

BEFORE
THE UTTAR PRADESH ELECTRICITY REGULATORY COMMISSION
LUCKNOW

Petition No.1398/2018

PRESENT:

1. Hon'ble Sri Raj Pratap Singh, Chairman
2. Hon'ble Sri Kaushal Kishore Sharma, Member

IN THE MATTER OF: Application under section 63 of the Electricity Act, 2003 for Adoption of Transmission Charges with respect to the Transmission System being established by Obra 'C' Badaun Transmission Limited.

Petitioner

Obra 'C' Badaun Transmission Limited., C-105, Anand Niketan, New Delhi-110021

Versus

Respondents

1. Managing Director, Paschimanchal Vidyut Vitran Nigam Ltd., Victoria Park, Meerut-250001
2. Managing Director, Madhyanchal Vidyut Vitran Nigam Ltd., 4 Gokhale Marg, Lucknow
3. Managing Director, Poorvanchal Vidyut Vitran Nigam Ltd., Purvanchal Vidyut Bhawan, P.O. Vidyut Nagar, DLW, Varanasi.
4. Managing Director, Dakshinanchal Vidyut Vitran Nigam Ltd., Urja Bhawan 220, K.V. Up-Sansthan Bypass Road Agra – 282007
5. Kanpur Electricity Supply Company Limited, KESA House, 14/17 Civil Lines, Kanpur-208001.



6. Managing Director UPPTCL, STU, 7th floor Shakti Bhawan, 14 Ashok Marg Lucknow-226001.
7. PFC Consulting Limited, 9th Floor (A Wing), Statesman House, Connaught Place, New Delhi-110001.

In the Presence of:

1. Shri D.D. Chopra, Advocate for Petitioner.
2. Shri Shailesh Verma, Advocate for Petitioner.
3. Shri Divyam Krishna, Advocate for Petitioner.
4. Shri Bhavesh Kundalia, GM Adani Transmission Ltd.
5. Shri Veer Mani Singh GM Adani Transmission Ltd.
6. Shri J.P.Vimal Executive Engineer UPPTCL.

Order

(Public Hearing on 28/08/2019)

1. The Petitioner, Obra 'C' Badaun Transmission Limited., has filed the present petition under Section-63 of the Electricity Act 2003 for adoption of Transmission Charges with respect to the transmission system associated with evacuation of power from 2x660 MW Obra-C TPS and Construction of 400 kV GIS substation Badaun with associated transmission lines being established by it.
2. The elementwise detail of the evacuation system from 2x660 MW Obra 'C' TPS, construction of 400 kV GIS sub-station, Badaun & associated transmission lines to be constructed by the petitioner along with its completion target is given below -

S.No	Name of Elements	Completion Target
LOT-1		
1.	LILO of 765 kV Anpara 'D' Unnao SC line at Obra-C TPS.	21 st Nov, 2020



	<p>Establishment of 400/220/132 kV (GIS) substation (2x315 + 2x160) MVA, at Badaun:</p> <p>400 kV:</p> <ul style="list-style-type: none"> • ICTs: 2x315 MVA • ICT bays: 2 no. • Line bays: 4 nos. • Line bays: 2 nos. for 13th plan as per Sr. No 7 • Space for future line bays: 2 no • Space for future ICT 400/220 kV 315 MVA • Space for future ICT bay 1no. <p>2. 220 kV:</p> <ul style="list-style-type: none"> • ICTs: 2x160 MVA • ICT bays: 4 nos. • Line bays: 6 nos. • Space for future line bays: 2 no. • Space for future ICT 220/132 kV 160 MVA • Space for future ICT bay 2nos. <p>132 kV:</p> <ul style="list-style-type: none"> • ICT bays: 2 no. • Line bays: 4 nos. • Space for future bays: 4 no. • Space for future ICT bays: 1no. 	21 st Nov, 2020
3.	400 kV DC Roza – Badaun line	21 st Nov, 2020
4.	LILO of 220 kV C.B.Ganj (220 kV)-Badaun (220 kV) SC line at 400 kV Badaun substation	21 st Nov, 2020
5.	LILO of 220 kV Chandausi (220 kV)-Badaun (220 kV) SC line at 400 kV Badaun substation	21 st Nov, 2020
6.	132 kV Badaun Ujhani – Badaun (440 kV) SC line And	21 st Nov, 2020

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	132 kV Bilsi – Badaun (400 kV) SC line Note: Both the above 132 kV SC lines shall be constructed as a combined double circuit line upto (i) 30 kms from 400 kV substation Badaun and thereafter separate single circuit line for Ujhani and Bilsi.	
7.	2 Nos. 132 kV bays (one each at 132 kV substation Ujhani and Bilsi substations)	21 st Nov, 2020
8.	2 Nos. 400 kV bays at Badaun for 13 th plan substations	21 st Nov, 2020
LOT-2		
9.	400 kV Double Circuit Jaunpur – Obra line (upto LILLO point of Obra 'B' – Obra 'C' line)	21 st Feb, 2021

3. The Petitioner has submitted that UP Power Transmission Corporation Ltd. (herein after referred to as UPPTCL) vide its letter no.278/PS/DIR (W&P)/PTCL/OBRA 'C' dated 1st June 2018 appointed PFC Consulting Limited to be the Bid Process Coordinator (BPC) for the purpose of selection of Bidder as Transmission Service Provider (TSP) to establish Transmission System for Evacuation of Power from 2x660MW Obra 'C' Thermal Power Project and Construction of 400 kV Badaun GIS substation with associated transmission lines through tariff based competitive bidding process.
4. Further, a Company was incorporated on 9th August, 2018 by PFCCL (herein after referred to as BPC), under the Companies Act 2013 by the name Obra 'C' Badaun Transmission Limited., currently having its registered office at C-105, Anand Niketan, New Delhi-110021, as 100% wholly owned subsidiary of BPC to initiate the activities for execution of the Project and subsequently to act as Transmission



Service Provider after being acquired by the successful bidder, selected through Tariff Based Competitive Bidding process.

5. BPC initiated the Request of qualification (RFQ) on 22nd June, 2018 with the publication of RFQ notice in
- Times of India (English) – All Editions
 - Business Standard (Hindi) – All Editions
 - Business Standard (English) – All Editions
 - Financial Times – Worldwide (All Editions)

The activity wise breakup as per Standard Bidding Guidelines is given below:

Sl. No.	Particular	Important Date (from date of LOI) issued vide letter no.
1	Issue of NIT for RFQ through ICB	Zero Date
2	Preparation, submission and opening of RFQ documents	45 days (from zero date)
3	Submission of Evaluation Report and Recommendations on RFQ and Issuance of RFP documents	15 days (60 days from zero date)
4	Participation in Pre-Bid Conference for RFP, final clarification and issue of revised RFP.	11 days (71 days from zero date)
5	Submission of RFP (Technical and Price Bid)	60 days (131 days from zero date)
6	Submission of Bid Evaluation Report and Recommendations based on RFP received from developers and issue of LOI to selected Developer	15 days (146 days from zero date)
7	Signing of Share Purchase Agreement	15 days (161 days from zero date)
8	Signing of TSA	-----Do-----

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9	Adoption of Tariff by Uttar Pradesh Electricity Regulatory Commission (UPERC)	As per the decision of UPERC
10	Issue of Transmission License by Uttar Pradesh Electricity Regulatory Commission (UPERC)	-----Do-----

6. Whereas, the actual dates of the events in the bidding process were as under: -

S.No	Particulars	Date
1	Publication of RFQ	22.06.2018
2	Submission of Response to RFQ	23.07.2018
3	Issuance of RFP	05.09.2018
4	Technical & Price Bid (on line) Submission	05.11.2018
5	Technical Bid Opening	05.11.2018
6	Initial Offer-Opening	19.11.2018
7	e-Reverse Auction and Final Offer	20.11.2018
8	Final Bid Evaluation Committee Meeting	23.11.2018
9	Issuance of Lol	29.11.2018
10	Signing of Agreements & Transfer of SPV	21.12.2018

7. In response to RFQ notification issued by PFCCL total Eight (8) responses were received, which are as follows:

- (a) Power Grid Corporation of India Ltd.
- (b) Sterlite Grid 11 Ltd
- (c) Adani Transmission Ltd.
- (d) Smart Power Grid Ltd.
- (e) L&T Infrastructure Development Projects Ltd.
- (f) The Tata Power Company Ltd.
- (g) Renew Power Ltd.
- (h) Kalpataru Power Transmission Ltd. And Techno Electric and Engineering Company Ltd. Consortium.



All 8 bidders qualified at the RFQ stage.

8. The bid processing coordinator issued letters to all 8 bidders to participate in RFP stage of bidding. Out of the eight successful bidders only six bidders purchased the RFP documents, who are as follows -
- (a) Power Grid Corporation of India Ltd.
 - (b) Sterlite Grid 11 Ltd
 - (c) Adani Transmission Ltd.
 - (d) L&T Infrastructure Development Projects Ltd.
 - (e) Tata Power Company Ltd.
 - (f) Kalpataru Power Transmission Ltd. And Techno Electric and Engineering Company Ltd. Consortium

Out of above 6 bidders only following four bidders submitted the RFP bid:

- (a) Power Grid Corporation of India Ltd.
 - (b) Sterlite Grid 11 Ltd
 - (c) Adani Transmission Ltd.
 - (d) Tata Power Company Ltd.
9. All the four bidders were qualified for opening of Initial Price Offers. BEC in its meeting held on 14th November, 2018 has decided to open the Initial Price Offers (IPO) for the project and conduct e-Reverse Auction thereafter as per the provisions of TBCB guidelines. The initial price offers were opened online at MSTC portal on 19th November 2018 at 16:00 hrs in Shakti Bhawan, Lucknow in the presence of nominated BEC Members. The Initial Price Offer (Levelized transmission charges) of each of the bidder as quoted at the time of opening of RFP (Financial) bid is as under:

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S. No	Name of the Bidder	Initial offer (Rs. In Millions)	Ranking of bidders
1	Power Grid Corporation of India Limited	1029.02	L-1
2	The Tata Power Company Limited	1047.39	L-2
3	Adani Transmission Limited	1057.49	L-3
4	Sterilite Grid 11 Limited	1069.98	L-4

10. As per provisions of RFP document, all the four (04) bidders were qualified for participating in the e-reverse auction process. The IPO of L1 i.e. Rs. 1029.02 Million per annum was communicated to the above four qualified bidders to participate in the e-reverse bidding process scheduled for November 20, 2018, 11:00 hrs onwards. The e-reverse bidding was carried out at MSTC portal during 20th & 21st November 2018. The results of e- Reverse bidding are as follows -

S.No	Name of Bidder	Final Offer (Rs.in Millions per annum)	Ranking of Bidders
1	Adani Transmission Ltd.	843.55	L-1
2	Power Grid Corporation of India Ltd	847.80	L-2
3	Sterilite Grid 11 Ltd	856.42	L-3
4	The Tata Power Company Ltd.	943.00	L-4

11. The bid evaluation Committee for the purposes of this project consisted of following members –

S. No.	Name of Committee Member
1	Alok Kumar, Chairman, UPPTCL Lucknow
2	Senthil Pandian C., Managing Director, UPPTCL, Lucknow.



S. No.	Name of Committee Member
3	B.K.Khare, Director (P&A), UPPTCL, Lucknow.
4	Chandra Mohan, Director (Operations), UPPTCL, Lucknow.
5	S.K.Mishra, Director (Finance), UPPTCL, Lucknow.
6	Suman Guchh, Director (Commercial & Planning), UPPTCL, Lucknow
7	Ravi Prakash Dubey, Director (Works & Project), UPPTCL, Lucknow.
8	Ram Swarath, Director (SLDC), UPPTCL, SLDC Complex, Lucknow
9	Sanjay Srivastava, Chief Engineer (PSE & TD), Central Electricity Authority, New Delhi.
10	Prof. Prakash Singh, Indian Institute of Management Lucknow

12. The Bid evaluation Committee met on 23rd November 2018 and issued the following certificate:

"Subject: Selection of Transmission Service Provider to establish Transmission System for Evacuation of power from Obra-C (2x660 MW) Thermal Power Project & Construction of 400 kV GIS Substation Badaun with associated Transmission Lines through tariff based competitive bidding process.

It is certified that:

- (a) The entire bid process has been carried out transparently 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 Electricity Act, 2003 and as amended from time to time.

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(b) M/s Adani Transmission Ltd. Has emerged as the successful bidder with the lowest levelized transmission charges of Rs. 843.55 million for the above-mentioned project.

(c) The rates quoted by the successful bidder are in the prevailing prices.”

13. Accordingly, BPC, after obtaining approval of the Bid Evaluation Committee, on 23rd November, 2018 declared the bidder M/s Adani Transmission Ltd. as the successful bidder and issued the LOI on 29th November, 2018 to M/s Adani Transmission Limited. M/s Adani Transmission Ltd. furnished the Contract Performance Guarantees (CPG) for an aggregate value of Rs.68.06 crore.
14. The BPC, vide its letter Ref No: 04/IITP-29/18-19/OBTL dated 7th December, 2018 intimated the Acquisition Price for acquisition of one hundred percent of equity shareholding of the Special Purpose Vehicle (SPV) along with all its related assets and liabilities. M/s Adani Transmission Limited paid the acquisition price and acquired Obra 'C'-Badaun Transmission Limited on 21st December, 2018 after execution of the Share Purchase Agreement and completing all procedural requirements, as specified in the bid documents. Thus, Obra 'C' Badaun Transmission Limited, incorporated under Companies Act, 2013 became a 100% wholly owned subsidiary of Adani Transmission Limited.
15. The petitioner i.e. M/s Obra 'C'-Badaun Transmission Limited approached the Commission on 28th December, 2018 with following prayers -
- (a) To adopt transmission charges for the aforesaid project discovered through Competitive Bidding Process.
- (b) Grant of transmission tariff from actual date of commercial operation, if the elements of the project are commissioned before original SCOD.



transmission charges from the actual date of COD prior to the original scheduled COD only in the cases of transmission system strengthening schemes under tariff based competitive bidding and not for the new transmission system projects. Further, this order was issued in 2015 and has not been incorporated in the RFP or the Transmission Service Agreement. Accordingly, the Commission decides that the Transmission charges shall be paid strictly as per the terms of RFP and the Transmission Service Agreement. The only incentive available to the petitioner is the incentive regarding availability of the system, which shall be governed as per the TSA.

19. Based on the certification of the Bid Evaluation Committee and no objection from any of the stakeholders, the Commission decides to adopt the year wise transmission charges for this project as per Annexure-1 to this order, under Section 63 of the Electricity Act 2003. The sharing of transmission charges among the Long-Term Transmission Customer shall be governed in accordance with the Transmission Service Agreement. Although, the tariff has been adopted for 35 years but as per the provisions of the Electricity Act 2003 the term of the transmission License granted to the Petitioner is 25 years hence the adoption of tariff beyond 25 years is subject to renewal of transmission license after a period of 25 years.
20. It is also directed that the TSP shall abide by the system specifications as provided and agreed in the bidding document and also incorporated in the Transmission Service Agreement. No deviation, whatsoever, shall be permitted at any stage.



(Kaushal Kishore Sharma)
Member



(Raj Pratap Singh)
Chairman

Place: Lucknow

Dated: 13 September, 2019

**Year wise Transmission Charges for Transmission System for Evacuation of Power
from 2x660 MW Obra-'C' TPS and Construction of 400 kV GIS Badaun with associated
Transmission Lines**

Year (Term of License)	Commencement Date of Contract Year	End Date of Contract Year	Non-Escalable Transmission Charges (Rs.in Millions)	Escalation Transmission Charges (Rs.in Millions)
1	21 February 2021	31 March 2021	772.59	0.00
2	01 April 2021	31 March 2022	1102.13	Same as Above
3	01 April 2022	31 March 2023	1102.13	Same as Above
4	01 April 2023	31 March 2024	1102.13	Same as Above
5	01 April 2024	31 March 2025	1102.13	Same as Above
6	01 April 2025	31 March 2026	1102.13	Same as Above
7	01 April 2026	31 March 2027	1102.13	Same as Above
8	01 April 2027	31 March 2028	772.59	Same as Above
9	01 April 2028	31 March 2029	772.59	Same as Above
10	01 April 2029	31 March 2030	772.59	Same as Above
11	01 April 2030	31 March 2031	772.59	Same as Above
12	01 April 2031	31 March 2032	772.59	Same as Above
13	01 April 2032	31 March 2033	772.59	Same as Above
14	01 April 2033	31 March 2034	772.59	Same as Above
15	01 April 2034	31 March 2035	772.59	Same as Above
16	01 April 2035	31 March 2036	772.59	Same as Above
17	01 April 2036	31 March 2037	772.59	Same as Above
18	01 April 2037	31 March 2038	772.59	Same as Above
19	01 April 2038	31 March 2039	772.59	Same as Above
20	01 April 2039	31 March 2040	772.59	Same as Above
21	01 April 2040	31 March 2041	772.59	Same as Above
22	01 April 2041	31 March 2042	772.59	Same as Above
23	01 April 2042	31 March 2043	772.59	Same as Above
24	01 April 2043	31 March 2044	772.59	Same as Above
25	01 April 2044	31 March 2045	772.59	Same as Above
26	01 April 2045	31 March 2046	772.59	Same as Above
27	01 April 2046	31 March 2047	772.59	Same as Above
28	01 April 2047	31 March 2048	772.59	Same as Above
29	01 April 2048	31 March 2049	772.59	Same as Above
30	01 April 2049	31 March 2050	772.59	Same as Above
31	01 April 2050	31 March 2051	772.59	Same as Above
32	01 April 2051	31 March 2052	772.59	Same as Above
33	01 April 2052	31 March 2053	772.59	Same as Above
34	01 April 2053	31 March 2054	772.59	Same as Above
35	01 April 2054	31 March 2055	772.59	Same as Above
36	01 April 2055	35th anniversary of the Schedule COD	772.59	Same as Above


(Kaushal Kishore Sharma)
Member




(Raj Pratap Singh)
Chairman

