

**CENTRAL ELECTRICITY REGULATORY COMMISSION
NEW DELHI**

Petition No. 316/TL/2022

Coram:

Shri I. S. Jha, Member

Shri Arun Goyal, Member

Shri P. K. Singh, Member

Date of order: 8th January, 2023

In the matter of

Application under Section 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, 2009 with respect to Transmission License to ER NER Transmission Limited

And

In the matter of

ER NER Transmission Limited,
(Now known as 'POWERGRID ER NER Transmission Limited')
B-9, Qutab Institutional Area,
Katwaria Sarai, New Delhi 110 016

....**Petitioner**

Vs

1. Chief Operating Officer,
Central Transmission Utility of India Limited,
Saudamini, Plot No.2,
Sector-29, Gurugram-122001, Haryana

2. Chief Executive Officer,
REC Power Development and Consultancy Limited,
REC Corporate Head Quarter,
D Block, Plot no. I-4,
Sector 29, Gurgaon-122001, Haryana

...**Respondents**

Parties present:

Shri D Sudharshan, ERNERTL
Shri V. C. Sekhar, ERNERTL
Shri Prashant Kumar, ERNERTL
Shri Mani Kumar, ERNERTL
Shri Shyam Sunder Goyal, CTUIL
Shri Swapnil Verma, CTUIL
Shri Amit Kumar, CTUIL



ORDER

The Petitioner, ER NER Transmission Limited, has filed the present Petition for grant of transmission licence under Section 14 and Section 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, 2009 (hereinafter referred to as “Transmission Licence Regulations”) to establish "Inter-State Transmission System for System Strengthening Scheme for Eastern and North Eastern Regions" (hereinafter referred to as “Project”) on Build, Own, Operate and Transfer (BOOT) basis comprising of the following elements:

Sl. No.	Name of the Transmission Element	Scheduled COD in months from Effective Date	Element(s) which are pre-required for declaring the commercial operation (COD) of the respective Element
1.	Creation of 220kV GIS bus at Banka (POWERGRID) S/s	24	Elements at Sl. No.1, 2, 3 & 4 are required to be commissioned simultaneously as their utilization is dependent on commissioning of each other.
2.	400kV bus extension works at Banka (POWERGRID) 400/132 kV Sub-station		
3.	400/220kV, 2x500MVA ICTs along with associated bays (220kV bays in GIS and 400kV bays in AIS)		

Sl. No.	Name of the Transmission Element	Scheduled COD in months from Effective Date	Element(s) which are pre-required for declaring the commercial operation (COD) of the respective Element
4.	2 nos. of 220kV GIS line bays at Banka (POWERGRID) for termination of Banka (POWERGRID) – Goradih (Sabour New) 220 kV D/C line of BSPTCL Future provision: Space for future 220 kV GIS bays: 6 no.		
5.	Upgradation of existing 132 kV Namsai (POWERGRID) S/s to 220 kV (with 220 kV side as GIS)	36	Elements at S. No.5, 6 & 7 are required to be commissioned simultaneously as their utilization is dependent on commissioning of each other.
6.	Kathalguri (NEEPCO) – Namsai (POWERGRID) 220kV D/c line		
7.	Extension at Kathalguri (NEEPCO) switchyard: 2 nos. of GIS line bays for termination of Kathalguri (NEEPCO) – Namsai		

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 System Strengthening Scheme for Eastern and North Eastern Regions 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 22.12.2022

3. During the course of hearing on 22.12.2022, the representative of the Petitioner submitted that the Petitioner has complied with all the requirements for



grant of transmission licence.

4. During the course of hearing, the Commission queried CTUIL as to the basis/rationale for keeping "Creation of 220 kV GIS Bus at Banka (POWERGRID) S/s" as a separate element under the Project. The Commission also enquired about the commissioning schedule of Banka (POWERGRID) - Goradih (Sabour New) 220 KV D/c line of BSPTCL, for termination of which the Petitioner is to establish 2 Nos. of 220 kV GIS lines bays under Element 4. The representative of the CTUIL stated that BSPTCL has confirmed that the said line would be ready/coming-up within the period of 18 months.

5. The Commission further observed that CTUIL ought to ensure that there is no mismatch in the commissioning schedule of these assets and in order to avoid such eventualities, CTUIL ought to deliberate upon this aspect with both the Petitioner as well as BSPTCL and may also enter into an Implementation Agreement with them clearly spelling out the liabilities of each side in the event of mismatch in the commissioning of assets under their respective scope as per the prevalent regulations of the Commission. In response, the representative of CTUIL assured that CTUIL will take up this issue with both the parties.

6. In response to the further query, the representative of RECPDCL - BPC confirmed that the entire bid process had been conducted as per the provisions of the Guidelines notified by the Ministry of Power, Government of India. The representative of RECPDCL also made a brief submission on the bid process, number of bidders, e-RA process and outcome of the bidding process.

7. The Petitioner vide Record of Proceedings for the hearing dated 22.12.2022



was directed to submit (a) the copy of the document where approval has been accorded for one no. of bus coupler bay at Banka sub-station (POWERGRID) under ERSS-XXV and one no. of bus coupler bay at Namsai sub-station (POWERGRID) under NERSS-XV, and (b) copy of SLD of the both transmission schemes.

8. The Petitioner vide its affidavit dated 29.12.2022 has submitted that the scope of the project already covers requirement of bus coupler bays at “Banka” Substation and “Namsai” Substation. With regard to implementation schedule of elements at Banka Substation mentioned in the RfP documents, the requirement of matching the commissioning of elements at Banka Substation was deleted vide Amendment No. XI to the RIP documents issued by the BPC. The Petitioner has placed on record the copy of SLD of the both transmission schemes obtained from BPC.

9. CTUIL is directed to coordinate commissioning timelines for matching implementation of Interconnection Facilities, if any and the Petitioner’s transmission project and enter into a tripartite agreement with the owner(s) of such Interconnection Facilities and the Petitioner to address the liability in case of mismatch.

10. 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” as amended from time to time (hereinafter referred to as “the Guidelines”) issued by 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 Ministry of Power, Government of India vide Notification No. 15/3/2018-Trans-Pt(1) dated 19.7.2021 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 "System Strengthening Scheme for Eastern and North Eastern Regions" through tariff based competitive bidding process on Build, Own Operate and Transfer (BOOT) basis.

11. RECPDCL, in its capacity as the BPC, initiated the bid process on 9.11.2021 and completed the same on 10.10.2022 in accordance with the Guidelines. Power Grid Corporation of India Limited (PGCIL) was selected as the successful bidder having quoted the lowest transmission charges of Rs. 350.00 million per annum in order to provide transmission services to the beneficiaries of the transmission system on long term basis.

12. RECPDCL appointed a Consultant, namely M/s Mazars Advisory LLP (MALLP) and Singhania & Partner LLP (S&P) (in short 'Consultant') for providing consultancy services in the process of selection of the developer for the Project through tariff based competitive bidding process. At RfP (non-financial) stage, five bidders, namely, Adani Transmission Limited, Power Grid Corporation of India Limited, Megha Engineering and Infrastructures Private Limited, Sterlite Grid 8 Limited and Techno Electric & Engineering Company Limited submitted their offers. The RfP (Non-Financial) bids of the five bidders were opened in the presence of representatives of the bidders on 25.7.2022 and all five bidders qualified at RfP (non-financial) stage. Based on the recommendation of the Bid Evaluation Committee (BEC), the RfP (Financial) Bids-Initial Price Offer of the five bidders were opened on 17.8.2022. Lowest Initial Price Offer discovered (Best Deal) at MSTC portal was Rs. 350.00 million per annum which was the initial ceiling for quoting the final offer during e-reverse auction. The following prices were quoted in initial offer by the bidders:



S. No.	Name of Bidder	Quoted Transmission Charges (Rs.in Million)	Rank
1.	Power Grid Corporation of India Limited	350.00	L-1
2.	Sterlite Grid 8 Limited	493.80	L-2
3.	Adani Transmission Limited	505.00	L-3
4.	Megha Engineering and Infrastructure Limited	554.00	L-4
5.	Techno Electric & Engineering Company Limited	670.00	L-5

13. Based on the recommendation of BEC, four bidders were qualified to participate in the e-reverse auction stage. E-reverse auction of four bidders was carried out at MSTC portal on 18.8.2022 and the following transmission charges for bidders (in ascending order) emerged:

S. No.	Name of Bidder	Quoted Transmission Charges from the Final Offer (Rs.in Million)	Rank
1.	Power Grid Corporation of India Limited	350.00	L-1
2.	Sterlite Grid 8 Limited	493.80	L-2
3.	Adani Transmission Limited	505.00	L-3
4.	Megha Engineering and Infrastructure Limited	554.00	L-4

14. As per the Bid Evaluation Report dated 25.8.2022, Power Grid Corporation of India Limited (PGCIL) emerged as the successful bidder with the lowest quoted transmission charges of Rs. 350.00 million. BEC, vide its certificate dated 25.8.2022, has certified that 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 e-reverse auction is acceptable.

15. Consequent to its selection as the lowest bidder, Letter of Intent (LoI) was issued to Power Grid Corporation of India Limited by the BPC on 30.8.2022 which was



accepted by Power Grid Corporation of India Limited. Under the terms of Request for Proposal (RfP) and the Letter of Intent, the successful bidder is, inter-alia, obligated to accomplish the following tasks:

- (a) Provide Contract Performance Guarantee in favour of Central Transmission Utility of India Limited (CTUIL);
- (b) Execute Share Purchase Agreement and Transmission Service Agreement;
- (c) Acquire, for the Acquisition Price, 100% share equity share holding of ER NER 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 grant of transmission licence;

16. The Petitioner has furnished the Contract Performance Guarantee (CPG) in favour of Nodal Agency i.e., CTUIL for an aggregate value of Rs. 6.84 crore on 10.10.2022 and has acquired hundred percent equity holding in ER NER Transmission Limited on 10.10.2022. The Petitioner entered into Transmission Service Agreement (TSA) with CTUIL on 10.10.2022.

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

18. 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. The Central Commission has specified Transmission Licence Regulations in this regard. Regulation 3 of the Transmission Licence Regulations provides that the Empowered Committee shall identify the Projects included in the transmission plan to be developed under the Guidelines issued under Section 63 of the Act. Regulation 4 of the Transmission Licence Regulations provides that in case of projects identified by the Empowered Committee for development under the Guidelines for competitive bidding, selection of the project developer shall be made in accordance with the procedure laid down in the Guidelines. The Project under consideration has been identified by the Empowered Committee. Central Electricity Authority, vide its letter No. CEA-PS-12-15/20/2018-PSPA-II Division had issued prior approval to the Project under Section 68 of the Act. The selection of the project developer, ER NER Transmission Limited, has been made in accordance with the Guidelines for competitive bidding.



19. Regulation 7 of the Transmission Licence Regulations read with the order dated 22.1.2022 passed in Petition No.1/SM/2022 [whereby the Commission, in the exercise of “Power to Relax” under Regulation 24 of the Transmission Licence Regulations, modified/amended Clauses (4), (7), (9) and (12) and dispensed with Clause (10) of Regulation 7] provides for the procedure for grant of transmission licence as under:

“(1) The application for grant of licence shall be made to the Commission in Form- I appended to these regulations and shall be accompanied by such fees as may be prescribed by the Central Government from time to time.

(2) In case of the person selected for implementation of the project in accordance with the guidelines for competitive bidding, the application shall also contain such additional information, as may be required under these guidelines.

(3) The application shall be supported by affidavit of the person acquainted with the facts stated therein.

(4) Before making an application, the applicant shall submit the original application in electronic form along with annexures and enclosures on the e-filing portal of the Commission so that the same is served electronically on all the long-term customers of the project registered on the e-filing portal of the Commission. Also, a copy of the same be served through e-mail on the long-term customers of the project not registered on the e-filing portal of the Commission. Further, the applicant shall also post the complete application along with annexures and enclosures in English and in the vernacular language, on its website.

(5) The application shall be kept on the website till such time the licence is issued or the application is rejected by the Commission.

(6) Immediately on making the application, the applicant shall forward a copy of the application to the Central Transmission Utility.

(7) The applicant shall, within 7 days after filing the application, post the application on the e-filing portal of the Commission and on its website in Form-II attached to these regulations in English language and in Vernacular language of the State or Union Territory where an element of the project or a long-term customer is situated, inviting comments from the general public

(8) As far as possible, within 7 days of receipt of the application the Secretariat of the Commission shall convey defects, if any, if noticed on preliminary scrutiny of the application for rectification and the defects conveyed shall be rectified by the applicant in such time as may be indicated in the letter conveying the defects.

(9) In the notice published on the e-filing portal of the Commission and on the applicant’s website under clause (7) it shall be indicated that the suggestions and objections, if any, on the application, may be filed before the Secretary, Central



Electricity Regulatory Commission, Third Floor, Chanderlok Building, Janpath, New Delhi-110001 (or the address where the office of the Commission is situated), with a copy to the applicant, by any person, including the long-term customers, within 30 days of publication of the notice

.....

(10) The Central Transmission Utility shall send its recommendations, if any, to the Commission on the proposal made in the application within a period of thirty days from the date of receipt of application by it:

Provided that copy of the recommendations, if any, made by the Central Transmission Utility shall always be forwarded to the applicant:

Provided further that these recommendations of the Central Transmission Utility shall not be binding on the Commission.

(11) The applicant may file its comments, duly supported by an affidavit, on the recommendations made by the Central Transmission Utility and the suggestions and objections, if any, received in response to the notice posted on the e-filing portal of the Commission and on the applicant's website by him, within 45 days of service of copy of the application on the Central Transmission Utility or publication of notice posted on the e-filing portal of the Commission and on the applicant's website, with an advance copy to the Central Transmission Utility or the person who has filed the suggestions and objections on the proposal made in the application, as the case may be.

(12) The Commission after considering the suggestions and objections received in response to the public notice published by the applicant and the recommendations, if any, of the Central Transmission Utility may, propose to grant transmission licence or for reasons to be recorded in writing, reject the application."

20. The Petitioner has approached the Commission by a separate application for adoption of transmission charges in respect of the transmission system which is presently under consideration of the Commission and order in that Petition will be issued separately. The Petitioner has filed the present Application for grant of transmission licence in accordance with the Transmission Licence Regulations. The Petitioner has submitted proof of service of the copies of the application on the beneficiaries of the transmission project and CTUIL and proof of web posting of the complete application. The Petitioner has further undertaken to pay the applicable licence fee upon the grant of Transmission Licence in terms of Central Electricity Regulatory Commission (Payment of Fees) Regulations, 2012 as amended from time



to time. The Petitioner has prayed for grant of transmission licence to ER NER Transmission Limited with respect to the Project as per details given in para 1 above.

21. The Petitioner has made the Application as per Form-I and has paid fee of Rs. One lakh prescribed by the Central Government. The transmission charges quoted by the Petitioner which have been recommended by the Bid Evaluation Committee for acceptance, is Rs. 350.00 million. The Petitioner has also enclosed copies of the recommendations of the Bid Evaluation Committee.

22. The Petitioner has published the notices on the e-filing portal of the Commission and on its website in Form-II in English language and in Hindi (Vernacular) language. No objection has been received from the general public in the notices.

23. The Petitioner has served the copy of the Application on the CTUIL as required under Section 15(3) of the Act and Regulation 7(6) of the Transmission Licence Regulations. CTUIL in its letter dated 7.11.2022 has recommended for grant of transmission licence to the Petitioner. Relevant portion of the said letter dated 7.11.2022 is extracted as under:

“This has reference to petition filed by M/s ER NER Transmission Limited (hereinafter referred as M/s ENTL) before Hon’ble CERC under Section 14, 15 and 79(1)(e) of the Electricity Act, 2003 and CERC (Procedure, Terms and Conditions for grant of Transmission License and other related matters) Regulations, 2009 for grant of transmission license to establish subject ISTS scheme on Build, Own, Operate and Transfer (BOOT) basis. M/s ENTL vide email dated 14-10-2022 has provided copy of the same to CTU. In this regard, following is submitted:

1. ERSS-XXV: *The peak demand of Bihar is growing at considerable pace since last many years. In particular, to meet the growing demand of southern part of Bihar state, Bihar State Power Transmission Company Ltd. (BSPTCL) viz. STU of Bihar has constructed various new 220kV substations viz. Nawada (New), Shekhpura (New), Haveli Kharagpur (Jamalpur) and Goradih (Sabour New) which are mainly drawing power radially from 220/132kV Khizersarai S/s of BSPTCL. The Khizersarai S/s is connected to 400/220kV Biharsharif (POWERGRID) and 765/400/220kV Gaya (POWERGRID) substations. This long 220kV radial link [Khizersarai - Nawada (New)*



- Shekhpura (New) - Haveli Kharagpur (Jamalpur) - Goradih (Sabour New)] which is fed radially from Khizersarai experiences high voltage issue during the off-peak hours. To address the high voltage issue and to increase the reliability of the above grid substations by providing an alternate source to 220kV radial link at remote end viz. Goradih (Sabour New), creation of 220kV level at existing 400/132kV Banka (POWERGRID) S/s with 2x500MVA, 400/220kV ICTs has been planned under ISTS. Due to space constraint, this new 220kV system needs to be implemented in GIS.

NERSS-XV: Number of 132kV grid substations (existing and under construction) of Arunachal Pradesh are connected/would be connected through a very long radial (about 750km) 132kV link viz. Ranganadi - Ziro - Daporijo - Along - Pasighat - Roing - Tezu - Namsai - Miao - Jairampur - Changlang - Khonsa - Deomali - Kathalguri which is fed from Ranganadi & Pare HEPs at one end and Kathalguri at the other end. In case of outage of any source, the transmission system would face low voltage at the remote end and may also lead towards system collapse. To resolve these issues of low voltage and improve the reliability in the 132kV network of Arunachal Pradesh, an additional source needs to be connected to this long 132kV link. Kathalguri generation (about 300MW) is the nearest available source in the area. Accordingly, instead of constructing a new 220kV substation in this area, upgradation of existing Namsai 132/33kV to 220kV voltage level with installation of 2x160MVA, 220/132kV ICTs has been planned which would be fed through Kathalguri - Namsai 220kV D/c link. This additional feed to Namsai shall split the long link into two section of about 550km (from Ranganadi end) and 200km (towards Kathalguri end). About 160km east of Namsai towards Ranganadi another link viz. Roing (POWERGRID) - Chapakhowa (Assam) 132kV D/c is also under implementation. These two lines viz. Roing - Chapakhowa and Kathalguri - Namsai shall split the long link into three sections of about 390km (Ranganadi to Roing), 160km (Roing to Namsai), and 200km (Namsai to Kathalguri via Deomali). The new 220kV system at Namsai S/s has been planned to be constructed in GIS in view of spare constraints.

2. The transmission schemes viz. ERSS-XXV and NERSS-XV, were agreed in the 2nd meeting of Eastern Region Power Committee Transmission Planning (ERPC-TP) held on 30-09-2020 and 2nd meeting of North Eastern Region Power Committee Transmission Planning (NERPC-TP) held on 25-09-2020 respectively.

3. The transmission system under the schemes viz. ERSS-XXV and NERSS-XV, were further discussed and agreed in the 4th meeting of NCT (re-constituted vide MOP office order 04-11-2019) held on 20-01-2021 & 28-01-2021.

4. Thereafter, the schemes viz. ERSS-XXV and NERSS-XV, were discussed and agreed in the 43rd meeting of TCC & ERPC held on 23-03-2021 & 26-03-2021 and 21st meeting of TCC & NERPC held on 03-02-2021 & 04-02-2021 respectively.

5. Ministry of Power vide its Gazette notification no. 15/3/2018-Trans-Pt(1) dated 19-07-2021 had appointed REC Power Development and Consultancy Limited (RECPDCL) as Bid Process Coordinator (BPC) for the selection of Bidder as Transmission Service Provider (TSP) to establish the subject ISTS schemes viz. ERSS-XXV and NERSS-XV, through Tariff Based Competitive Bidding (TBCB) process.

6. BPC incorporated M/s ER NER Transmission Limited (ENTL), a Special Purpose Vehicle (SPV), as its wholly owned subsidiary, to initiate various activities for execution of the ISTS schemes viz. ERSS-XXV and NERSS-XV, and to subsequently act as the TSP.



7. BPC vide email dated 08-07-2022 mailed additional clarifications for the subject project to CEA for perusal and confirmation. This included change in Implementation Timeframe of ERSS-XXV scheme from "In matching timeframe of Banka (POWERGRID) - Goradiah (Sabour New) 220 kV D/c line of BSPTCL or 24 months from the date of transfer of SPV, whichever is later" (mentioned in the Gazette notification) to "24 months". CEA vide email dated 11-07-2022 replied that "The reply to the additional clarifications alongwith the referred Amendment have been examined and are in order". Accordingly, BPC issued Amendment-XI to RfP on 15-07-2022, wherein the Scheduled CoD of the ERSS-XXV scheme was modified to 24 months from effective date.

8. Pursuant to the process of competitive bidding conducted by the BPC, M/s Power Grid Corporation of India Limited has emerged as the successful bidder. Thereafter, the BPC issued a Letter of Intent in favour of M/s Power Grid Corporation of India Limited on 30-08-2022. Subsequently, M/s Power Grid Corporation of India Limited acquired 100% equity shareholding of M/s ENTL on 10-10-2022, upon execution of the Share Purchase Agreement and after completion of all procedural requirements as specified in the bid documents. The scheduled COD for the ISTS schemes viz. (i) ERSS-XXV is 24 months from the effective date (i.e. date of acquisition on SPV) and (ii) NERSS- XV is 36 months from the effective date (i.e. date of acquisition on SPV).

9. In line with Section 15(4) of the Electricity Act, 2003, and based on details furnished by M/s ER NER Transmission Limited (ENTL), CTU recommends the grant of transmission license to M/s ER NER Transmission Limited (ENTL) for executing the ISTS schemes namely "Eastern Region Strengthening Scheme-XXV (ERSS-XXV) & North Eastern Region Strengthening Scheme-XV (NERSS-XV)".

24. We have considered the submissions of the Petitioner and CTUIL. The proviso to Clause 2.15.2 of the RfP provides that "if for any reason attributable to the BPC, the above 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 for day basis till the end of the Bid validity period". Though Lol was issued on 30.8.2022, BPC, vide its letters dated 9.9.2022, 19.9.2022, 29.9.2022 and 7.10.2022 in terms of Clauses 2.15.2 of RfP extended the date upto 17.10.2022 for completion of all activities by the successful bidder. The selected bidder furnished the Contract Performance Guarantee in favour of Nodal Agency (CTUIL) for an amount of Rs. 6.84 crore and has acquired hundred percent equity-holding in the applicant company on 10.10.2022 after execution of the Share Purchase Agreement. As per clause 2.15.4 of the RfP, TSP is required to apply to the

Commission for grant of transmission licence within five working days of the issuance of the acquisition of the SPV to the successful bidder. Successful bidder, namely, PGCIL acquired the SPV on 10.10.2022. Accordingly, the TSP has filed the instant Petition through e-filing for grant of transmission licence on 14.10.2022.

25. Considering the material on record, we are *prima-facie* of the view that the Petitioner satisfies the conditions for grant of inter-State transmission licence under Section 15 of the Act read with 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 under clause (a) of sub-section (5) of Section 15 of the Act be published to invite suggestions or objections to grant of transmission licence aforesaid. The objections or suggestions, if any, be filed by any person before the Commission, by 20.1.2023.

26. 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 bidding documents and TSA for commissioning of the Project within the SCOD.

27. 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 over run 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.

28. 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 Bureau of India Standards. In this regard, the Petitioner, has submitted that it would implement the Project as per the provisions of the TSA including the Article 16.4, Article 5.1.1 and Article 5.4 of the TSA.

29. The Petitioner, vide its affidavit dated 15.12.2022, has informed that the name of the Petitioner company has been changed from 'ER NER Transmission Limited' to 'POWERGRID ER NER Transmission Limited' with effect from 14.12.2022. The certificate of change of name from 'ER NER Transmission Limited' to 'POWERGRID ER NER Transmission Limited' dated 14.12.2022 issued by Registrar of Companies, Delhi has been placed on record. Accordingly, the name of the Petitioner has been changed to 'POWERGRID ER NER Transmission Limited' on the record of the Commission.

30. The Petition shall be listed for hearing on 24.1.2023.

Sd/-
(P. K. Singh)
Member

sd/-
(Arun Goyal)
Member

sd/-
(I.S. Jha)
Member

