



THE UTTAR PRADESH ELECTRICITY REGULATORY COMMISSION

LUCKNOW

Petition No. 2080 of 2024

QUORUM

Hon'ble Shri Arvind Kumar, Chairman

Hon'ble Shri Sanjay Kumar Singh, Member

IN THE MATTER OF

Petition under Section 63 of Electricity Act, 2003 seeking adoption of Transmission Charges payable by the long-term transmission customers of the "Intra-State Transmission System for 400/220 kV, 2x500 MVA GIS substation Metro Depot (Gr. Noida) with associated lines and 400/220 kV, 2x500 MVA GIS substation Jalpura with associated lines" being established by the Jalpura Khurja Power Transmission Limited.

AND

IN THE MATTER OF

TP Jalpura Khurja Power Transmission Limited

Through its Authorized Representative,

Plot No. 181, Ground Floor, Block - K,

Mangolpuri, Delhi - 110083.

..... **Petitioner**

VERSUS

1. **U.P Power Transmission Corporation Ltd.**, through its Managing Director,
7th Floor, Shakti Bhawan, 14, Ashok Marg, Lucknow, Uttar Pradesh-226001
2. **REC Power Development and Consultancy Limited**
D- Block, REC Corporate Headquarter, Plot No. I-4, Sector-29, Gurugram,
Haryana-122001
3. **Paschimanchal Vidyut Vitran Nigam Ltd.**, through its Managing Director,

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Urja Bhawan, Victoria Park, Meerut, Uttar Pradesh-250001

4. **Madhyanchal Vidyut Vitran Nigam Ltd.**, through its Managing Director,
4-A, Gokhale Marg, Lucknow, Uttar Pradesh-226001
5. **Purvanchal Vidyut Vitran Nigam Ltd.**, through its Managing Director,
132 KV S/S Bhikari Vidyut Nagar, Varanasi, Uttar Pradesh-221004
6. **Dakshinanchal Vidyut Vitran Nigam Ltd.**, through its Managing Director,
Urja Bhawan, NH - 2, (Agra - Delhi Bypass Road), Sikandra, Agra,
Uttar Pradesh-282002
7. **Kanpur Electricity Supply Co. Ltd.**, through its Managing Director,
Headquarter, Kesa House, 14/71, Civil Lines, Kanpur, Uttar Pradesh
8. **Uttar Pradesh Power Corporation Ltd.**, Through its Managing Director,
7th Floor, Shakti Bhawan, 14-Ashok Marg, Lucknow-226001.

..... Respondents

THE FOLLOWING WAS PRESENT

1. Sh. Shri Venkatesh, Advocate, Tata Power
2. Sh. Ashutosh Srivastava, Advocate, Tata Power
3. Sh. Harsh Vardhan, Advocate, Tata Power
4. Sh. Abhishek Kumar, Advocate, UPPCL
5. Sh. Nived Veerapaneni, Advocate, UPPCL
6. Sh. Subodh Dixit, Group Head, TPJKPTL
7. Sh. Vidyadhar Ghodekar, Hear-Project, TPJKPTL
8. Sh. Dilip Kumar, Tata Power
9. Sh. Garemma Parihar, Lead Associate (Legal), Tata Power
10. Sh. Deepak Raizada, CE-PPA, UPPCL
11. Sh. Rajiv Singh, EE, UPPCL
12. Sh. Rakesh K, EE, UPPTCL
13. Sh. Shashank Singh, Project Engineer., RECPDCL



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ORDER

(DATE OF HEARING: 02.01.2025)

1. The Petitioner, M/s TP Jalpura Khurja Power Transmission Limited (TP-JKPTL) has filed instant petition under Section 63 of the Electricity Act, 2003 (the Act) and in accordance with Para 12.4 of 'Tariff Based Competitive Bidding (TBCB) Guidelines for Transmission Service', issued by Ministry of Power, Govt. of India, for adoption of transmission tariff to establish an intra state transmission system for construction of "400/220 kV, 2x500 MVA GIS substation Metro Depot (Gr. Noida) with associated lines and 400/220 kV, 2x500 MVA GIS substation Jalpura with associated lines" under Build Own Operate and Transfer (BOOT) basis. The project consists of the following elements:

S. No.	Name of Transmission Element	SCOD in months from Effective Date
A.	Construction of 400/220 kV, 2x500 MVA GIS substation Metro Depot (Gr. Noida) with associated lines	
1.	Construction of 400/220 kV, 2x500MVA GIS substation Metro Depot (Gr. Noida) (along with 125MVAR Bus Reactor) <ul style="list-style-type: none">• 400 kV, 500 MVA ICT Bays: 02 Nos.• 400 kV Feeder Bays: 02 Nos.• 400 kV Bus Reactor Bays: 01 No.• 400 kV Bus Coupler Bay: 01 Nos• 220 kV, 500 MVA ICT Bays: 02 Nos• 220 kV Inter Connecting (220kV S/S Metro Depot) Bays: 02 Nos.• 220 kV Future Bays: 02 Nos.• 220 kV Bus Coupler Bay: 01 Nos.	18 months
2.	LILO of one ckt. of 400 kV Greater Noida (765 kV) – Pali, Gr. Noida DC line at 400/220 kV GIS substation Metro Depot (Gr. Noida) (LILO Line on 400kV Double Circuit Monopole & Twin Moose HTLS conductor along with OPGW stringing work)	
B.	Construction of 400/220 kV, 2x500 MVA GIS substation Jalpura with associated lines	
1.	Construction of 400/220 kV, 2x500MVA GIS substation Jalpura (Gr. Noida) (along with 125MVAR Bus Reactor) <ul style="list-style-type: none">• 400 kV, 500 MVA ICT Bays: 02 Nos.• 400 kV Feeder Bays: 02 Nos.• 400 kV Bus Reactor Bays: 01 Nos.• 400 kV Bus Coupler Bay: 01 Nos.• 220 kV, 500 MVA ICT Bays: 02 Nos.• 220 kV Inter Connecting (220kV S/S Jalpura) Bays: 02 Nos.	18 Months

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	<ul style="list-style-type: none">• 220 kV Future Bays: 02 Nos.• 220 kV Bus Coupler Bay: 01 Nos.	
2.	400 kV Jalpura – THDC TPS Khurja DC line (Twin Moose HTLS conductor and Monopole/Narrow Base Tower/ Conventional Tower and OPGW stringing work)	

Note: UPPTCL to provide land for the construction of 400/220kV GIS substation at Metro Depot & Jalpura and shall be handed over to TSP as is where basis on lease.

2. The Petitioner in present Petition has prayed as under:
- Adopt the levelized Transmission Charges of Rs. 915.4 million/ annum discovered through a transparent competitive bidding process, for "Intra-State Transmission System for 400/220 kV, 2×500 MVA GIS substation Metro Depot (Gr. Noida) with associated lines and 400/220 kV, 2×500 MVA GIS substation Jalpura with associated lines", comprising of the elements/ assets as detailed in the present Petition;
 - Approve the TSA and other Project Documents including all amendments/communications/clarifications forming part of Project Documents for the "Intra-State Transmission System for 400/220 kV, 2×500 MVA GIS substation Metro Depot (Gr. Noida) with associated lines and 400/220 kV, 2×500 MVA GIS substation Jalpura with associated lines" and direct that the recovery of transmission charges shall be in accordance with the terms of the TSA;
 - Condone any inadvertent errors omissions/errors/shortcomings and permit the Petitioner to add/change/modify/alter these filings and make further submissions as may be required at a future date.
 - Pass any such other order/orders, as may be deemed fit and proper in the facts and circumstances of the case.

Facts of the case as submitted by the Petitioner

3. U.P. Power Transmission Corporation Ltd. (UPPTCL) vide its letter No. 77/PPP Cell/Metro Depot/Jalpura dated 23.02.2023 appointed REC Power Development and Consultancy Limited (RECPDCL) to be the Bid Process Coordinator (BPC) for the purpose of selection of Bidder as "Transmission Service Provider (TSP)" to establish transmission system for "Construction of 400/220 kV, 2×500 MVA GIS substation Metro Depot (Gr. Noida) with associated lines and 400/220 kV,

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2x500 MVA GIS substation Jalpura with associated lines” through tariff based competitive bidding process.

4. On 28.04.2023, RECPDCL incorporated a Special Purpose Vehicle (SPV) i.e. Jalpura Khurja Power Transmission Limited (JKPTL), to initiate the project preparatory activities for the Project and carry out the process of selection of the developer under the competitive bidding framework.
5. UPPTCL, for the purpose of selection of the developer, constituted a Bid Evaluation Committee in line with the provisions laid out in the Competitive Bidding Guideline for Transmission.
6. On 08.05.2023, RECPDCL issued the Request for Proposal (RFP), based on the standard RFP notified by the Ministry of Power in accordance with “Tariff Based Competitive Bidding Guidelines for Transmission Service” and “Guidelines for Encouraging Competition in Development of Transmission Projects” issued by Government of India, Ministry of Power under section – 63 of the Electricity Act, 2003 and as amended.
7. RECPDCL received the responses to RFP from three (03) participants. The responses of the Bidders (listed as per table below) were opened on 14.09.2023 (12:30 Hrs) in the presence of the Bidders’ representatives.

S. No.	Name of the Bidder/ Consortium	Sole/ Consortium
I	M/s Power Grid Corporation of India Limited	Sole
II	M/s Megha Engineering & Infrastructures Limited	Sole
III	M/s The Tata Power Company Limited	Sole

8. On 28.09.2023, the response to the RFP were evaluated and presented to the BEC. Further, the BEC, in its meeting held on 28.09.2023, noted that the responses submitted by all three (03) bidders meet the qualification requirements of the RFP based on their submission of Response to RFP. The BEC also recommended BPC to open Initial Offer (Price offer) of all the three (03) bidders:
 - (i) M/s Megha Engineering & Infrastructures Limited
 - (ii) M/s Power Grid Corporation of India Limited.
 - (iii) M/s The Tata Power Company Limited.
9. On 29.09.2023, the JKPTL (wholly owned subsidiary of RECPDCL i.e before acquisition of JKPTL by TPCL) issued its letter to the Department of Energy,

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Government of Uttar Pradesh, there by seeking approval for laying of overhead transmission line for the Project in accordance with Section 68 of the Act.

10. On 26.02.2024, UPPTCL, through its letter to RECPDCL, informed that the approval under Section 68 of the Act for laying of the overhead transmission lines for the project has duly been granted by the Govt. of Uttar Pradesh.
11. Pursuant to the above, the Initial Offer of all the three (03) qualified bidders were opened online on MSTC portal on 03.10.2023 at 1200 Hrs (IST) by Bid Opening Committee (BOC) in the office of UPPTCL, Lucknow in presence of Director (W&P), UPPTCL. The details of the quoted transmission charges by bidders are given below:

S. No.	Name of the Bidder	Quoted Transmission Charges from the Initial Offer (in Rs. Million)	Rank
1	M/s The Tata Power Company Limited	920.00	L1
2	M/s Power Grid Corporation of India Limited	1294.88	L2
3	M/s Megha Engineering and Infrastructure Limited	1427.00	L3

12. The lowest Quoted Transmission Charges from the Initial Offer submitted by the bidders was Rs. 920.00 million, which is to be the ceiling for quoting the Final Offers during electronic reverse auction.
13. The Bid Evaluation Committee in its first meeting also authorized BPC to intimate the lowest IPO to the bidders and to conduct e-Reverse Auction thereafter as per the provisions of the TBCB guidelines.
14. The electronic reverse auction started on 04.10.2023 at 10:30 Hrs (IST) on MSTC portal. After 02 rounds of bidding, following transmission charges, as quoted by each bidder, emerged:

Sr. No.	Name of the Bidder	Transmission Charges from the Initial Offer (in Rs. Million)	Transmission Charges from the Final Offer (in Rs. Million)	Rank
1.	M/s The Tata Power Company Limited	920.00	915.40	L1
2.	M/s Megha Engineering and Infrastructure Limited	1427.00	917.70	L2

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3.	M/s Power Grid Corporation of India Limited	1294.88	(Not Participated in Electronic Reverse Auction)	L3
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15. Accordingly, after the approval of the Board of Directors of UPPTCL and the recommendation of BEC, RECPDCL issued the LoI to M/s The Tata Power Company Limited on 15.02.2024.
16. On 11.03.2024, RECPDCL through its letter to TPCL informed that the signing of the Share Purchase Agreement ("SPA"), TSA and the acquisition of the Petitioner should take place after the approval from MoP which was under process. Accordingly, the bid validity was extended up to 12.05.2024.
17. On 28.03.2024, RECPDCL intimated the acquisition price as Rs. 3,86,10,398/- to the Petitioner. As per the provisions of the RFP and TSA, M/s The Tata Power Company Limited paid the Acquisition Price for acquisition of 100 % of shares in Jalpura Khurja Power Transmission Limited from RECPDCL, along with the Contract Performance Guarantee in terms of the RFP.
18. The Share Purchase Agreement was executed between REC Power Development and Consultancy Limited and The Tata Power Company Limited on 05.04.2024. As per the provisions 2.15.2, 2.15.3 and 2.15.4 of Request for Proposal (RFP) and Letter of Intent issued to TPCL, the TSP was required to inter-alia acquire the SPV and apply to the Commission for adoption of Transmission Charges under Section-63 of the Electricity Act 2003 within 10 days of issuance of Letter of Intent by the BPC is required.
19. On 05.04.2024, TPCL, through its letter, informed RECPDCL that as per the requirements of the LoI, it has furnished the Contract Performance Guarantees for an aggregate value of Rs. 19.20 Crores (Rupees Nineteen Crore Twenty Lakh only) separately in favour of each of the LTTCs listed out in the RfP documents. The details of CPGs issued in favour of the LTTCs are tabulated as under:

S. No.	Name of LTTC	% of allocated capacity	CPG value in (Rs.)	CPG No.
1.	Paschimanchal Vidyut Vitran Nigam Limited	31%	5,95,20,000/-	393NDLG00000825 dated 02.04.2024
2.	Madhyanchal Vidyut Vitran Nigam Limited	21%	4,03,20,000/-	393NDLG00000425 dated 03.04.2024

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3.	Purvanchal Vidyut Vitran Nigam Limited	24%	4,60,80,000/-	393NDLG00000625 dated 02.04.2024
4.	Dakshinanchal Vidyut Vitran Nigam Limited	21%	4,03,20,000/-	393NDLG00000525 dated 03.04.2024
5.	Kanpur Electricity Supply Co. Limited	3%	57,60,000/-	393NDLG00000725 dated 04.04.2024
		Total	19,20,00,000	

20. On 05.04.2024, RECPDCL issued its letter to TPCL thereby extending the dates to complete various activities as mentioned under Clauses 2.15.2, 2.15.3 and 2.15.4 of the RfP, till 15.04.2024.
21. On 05.04.2024, TPCL acquired the Petitioner by paying the acquisition price of Rs. 3,86,10,398/-. The TSA was entered into between the Petitioner and the LTTCs.
22. Thereafter, present Petition has been filed under Section 63 of the Act seeking adoption of the Transmission Charges of Rs. 915.4 million/ annum, which has been determined through transparent competitive bidding process conducted in accordance with the guidelines issued by the MoP.
23. The Petitioner has submitted that Section 63 of the Electricity Act, 2003 empowers the Appropriate Commission for Adoption of Transmission Charges. The Petitioner has further prayed that keeping in view the above, the Commission may kindly adopt the Transmission Charges as per the LoI dated 15.02.2024 with respect to the Transmission System being established by the TPCL.

Preliminary Reply of Respondent No.8 (UPPCL) dated 31.12.2024

24. On 25.02.2024, deadline in terms of Article 3.1.1 of the TSA to undertake the following activities expired –
- Provide CPG of ₹19.20 crores;
 - Acquisition of JKPTL by TPCL
 - Execution of TSA.
25. On 01.03.2024, deadline in terms of Article 3.1.1 of TSA for making an application with the Commission for grant of transmission license and adoption of tariff expired. This date being 5 days from 25.02.2025 i.e., effective date in terms of Article 2.1 of TSA.



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26. On 04.04.2024, CPG of ₹19.20 crores was furnished by JKPTL with a delay of 39 days from the deadline of 25.02.2024 in accordance with Article 3.1.1 of the TSA.
27. On 05.04.2024, TSA was executed and JKPTL was acquired by TPCL with a delay of 40 days from the deadline of 25.02.2025 in accordance with Article 3.1.1 of the TSA.
28. On 12.04.2024, with a delay of 42 days from 01.03.2024 (i.e., deadline of 05 days from 25.02.2024 in terms of Article 3.1.1 of TSA) and 2 days from 10.04.2024 (i.e., 5 days from actual date of acquisition of JKPTL by TPCL), JKPTL applied for adoption of tariff. On the same date, JKPTL applied for grant of transmission license by filing Petition No. 2079 of 2024.
29. It is clear from the RFP that RECPDCL did not have any authority to extend the timelines stipulated under Clauses 2.15.2 and 2.15.4 of the RFP. This is evident from the language employed by Clause 2.15.3(i) of the RFP i.e., "authority of the BPC in respect of this Bid Process shall forthwith cease".
30. JKPTL also acknowledged the delay caused in applying for grant of transmission license and adoption of transmission tariff as the same had to be done by 01.03.2024. Such terms under the TSA were accepted by JKPTL with open eyes. The letter dated 05.04.2024 of the BPC, a copy of which is not even marked to UPPTCL or UPPCL or LTTCs, written with reference to RFP terms, will not absolve JKPTL from obligations under the TSA. The TSA was executed with specific terms on 05.04.2024 and RECPDCL was not a party to the TSA. Therefore, RECPDCL could not have granted any extension under the TSA as it had no privity with the terms of the TSA.
31. JKPTL itself approached the Commission with an inordinate and inexplicable delay of 42 days. It is also strange that while JKPTL obtained transmission license by 05.11.2024, the present petition was listed for the first time only on 24.12.2024.
32. In any case, having delayed the process, JKPTL cannot now insist that the LTTCs ought to waive of a right accrued to them under the TSA, which has been executed by JKPTL with open eyes.

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33. In view of the above, UPPCL implores the Commission to take on record the present preliminary reply declining the consent of UP DISCOMs/ LTTCs and UPPCL for waiving requirement under Article 3.1.3(b) of the TSA.

Hearing dated 02.01.2025 and Petitioner's Written Submission dated 02.01.2024

34. Sh. Venkatesh, Counsel appearing on behalf of the Petitioner submitted that Commission has duly granted its approval for the project in the year 2022 and has consequently issued the requisite License to the Petitioner. Further, he submitted that Petitioner was bound by certain contractual obligations which necessitated completion of formalities within a prescribed timeframe. Failure to adhere to these timelines would invoke an additional performance bank guarantee. In light of these circumstances, he requested to the Commission to render its decision prior to the 05.01.2025.
35. In response to the counter affidavit filed by LTTCs, he submitted that there was no delay in filing the present Petition by the Petitioner and the following submissions are noteworthy in this context:
- (a) On the 15.02.2024, a Letter of Intent (LOI) was duly issued to Tata Power Company Limited. Subsequent to the issuance, the Petitioner engaged in negotiations with BPC for the execution of a Share Purchase Agreement, which, as per the established procedural mandate, was required to be executed within ten (10) days from the issuance of the LOI. The procedure further stipulates that the acquisition of the company should be consummated, and an application for the license and tariff adoption should be filed within five (5) days subsequent to the execution of the Share Purchase Agreement.
- (b) As per Clause 2.15.2 of the RFP, the Petitioner had to complete certain activities including submission of CPG, executing Share Purchase Agreement, Transmission Service Agreement and to make payment of acquisition of the Petitioner within 10 days of issuance of LoI. The activities could not be done as the BPC itself, by its letter dated 11.03.2024, had stated that the aforesaid activities can only be completed after the BPC receives an approval from the MoP. In terms thereof, BPC requested the Petitioner to extend the bid validity period by 12.05.2024. This clearly



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demonstrates that there was no delay attributable to the Petitioner in completing the activities stipulated under the RFP.

- (c) Further, the timeline for filing the present Petition was extended by RECPDCL vide its letter dated 05.04.2024, wherein the Petitioner was granted time till 15.04.2024 to file the Petition before the Commission. The Petitioner filed the Petition on 12.04.2024, well within the timeline.
- (d) In case, there is a likelihood that the Order in the present Petition could not be passed prior to 05.01.2025, the Commission may issue appropriate directions so that the adverse financial implication stated above is not imposed on the Petitioner. Therefore, the Commission may consider passing of the Order in the present matter prior to 05.01.2025
36. In response, Sh. Abhishek, Counsel appearing on behalf of the UPPCL and LTTC's submitted that under the Commission's judgement dated 03.10.2022, in Petition No. 1824 of 2022 in the case of Obra-C Badaun Transmission Limited v. UPPCL & Ors., it was held that once the TSA is signed, authority of BPC to extend timelines is questionable. He emphasized that all the timelines of TSA are important as in future there shouldn't be any issue related to force majeure issues and its direct-indirect implication on LTTC's.
37. He further submitted that UPPCL is authorized on behalf of State Owned Distribution Licensees/ LTTCs to represent these and file reply/response in the instant Petition. Moreover, he on behalf of Uttar Pradesh Power Corporation Limited (UPPCL) and LTTCs submitted to the Commission that the response tendered by them should be deemed as their Counter Affidavit. He further stated that LTTC's have no objection to the Commission adopting the tariff as proposed by the Petitioner.
38. The Petitioner submitted its written submission, on the day of hearing, and the same is captured in above paras.

Commission's View

39. The Commission heard the parties and has examined the documents available on record. Accordingly, the view of the Commission is deliberated under subsequent paras.

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40. At the outset, it is noteworthy to mention that the Commission, vide Order dated 20.03.2023 in Petition No. 1939 of 2022, had approved the scheme of construction of 400 kV 2x500 GIS Metro Depot Substation & associated lines and scheme of construction for 400 kV 2x500 MVA GIS Jalpura Substation & associated lines under TBCB route. Further, the said scheme was also the part of STU Transmission Plan approved by the Commission vide Order dated 11.01.2024. The Commission on 05.11.2024 granted transmission license to the Petitioner after holding public hearing and following due process in accordance with the Act. The Commission also allowed the change of legal name of the Petitioner as "TP Jalpura Khurja Power Transmission Limited" vide Order dated 05.11.2024 in IA-1 in Petition No. 2079 of 2024. Accordingly, transmission license dated 05.11.2024 was issued in the name of TP Jalpura Khurja Power Transmission Limited.
41. Section 63 of the Act envisages that the Appropriate Commission shall adopt the tariff if such tariff has been determined through transparent process of bidding in accordance with the guidelines issued by the Central Government. The Central Government, Ministry of Power has issued the guidelines contemplated under Section 63, titled "Tariff based Competitive-bidding Guidelines for Transmission Service" and "Guidelines for Encouraging Competition in Development of Transmission Projects" (the Guidelines) and amendments thereof. The relevant extract of the Act and Guidelines are placed below for reference:

Section 63 of the Act:

"Section 63: Determination of tariff by bidding process: Notwithstanding anything contained in section 62, the Appropriate Commission shall adopt the tariff if such tariff has been determined through transparent process of bidding in accordance with the guidelines issued by the Central Government."

The relevant extracts of the TBCB Guidelines are as under:

"9 Bidding Process

9.1. For the procurement of transmission services under these guidelines, BPC shall adopt a single stage two envelope tender process featuring Request for Proposal (RFP). The bid documents shall be prepared in accordance with para 4.1 of these guidelines. The entire bidding process shall be conducted online through electronic medium under e-reverse bidding framework.

9.2. RFP notice should be published in at least two national newspapers, website of the BPC and preferably in trade magazines also, so as to accord



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it wide publicity. The bidding shall necessarily be by way of International Competitive Bidding (ICB). For the purpose of issue of RFP, minimum conditions to be met by the bidder shall be specified in the RFP.

9.4.7. Bid evaluation methodology to be adopted by the BPC.

The initial price offer submitted online with the RFP shall be evaluated based on annual transmission charges for all components covered under the package as quoted by the bidder. The transmission charges of initial offer shall be ranked on the basis of ascending order for determination of the qualified bidders. Bidders in the first 50% of the ranking (with any fraction rounded off to higher integer) in RFP stage or 4 (four) bidders, whichever is more shall qualify to participate in the e-reverse bidding. In case the number of responsive bidders in RFP stage is between 2 (two) to 4 (four), all will qualify to participate in the e-reverse bidding. In case only one Bidder remains after the responsiveness check, the initial offer of such Bidder shall not be opened and the matter shall be referred to the Government. In the event of identical transmission charges discovered from the initial offer having been submitted by one or more bidders, all such bidders shall be assigned the same rank for the purpose of determination of qualified bidders. In such cases, all the bidders who share the same rank till 50% of the ranks determined above, shall qualify to participate in the e-reverse bidding. In case, 50% of the ranks (with any fraction rounded off to higher integer) is having less than 4 (four) bidders and the rank of the fourth bidder is shared by more than 1 (one) bidder, then all such bidders who share the rank of the fourth bidder shall qualify to participate in the e-reverse bidding. The lowest transmission charges discovered from the initial offers will be the ceiling price for the next round i.e e-reverse bidding stage. During the e-reverse bidding stage, the qualified bidders in the RFP stage would be required to place their bids at least 0.25% lower than the prevailing lowest bid, as long as they wish to continue in the reverse auction. The initial period for conducting the e-reverse bidding should be 2 hours which will be extended by 30 minutes from the last received bid time, if the bid is received during the last 30 minutes of the scheduled or extended bid time. Subsequently, it will be extended again by 30 minutes from the latest received bid time.

9.9. The technical bids shall be examined to ensure that the bids submitted meet minimum eligibility criteria set out in the bid documents on all technical evaluation parameters. Only the bids that meet all elements of the minimum technical criteria set out in the bid documents shall be considered for further evaluation on the transmission charges bids.

9.10. The online initial price bids shall be electronically opened by the bid opening committee in presence of the bid evaluation committee. Only the lowest initial offer (s) shall be communicated to all the Qualified Bidders to participate in the e-reverse bidding process. During the e-reverse bidding process only the lowest prevailing bid should be visible to all the qualified bidders on the electronic platform.

9.11. The transmission charge bid shall be rejected if it contains any deviation from the bid documents for submission of the same.

9.12. The lowest transmission charges discovered from the quoted annual transmission charges during the e-reverse bidding process will be

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considered for the award. In case, no bid is received during the e-reverse bidding stage then the lowest initial offer shall be deemed to be the final offer.

12. Contract award and conclusion

12.1. After selection and issue of the Letter of Intent (LOI) from the BPC, the selected bidder shall execute the share purchase agreement to acquire the SPV created for the Project to become TSP in accordance with the terms and conditions as finalized in the bid document and execute the TSA.

12.2. The TSP shall make an application for grant of transmission license to the Appropriate Commission within five (5) working days from the date of execution of share purchase agreement for acquisition of SPV.

12.3. The BPC shall make the final result of evaluation of all bids public.

12.4. The final TSA, along with the certification by the bid evaluation committee, shall be forwarded to the Appropriate Commission, for adoption of tariff discovered from the quoted annual transmission charges during the e-reverse bidding process in terms of Section 63 of the Act."

42. The Commission has examined the bidding process conducted by Bid Process Coordinator (BPC) for selection of TSP for the Project following evaluation of the bids by the Bid Evaluation Committee (BEC). The evaluation of Technical bid for selection of bidder as TSP, through TBCB process, to establish Intra-state Transmisison System was carried out by RECPDCL and report was submitted to BEC. The meeting of BEC to discuss the evaluation of responses to RFP for the project was held on 28.09.2023 and after detailed discussion, the BEC observed that all three bidders meet the qualification requirement of the RFP based on their submission in response to RFP and recommended BPC to open the Initial Offer (Price Offer) of following bidders:

(a) M/s Megha Engineering and Infrastructure Limited

(b) M/s Power Grid Corporation of India Limited

(c) M/s The Tata Power Company Limited

43. Further, the evaluation of Financial bids for selection of bidder as TSP through TBCB process to establish Intra-state Transmisison System was carried out. The meeting of BEC to discuss the evaluation of financial bid for the project was held on 19.10.2023 and BEC observed that the lowest quoted transmission charges amongst the bidders was Rs.920 Millions, which would be the ceiling for quoting the Final Offer, during electronic reverse auction.

44. The electronic reverse auction started on 04.10.2023 at 10:30 Hrs on MSTC Portal. After Two (02) rounds of bidding, M/s The Tata Power Company Limited



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emerged as the successful Bidder with the lowest annual transmission charges of Rs. 915.40 Million, which was also the Final Offer.

45. BPC, in their evaluation report has confirmed the following:

- (a) Lowest annual transmission charges of Rs. 915.40 Million discovered through electronic reverse auction is 26.74 % lower than the estimated annual transmission charges of Rs. 1,249.55 Million, which is computed based on the estimated cost as communicated by cost committee and as per prevailing CERC norms.
- (b) The entire bid process has been carried out in accordance with the "Tariff based Competitive Bidding Guidelines for Transmission Service" and "Guidelines for encouraging competition in development of the Transmission Projects" issued by Ministry of Power, Govt. of India under Section 63 of the Electricity Act, 2003 as amended from time to time.

Further, after detailed discussion on the evaluation report prepared by BPC, the Bid Evaluation Committee observed the following:

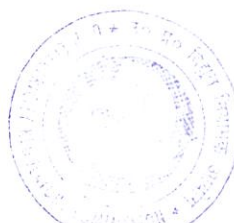
- (a) *" M/s The Tata Power Company Limited, with the lowest annual transmission charges of Rs. 915.40 Million per annum, is the successful Bidder after the conclusion of the electronic reverse auction.*
- (b) *The transmission charges Rs. 915.40 Millions per annum, discovered after electronic reverse auction is acceptable."*

46. Accordingly, BPC recommended to issue the Letter of Intent to M/s The Tata Power Company Limited. Further, Bid Evaluation Committee (BEC) vide its certificate dated 19.10.2023 certified as under:

"It is certified that:

- a) *The entire bid process had been carried out in accordance with the "Tariff based Competitive Bidding Guidelines for Transmission Service" and "Guidelines for encouraging competition in development of the Transmission Projects" issued by Ministry of Power, Government of India under Section 63 of the Electricity Act, 2003 and as amended from time to time.*
- b) *M/s The Tata Power Company Limited, with the lowest annual transmission charges of Rs.915.40 million, emerged as the Successful Bidder after the conclusion of electronic reverse auction.*

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c) *The transmission charges Rs. 915.40 Million per annum, discovered after electronic reverse auction is acceptable."*

47. Further, the BPC vide affidavit dated 18.10.2024 also submitted an undertaking that no deviation has been made with respect to the SBD issued by MoP.
48. In the light of the discussions in preceding paragraphs and perusal of the documents available on record, the Commission observes that selection of the successful bidder and the discovery of the levelised transmission charges of the Project has been carried out by BPC through a transparent process of competitive bidding in accordance with the Guidelines issued by the Ministry of Power, Government of India under Section 63 of the Act. Thus, M/s the Tata Power Company Limited has emerged as the successful bidder after conclusion of e-reverse auction with lowest levelised transmission charges of Rs. 915.40 Million per annum, which is lower than the levelized tariff worked out as per CERC Tariff Regulations.
49. In view of above and based on the certification of the Bid Evaluation Committee, the Commission approves and adopts the levelised transmission charges of Rs. 915.40 Million per annum for the Project under Section 63 of the Act. The sharing of transmission charges among the Long Term Transmission Customers shall be governed by the Transmission Service Agreement and as per applicable Regulations of the Commission. The tariff is adopted for 35 years but as per the provisions of the Act, the term of the transmission license granted to the Petitioner is 25 years. The adoption of tariff beyond 25 years is subject to renewal of transmission license after a period of 25 years.
50. Accordingly, the Petition is disposed of.


(Sanjay Kumar Singh)
Member

Place: Lucknow

Dated: 03 .01.2025




(Arvind Kumar)
Chairman