

**CENTRAL ELECTRICITY REGULATORY COMMISSION
NEW DELHI**

Petition No. 146/TL/2024

**Coram:
Shri Jishnu Barua, Chairperson
Shri Arun Goyal, Member
Shri Ramesh Babu V., Member**

Date of Order: 23rd June, 2024

In the matter of

Petition under Sections 14, 15 and 79(1) (e) of the Electricity Act, 2003 read with the Central Electricity Regulatory Commission (Procedure, Terms and Conditions for Grant of Transmission Licence and other related matters) Regulations, 2009 for the grant of transmission licence to Solapur Transmission Limited for establishing the Inter-State Transmission system for evacuation of power from the RE Projects in Solapur (1500 MW) SEZ in Maharashtra.

And

In the matter of

Solapur Transmission Limited,
2, Dharam Marg, Chanakyapuri
New Delhi-110021

....**Petitioner**

Vs

1. **Central Transmission Utility of India Limited,**
Saudamini, Plot No.2, Sector-29,
Gurgaon-122 001, Haryana
2. **Western Regional Power Committee,**
F-3, MIDC Area, Marol,
Opp. SEEPZ, Central Road,
Andheri (East), Mumbai-400093
3. **PFC Consulting Limited,**
Urjanidhi, 1, Barakhamba Lane, Connaught Place,
New Delhi- 110001
4. **Gujarat Urja Vikas Nigam Limited,**
Sardar Patel Vidhyut Bhavan, Race Course,
Vadodara, Gujarat – 390007
5. **Maharashtra State Electricity Distribution Company Limited,**
Prakashgad, 4th Floor, Bandra (East),
Mumbai- 400051.

6. **Madhya Pradesh Power Management Company Limited,**
Shakti Bhavan, Vidhyut Nagar,
Rampur, Jabalpur-482008
7. **Chhattisgarh State Power Trading Company Limited,**
Vidyut Seva Bhawan,
Danganiya, Raipur- 492013
8. **Goa Electricity Department,**
Government of Goa, 3rd Floor, Vidyut Bhawan,
Panaji, Goa-403001.
9. **Dadra and Nagar Haveli and Daman and Diu Power Distribution Corporation Limited,**
1st & 2nd Floor, Vidyut Bhawan,
Silvassa, U.T. of Dadra & Nagar Haveli– 396230
10. **Central Electricity Authority,**
Sewa Bhawan, Sector-1,
R.K. Puram, New Delhi -110066
11. **Power Grid Corporation of India Limited,**
“Saudamini”, Plot No. 2, Sector-29, Near IFFCO Chowk,
Gurgaon-122001 (Haryana)

....Respondents

Parties present:

Shri Mihir Thakkar, STL
Shri Rahul Dubey, STL
Ms. Priyadarshini, Advocate, PFCCCL
Shri Ranjeet Rajput, CTUIL
Shri Akshayvat Kislay, CTUIL

ORDER

The Petitioner, Solapur Transmission Limited, has filed the present Petition for the grant of a transmission licence under Sections 14, 15, and 79(1)(e) of the Electricity Act, 2003 (hereinafter referred to as “the Act”) read with the Central Electricity Regulatory Commission (Procedure, Terms, and Conditions for grant of Transmission Licence and other related matters) Regulations, 2009 (hereinafter referred to as “Transmission Licence Regulations”) for the establishment of the “Inter-state Transmission system for Evacuation of Power from RE Projects in Solapur (1500

MW) SEZ in Maharashtra” on a Build, Own, Operate and Transfer basis (hereinafter referred to as “the Project”) consisting of the following elements:

SI. No.	Name of Transmission Element	Scheduled COD in months from the effective date
1.	<p>Establishment of 400/220 kV, 4x500 MVA ICTs at Solapur PS along with 2x125 MVAR, 420 kV Bus Reactors</p> <ul style="list-style-type: none"> • 400/220 kV, 500 MVA ICT- 4 • 400 kV ICT bays- 4 • 220 kV ICT bays- 4 • 400 kV line bays -2. • 220 kV line bays for solar park interconnection -5 • 125 MVAR, 420 kV Bus reactor – 2 Nos • 400 kV Bus reactor bay: 2 Nos. • 220 kV TBC bay – 1 No. • 220 kV BC bay – 1 No. <p>Future provisions: Space to accommodate:</p> <ul style="list-style-type: none"> • 400/220 kV, 500 MVA ICT along with associated bays – 6 Nos. • 400 kV line bays along with switchable line reactors: 12 Nos. • 420 kV, 2x125 MVAR Bus Reactor with Bays • 15 nos. of 220 kV line bays • Sectionaliser arrangement at 220 kV level (3 Sets) & 400 kV level (1 Set) • 220 kV TBC bay – 3 Nos. • 220 kV BC bay – 3 Nos. 	24 months
2.	Solapur PS -Solapur (PG) 400 kV D/c line (Quad ACSR/AAAC/AL59 moose equivalent)	
3.	2 nos. of 400 kV line bays at Solapur (PG) S/s for termination of Solapur PS- Solapur (PG) 400 kV D/c line.	

Note: POWERGRID shall provide space for 2 Nos. of 400kV bays at Solapur (PG) for termination of Solapur PS- Solapur (PG) 400kV D/c line.”

2. Based on the competitive bidding carried out by the PFC Consulting Limited (PFCCL), in its capacity as the Bid Process Coordinator (BPC), in accordance with the Guidelines issued by the Ministry of Power, Government of India under Section 63 of the Act, Torrent Power Limited was declared a successful bidder with the lowest quoted annual transmission charges of Rs. 500.00 million per annum. Thereafter, the

BPC issued a Letter of Intent in favour of Torrent Power Limited on 26.2.2024. Subsequently, Torrent Power Limited acquired Solapur Transmission Limited on 20.3.2024 after the execution of the Share Purchase Agreement (SPA).

3. The Commission, after considering the application of the Petitioner in light of the provisions of the Act and the Transmission Licence Regulations, in its order dated 30.5.2024, *prima facie* proposed to grant a transmission licence to the Petitioner.

The relevant extracts of the order dated 30.5.2024 are extracted as under:

*“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. We, therefore, direct that a public notice under clause (a) of sub-section (5) of Section 15 of the Act be published to invite suggestions or objections to the grant of a transmission licence aforesaid. The objections or suggestions, if any, be filed by any person before the Commission by **14.6.2024.**”*

4. A public notice under Sub-section (5) of Section 15 of the Act was published on 7.6.2024 in all editions of the Indian Express (English) and Hindustan (Hindi). No suggestions/ objections have been received from members of the public in response to the public notice.

5. The Petitioner, vide order dated 30.5.2024, was directed to submit an affidavit to the effect that the execution of the Project shall not be delayed due to time taken in obtaining the statutory clearances required under the RfP and/ or adjudication of any claim of the Petitioner arising under the TSA. In this regard, the Petitioner, vide its affidavit dated 10.6.2024, has submitted that post selection of the successful bidder and the decision to award the project, there cannot be a review of the bidding terms, including the scope of the clauses such as force majeure, and Change in Law, etc. stipulated in the TSA. Further, Section 56 of the Indian Contract Act, 1872, deals with

the frustration of contract, the impossibility of Performance, etc., giving statutory remedies to the contracting parties. The Commission and other judicial forums have provided reliefs in the past in various cases as per the terms of the contract or as per the provisions of law where events occurring during the implementation of the project are not attributable to the developers. Further, in terms of the TSA, the Petitioner would implement the project as per the provisions of Article 16.4 of the Transmission Service Agreement. Therefore, claims, if any, made by the Petitioner shall be in accordance with the provisions of the RfP Projects Documents.

6. With regard to the quality control mechanism available or to be put in place to ensure compliance with the requirements stipulated in Article 5.1.1 and Article 5.4 of the TSA, the Petitioner has submitted that in the TSA, there are sufficient checks and balances, and the quality control mechanism is already available whereby CEA, CTUIL and Independent Engineer will monitor the overall quality of construction of the Project by the Petitioner to ensure that the Petitioner is complying with Article 5.1.1 and 5.4 of the TSA. The Petitioner, being an experienced entity, will ensure that the project is constructed by following the required quality standard and prudent utility practices by putting in place the following:

(a) At the procurement stage, the Qualification Requirement for shortlisting a supplier/contractor is done on the basis of the technical specifications as mentioned on the TSA. The purchase Order/contract mentions the technical standards and the testing requirements. Material dispatch is allowed after the conformance report is validated.

(b) For tower material, a Manufacturing Quality Plan (MQP) in line with the applicable technical standards and the one followed by CTUIL is followed.

(c) For ensuring construction quality, a Field Quality Plan (in line with the standards mentioned in TSA and that followed by CTUIL) is specified to the contractors in advance. The conformance report to the said document is also maintained at the site.

(d) The construction and material supply quality are also validated with respect to the TSA by the lenders Independent Engineer during its quarterly construction review.

7. With regard to the current status of RE Connectivity at Solapur PG S/s., and the current status of the Connectivity at the new Solapur PS along with its commissioning schedules, CTUIL, vide its affidavit dated 17.6.2024, has submitted as under:

(a) Status of ISTS Connectivity RE generators which have been granted Connectivity at existing Solapur sub-station (POWERGRID)

S. No.	Name of Applicant	Application number	Connectivity Quantum (MW)	Start date of Connectivity as per grant
1	Renew Green Energy Solutions Pvt. Ltd.	231400007	100	30.06.2024
2	Renew Green Energy Solutions Pvt. Ltd.	331400004	32	31.03.2025
3	Renew Green Energy Solutions Pvt. Ltd.	231400011	76	30.06.2024
4	Renew Green Energy Solutions Pvt. Ltd.	SW9990902143-M029_D001_A003-1670048864400	50	31.03.2025
5	Renew Green Energy Solutions Pvt. Ltd.	331400014	100	31.03.2025
6	Renew Green Energy Solutions Pvt. Ltd.	331400010	70	31.03.2025
7	Renew Green Energy Solutions Pvt. Ltd.	331400011	48	30.06.2024
8	Serentica Renewables India Pvt. Ltd.	2200000021	300	31.03.2025
9	Renew Green Energy Solutions Pvt. Ltd.	2200000026	51	31.03.2025
10	Renew Green Energy Solutions Pvt. Ltd.	2200000155	73	30.09.2025

11	Serentica Renewables India Pvt. Ltd.	2200000304	100	31.03.2025
Total			1000	

(b) Status of ISTS Connectivity of RE generators granted/agreed for grant of in-Principle Connectivity at under implementation Solapur PS (Torrent Power Ltd.) through establishment of the 400/220 kV, 4x500 MVA ICTs at Solapur PS (TPL) and Solapur PS (TPL)- Solapur (PG) 400 kV D/c line.

Sl. No.	Name of Applicant	Application number	Connectivity Quantum (MW)	Start date of Connectivity as per grant/deliberations in CMETS
1	Avaada Energy Pvt Ltd	2200000132	50	31.12.2026
2	Solarcraft Power India 7 Pvt. Ltd.	2200000213	50	20.03.2026
3	Avaada Energy Pvt. Ltd.	2200000083	50	31.12.2026
4	Solarcraft Power India 7 Pvt. Ltd.	2200000270	52.8	20.03.2026
5	Solarcraft Power India 7 Pvt. Ltd.	2200000409	47.2	20.03.2026
6	Solarcraft Power India 16 Pvt. Ltd.	2200000440	150	01.04.2026
7	Green Prairie Energy Private Limited	2200000638	60	31.05.2026
8	JSW Neo Energy Limited	2200000718	300	20.03.2026
9	Skadar Solar Private Limited	2200000754	200	31.05.2026
Total			960	

(c) Further, two more connectivity applications under the GNA Regulations for a cumulative 490MW quantum (SJVN Green Energy Limited :300MW & Green Prairie Energy Private Limited: 190MW) have also been received at Solapur PS, and the same are presently under process. With this, a total of 1450 MW connectivity applications have been received/ granted/agreed for the grant at Solapur PS.

(d) The subject "Transmission system for Evacuation of Power from RE Projects in Solapur (1500MW) SEZ in Maharashtra" scheme is presently under implementation by Solapur Transmission Limited (STL) under the TBCB route with implementation schedule as 24 months from the date of the SPV acquisition (20.03.2024) which is **20.03.2026**.

(e) As per the connectivity grants, the generation projects at S. Nos. 2, 4, 5 & 8 proposed to be connected at Solapur PS (TPL) would match their commissioning schedule with the associated Solapur PS Scheme and the balance generation projects have sought connectivity after commissioning of the Solapur PS scheme.

8. The case was called out for a hearing on 18.6.2024. It was submitted by the representatives of the Petitioner that, in response to a public notice published by the Commission, no objection had been received. The representative of CTUIL submitted that the Petitioner vide Record of Proceedings for the hearing dated 8.5.2024 was directed to submit the information mentioned in Para 7 above. However, this information was available with the CTUIL. Accordingly, CTUIL has filed the information called for vide ROP dated 18.6.2024.

9. As regards the grant of a transmission licence, Clauses (15) and (16) of Regulation 7 of the Transmission Licence Regulations provide as under:

“(15) The Commission may after consideration of the further suggestions and objections, if any, received in response to the public notice as aforesaid, grant licence as nearly as practicable in Form-III attached to these regulations or for reasons to be recorded in writing, reject the application if such application is not in accordance with the provisions of the Act, the rules or regulations made thereunder or any other law for the time being in force or for any other valid reason.

(16) The Commission may, before granting licence or rejecting the application, provide an opportunity of hearing to the applicant, the Central Transmission Utility, the long-term customers, or the person who has filed suggestions and objections, or any other person: Provided further that the applicant shall always be given a reasonable opportunity of being heard before rejecting the application.”

10. In our order dated 30.5.2024, we had proposed to grant a transmission licence to the Petitioner company and directed the issue of public notice. In response to the public notice, no suggestions/objections have been received. CTUIL, in its letter dated 4.4.2024, has recommended the grant of a transmission licence to the

Petitioner. We find that the Petitioner company meets the requirements of the Act and the Transmission Licence Regulations for the grant of a transmission licence for the subject Transmission System mentioned in paragraph 1 of this order. Considering the submissions of the Petitioner and CTUIL, we direct that a transmission licence be granted to the Petitioner, 'Solapur Transmission Limited,' for the grant of a transmission licence to establish the "Transmission System for Evacuation of Power from RE Projects in Solapur (1500 MW) SEZ in Maharashtra" on a Build, Own, Operate, and Transfer (BOOT) basis as per the details given in paragraph 1 above.

11. The grant of the transmission licence to the Petitioner (hereinafter referred to as "the licensee") is subject to the fulfilment of the following conditions throughout the period of licence:

(a) The transmission licence shall, unless revoked earlier, remain in force for a period of 25 years from the date of issue;

(b) The transmission licensee shall comply with the provisions of the with the Central Electricity Regulatory Commission (Procedure, Terms, and Conditions for grant of Transmission Licence and other related matters) Regulations, 2024 (in short 'the 2024 Transmission Licence Regulations') or any subsequent enactment thereof during the period of subsistence of the licence;

(c) The licensee may make an application, two years before the expiry of the initial licence period, for the grant of the transmission licence for another term in accordance with Regulation 9 (2) of the 2024 Transmission Licence

Regulations, which shall be considered by the Commission in accordance with law;

(d) The licensee shall not enter into any contract for or otherwise engage in the business of trading in electricity during the period of subsistence of the transmission licence;

(e) The licensee shall have the liability to pay the license fee in accordance with the provisions of the Central Electricity Regulatory Commission (Payment of Fees) Regulations, 2012, as amended from time to time or any subsequent enactment thereof. Delay in payment or non-payment of licence fee or a part thereof for a period exceeding sixty days shall be construed as a breach of the terms and conditions of the licence;

(f) The licensee shall comply with the directions of the National Load Despatch Centre under Section 26 of the Act, or the Regional Load Despatch Centre under sub-section (3) of Section 28 or sub-section (1) of Section 29 of the Act, as may be issued from time to time for maintaining the availability of the transmission system;

(g) The licensee shall remain bound by the provisions of Central Electricity Regulatory Commission (Standard of Performance of inter-State transmission licensees) Regulations, 2012 or subsequent enactment thereof;

(h) The licensee shall provide the non-discriminatory open access to its Transmission System for use by any other licensee, including a distribution licensee or an electricity trader, or generating company or any other person in accordance with the Act; the Central Electricity Regulatory Commission (Open

Access in inter-State Transmission) Regulations, 2008; the Central Electricity Regulatory Commission (Connectivity and General Network Access to the inter-State Transmission System) Regulations, 2023; the Central Electricity Regulatory Commission (Indian Electricity Grid Code) Regulations, 2023, as amended from time to time or any subsequent re-enactments thereof;

(i) The licensee shall not undertake any other business for optimum utilization of the Transmission System without prior intimation to the Commission and shall comply with the provisions of the Central Electricity Regulatory Commission (Sharing of Revenue Derived from Utilization of Transmission Assets for other business) Regulations, 2020;

(j) The licensee shall remain bound by provisions of the Central Electricity Regulatory Commission (Sharing of inter-State Transmission Charges and Losses) Regulations, 2020 as amended from time to time;

(k) The licensee shall remain bound by the provisions of the Act, the Rules and Regulations framed thereunder, in particular the 2024 Transmission Licence Regulations, the Grid Code, the Standards specified by the Central Electricity Authority, orders and directions of the Commission issued from time to time;

(l) The licensee shall ensure the execution of the Project as per the Technical Standards and Grid Standards of CEA;

(m) The licensee shall submit all such report or information as may be required under 2024 Transmission Licence Regulations, Standard of Performance Regulations or any other regulation of the Commission or as per

the directions of the Commission as may be issued from time to time;

(n) The licensee shall ensure that the EPC contract for the execution of work under the scope of the project is awarded through a competitive bidding process.

12. CTUIL/its appointed Independent Engineer and the Central Electricity Authority shall monitor the execution of the Project and bring to the Commission's notice any lapse on the part of the licensee in meeting the schedule for further appropriate action in accordance with the provisions of the Transmission Service Agreement executed between the licensee and the Nodal Agency, the Act and the 2024 Transmission Licence Regulations.

13. It is expected that while carrying out the survey, the Petitioner has complied with the provisions of clauses 2.5.7.3, 2.5.7.4, and 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 in letter and spirit.

14. An extract of a copy of this order be sent to CTUIL, CEA and BPC for information and necessary action.

15. Petition No. 146/TL/2024 is allowed in terms of the above.

Sd/-
(Ramesh Babu V.)
Member

sd/-
(Arun Goyal)
Member

sd/-
(Jishnu Barua)
Chairperson