Before the MAHARASHTRA ELECTRICITY REGULATORY COMMISSION World Trade Centre, Centre No. 1, 13th Floor, Cuffe Parade, Mumbai - 400 005 Tel. No. 022 22163964 / 65 / 69 – Fax 022 22163976 E-mail mercindia@mercindia.org.in Website: www.mercindia.org.in

Case No. 118 of 2009

In the matter of Application of M/s. Maharashtra Eastern Grid Power Transmission Company Limited for grant of Transmission Licence for development of Intra State Transmission system.

Shri. V.P. Raja, Chairman Shri. Vijay L. Sonavane, Member

M/s. Maharashtra Eastern Grid Power Transmission Company Limited Adani House Near Mithakali Six Roads Navrangpura, Ahmedabad - 380 009 Applicant

<u>ORDER</u>

Dated: 14th September, 2010

M/s. Maharashtra Eastern Grid Power Transmission Company Limited ("MEGPTCL"), a Joint Venture Company between Maharashtra State Electricity Transmission Company Ltd. ("MSETCL") and Adani Enterprises Ltd. ("AEL") submitted an application to the Commission on February 18, 2010 under Section 14 of Electricity Act, 2003 ("EA 2003") and Maharashtra Electricity Regulatory Commission (Transmission Licence Conditions) Regulations, 2004 as amended in 2006 ("Transmission Licence for development of 765 KV Intra-state Transmission Network in the eastern part of the state of Maharashtra comprising of 2 x 765 kV S/C Tiroda-Koradi-Akola-Aurangabad lines along with associated substations and bays to evacuate power from the upcoming five power plants with total capacity of 8100 MW by the year 2013-14. The prayers set out in the application are as follows:



"Hon'ble Commission is requested to grant transmission license u/s 14 of the Electricity Act 2003 and Maharashtra Electricity Regulatory Commission (Transmission License Conditions) Regulations, 2004 to Maharashtra Eastern Grid Power Transmission Company Limited for development of the transmission system for evacuation of power from projects in north-eastern Maharashtra."

2. This 765 kV Intra-state Transmission Network is consisting of the **following** transmission lines, substations, related bays and equipments:

2.1 **Transmission Lines :**

- 1. Tiroda-Koradi III 765 KV S/C Line-1 (120 Kms)
- 2. Koradi-III Akola –II 765 KV S/C Line-1 (270 Kms)
- 3. Akola-II Aurangabad 765 KV S/C Line-1 (240 Kms)
- 4. Tiroda-Koradi –III 765 KV S/C Line-2 (120 Kms)
- 5. Koradi-III- Akola –II 765 KV S/C Line-2 (270 Kms)
- 6. Akola-II Aurangabad 765 KV S/C Line-2(240 Kms)
- 7. Akola II Akola I 400 KV quad D/C line (30 Kms)

2.2 Substations :

- 2.2.1 Establishment of 765/400 KV Switchyard at Tiroda
 - 1 X 1500 MVA, 765/400 KV transformer with bays on either side.

(4 X 500 MVA 1 ph units providing 1 X 1500 MVA bank with one spare unit)

- 2 nos. of 765 KV line bays.
 (For Tiroda Koradi III, 2 X S/C 765 KV Lines)
- 2 X 240 MVAR, 765 KV switchable line reactors.
 (7 X 80 MVAR 1 ph units providing 2 X 240 MVAR banks with one spare unit for Tiroda Koradi III, 2 X S/C 765 KV Lines)
- Space for 1 number 765 KV bay (for future use)

2.2.2 Establishment of 765/400 KV Substations at Koradi-III

2 X 1500 MVA, 765/400 KV Transformers with bays on either side.

(7 X 500 MVA 1ph units providing 2 X 1500 MVA bank with one spare unit)

➤ 4 X 240 MVAR, 765 KV switchable line reactors.

(14X 80 MVAR 1 ph units providing 4 X 240 MVAR banks with two spare units for Tiroda – Koradi – III and Koradi –III- Akola II 2 X S/C 765 KV Lines)



- 1 X 240 MVAR, 765 KV switchable bus reactor.
 (4X 80 MVAR 1 ph units providing 1 X 240 MVAR banks with one spare unit)
- 4 nos. of 765 KV line bays.
 (for Tiroda Koradi –III and Koradi –III- Akola II 2 X S/C 765 KV Lines)
- 4 nos. of 400 KV line bays
 (for Koradi-III- Koradi-II and Koradi-III- Kharperkheda D/C
 400KV lines)
- Space for 2 nos of 765 KV line bays. (for future use)
- Space for 2 nos of 400 KV line bays. (for future use)

2.2.3 Establishment of 765/400 KV Substations at Akola-II

- 1 X 1500 MVA, 765/400 KV Transformers with bays on either side.
 (4 X 500 MVA 1ph units providing 1 X 1500 MVA bank with one spare unit)
- 2 X 240 MVAR, 765 KV switchable line reactors.
 (7X 80 MVAR 1 ph units providing 2 X 240 MVAR banks with one spare unit for Akola –II- Aurangabad, 2 X S/C 765 KV Lines)
- 2 X 240 MVAR, 765 KV fixed line reactors
 (7X 80 MVAR 1 ph units providing 2 X 240 MVAR banks with one spare unit for Koradi III Akola -II, 2 X S/C 765 KV Lines)
- 1 X 240 MVAR, 765 KV switchable bus reactor
 (4X 80 MVAR 1 ph units providing 1 X 240 MVAR banks with one spare unit)
- 4 nos of 765 KV line bays.
 (for Koradi III Akola -II and Akola II- Aurangabad 2 X S/C 765 KV lines)
- 4 nos of 400 KV line bays
 (2 nos. for Akola–II Akola-I 400 KV quad D/C line and 2 nos for Nandgaopet-Akola –II 400 KV D/C Line)
- Space for 2 nos. of 765 KV line bays. (for future use)
- Space for 2 nos. of 400 KV line bays. (for future use)
- 2.2.4 Extension of 765 KV Aurangabad Substation
 - 2 X 240 MVAR, 765 KV fixed line reactors
 (7X 80 MVAR 1 ph units providing 2 X 240 MVAR banks with one spare unit for Akola –II Aurangabad 2 X S/C 765 KV lines)
 - 2 nos of 765 KV line bays.
 (for Akola-II Aurangabad 2XS/C 765 kV lines)



3. Based on the pre-feasibility report, the Applicant indicated the following commissioning schedule, time schedule of activities and preliminary project cost estimates involved in the transmission system project:

3.1. Commissioning Schedule:

Firoda – Koradi-III-Akola-II-Aurangabad 765 KV S/C M	arch, 2012
Line-1 (630 km)	
▶ 765/400kV substation at Tiroda and Akola –II (3000	
MVA)	
➢ Akola-II- Akola-I 400 KV quad D/C line (30 km)	

Firoda – Koradi-III-Akola-II-Aurangabad 765 KV S/C	August, 2012
Line-2 (630 km)	
> 765/400kV substation at Koradi-III (3000 MVA)	

3.2. Time Schedule of Activities:

Time schedule for various activities submitted by the Applicant is as follows:

Activity	Start	Completion
Detailed route survey	Feb 2010	April 2010
Grant of transmission license by MERC	Feb 2010	May 2010
Specification, Bid and Award of	June 2010	October 2010
Packages		
Forest Clearance	June 2010	September 2011
Design & Engineering	Feb 2010	March 2010
(tower design to be taken from Power		
Grid)		
(type test will not be required)		
Supplies and execution of works	Oct 2010	Line 1- March 2012
		Line-2- August 2012
Commissioning of transmission system		Line 1- March 2012
		Line-2- August 2012



3.3 Project Cost Estimates:

Tentative estimated cost of the project is Rs. 4379 Crores including IDC of Rs. 490 Crores as per the following break-up of costs:

Activity	Rs. in Crores
Preliminaries (license, pre-approvals, system studies,	4
route survey and PFR/DPR)	
Land and compensations	109
Transmission lines	1896
Substation works	1373
Sub Total	3382
Overheads(establishment, engineering, design,	507
outsourcing, spares, audit & accounts, escalation and	
contingency etc)	
Sub Total	3889
Financing and IDC	490
Total	4379

4. In this connection, it may be noted that the Commission had granted transmission licensee to M/s. Adani Power Maharashtra Ltd. ("APML") vide its Order dated 6^{th} July, 2009 in Case No. 138 of 2009 for construction of the 400 KV Tiroda – Koradi and Tiroda – Warora D/C Quad transmission lines to evacuate power from its Tiroda Power Plant consisting of 3 X 660 MW generating units.

5. Subsequently, in view of the proposed development of 765 KV transmission system as mentioned above, the State Transmission Utility ("STU") had advised vide its letter ref. No. MSETCL/CO/STU/302B/16499 dated 5th December, 2009 to APML that the 400 KV Tiroda – Koradi-II D/C line will not be required any more.

6. MEGPTCL, in its application, has submitted that MEGPTCL is a Joint Venture company of Adani Enterprises Limited ("AEL") and MSETCL with equity stake of 74% and 26% respectively. The JV Company, MEGPTCL was incorporated on 15th February, 2010 under the Companies Act, 1956 with a specific purpose to develop the 765 kV intrastate transmission system. MEGPTCL, the company which has been incorporated for the specific purpose of this project, would implement the project as a Transmission Licensee. It will also be responsible for establishment, operation and maintenance of the transmission system covered under the scheme and would recover transmission charges from the transmission system users of Maharashtra Intra State Transmission System ("InSTS"). It is further submitted that the proposed 765 kV intra-state transmission network will strengthen the power evacuation system of Maharashtra and shall improve the security and reliability



of intra-state transmission system in order to maintain the criteria as set out in the Maharashtra State Grid Code.

7. The proposed 765 kV intra-state transmission network is required to evacuate power from the upcoming power generation projects of North Eastern region of Maharashtra (consisting of five power plants with total capacity of about 8100 MW by year 2013-14). These power generation projects include the generation of 3300 MW capacity (Phase I - 3 X 660 MW and Phase II - 2 X 660 MW units) being set up at Tiroda (Gondia) by APML. MSETCL has planned InSTS in Maharashtra based on system studies in coordination with the CEA and the Power Grid Corporation of India ("Power Grid"). Power Grid has planned Inter-State Transmission System including power evacuation system for Mauda (Nagpur). The Applicant has submitted that, since the proposed transmission system is forming an integral part of the state transmission network, the Applicant will recover monthly transmission charges towards its investment on completion of the associated transmission system in line with the Commission's Order dated 13th November, 2007 based on the tariff approved from time to time.

- 8. The Applicant has submitted the following documents along with its application:
 - Copy of letter from Chief Engineer, STU dated 5th December, 2009 to connect APML's proposed power plant at Tiroda (Gondia) to the Intra-State Transmission System (enclosed as Annexure 1)
 - ii) MSETCL's letter dated 1^{st} February, 2010 for in-principle approval by the Board of MSETCL for formation of Joint venture with the AEL (enclosed as Annexure 2)
 - iii) Pre-feasibility Report for establishment of 765 KV Intra-State Transmission System in Maharashtra (enclosed as Annexure – 3)
 - iv) Bar chart of activities (enclosed as Annexure- 4).
 - v) Certificate of Incorporation, Memorandum and Articles of Association of Maharashtra Eastern Grid Power Transmission Company Limited (enclosed as Annexure- 5)
 - vi) Management Information (provided in respect of operations, projects, commercial, finance, regulatory, HR and IT functions) (enclosed as Annexure -6)
 - vii) The following Route Alignment maps:
 Route Alignment map of Tiroda Aurangabad via Koradi and Akola 765 KV S/C line, enclosed as Appendix - III.
 - viii) Annual Reports of AEL for FY 2006-07, FY 2007-08 and FY 2008-09 enclosed as Appendix –IV.



9. The Commission vide its Notice dated 8th April, 2010, scheduled a Technical Validation Session ("TVS") to be held on 17th April, 2010, in the presence of the four authorised Consumer Representatives. The Commission also directed the Applicant to serve a copy of its Application, along with its accompaniments, to the STU and the four Consumer Representatives.

10. The Technical Validation Session ("TVS") in the matter was held on 17th April, 2010 as scheduled. MEGPTCL were represented by Shri R K Madan, CEO of MEGPTCL and his team. During the TVS, none of the Consumer Representative was present. Shri Arvind Singh, MD, MSETCL along with senior officers of STU and MSETCL were also present, representing MSETCL and STU.

11. Mr. R K Madan made a presentation to the Commission for grant of Transmission License for development of 765 kV Intra-State transmission system comprising of 2 X 765kV S/C Tiroda – Koradi – Akola – Aurangabad transmission lines along with associated substation and bays for evacuation of generation from the new power projects coming up in North-Eastern Maharashtra by 2013-14. He further highlighted the details justifying the need for the proposed Intra-State 765 kV Transmission Network project for evacuation of power from the upcoming projects of 8100 MW of capacity by 2013-14 from North Eastern region of Maharashtra.

Mr. S.D. Shrouty, Executive Director (STU) made a detailed presentation on the load flow studies carried out with the proposed 765 kV line Transmission configuration on the line loadings, voltage profile of other major Transmission lines and substations in the Maharashtra Grid.

12. Based on the preliminary scrutiny of the application in accordance with Regulation 5.1 of the Transmission Licence Conditions Regulations, the Commission, during the TVS session, directed MEGPTCL to submit clarifications regarding the following data gaps noted therein:

- i) GoM approval for MSETCL's equity share with regard to the joint venture of MSETCL and Adani Enterprises Ltd. (AEL).
- ii) Copy of the MSETCL Board Resolution for in-principle approval of MSETCL for JV with AEL.
- Detailed survey report of 765 kV line, 765 kV sub-stations of Transmission Network. The survey report shall include:
 - (1) Detailed map or maps on Topographic sheet of the proposed area of Transmission, on suitable/prescribed scale.



- (2) Sufficient description adequately specifying the actual or proposed location of the system of lines & power plants by means of which the Applicant intends to enable transmission of electricity.
- (3) Detailed route survey, showing streets and parts of streets which are repairable by person other than Government and Railways, canals and waterways for which the Applicant has obtained authorization to undertake works.
- iv) Since MSETCL is a party to the JV Company i.e. the Applicant herein, its last 3 years Accounting Statements are not attached, and which should available.
- v) Indicative investment plan and network rollout plan for the next 5 years consisting of:

Details of year wise and area wise rollout of the actual 765 kV lines, 765 kV substation of proposed transmission network.

- vi) **Power System Studies**: Detailed report on load flow, short-circuit and transient stability studies carried out for the proposed Transmission Network.
- vii) **765 kV transmission line Configuration**: Conductor Size, No. of conductors per phase, Type of conductor, Capacity Amps, SIL of each line in MW.

13. In response to the above queries raised by the Commission, MEGPTCL submitted the following vide its letter no. MEGPTCL/MERC/21052010 dated 21st May, 2010:

- i) It was submitted that the GoM approval for the JV company, i.e. MEGPTCL and the equity participation by MSETCL both are in progress and will be submitted as soon as response from GoM is received.
- Copy of the MSETCL Board Resolution for in-principle approval of MSETCL for JV has been provided.
- Route Survey Report of 765 kV line, 765 kV Sub-stations of Transmission Network along with a Map showing the proposed route alignment for the transmission line scheme has been provided.
- iv) Report covering results of Load Flow Studies and Comparison Alternatives has been provided.
- v) 765 KV Transmission Line Configuration Report has been provided consisting of Conductor Size, No. of conductors per phase, type of conductor, Capacity Amps, SIL of each line in MW.
- vi) Indicative Investment plan and Network rollout plan for the next 5 years of proposed transmission network has been provided.

14. The Commission directed STU to submit the results of Load Flow studies on a single line diagram on the alternative transmission proposals considered, such as, HVDC,



400 kV AC transmission, etc. before finalizing the proposed 765 kV transmission proposal. The Commission further directed STU to carry out the studies with a direct 765 kV line between Koradi to Aurangabad without having intermediate 765 kV S/s at Akola and submit the load flow results for the Commission's perusal and records.

15. The Commission enquired about the status of Chandrapur coal block allotted to APML, which is rejected by MoEF (Ministry of Environment & Forest). It was informed by the Applicant that since there was negative order on the availability of Chandrapur coal block, APML has made temporary arrangement for coal supply for Tiroda Power plant with other coal companies for four years. During this period, the alternative coal block which is being allotted by GoI can be developed to meet the fuel requirement of Tiroda Power Plant.

16. The Commission observed that two other private companies viz. Sterlite Technologies Ltd. and Indiabulls Power Ltd. have expressed their interest in development of the same project either in part or full in Joint Venture route with MSETCL or in IPTC mode. The Commission directed MD, MSETCL to ensure that proper procedures are followed while forming the JV Company for Transmission Project execution.

17. MEGPTCL informed the Commission that about 8 km of Transmission line is passing through the unavoidable Forest Area. In this connection, the Commission advised the Applicant to carefully examine the guidelines framed by the MoEF, GoI, for issue of Forest clearance for the Transmission Project.

18. MSETCL sought direction from the Commission regarding GoM's letter dated 8 April, 2010 directing them to obtain the Commission's approval for the proposed JV formation. The Commission asked MSETCL to examine the legal provisions of EA 2003 under which the Commission is authorized to give approval for the formation JV route.

19. MSETCL / MEGPTCL clarified to the Commission's query that the cost of 765 kV Bays at Tiroda end and the expenditure of 765 kV S/s at Akola and Aurangabad is included in the cost of the Transmission proposal. They further clarified that the operation and maintenance of the 765kV lines / substations will be carried out by MEGPTCL / MSETCL.

20. The Applicant, MEGPTCL vide its letter to the Commission dated 7^{th} July, 2010 informed the Commission that only the GoM approval for participation of MSETCL in the JV company is pending, and that this is under active consideration of the GoM. It was also informed that pending the GoM approval, MSETCL vide its letter dated 2^{nd} July, 2010 has communicated its "No Objection" in favour of MEGPTCL for undertaking 765 kV Transmission Project, with an option to take 26% equity, as originally envisaged, on receipt of GoM approval. Also, it informed that MEGPTCL has undertaken to arrange additional



26% equity contribution by AEL in MEGPTCL in case of delay or non-receipt of GoM approval for 26% equity investment by MSETCL in MEGPTCL

21. As required under Section 15(5)(a) of the EA 2003, a Public Notice dated 19th July, 2010 was published by the Commission in two Marathi and two English newspapers, stating the details of the proposed transmission project and inviting the public to submit to the Commission any suggestions or objections with reference to the said application of MEGPTCL by 13th August, 2010.

22. The Public Notice as above and soft copy of the application were also posted on the Commission's internet website, and at the same time, the Applicant was also directed by the Commission to publish the same on its internet website. It was also intimated vide the above mentioned Public Notice that the Public Hearing in the matter would be held on Tuesday, 17th August, 2010, at 11:00 hours at the Commission's office at World Trade Centre, Cuffe Parade, Mumbai 400 005.

23. The Commission did not receive any comments or objections / suggestions in response to the above mentioned notice till the end of the specified date of August 13, 2010. Further, no objection / comment was received even till the date of the hearing, viz., August 17, 2010.

24. The Public Hearing in the matter was held on 17th August, 2010. Shri R. K. Madan represented MEGPTCL. No representatives from any of the four consumer representatives authorised under Section 94(3) of EA 2003 were present during the Public Hearing. The gist of proceedings during the public hearing is as follows:

25. In pursuance of approval from GoM for equity participation by MSETCL in the MEGPTCL, it was submitted that, MEGPTCL has requested MSETCL to grant a No Objection Certificate ("NOC") to proceed through due regulatory process and simultaneously undertake project development activities including International Competitive bidding ("ICB"), with a provision for taking up 26% equity by MSETCL as and when GoM approval is received. A copy of the NOC letter received by MEGPTCL from MSETCL to this effect has been submitted to the Commission. MEGPTCL has also committed to arrange for additional 26% equity by AEL in MEGPTCL, in case of delay or non-receipt of GoM approval for 26% equity by MSETCL in MEGPTCL.

26. On the query by the Commission, MEGPTCL presented updated status of Tiroda Power project (3 X 660 MW Phase I & 2 X 660 MW Phase II) and coal linkages as follows:

a) LoA with SECL (South Eastern Coal Field Limited) & WCL (Western Coal Fields Limited) for 1180 MW



- b) Application for alternate coal block for 800 MW under active consideration of GoI
- c) Application for coal linkage for 1320 MW has been made and will be considered in ensuing meeting of SLC (LT)
- d) Construction work of all the units is in different stage of execution & progressing as per schedule
- 27. Further, the Commission has sought clarifications from STU and MEGPTCL about the alternative arrangement of power evacuation in case the 400 KV Tiroda Warora D/C transmission line is not completed in time with the proposed Synchronization schedule of the Units 1, 2 & 3 of the Tiroda Power Project. MEGPTCL replied that studies are in progress to overcome such contingencies.

28. The Applicant submitted that the JV with the promoter of generating project to develop associated transmission network is in line with State Government's approval for a similar case (Jaigad Power Transco Ltd., a JV of MSETCL and JSW Energy) and it is also in line with GoI Policy to encourage private sector participation in transmission (example being JV of PGCIL with Essar, Torrent, etc.) It is the responsibility of MEGPTCL to develop 765 kV Transmission Project on Build Own and Operate (BOO) basis within required time frame, as "**Transmission Licensee**".

29. In response to the Commission's query, MEGPTCL admitted that in case of delay in the commissioning of 765 KV transmission system as per schedule, the 400 KV double circuit Tiroda - Warora Transmission line alone would not be adequate to evacuate the generation of 1980 MW of Tiroda Stage-I. Hence, there could be some constraint on full generation from Stage-I.

30. As there were no objections / suggestions given by any Consumer Representatives or members of the public, the Public Hearing was concluded.

31. The Commission has scrutinised all the submissions made by the Applicant and has carried out a detailed evaluation of the eligibility of the Applicant as against the technical requirement, capital adequacy, and managerial and administrative capability to fulfil the requirements of Sections 14 and 15 of the EA 2003 and Transmission Licence Conditions Regulations. Having considered the material placed on record, the Commission is of the view that the Applicant satisfies the technical, commercial and financial requirements to qualify for the grant of Transmission Licence as per the detailed Scope of Transmission System as mentioned in this order.

32. Considering the above, the Commission hereby grants Transmission Licence for a period of 25 years to M/s. Maharashtra Eastern Grid Power Transmission Company Limited



("MEGPTCL"), for the proposed 765 KV Intra-state Transmission Network as per the detailed scope in Para No.2 of this Order. The Transmission Licence shall come into effect from the date of issuance of this Order.

33. The Commission observes that capital cost of the transmission project should be optimised and grant of licence does not in any way mean approval of the cost and other details of the proposed project by the Commission. Accordingly, the Commission rules that the following conditions shall form a part of the Specific Conditions of Transmission Licence

- a. <u>Construction of Transmission system through Competitive procurement</u> <u>basis:</u> The construction and commissioning of the transmission system shall be executed through suitable packages and contracts for these packages shall be awarded through Competitive Bidding basis.
- b. The Commission also notes that the procedure for obtaining authorization of the GoM under Section 164 of the EA 2003 requires to be complied with by MEGPTCL. Accordingly, MEGPTCL shall cause the transmission scheme to be published in the Official Gazette of GoM and in at least two local daily newspapers along with a notice of the date, not being less than two months after the date of such publication, before which any interested person may make a representation on such scheme. MEGPTCL shall take into consideration the objections / representations, before finalizing the optimal route alignment. Thereafter, MEGPTCL shall submit a certificate along with an application under Section 164 of the EA 2003 to GoM to this effect. MEGPTCL will also submit to the Commission the following documents:
 - (i) Newspaper publications of Scheme.
 - (ii) Authenticated maps showing the details of selected route alignment of the transmission lines.
 - (iii) Justification of the selection of the route alignment.

MEGPTCL may visit the website of the Ministry of Power, GoI for obtaining the format for publication of the transmission scheme in local daily newspapers inviting observations /representation from public.

34. The Commission directs the Transmission Licensee (MEGPTCL) to submit progress report about project completion status on quarterly basis until commissioning and commercial operation of the transmission project.



35. Accordingly, the Commission directs that the Applicant be granted the Transmission Licence as above, and the licence be issued by the Secretary, MERC. The Commission directs its registry that a copy of the same be forwarded to the Government of Maharashtra, all electricity transmission licensees and distribution licensees in the State of Maharashtra, the Central Electricity Authority, the concerned Local authorities / self governments (Municipal bodies) of the cities / towns through which the transmission line passes, and a copy be posted on the Internet website of the Commission. The Commission also directs that the aforesaid Specific Conditions of Transmission Licence of MEGPTCL be specified by regulations under Section 16 of the EA 2003. Such conditions shall be deemed to be conditions of licence of MEGPTCL.

36. The grant of licence shall be subject to the Applicant complying with the provisions of the EA 2003, the rules framed by the Appropriate Government, applicable regulations and all tariff parameters specified under the Tariff Regulations by the Commission, guidelines for in-principle clearance of proposed investment schemes, and all applicable statutes.

37. The Commission directs MEGPTCL to submit its application for approval of capital expenditure schemes and Petition for approval of Annual Revenue Requirement, separately, within 90 days from grant of the Transmission Licence based on the Capital Work In Progress (CWIP) and in accordance with Tariff Regulations of MERC. The approved ARR shall form a part of the Total Transmission System Costs (TTSC) of the intra-State Transmission system to be recovered from the Transmission System Users in accordance with the principles of Transmission Pricing framework to be applicable from time to time and as per the prevalent rules and regulations.

Accordingly, Case No. 118 of 2009 stands disposed of.

Sd/-(V.L. Sonavane) Member Sd/-(V. P. Raja) Chairman

