter of

**Kurnool III PS RE 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

Vs

**1. Central Transmission Utility of India Limited,
Saudamini, Plot no.2, Sector -29,
Gurgaon-122001.**

**2. PFC Consulting Limited,
9th Floor, A-Wing, Statesman House,
Connaught Place, New Delhi-110001.**

**3. Amplus Cenedus Solar Private Limited,
Level 6, The Palm Square,
Sector-66, Gurgaon-122102**

**4. Indosol Solar Private Limited,
6-3-8-879/B, 3rd Floor, Green Lands,
G Pullareddy Sweets Buildings,**

Begumpet, Hyderabad-500016, Telangana.

5. Adani Renewable Energy Forty-Two Limited,
Adani Corporate House, Shantigram,
Nr. Vaishno Devi Circle, S. G. Highway, Khodiyar,
Ahmedabad-382421, Gujarat.

6. Adani Renewable Energy Fifty-One Limited,
Adani Corporate House, Shantigram,
Nr. Vaishno Devi Circle, S. G. Highway, Khodiyar,
Ahmedabad-382421, Gujarat.

7. Andhra Pradesh Power Purchase Coordination Committee,
Andhra Pradesh Power Co-ordination Committee
Vidyut Soudha, Gunadala, Vijayawada-520004, Andhra Pradesh.

8. Bangalore Electricity Supply Company,
Corporate Office, BESCOM K.R. Circle, Bangalore-560001.

9. Gulberga Electricity Supply Company,
Gulbarga-585102.

10. Hubli Electricity Supply Company,
HESCOM, Navanagar, P.B Road, Hubballi-580025.

11. Manglore Electricity Supply Company,
3rd Floor, MESCOM Bhavan, Corporate Office, MESCOM,
Kavoor Cross Road, Bejai, Mangalore-575004.

12. Chamundeswari Elect. Supply Co. Limited,
CESC Mysore, Corporate Office, #29, Vijayanagara
2nd Stage, Hinkal, Mysuru-570017.

13. KSEB Limited,
Kerala Electricity Board,
Vydyuthi Bhavanam, Pattom
Thiruvananthapuram-695004, Kerala.

14. Tamilnadu Gen & Dist Co. Limited,
Eastern Wing, 7th Floor, NPKRR Maaligai,
144, Anna Salai, Chennai-600002.

15. Telangana State PC Committee,
Vidyut Soudha, Khairathabad,
Hyderabad-500082, Telangana, India.

16. Puducherry Electricity Department,
I Floor, Main Building, Electricity Department,
Govt of Puducherry, Puducherry-605001.

17. Goa Electricity Department-SR,
Electricity Department, Division No:- III,
Curti, Ponda-403401, Goa.

18. HVDC, Kolar, Power Grid Corporation,
SRTS# II, Pragati Mahalakshmi, South Block, (2nd & 3rd Floor),
No.62, Bangalore-560001, Karnataka.

19. Thermal Powertech Corporation India,
Door No 6-3-1090, 2nd Floor, C Block,
Tsr Towers, Rajbhavan Road, Somajiguda,
Hyderabad-500082 (Opposite Villae Marie College).

20. SAIL-Salem Steel Plant,
Salem Steel Plant, Steel Authority of India Limited,
Salem-636013.

21. Sembcorp Gayatri Power Limited,
6-3-1090, 5th Floor, A Block, TSR Towers,
Rajbhavan Road, Somajiguda Hyderabad,
Hyderabad-500082, Telangana.

22. South Western Railway,
Divisional Railway Manager Building,
Traction Distribution Branch, Ground Floor,
Adjacent to City Railway Station,
Bengaluru-560023.

23. Pugalur HVDC Station, POWERGRID,
HVDC-Pugalur Nochipalayam Post,
Sirukinar Village Dharmapuram Taluk,
Tiruppur Dist.-638706, Tamil Nadu.

24. Thrissur HVDC Station, POWERGRID,
HVDC-THRISSUR Substation,
Power Grid Corporation of India Ltd.,
Near Cashew Research Station,
Mannuthy Thannikudem Road, Madakathara,
Thrissur-680651, Kerala.

....Respondents

Parties present:

Shri Vikas Kumar, KIIPRTL
Shri Rohit Jain, KIIPRTL
Ms. HK Madhulika Murthy, PFCCL

ORDER

The Petitioner, Kurnool III PS RE Transmission Limited (hereinafter referred to as “the Petitioner”), has filed the present Petition for the grant of a transmission

Order in Petition No. 464/TL/2025

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 Strengthening at Kurnool-III PS for Integration of Additional RE Generation Projects” (hereinafter referred to as “Project”) on a Build, Own, Operate and Transfer basis, consisting of the following elements:

Sr. 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
Package A				
1.	Augmentation of transformation capacity by 3x1500 MVA, 765/400 kV ICTs at Kurnool-III PS • 3x1500 MVA, 765/400 kV ICT • 765 kV ICT bay – 3 Nos. • 400 kV ICT bay – 3 Nos. • 400 kV Bus Sectionaliser – 1 Set	24 months (27.3.2027)	89.60%	Element-2, Package-A
2.	Kurnool-III PS – Chilakaluripeta 765 kV D/c line with 240 MVAR switchable line reactors at both ends • 765 kV line bays – 2 nos. (at Kurnool-III PS) • 765 kV line bays – 2 nos. (at Chilakaluripeta) • 765 kV, 240 MVA _r SLR at Kurnool-III PS – 2 nos. (6x80 MVA _r units) • 765 kV, 240 MVA _r SLR at Chilakaluripeta – 2 nos. (6x80 MVA _r units)			Element-1, Package-A
Package B				

1.	2 nos. of 400 kV line bays at Kurnool-III PS for termination of dedicated transmission line of M/s Adani Renewable Energy Forty Two Ltd. • 400 kV line bays – 2 Nos.	30.06.2026	1.12%	-
2.	4 nos. of 400 kV line bay at Kurnool-III PS for termination of dedicated transmission lines of M/s Indosol Solar Pvt. Ltd. • 400 kV line bays – 1 Nos. • 400 kV line bays – 1 Nos. • 400 kV line bays – 2 Nos.	2 Nos.- 24 months (27.3.2027) 2 Nos. – 31.03.2027	1.15% 1.16%	Package-A
3.	2 nos. of 400 kV line bays at Kurnool-III PS for termination of dedicated transmission line of M/s Adani Renewable Energy Fifty-One Ltd. • 400 kV line bays – 2 Nos.	31.12.2027	1.37 %	-
Package C				
1.	Augmentation of 1x1500 MVA 765/400 kV ICT (7th) at Kurnool-III PS • 1x1500 MVA, 765/400 kV ICT • 765 kV ICT bay – 1 Nos. • 400 kV ICT bay – 1 Nos.	24 months (27.3.2027)	5.60 %	Package-A

Note:

- *POWERGRID shall provide space for implementation of above system strengthening works at Kurnool-III PS*
- *POWERGRID shall provide space for 2 nos. of 765 kV line bays at Chilakaluripeta 765/400 kV S/s for termination of Kurnool-III PS – Chilakaluripeta 765 kV D/c line*

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 “Transmission System Strengthening at Kurnool-III PS for Integration of Additional RE Generation Projects” 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 30.5.2025

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 the Petitioner has complied with the requirements, including publication of notice(s) under the provisions of the Transmission Licence Regulations, 2020 and the recommendation of CTUIL under Section 15(4) of the Electricity Act, 2003 has been placed on record.

4. Vide Record of Proceedings ("RoP") for the hearing dated 30.5.2025, 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 Kurnool-III PS for which instant augmentation has been planned. Considering the submissions made, the Commission reserved the matter for orders.

5. CTUIL, in compliance with the RoP dated 30.5.2025, vide affidavit dated 9.6.2025, has submitted as under:

• Details of Inter-Connecting Upstream and Downstream Transmission System:

Sl. No.	Particulars	Detail of the transmission system	STU/ ISTS	Implementing Agency	Implementation mode (RTM / TBCB / Dedicated)	Commissioning Schedule / Status
1	Upstream Transmission System	NA	NA	NA	NA	NA
2	Downstream Transmission System	Transmission system consists of augmentation of 765/400 kV ICTs at Kurnool-III PS and Kurnool-III – C'Peta 765 kV D/c line. C'Peta is existing substation. Kurnool-III PS is being implemented under transmission scheme "Transmission System	ISTS	Power Grid Corporation of India Limited	RTM	SCOD - 22.11.2024 System is ready and expected by Jun'25

		for Kurnool Wind Energy Zone/ Solar Energy Zone (AP)- Part- A & Part-B" which is ready for commissioning (Notification of trial run issued by TSP on 06.06.25).				
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- The details of the connectivity/ GNA granted and/ or applications received at Kurnool III PS:

Sl. No.	Applicant name	Application no.	Type of applicant	Conn. quantum (MW)	Start date of conn. as per In-principle grant	Conn BGs furnished
1.	Indosol Solar Pvt. Ltd.	2200000733	Renewable Power Park developer	800	28.03.2027	Conn BG-1- Rs. 50 Lakhs Conn BG-2- Rs. 6 Crs Conn BG-3- Rs 16 Crs
2.	Indosol Solar Pvt. Ltd.	2200000734	Renewable Power Park developer	900	01.04.2027	Conn BG 1- Rs. 50Lakhs Conn-BG-2- Rs 6Crs Conn-BG-3- Rs. 18Crs
3.	Indosol Solar Pvt. Ltd.	2200000735	Renewable Power Park developer	900	28.03.2027	Conn-BG-1- Rs 50 Lakhs Conn-BG-2- Rs 6 Crs Conn-BG-3- Rs 18 Crs
4.	Indosol Solar Pvt. Ltd.	2200000736	Renewable Power Park developer	900	01.04.2027	Conn-BG-1- Rs 50 Lakhs Conn-BG-2- Rs. 6 Crs Conn-BG-3- Rs 18 Crs
5.	Gentari Renewables India Castor One Pvt. Ltd	2200000713	Generator	350	28.03.2027	Conn-BG-1- Rs 50Lakhs Conn-BG-2- Rs 3Crs Conn-BG-3- Rs 7Crs
6.	Adani Renewable Energy Forty Two Ltd.*	2200000158	PSP	600	01.07.2026	Conn BG-1- Rs 50Lakhs Conn BG-2- Rs 12Crs Conn BG-3- Rs 12Crs

7.	Adani Renewable Energy Fifty One Ltd.*	2200000508	PSP	1250	01.01.2028	Conn BG-1- Rs 50 Lakhs Conn BG-2- Rs 12 Crs Conn BG-3- Rs 25 Crs
		Total		5700		

Note: Applicant granted connectivity with the transmission system “Transmission System for Kurnool Wind Energy Zone/ Solar Energy Zone (AP)- Part- A & Part-B”. Further, the bays at ISTS end are being implemented under the subject transmission scheme “Transmission System Strengthening at Kurnool-III PS for Integration of Additional RE Generation Projects.”

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

7. 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, PFC Consulting Limited (hereinafter referred to as “PFCCL”) was notified by the Ministry of Power, Government of India, vide Gazette Notification. No. CG-DL-E-22082024-256561 dated 21.8.2024 as the Bid Process Coordinator (hereinafter referred to as “BPC”) for the purpose of selection of bidder as Transmission Service Provider (hereinafter referred to as “TSP”) to establish the Inter-State Transmission System for “Transmission System Strengthening at Kurnool-III PS for Integration of Additional RE Generation Projects” on a Build, Own, Operate and Transfer basis.

8. PFCCL, in its capacity as the BPC initiated the bid process on 25.9.2024 and completed the same on 27.3.2025 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. 3445.60 million per annum in order to provide the transmission services to the beneficiaries of the transmission system.

9. The RfP was issued on 25.9.2024. At the RfP (Technical and Financial) stage, five bidders, namely, (i) Power Grid Corporation of India Limited; (ii) Resonia Limited (formerly known as Sterlite Grid 32 Limited); (iii) Adani Energy Solutions Limited; (iv) The Tata Power Company Limited and (v) Megha Engineering & Infrastructures Limited submitted their offers. The RfP (Technical) bids of the bidders were opened by Bid Opening Committee in the Central Electricity Authority on 31.1.2025 in the presence of representative of the bidders. Based on the recommendation of the Bid Evaluation Committee (BEC), the RfP (Financial) Bids- Initial Price Offer of the bidders were opened on 27.2.2025. The Lowest Initial Price Offer discovered (Best Deal) at MSTC portal was Rs. 3,695.90 million per annum. 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 per annum)	Rank
1.	Power Grid Corporation of India Limited	3,695.90	L-1
2.	Sterlite Grid 32 Limited	4,356.00	L-2
3.	Adani Energy Solutions Limited	4,400.00	L-3
4.	The Tata Power Company Limited	4,519.10	L-4
5.	Megha Engineering & Infrastructures Ltd	4,964.30	L-5

10. As per Clause 3.5.1 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.

11. The e-reverse auction was conducted on the MSTC portal on 28.2.2025 and was concluded on the same day. The following transmission charges, as quoted by each bidder, emerged:

Sr. No.	Name of the Bidder	Final Quoted Transmission Charges (in Rs. million per annum)	Rank
1.	Power Grid Corporation of India Limited	3,445.60	L-1
2.	The Tata Power Company Limited	3,454.24	L-2
3.	Resonia Limited (RL) (formerly known as Sterlite Grid 32 Limited)	3,559.63	L-3
4.	Adani Energy Solutions Limited	4,400.00 (Did not Participate)	L-4

12. As per the Bid Evaluation Report dated 4.3.2025, Power Grid Corporation of India Limited emerged as the successful bidder with the lowest quoted transmission charges of Rs. 3445.6 million per annum. BEC, vide its certificate dated 4.3.2025, 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.

13. 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 6.3.2025, 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 Central Transmission Utility of India Limited (hereinafter referred to as "CTUIL");

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

(c) Acquire, for the Acquisition Price, 100% share equity share Kurnool III PS RE Transmission Limited from PFCCL 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;

14. 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. 82.00 crores on 27.3.2025 and has acquired hundred percent equity holding in Kurnool III PS RE Transmission Limited on 27.3.2025. The Petitioner entered into a Transmission Service Agreement (hereinafter referred to as “TSA”) with CTUIL on 27.3.2025.

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

“To plan, promote and develop an integrated and efficient power transmission system network in all its aspects including planning, investigation, research, design and engineering, preparation of preliminary, feasibility and definite project reports, construction, operation and maintenance of transmission

lines, sub-stations, load dispatch stations and communication facilities and appurtenant works, coordination of integrated operation of state, regional and national grid system, execution of turn-key jobs for other utilities/organizations and wheeling of power in accordance with the policies, guidelines and objectives laid down by the Central Government from time to time”

16. Section 15 (1) of the Act provides that every application under Section 14 of the Act shall be made in such manner and in such form as may be specified by the Appropriate Commission and shall be accompanied by such fees as may be prescribed by the Central Government. The Commission has specified Transmission Licence Regulations in this regard. Regulation 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.

17. Regulation 5 of the Transmission Licence Regulations, 2024 provides for the procedure for granting of 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 e-mail 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)."

18. 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 Kurnool III PS RE Transmission Limited with respect to the transmission system as per the details given in paragraph 1 above.

19. The Petitioner has made the Application as per Form-I and paid a fee of Rs. one lakh as prescribed by the Central Government. As per the direction of the Commission, the Petitioner has served a copy of the Application on the Respondent/beneficiaries. The transmission charges quoted by the Petitioner, which have been recommended by the Bid Evaluation Committee for acceptance, is Rs. 3445.60 million per annum. The Petitioner has also enclosed copies of the recommendations of the Bid Evaluation Committee.

20. 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 Deccan Chronicle (English) and Prajasakti (Telugu) on 9.4.2025 and the corrigendum to the above notices was further published in Deccan Chronicle (English) and Prajasakti (Telugu) on 14.4.2025. In response, no objection has been received from the general public to the notices.

21. The Petitioner has served the copy of the Application on the Central Transmission of Utility of India Limited as required under Section 15(3) of the Act and Regulation 5(3) of the Transmission Licence Regulations. CTUIL, vide its letter dated 11.4.2025, has recommended the grant of a transmission licence to the Petitioner. The Relevant portions of the said letter dated 11.4.2025 are extracted as under:

“This has reference to petition filed by M/s Kurnool III PS RE Transmission Limited for grant of Transmission License for subject transmission scheme against the application / petition filed to CERC. In this regard, following is submitted:

1. M/s Kurnool III PS RE Transmission Limited has filed application / petition under Section 14 & 15 of the Electricity Act, 2003 and CERC (Procedure, Terms and Conditions for grant of Transmission License and other related matters) Regulations, 2009 for grant of transmission license to establish Transmission Scheme “Transmission system strengthening at Kurnool- III PS for integration of additional RE generation projects” on Build, Own, Operate and Transfer (BOOT) basis as ISTS. The detailed scope of the scheme is enclosed at Annexure-I.

2. In reference to the Transmission Scheme “Transmission system strengthening at Kurnool-III PS for integration of additional RE generation projects” following is submitted:

i) Kurnool-III 765/400/220 kV PS is under implementation by POWERGRID through RTM route. Further, for optimal utilisation of the pooling station, space provision for integration of additional 4.5 GW has been kept at Kurnool-III. The broad scheme which is under implementation is as below:

- Establishment of 765/400/220 kV 3x1500 MVA, 9x500 MVA Kurnool-III PS
- Kurnool-III PS - Kurnool(new) 765 kV D/c line
- Kurnool-III PS - Maheshwaram (PG) 765 kV D/c line

Connectivity of about 2250 MW have already been granted at Kurnool-III PS with the above under implementation transmission system.

ii) Further, CTU has received additional connectivity applications from various RE at Kurnool-III PS. For grant of Connectivity to above applications at Kurnool-III, "Transmission system strengthening at Kurnool-III PS for integration of additional RE generation projects" was identified. Presently, Connectivity of about 5700 MW has been granted I agreed for grant at Kurnool-III PS and Ananthapuram PS with the subject transmission system.

iii) The Transmission scheme was discussed and agreed in the 28th CMETS-SR held on 29.02.2024. Extracts of the minutes of 28th CMETS-SR is enclosed at Annexure-II.

iv) The scheme was also discussed in the 51st SRPC meeting held on 15.05.2024. Extracts of the minutes of 51st SRPC meeting is enclosed at Annexure-III.

v) The National Committee on Transmission in its 20th meeting held on 25.06.2024 has approved the implementation of the subject transmission scheme through TBCB route and has identified the PFC Consulting Limited as BPC for bidding of the subject transmission scheme. Extracts of the minutes of 20th NCT meeting is enclosed at Annexure-IV.

vi) MoP vide Gazette notification dated 21.08.2024 has notified the transmission scheme for implementation through TBCB route (copy enclosed at Annexure-V).

3. M/s Power Grid Corporation of India Limited is the successful bidder and has acquired M/s Kurnool III PS RE Transmission Limited on 27.03.2025 after execution of requisite Share Purchase Agreement. The Commissioning schedule of the schemes is given at Annexure-I.

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

22. We have considered the submissions of the Petitioner, BPC, and CTUIL. The proviso to Clause 2.15.2 of the RfP provides that "if for any reason attributable to the BPC, the said activities are not completed by the Selected Bidder within the above period of ten (10) days as mentioned in this clause, such period of 10 days shall be extended, on a day to day basis till the end of the Bid validity period". As per the above provision, the selected bidder was required to complete all the activities, including the acquisition of SPVs, by 16.3.2025. Though the Lol was issued on 6.3.2025, BPC, vide its letter dated 27.3.2025 in terms of Clauses 2.15.2 of the RfP, extended the date up to 27.3.2025 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. 82.00 crores on 27.3.2025 and acquired a hundred per cent equity-holding in the applicant company on 27.3.2025 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 acquisition of the SPV by the successful bidder. The successful bidder, namely Power Grid Corporation of India Limited, acquired the SPV on 27.3.2025. Accordingly, the TSP has filed the instant Petition through e-filing for the grant of a transmission licence on 4.4.2025.

23. We note that the instant transmission scheme involves augmentation of 4x1500MVA 765/400 kV ICTs (4th, 5th, 6th and 7th ICT) at under implementation Kurnool-III Pooling Station (expected COD June, 2025) and Kurnool-III-C'Peta 765 kV D/c transmission line. The instant "Transmission system strengthening at Kurnool-III PS for integration of additional RE generation projects" along with under construction 3x1500MVA 765/400 kV, 9x500MVA 400/220 kV "Transmission System

for Kurnool Wind Energy Zone/Solar Energy Zone (AP)-Part-A & Part-B” for evacuation of power from 5700MW connectivity at 400kV level and 2250MW at 220kV level granted at Kurnool-III PS. The downstream C’Peta is an existing substation. Hence, there is no apparent mismatch between the upstream and downstream interconnecting elements of the instant augmentation at the planning stage.

24. 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 implementation of the transmission project 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 **13.7.2025**.

25. 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.

26. It is observed that as per Article 5.1.1 of the TSA, the TSP, at its own cost and expense, shall be responsible for designing, constructing, erecting, testing, and commissioning each element of the Project by scheduled COD in accordance with the various regulations of the Central Electricity Authority regarding Technical Order in Petition No. 464/TL/2025

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.

27. The Petition shall be listed for hearing on **15.7.2025**.

Sd/-
(Ravinder Singh Dhillon)
Member

sd/-
(Ramesh Babu V.)
Member