

**CENTRAL ELECTRICITY REGULATORY COMMISSION
NEW DELHI**

Petition No. 470/TL/2025

Coram:

Shri Ramesh Babu V., Member

Shri Ravinder Singh Dhillon, Member

Date of Order: 30th 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 grant of Transmission License to Kurnool-IV Transmission Limited.

And

In the matter of

Kurnool-IV 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. REC Power Development and Consultancy Limited,

REC Corporate Head Quarter,
D Block, Plot No. I – 4,
Sec – 29 Gurugram–122001.

3. SAEL Industries Limited,

3rd Floor, Worldmark -1, Aerocity,
New Delhi–110037.

4. Tata Power Renewable Energy Limited,

C/o The Tata Power Company Limited,
Corporate Center B, 34 Sant Tukaram Road,

Carnac Bunder-400009, Mumbai.

5. Gentari Renewable India Castor One Private Limited,
Level 6, The Palm Square, Sector-66,
Gurgaon-122102.

6. Pratapati Energy (Seven) Private Limited,
D-2, First Floor, Southern Park Building,
Saket, New Delhi-110017, India.

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. Gulbarga Electricity Supply Company,
Gulbarga Electricity Supply Company,
Gulbarga-585102.

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

11. Mangalore 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,
Chief Financial Controller/Revenue / 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,
(Opposite Village Marie College)
Door No 6-3-1090, 2nd Floor,
C Block, Tsr Towers, Rajbhavan Road,
Somajiguda, Hyderabad–500082.

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-500082.

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

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

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.

25. Power Grid Corporation of India Limited,

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

26. POWERGRID Bidar Transmission Limited,
B-9, Qutab Institutional Area, Katwaria Sarai,
New Delhi-110016.

27. POWERGRID Southern Interconnector Transmission System Limited,
B-9, Qutab Institutional Area, Katwaria Sarai,
New Delhi-110016.

....Respondents

Parties present:

Shri Vikas Kumar, KIVTL
Shri Rohit Jain, KIVTL
Shri Kamal, RECPDCL

ORDER

The Petitioner, Kurnool-IV 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 “Transmission System for Integration of Kurnool-IV REZ - Phase-I (for 4.5 GW)” on Build, Own, Operate and Transfer basis (hereinafter referred to as “the Project”) consisting of the following elements:

Sr. No	Name of the Transmission Element	Schedule d 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.	Establishment of 4x1500 MVA, 765/400 kV and 4x500 MVA, 400/220 kV Kurnool-IV Pooling Station near Kurnool, Andhra Pradesh along with 2x330 MVar			

	<p>(765 kV) bus reactors at Kurnool-IV PS with provision of two (2) sections of 4500 MVA each at 400 kV level</p> <ul style="list-style-type: none"> • 765/400 kV, 1500 MVA, ICTs – 4 Nos. (12x500 MVA) • 765 kV ICT bays – 4 Nos. • 400 kV ICT bays – 4 Nos. • 400/220 kV, 500 MVA, ICTs – 4 Nos. • 400 kV ICT bays – 4 Nos. • 220 kV ICT bays – 4 Nos. • 765 kV line bays – 4 Nos. (at Kurnool-IV PS for termination of Kurnool-IV – Bidar and Kurnool-IV – Kurnool-III 765 kV D/C lines) • 765 kV, 330 MVA Bus Reactor – 2 Nos. • 765 kV Bus Reactor bays – 2 Nos. • 220 kV line bays – 6 Nos. • 220 kV Bus Sectionalizer : 1 set • 220 kV Bus Coupler (BC) Bay – 2 Nos. • 220 kV Transfer Bus Coupler (TBC) Bay – 2 Nos. • 1x500 MVA, 765/400 kV, 1 Phase spare ICT • 1x110 MVA, 765 kV, 1 Phase spare Reactor <p>Future Space Provisions:</p> <ul style="list-style-type: none"> • 765/400 kV, 1500 MVA, ICTs – 2 Nos. • 765 kV ICT bays – 2 Nos. • 400 kV ICT bays – 2 Nos. • 400/220 kV, 500 MVA, ICTs – 14 Nos. • 400 kV ICT bays – 14 Nos. • 220 kV ICT bays – 14 Nos. • 765 kV line bays – 8 Nos. (with provision for SLR) • 400 kV line bays – 12 Nos. (with provision for SLR) • 220 kV line bays – 20 Nos. • 220 kV Bus Sectionalizer: 2 sets • 220 kV Bus Coupler (BC) Bay – 2 Nos. • 220 kV Transfer Bus Coupler (TBC) Bay – 2 Nos. • 400 kV Bus Sectionalizer : 1 set 	<p>24 months from SPV transfer (24.3.2027)</p>	<p>94%</p>	<p>Element at Sl. No. 2, 3, and 4</p>
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2.	Kurnool-IV – Bidar 765 kV D/C line with 330 MVar SLR (convertible) at both ends on both circuits <ul style="list-style-type: none"> • 765 kV line bays – 2 Nos. (at Bidar PS) • 765 kV, 330 MVar SLR at Kurnool-IV PS – 2 Nos. (6x110 MVar line reactor) • 765 kV, 330 MVar SLR at Bidar PS – 2 Nos. (7x110 MVar inc. 1 switchable spare unit) 			Element at Sl. No. 1, 3, and 4
3.	Kurnool-IV – Kurnool-III PS 765 kV D/C line with 240 MVar SLR (convertible) at Kurnool-IV end on both circuits <ul style="list-style-type: none"> • 765 kV line bays – 2 Nos. (at Kurnool-III PS) • 765 kV, 240 MVar SLR at Kurnool-IV PS – 2 Nos. (7x80 MVar inc. 1 switchable spare unit) 			Element at Sl. No. 1, 2 and 4
4.	± 300 MVar STATCOM at Kurnool-IV PS along with 2x125 MVar MSR <ul style="list-style-type: none"> • 400 kV bay – 1 Nos. 			Element at Sl. no. 1, 2 and 3
5.	Augmentation of 1x1500 MVA, 765/400 kV ICT (3 rd) at C’Peta <ul style="list-style-type: none"> • 765/400 kV, 1500 MVA, ICT – 1 Nos. • 765 kV ICT bays – 1 Nos. • 400 kV ICT bays – 1 Nos. 		2.40%	Element at Sl. No. 5
6.	LILO of Vijayawada-Nellore 400 kV D/C line at C’Peta <ul style="list-style-type: none"> • 400 kV line bays – 4 Nos. (at C’Peta for termination of LILO of Vijayawada-Nellore 400 kV D/C line at C’Peta) 		3.60%	Element at Sl. No. 6

Note:

a) POWERGRID shall provide space for 2 Nos. of 765 kV line bays at Kurnool-III for termination of Kurnool-IV – Kurnool-III PS 765 kV D/C line.

b) Developer of Bidar PS shall provide space for 2 Nos. of 765 kV line bays at Bidar PS for termination of Kurnool-IV – Bidar 765 kV D/C line.

c) As both the circuits of Kurnool-IV – Bidar 765 kV D/C line are proposed to be LILOed at Shadnagar, Telangana under Phase-II, the line should be routed via Shadnagar area for optimisation of establishment of 765/400 kV Shadnagar Station under Phase-II.

d) POWERGRID shall provide space for augmentation of 1x1500 MVA, 765/400 kV ICT (3rd) at C’Peta.

e) POWERGRID shall provide space for 4 Nos. of 400 kV line bays at C’Peta for termination of LILO of Vijayawada-Nellore 400 kV D/C line at C’Peta.

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 for Integration of Kurnool-IV REZ - Phase-I (for 4.5 GW)” 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 there was a delay of two 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 (hereinafter referred to as “RoP”) of the hearing dated 30.5.2025, the Petitioner was directed to implead POWERGRID (for Kurnool-III PS, Bidar, and Cuddapah [C’Peta]) as a party to the present Petition and to file a revised memo of parties accordingly, in compliance with the said RoP, the Petitioner filed the revised memo of parties vide affidavit dated 6.6.2025. Further, CTUIL was directed to furnish the details of the inter-connecting upstream and downstream transmission systems, along with the details of connectivity and GNA granted and/or applications received at Kurnool-IV PS. 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	Details 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	Kurnool-IV PS is being integrated with Kurnool-III and Bidar PS through 765 kV D/c lines. Kurnool-III PS is being implemented under transmission scheme "Transmission System 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). Bidar PS is being implemented under the scheme "Transmission scheme for Solar Energy Zone in Bidar (2500 MW), Karnataka"	ISTS	M/s Chitradurga Bellary REZ Transmission Limited (for Bidar) (A 100% wholly owned subsidiary of Power Grid Corporation of India Limited)	TBCB	9.2.2026

• **The details of the connectivity/ GNA granted and/ or applications received at Kurnool-IV PS:**

Sl. No.	Applicant name	Application no.	Type of applicant (generator / bulk consumer / distribution licensee etc.)	Quantum of connectivity/ GNA granted/GNARE applied for (in MW)	Start date of Connectivity / GNA/GNARE	Conn BGs furnished
1.	SAEL Industries Ltd.	2200000843	Generator	250	31.03.2027 (Tentative)	Conn BG-1-BG No. 23610ILG003724 dated 6.09.2024 of Rs 50 Lakhs Conn BG-2- BG No. 23610ILG003624 dated 06.09.2024 of Rs 3 Crs. Conn BG-3- BG No. 23610ILG003524 06.09.2024 of Rs 6 Crs.
2.	SAEL Industries	2200000844	Generator	300	31.03.2027 (Tentative)	Conn BG-1-BG No. 23610ILG003424 dated

	s Ltd.					28.08.2024 of Rs. 50 Lakhs Conn BG-2- BG No. 23610ILG003324 dated 28.08.2024 of Rs 3 Crs. Conn BG-3- BG No. 23610ILG003224 dated 28.08.2024 of Rs 6 Crs.
3.	Tata Power Renewable Energy Ltd.	2200000919	Generator	400	31.03.2027 (Tentative)	Conn BG-1- BG No.136BG07242920002 dated 18.10.2024 of Rs 50 Lakhs Conn BG-2- BG No.0393NDLG00167625 dated 21.10.2024 of Rs 3 Crs. Conn BG-3- BG No. 0393NDLG00167525 dated 21.10.2024 of Rs 8 Crs
4.	Gentari Renewable India Castor One Pvt. Ltd.	2200000931	Generator	230	31.03.2027 (Tentative)	Conn BG-1-BG No. 316020992338-GP dated 29.10.2024 of Rs 50 Lakhs Conn BG-2- BG No. 316020992329-GP dated 29.10.2024 of Rs 3 Crs. Conn BG-3- BG No. 316020992310-GP dated 29.10.2024 of Rs 4.6 Crs.
5.	Pratapati Energy (Seven) Pvt. Ltd	2200001099	Generator	300	31.12.2027 (Tentative)	Conn BG-1-BG No. 0480324FG0B01703 dated 27.12.2024 of Rs 50 Lakhs Conn BG-2-BG No. 0480324FG0B01705 dated 27.12.2024 of Rs 3 Crs. Conn BG-3- BG no. 0480324FG0B01706 dated 27.12.2024 of Rs 6 Crs.
	Total			1480		

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, 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. 3668 [F No. 15/03/2018-Trans- Part(4)] dated 19.9.2024 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 Inter-State Transmission System for “Transmission System for Integration of Kurnool-IV REZ - Phase-I (for 4.5 GW)” on Build, Own, Operate and Transfer basis.

8. RECPDCL, in its capacity as the BPC initiated the bid process on 26.10.2024 and completed the same on 24.3.2025 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. 6451.06 million in order to provide the transmission services to the beneficiaries of the transmission system.

9. The RfP was issued on 26.10.2024. At the RfP (Technical and Financial) stage, five bidders, namely, (i) Power Grid Corporation of India Limited; (ii) Adani Energy Solutions Limited (Formerly known as Adani Transmission Limited); (iii) The Tata Power Company Limited; (iv) Resonia Limited (Formerly known as Sterlite Grid 32 Limited) and (v) Megha Engineering & Infrastructures Limited submitted their offers. The RfP (Technical) bids of the bidders were opened by the Bid Opening Committee in the Central Electricity Authority on 5.2.2025 in the presence of a

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 20.2.2025. The Lowest Initial Price Offer discovered (Best Deal) at the MSTC portal was Rs. 7256.70 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
1.	Power Grid Corporation of India Limited	7,256.70	L1
2.	Adani Energy Solutions Limited	7,508.00	L2
3.	The Tata Power Company Limited	7,610.00	L3
4.	Resonia Limited (Formerly known as Sterlite Grid 32 Limited)	7,954.30	L4
5.	Megha Engineering & Infrastructures Limited	8,199.50	L5

10. 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.

11. The e-reverse was conducted on the MSTC portal on 21.2.2025 and was concluded on 22.2.2025. The following transmission charges, as quoted by each bidder, emerged:

Sr. No.	Name of the Bidder	Initial Quoted Transmission Charges (in Rs. million)	Final Quoted Transmission Charges (in Rs. million)	Rank
1.	Power Grid Corporation of India Limited	7,256.70	6,451.06	L1
2.	Resonia Limited (Formerly known as Sterlite Grid 32 Limited)	7,954.30	6,467.23	L2

3.	The Tata Power Company Limited	7,610.00	6,731.57	L3
4.	Adani Energy Solutions Limited	7,508.00	7,508.00 (Did not participate)	L4

12. As per the Bid Evaluation Report dated 27.2.2025, Power Grid Corporation of India Limited emerged as the successful bidder with the lowest quoted transmission charges of Rs. 6451.06 million. BEC, vide its certificate dated 27.2.2025, 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 3.3.2025, 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 of Kurnool-IV 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;

14. The Petitioner has furnished the Contract Performance Guarantee (hereinafter referred to as “CPG”) in favour of the Nodal Agency, i.e., CTUIL, for Rs. 157.75 crores on 24.3.2025 and has acquired hundred percent equity holding in Kurnool-IV Transmission Limited on 24.3.2025. The Petitioner entered into a Transmission Service Agreement (TSA) with CTUIL on 24.3.2025.

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 of 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-IV 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 the 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 beneficiaries of the transmission project for the Project. The transmission charges quoted by the Petitioner, which have been recommended by the Bid Evaluation Committee for acceptance, is Rs. 6451.06 million. 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 the Deccan Chronicle (English and Kannada), Prajasakti (Telugu), Kannada Prabha (Kannada) and Andhrajyothy (Telugu) on 8.4.2025. 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 (CTUIL) as required under Section 15(3) of the Act and Regulation 5(3) of the Transmission Licence Regulations. CTUIL, vide Order in Petition No. 470/TL/2025

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 M/s Kurnool-IV 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-IV 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 Schemes “Transmission System for Integration of Kurnool-IV REZ - Phase-I (for 4.5 GW)” 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 for Integration of Kurnool-IV REZ - Phase-I (for 4.5 GW)” following is submitted:

i) Govt. of India has set a target of 500 GW generation capacity from non-fossil fuel resources by 2030. In this direction, MNRE has identified addition of 181.5 GW RE Potential in the States of Andhra Pradesh, Telangana, Karnataka, Rajasthan, Madhya Pradesh and Tamil Nadu (Offshore). Out of the identified 181.5 GW Potential, 86 GW RE Potential is identified in the State of Andhra Pradesh, Telangana, Karnataka and Tamil Nadu (Offshore) in Southern Region. Out of the identified (86 GW) RE Potential in Southern Region, 51 GW has been identified in the State of Andhra Pradesh (Ananthapur- 20 GW, Kurnool- 23 GW & Kadapa - 8 GW).

ii) Transmission System for integration of Kurnool-IV REZ was evolved for potential REZ in Kurnool area in two phases. The “Transmission System for integration of Kurnool-IV REZ - Phase-I (for 4.5 GW)” shall facilitate immediate integration & evacuation of power from RE generation projects for about 4.5 GW of RE potential in Kurnool area out of the identified total potential of 23 GW in Kurnool, Andhra Pradesh.

iii) Presently, Connectivity of about 4300 MW (3403 MW at 220 kV level and 900 MW at 400 kV level) has been granted / agreed for grant at Kurnool-IV PS with Phase-I Tr. System. Further, additional connectivity applications of about 3200 MW (2700 MW at 220 kV level and 500 MW at 400 kV) has already been received at Kurnool-IV PS. For grant of connectivity to above additional applications, additional system strengthening scheme beyond Kurnool-IV PS is

required. Accordingly, Transmission System for Integration of Kurnool-IV REZ - Phase-II was identified and presently under bidding.

iv) The scheme was agreed in the 32nd CMETS-SR held on 28.06.2024. Extracts of the minutes of 32nd CMETS-SR is enclosed at Annexure-II.

v) The scheme was also agreed in the 52nd SRPC meeting held on 03.08.2024. Extracts of the minutes of 52nd SRPC meeting is enclosed at Annexure-III.

vi) The National Committee on Transmission in its 23rd meeting held on 02.09.2024 has recommended the implementation of the subject transmission scheme through TBCB route. Extracts of the minutes of 23rd NCT meeting is enclosed at Annexure-IV.

vii) Ministry of Power vide Gazette notification dated 19.09.2024 has appointed RECPDCL as BPC for bidding of the subject scheme through TBCB route (copy of Gazette notification is enclosed at Annexure-V).

3. M/s Power Grid Corporation of India Limited is the successful bidder and has acquired M/s Kurnool-IV Transmission Limited on 24.03.2025 after execution of requisite Share Purchase Agreement. The Commissioning schedule of the scheme is 24 months from the date of transfer of SPV (24.03.2027).

4. In line with Section 15(4) of the Electricity Act, 2003, based on details furnished by M/s Kurnool-IV Transmission Limited, CTU recommends grant of transmission license to M/s Kurnool-IV Transmission Limited for executing the transmission schemes 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 13.3.2025. Though the Lol was issued on 3.3.2025, BPC, vide its letter dated 24.3.2025 in terms of Clauses 2.15.2 of the RfP, extended the date up to 1.4.2025 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. 157.75 crores on 24.3.2025 and acquired a hundred per cent equity holding in the applicant company on 24.3.2025 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 24.3.2025. Accordingly, the TSP has filed the instant Petition through e-filing for the grant of a transmission licence on 3.4.2025. The Petitioner has submitted that there has been a delay in filing of the Petition due to the non-reflection of the filing fees of the Petition on e-portal and requested to condone the 2 days 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.

23. CTUIL has submitted that the instant transmission system comprising Kurnool-IV PS is being integrated with Kurnool-III and Bidar PS through 765 kV D/c lines. The downward integrating Kurnool-III PS is being implemented under transmission scheme "Transmission System 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 6.6.2025). Further, Bidar PS is being implemented under the scheme "Transmission scheme for Solar Energy Zone in Bidar (2500MW), Karnataka" having SCOD as 9.2.2026 and C'Peta 400kV S/s is an existing Substation. The instant scheme is having SCOD as 24.03.2027, whereas commissioning schedule of interconnecting transmission schemes are prior to

SCOD of instant scheme. Accordingly, there is no evident of mismatch between the interconnecting transmission elements to the instant transmission system.

24. We have noted that CTUIL vide its recommendation letter dated 11.4.2025 has submitted that instant “Transmission System for Integration of Kurnool-IV REZ - Phase-I (for 4.5 GW)” was evolved as potential REZ, for which connectivity of about 4300 MW (3403 MW at 220 kV level and 900 MW at 400 kV level) has been granted/ agreed for the grant at Kurnool-IV PS under this Phase-I. However, the details of the connectivity/ GNA granted and/ or applications received at Kurnool-IV PS as submitted by the CTUIL vide affidavit dated 9.6.2025 contains information of only 1480MW connectivity. Accordingly, CTUIL is directed to clarify the actual quantum of connectivity granted along with details of final grant of connectivity under the instant scheme.

25. 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 newspaper 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 **14.7.2025**.

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 Order in Petition No. 470/TL/2025

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 hearing on **15.7.2025**.

Sd/-
(Ravinder Singh Dhillon)
Member

sd/-
(Ramesh Babu V.)
Member