

**CENTRAL ELECTRICITY REGULATORY COMMISSION
NEW DELHI**

Petition No. 28/AT/2026

Coram:

Shri Jishnu Barua, Chairperson

Shri Ramesh Babu V., Member

Shri Harish Dudani, Member

Shri Ravinder Singh Dhillon, Member

Date of Order: 12th May, 2026

In the matter of

Application under Section 63 of the Electricity Act, 2003 for the adoption of Transmission Charges with respect to the Transmission System being established by the KPS III HVDC Transmission Limited. (a 100% wholly owned subsidiary of Adani Energy Solutions Limited).

And

In the matter of

1. Adani Energy Solutions Limited,

Adani Corporate House, Shantigram,
Near Vaishno Devi Circle, S. G. Highway,
Khodiyar - 382421, Ahmedabad.

...Petitioner

2. KPS III HVDC Transmission Limited,

C-105, Anand Niketan,
New Delhi 110021

...Co-Petitioner

Vs

1. Central Transmission Utility of India Limited,

Saudamini, Plot No.2, Sector-29,
Gurgaon- 12200, Haryana.

2. PFC Consulting Limited,

Urjanidhi, 1, Barakhamba Lane, Connaught Place,
New Delhi -110001.

3. Madhya Pradesh Power Management Company Limited,

Block No. – 11, Ground Floor, Shakti Bhavan,
Vidhyut Nagar, Rampur,
Jabalpur – 482008, Madhya Pradesh.

4. Chhattisgarh State Power Distribution Company Limited,

P.O. Sunder Nagar, Dangania,

Raipur – 492013, Chhattisgarh.

5. Maharashtra State Electricity Distribution Company Limited,
Prakashgad, 4th Floor, Bandra (East),
Mumbai – 400051.

6. Gujarat Urja Vikas Nigam Limited,
Vidhyut Bhavan, Race Course,
Vadodara – 390007.

7. DNH Power Distribution Corporation Limited,
66 kV, Amli Ind. Estate, Silvassa – 396230,
Dadar Nagar Haveli.

8. Electricity department, Government of Goa,
Vidyut Bhavan, Near Mandvi Hotel,
Panaji – 403001, Goa.

9. Dadra and Nagar Haveli and Daman and Diu Power Distribution Corporation Limited,
1st & 2nd Floor, Vidyut Bhavan, Silvassa,
Dadra and Nagar Haveli – 396230.

10. POWERGRID KPS3 Transmission Limited
B-9, Qutab Institutional Area, Katwaria Sarai,
New Delhi – 110016.

11. South Olpad Transmission Limited,
B-9, Qutab Institutional Area, Katwaria Sarai,
New Delhi – 110016.

....Respondents

Parties present:

Shri Prashant Kumar, KPSIITL

ORDER

The Petitioners, Adani Energy Solutions Limited (hereinafter referred to as “AESL”) and KPS III HVDC Transmission Limited (SPV), has filed the present Petition under Section 63 of the Electricity Act, 2003 (hereinafter referred to as “the Act”) for the adoption of transmission charges to establish the Inter-State Transmission System for “Transmission System for Evacuation of Power from potential renewable energy zone in Khavda area of Gujarat under Phase-V (8 GW): Part C” (hereinafter referred

to as “Project”) on Build, Own, Operate and Transfer Basis (hereinafter referred to as “BOOT Basis”). The Petitioner has made the following prayers:

“a) Adopt the Transmission Charges discovered through competitive bidding process for Inter-state transmission system for the Project “Transmission System for Evacuation of Power from potential renewable energy zone in Khavda area of Gujarat under Phase-V (8 GW): Part C”.

b) Allow the sharing and recovery of transmission charges for inter-state transmission system of “KPS III HVDC Transmission Limited ” as per CERC (Sharing of Inter-state Transmission Charges and Losses Regulations) Regulation, 2020 and any other amendments thereon issued from time to time by Hon’ble Commission.

c) 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.

d) Pass any such other order/ orders, as may be deemed fit and proper in the facts and circumstances of the case.”

2. On receipt of the present Petition, the Bid Process Coordinator (hereinafter referred to as “the BPC”), PFC Consulting Limited (hereinafter referred to as “PFCCL”), vide letter dated 31.12.2025, was directed to submit the relevant documents regarding the complete process of competitive bidding. The necessary details have been filed by the BPC vide affidavit dated 15.1.2026.

Hearing dated 21.1.2026

3. On 21.0.2026, the Petition was admitted, and notice was issued to the Respondents to file their respective replies. During the hearing, in response to the specific query regarding the instant Petition being filed by AESL instead of KPS III HVDC Transmission Limited (hereinafter referred to as “KPSIIITL”), the representative of the Petitioner submitted that AESL is the successful bidder, who acquired the 100% shareholding of the SPV, i.e., KPSIIITL. He further submitted that, in view of the criticality of the Project and the strict timeline for filing these applications after signing Order in Petition No. 28/AT/2026

the SPA with BPC, AESL has filed these Petitions itself to avoid delay. However, the adoption of the transmission licence has been prayed for in favour of KPSIITL only.

4. Vide Record of Proceedings (hereinafter referred to as "RoP") dated 21.1.2026, the Petitioner was directed to implead KPS III HVDC Transmission Limited as Co-Petitioner and POWERGRID KPS3 Transmission Limited and South Olpad Transmission Limited as Respondents, and to file an amended memo of parties. The Petitioner was further directed to carry out necessary amendments in the instant Petition, if required, in terms of Regulation 37(2) of the Conduct of Business Regulations. In compliance with the RoP dated 21.1.2026, the Petitioner vide affidavit dated 2.2.2026 filed the revised memo of parties.

5. Further, vide RoP dated 21.1.2026, the Bid Process Coordinator (BPC), PFCCL, was directed to provide the reasons for revision of project cost subsequent to the conduct of the e-reverse auctions.

6. In compliance with the RoP dated 21.1.2026, PFCCL, vide affidavit dated 2.2.2026, submitted the reasons for revision of the project cost subsequent to the conduct of the e-reverse auction as under:

a) The Cost Committee meeting for the scheme was conducted on 29.08.2025. The project cost was calculated on the basis of estimates provided by the Original Equipment Manufacturers (OEMs), as there is no benchmark cost available either from CTUIL or the State utilities. The OEMs, namely M/s Siemens Energy (vide letter dated 14.07.2023) and M/s Hitachi Energy India Limited (vide letters dated 30.05.2023 and 27.12.2024), provided estimates regarding the equipment cost of the "2500 MW, $\pm$ 500 kV KPS3

(HVDC) [VSC] Terminal Station". Further, factors such as inflation, import taxes and duties, and additional pile foundation requirements in the Khavda region were added in the cost of equipment. The Cost Committee decided that the lowest of the two cost estimates shall be considered after taking into account the aforementioned factors.

b) Post conclusion of the e-Reverse Auction process, the Bid Evaluation Committee (BEC), in its meeting held on 18.09.2025, recommended that, as the discovered tariff was higher than the calculated CERC tariff, the matter be referred to the Cost Committee for a review of the project cost.

c) In line with the recommendations of the BEC and after discussions with the Cost Committee, the BPC again approached the OEMs for their recent cost estimates. In addition, BPC sought clarifications from the OEMs to ascertain the reasons in case of any change in cost estimates.

d) M/s Siemens Energy vide communication dated 17.10.2025 provided a quotation -10% higher than their previous quote. M/s Hitachi Energy India Limited vide mail dated 24.10.2025 confirmed that the cost estimates provided vide communication dated 27.12.2024 be taken as base, along with necessary adjustments in the general cost inflation (-4% to 6% increase). Further, the cost estimate, from M/s Hitachi Energy India Limited, received vide communication dated 27.12.2024, was considerably higher than the cost estimate received on 30.05.2023, which was taken as the basis for cost estimation of the project. On recommendations of the Cost Committee, discussions were held with M/s Hitachi Energy India Limited, who stated that

the escalation in the cost estimates shared, vide communication dated 27.12.2024 vis-à-vis those shared on 30.05.2023, was primarily attributable to the amendments in the technical specifications in the RFP issued subsequent to their first cost estimate. The cost estimate received, vide communication dated 30.05.2023 from M/s Hitachi Energy India Limited was considered for estimation of project cost by the Cost Committee during its meeting held on 29.08.2025 to ascertain the cost as it was the lowest of all the quotations.

e) The Cost Committee, in its meeting held on 10.11.2025, deliberated on the submissions as mentioned above and decided to reassess the cost of the subject transmission scheme on account of an amendment in the technical specifications with the RFP. All other assumptions have been kept the same, in line with the assumptions and costing considered earlier during the Cost Committee meeting held on 29.08.2025.

Hearing dated 24.2.2026

7. During the hearing, the representative for the Petitioner submitted that the Petitioner has complied with the directions issued vide the RoP dated 21.1.2026 and has impleaded KPSIITL as co-Petitioner and POWERGRID KPS3 Transmission Limited and South Olpad Transmission Limited as Respondents.

8. Vide RoP dated, 24.2.2026, the Petitioner was again directed to submit the amended memo of parties and the proof of service to the newly impleaded Respondents, along with a supporting affidavit.

9. In compliance with the RoP dated 24.2.2026, the Petitioner, vide affidavit dated 2.3.2026, placed on record the proof of service upon the newly impleaded Respondents, along with the revised Memo of Parties.

Hearing dated 18.3.2026

10. During the hearing, the representative of the Petitioners submitted that the amended memo of parties has already been filed vide affidavit dated 2.3.2026 and they have also complied with all the requirements, including publication of notices under the provisions of the Transmission Licence Regulations. After hearing the parties to the Petition, the matter was reserved for the Orders.

Analysis and Decision

11. We have considered the submissions of the Petitioner, BPC, and CTUIL and perused the documents available on record. Section 63 of the Act provides as under:

“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.”

12. The Ministry of Power, Government of India, has notified the “Tariff based Competitive Bidding Guidelines for Transmission Service” and “Guidelines for Encouraging Competition in Development of Transmission Projects” (hereinafter referred to as “the Guidelines”) under Section 63 of the Act vide Resolution No. 15/1/2017-Trans dated 10.8.2021, as amended from time to time. The salient features of the Guidelines are as under:

(a) The Guidelines are applicable for the procurement of transmission services for transmission of electricity through tariff based competitive bidding for selection of the Transmission Service Provider (TSP) for new transmission system on a Build, Own, Operate and Transfer basis.

(b) For procurement of the transmission services required for any inter-State transmission Project, the Central Government shall notify the CTUIL or any Central Government Organisation/ Central Public Sector Undertaking or its wholly owned subsidiary (Special Purpose Vehicle) to be the Bid Process Coordinator (BPC), who would be responsible for the coordinating the bid process.

(c) The BPC shall prepare the bid documents in accordance with the Guidelines and obtain approval of the Appropriate Government, or alternatively, the BPC can use the Standard Bid Documents notified by the Ministry of Power. Any material deviation from the Standard Bidding Documents shall be made only with the prior approval of the Appropriate Government. Intimation about initiation of the bidding process shall be sent by the BPC to the Appropriate Commission.

(d) For the procurement of the transmission services under the guidelines, BPC shall adopt a single stage two envelope tender process featuring Request for Proposal (RfP). The entire bidding process shall be conducted online through electronic medium under e-reverse bidding framework.

(e) The 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 it wide publicity. The bidding shall necessarily be by way of the International

Competitive Bidding (ICB). For the purpose of issue of the RfP, minimum conditions to be met by the bidder shall be specified in the RfP.

(f) Standard documentation to be provided in the RfP shall include definitions of requirements including brief description of the Project, commissioning milestones to be achieved by the bidders, qualification requirements to be met by the bidders including, minimum net worth, etc. with necessary proof of the same, as outlined in the bid documents, Specified target dates/months for commissioning and commercial operations, Standard Transmission Service Agreement (TSA), agreement(s) under the Central Electricity Regulatory Commission (Sharing of Inter State Transmission Charges and Losses) Regulations as amended from time to time, period of validity of offer of bidder, TSA proposed to be entered with the SPV including amendments, bid evaluation methodology to be adopted by the BPC, specification regarding bid bond as well as the Contract Performance Guarantee to be furnished by the bidders, proposed indemnification agreement between the TSP and the Nodal Agency, liquidated damages that shall apply in the event of delay in start of providing the transmission services and technical, operational and safety criteria to be met by the bidder/TSP and requirement of obtaining transmission licence from the Appropriate Commission.

(g) The TSP, on the date of acquisition of the SPV from the BPC will enter into a Transmission Service Agreement with the Nodal Agency.

(h) To ensure competitiveness, the minimum number of qualified bidders shall be two. For inter-State transmission system, bids shall be opened in the

office of the CEA by a bid committee comprising of at least one member from the CEA and one member from BPC. For inter-State transmission system, CEA shall constitute a committee for evaluation of the bids with at least one representative from the CEA and not less than two representatives from the concerned Regional Power Committees and one independent member. Further, in case project is inter-regional, there shall be at least one representative from every concerned RPC. The technical bids shall be examined to ensure that the bids submitted meet minimum eligibility criteria set out in the bid documents on all the 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. The online initial price bids shall be electronically opened by the bid opening committee in the presence of the bid evaluation committee. The bidder, who has quoted the lowest transmission charge as per the evaluation procedure, shall be considered for the award.

(i) The BPC is required to complete e-reverse bidding after opening of the initial offer within 75 days. The procurer may give extended time frame indicated herein based on the prevailing circumstances, and such alterations shall not be construed to be deviation from these guidelines.

(j) The TSP shall make an application for the grant of a transmission licence to the Appropriate Commission within five (5) working days from the date of execution of the Share Purchase Agreement for acquisition of the SPV.

(k) The BPC shall make the final result of evaluation of all bids public. The final TSA, along with the certification by the bid evaluation committee, shall be

forwarded to the Appropriate Commission for the adoption of tariff discovered from the quoted annual transmission charges during the e-reverse bidding process in terms of Section 63 of the Act.

13. Therefore, we have to examine whether the Guidelines issued by the Central Government have been followed in the present case in a transparent process of bidding.

14. The Ministry of Power, Government of India, vide its Gazette Notification No. CG-DL-E-06092023-248580 dated 4.9.2023, has notified the PFCCL as a Bid Process Coordinator for the purpose of selection of a bidder as the Transmission Service Provider to establish the Inter-State Transmission System for “Transmission System for Evacuation of Power from potential renewable energy zone in Khavda area of Gujarat under Phase-V (8GW): Part C” on a Build, Own, Operate and Transfer Basis through a tariff-based competitive bidding process.

15. KPS III HVDC Transmission Limited was incorporated on 18.1.2024 under the Companies Act, 2013, as a wholly owned subsidiary of PFCCL with the objective of establishing the inter-State Transmission System for “Transmission System for Evacuation of Power from potential renewable energy zone in Khavda area of Gujarat under Phase-V (8 GW): Part C” and to act as the Transmission Service Provider after being acquired by the successful bidder. The main objectives of the Petitioner Company in its Memorandum of Association are as under:

“To develop Power system network, To plan, promote and develop an integrated and efficient power transmission system network in all its aspects including planning, investigation, research, design and engineering, preparation of preliminary, feasibility and definite project reports, construction, operation and maintenance of transmission lines, sub-stations, load dispatch stations and communication facilities and appurtenant works, coordination of

integrated operation of regional and national grid system, execution of turn-key jobs for other utilities/organizations and wheeling of power in accordance with the policies, guidelines and objectives laid down by the Central Government from time to time”.

16. BPC prepared the bidding document (RfP) in accordance with the Standard Bid Documents issued by the Ministry of Power, Government of India.

17. The BPC started the process of selection of the successful bidder with the publication of a Global Invitation for Qualification for the selection of a developer on a BOOT basis for the Project. The notice of the RfP was published in National/ International newspapers on 26.7.2024, with the last date of submission of response to the RfP as 30.9.2024. Intimation regarding the initiation of the bid process was given to this Commission on 31.7.2024 in accordance with Clause 4.2 of the Guidelines dated 10.8.2021.

18. Factual Matrixes of the bidding process are as under:

S. No.	Events	Date
1	Publication of RfP	26.7.2024
2	Intimation to the Commission	31.7.2024
3	RFP (Technical) & Price Bid Submission	21.7.2025
4	RFP (Technical) Bid Opening	21.7.2025
5	RFP (Financial) Initial Price Offer - Opening	8.9.2025
6	e-Reverse Auction	9.9.2025
7	No. of Bidders participated in the e-Reverse Auction	3 bidders participated (as mentioned in para 22 below)
8	Rounds of E-Reverse Auction	49 rounds
9	Final Bid Evaluation Committee Meeting	12.11.2025
10	Issuance of Lol	14.11.2025
11	Signing of Agreements & Transfer of SPV	12.12.2025
12	Estimated Cost of the Project	Rs. 164681.80 Million

19. The scope of the Project as per the Request for Proposal and the Transmission Service Agreement is as under:

S.No.	Name of the Transmission Element	Scheduled COD in months from Effective Date
1.	Establishment of 2500 MW, $\pm$ 500 kV KPS3 (HVDC) [VSC] terminal station (2x1250 MW) at a suitable location near KPS3 substation with associated interconnections with 400 kV HVAC Switchyard* 2500 MW, +500 kV KPS3 (HVDC) [VSC] Terminal station	48 months from SPV transfer (12.12.2029)
2.	Establishment of 2500 MW, $\pm$ 500 kV South Olpad (HVDC) [VSC] terminal station (2x1250 MW) along with associated interconnections with 400 kV HVAC Switchyard of South Olpad S/s* 2500 MW, $\pm$ 500 kV South Olpad (HVDC) [VSC] terminal station	
3.	Establishment of KPS3 (HVDC) S/s along with 2x125 MVAR, 420 kV bus reactors along with associated interconnections with HVDC Switchyard*. The 400 kV bus shall be established in 2 sections through 1 set of 400 kV bus sectionaliser to be kept normally OPEN. 400/33 kV, 2x50 MVA transformers for exclusively supplying auxiliary power to HVDC terminal. Future Provisions at KPS3 (HVDC) S/s Space for: •400 kV line bays- 6 Nos. (3 on each section) •400 kV reactor bay- 2 Nos. (one on each section) •400/33 kV, 1x50 MVA ICT along with bays: 2 Nos. •125 MVAR 420 kV bus reactor- 2 Nos. (one on each section) •400 kV reactor bay- 2 Nos. (one on each section) • 400 kV Bus sectionaliser- 1 Set	
4.	KPS3 - KPS3 (HVDC) 400 kV 2xD/C (Quad ACSR/ AAAC/ AL59 moose equivalent) line along with the line bays at both substations	
5.	$\pm$ 500 kV HVDC Bipole line between KPS3 (HVDC) and South Olpad (HVDC) (with Dedicated Metallic Return) (capable to evacuate 2500 MW)	

* The 400 kV interconnections (along with all associated equipment/ bus extension, etc.) between HVDC and HVAC switchyards shall be implemented by the TSP.

Note:

- i. The 1250 MW pole-1 shall emanate from 400 kV bus section 1 of KPS3 (HVDC) and terminate at South Olpad S/s. Similarly, the 1250 MW pole-2 shall emanate from 400 kV bus section 2 of KPS3 (HVDC) and terminate at South Olpad S/s.
- ii. HVDC System will be designed with 100% power reversal capability as well as black start, automatic grid restoration and dynamic reactive power support capability.
- iii. The rated power transmission capacity as well as the rated transmission voltage shall be defined and guaranteed at the rectifier DC Bus.
- iv. TSPs of KPS3 shall provide space for scope at Sl. No. 4 as per the above scope.
- v. TSP of South Olpad S/s shall provide space for scope at Sl. No. 2 as per above scope ensuring:

(a) indicative total space requirement for HVDC terminal station of size 400 m x 300 m. The AC switchyard connection and DC overhead line shall be from 300 m side of rectangular plot.

(b) the width of the approach road and access road shall be at least 10 m for facilitating smooth transportation of HVDC equipment including converter transformer and with access road all around the space for HVDC.

(c) the spatial arrangement for proposed space for HVDC terminal and the layout proposed for the current AC GIS transmission scheme is such that Bus duct length required for interconnection between AC GIS station and HVDC terminal is minimum to the extent possible in linear manner and the layout of the AC line termination gantries should be such that there is no crossing of present/ future AC lines and HVDC line near the termination ends of both AC and HVDC yards.

- vi. Implementation timeline: 48 months from SPV transfer.

20. For the purpose of evaluation of the bids, the Bid Evaluation Committee (BEC) comprising the following was constituted:

S. No.	Name	Designation
1.	Sh. Amit Jog, General Manager, CCGRO-II, Delhi	Chairman of the Committee

2.	Sh. P.D. Lone, Superintending Engineer, WRPC	Member
3.	Sh. Birendrakumar M Shah, Super Intending Engineer (STU), GETCO	Member
4.	Sh. B. S. Bairwa, Chief Engineer (I/C), PSPA-II Division, CEA	Member
5.	Sh. Bhanwar Singh Meena, Director (PSETD), Division, CEA	Member
6.	Sh. Rakesh Mohan, Chairman, KPS III HVDC Transmission Limited, New Delhi	Convener- Member of the Committee

21. The RfP was issued on 26.7.2024. At the RfP (Technical and Financial) stage, four bidders, namely, (i) Power Grid Corporation of India Limited; (ii) Enerica Infra 1 Private Limited; (iii) Adani Energy Solutions Limited and (iv) Resonia Limited (Formerly known as Sterlite Grid 32 Limited) submitted their offers. The RfP (Technical) bids of the bidders were opened by the Bid Opening Committee at the Central Electricity Authority on 21.7.2025 in the presence of representatives of the bidders. Based on the recommendation of the Bid Evaluation Committee ("BEC"), the RfP (Financial) Bids- Initial Price Offer of the bidders were opened by the Bid Opening Committee at the Central Electricity Authority on 8.9.2025 in the presence of representatives of the bidders. The Lowest Initial Price Offer discovered (Best Deal) at the MSTC portal was Rs. 27039.00 million per annum. The details of the quoted transmission charges by the bidders are given below:

Sr. No.	Name of the Bidder	Quoted Transmission Charges from the Initial Offer (in Rs. Million per annum)	Rank
1.	Power Grid Corporation of India Limited	27039.00	L-1
2.	Adani Energy Solutions Limited	35570.00	L-2
3.	Enerica Infra 1 Private Limited	38870.00	L-3
4.	Resonia Limited	54280.00	L-4

22. As per the provisions of the RfP documents, BEC recommended that all the qualified bidders participate in the e-reverse auction stage and submit their final offer. Out of four, three bidders participated in the e-reverse auction. The e-reverse auction was conducted on the MSTC portal from 9.9.2025 and was concluded on the same day. The following bidders were qualified to participate in the e-reverse auction:

Sr. No.	Name of the Bidder	Final Quoted Transmission Charges from the Initial Offer (in Rs. Million per annum)	Rank
1.	Adani Energy Solutions Limited	23917.69	L-1
2.	Power Grid Corporation of India Limited	23977.64	L-2
3.	Resonia Limited	26502.90	L-3
4.	Enerica Infra 1 Private Limited	38870.00 (did not participate in E-RA)	L-4

23. Based on the e-reverse bidding, BEC, in its meeting held on 12.11.2025, recommended Adani Energy Solutions Limited, with the lowest transmission charges of Rs. 23917.69 million per annum, as the successful bidder.

24. Letter of Intent was issued by the BPC on 14.11.2025 to the successful bidder, i.e., Adani Energy Solutions Limited. In accordance with Clause 12.3 of the Guidelines, the BPC has posted the final results of the bid evaluation for the selection of a developer for the Project on the PFCCL website.

25. In accordance with the provisions of the bid documents and upon the issuance of Lol to the successful bidder (Adani Energy Solutions Limited) and acquisition of SPV (the Co-Petitioner) by the successful bidder, the Petitioner has prayed for the adoption of transmission charges for the Project, which has been discovered through the competitive bidding process.

26. In accordance with Clause 2.15.2 of RfP, the selected bidder shall, within ten days of the issue of the Letter of Intent, accomplish the following tasks:

- a) Provide the Contract Performance Guarantee in favour of the Nodal Agency;
- b) Execute the Share Purchase Agreement and the Transmission Service Agreement;
- c) Acquire, for the Acquisition Price, one hundred per cent (100%) equity shareholding of KPS III HVDC Transmission Limited from PFCCL, along with all its related assets and liabilities.

27. The proviso to Clause 2.15.2 of the RfP provides that "if for any reason attributable to the BPC, the said activities are not completed by the Selected Bidder within the above period of ten (10) days as mentioned in this clause, such period of 10 days shall be extended, on a day to day basis till the end of the Bid validity period". As per the above provision, the selected bidder was required to complete all the activities, including the acquisition of the SPV, by 24.11.2025. Though LoI was issued on 14.11.2025, BPC, vide its letter dated 12.12.2025, in terms of Clauses 2.15.2 of RfP, extended the date up to 12.12.2025 for completion of all activities by the successful bidder. The selected bidder furnished the Contract Performance Guarantee in favour of the Nodal Agency (CTUIL) for an amount of Rs. 553.73 crore on 9.12.2025 and acquired a hundred per cent equity-holding in the applicant company on 12.12.2025 after execution of the Share Purchase Agreement. As per clause 2.15.4 of the RfP, TSP is required to apply to the Commission for the adoption of transmission charges

within five working days of the issuance of the acquisition of the SPV to the successful bidder. The successful bidder, namely Adani Energy Solutions Limited, acquired the SPV on 12.12.2025. Accordingly, the TSP has filed the instant Petition through e-filing for the adoption of transmission charges on 4.12.2025.

28. The Petitioner has approached the Commission with a separate application for a grant of transmission licence. The Commission, vide order dated 9.5.2026 in Petition No. 27/TL/2026, on being satisfied that the Petitioner, *prime facie*, qualifies for the grant of a transmission license as prayed for, directed publication of notices under clause (a) of sub-section (5) of Section 15 of the Act, inviting suggestions/ objections to the proposal of the Commission.

29. In accordance with the Guidelines, BEC has to certify that the tariff has been discovered through a transparent process of bidding and the tariff discovered is in line with prevailing market prices. In the minutes of the fifth Meeting of the Bid Evaluation Committee meeting held on 12.11.2025, the following have been recorded:

"1. The fifth meeting of the Bid Evaluation Committee (BEC) for the evaluation of the Final Offer (Financial Bid) for the transmission scheme "Transmission System for Evacuation of Power from potential renewable energy zone in Khavda area of Gujarat under Phase-V (8 GW): Part C" was held on November 12, 2025, at 15:00 hrs (IST) through Video Conferencing (VC).

2. During the previous BEC meeting held on 18.09.2025 (MoM is enclosed at Annexure-A), the BEC decided the following:

i. Considering the discovered tariff (Rs. 23,917.69 million per annum) post e-RA is significantly higher than the estimated CERC Levelised Tariff, the matter may be referred to the Cost Committee for reviewing the cost of the project.

ii. The decision of the Cost Committee to be put up before the BEC for further decision in the matter.

3. The BPC informed the BEC that, in line with the decision of the BEC, the BPC had approached the Cost Committee for a review of the project's cost

estimates. Accordingly, a Cost Committee meeting was held on 10.11.2025, wherein the estimated project cost was reviewed and reassessed.

4. BPC informed to BEC that based on the revised project cost approved by the Cost Committee, the CERC tariff was again calculated. The Transmission Charges discovered through the e-RA i.e. Rs.23,917.69 million per annum is around ~12% higher than levelised tariff worked out as per CERC Tariff Regulations (Annexure-B).

5. After taking into consideration the above, BEC deliberated on the following:

i. the subject scheme is based on Voltage Source Converter (VSC) technology, which is the first project to be developed through the TBCB route in India, and the higher price quoted by the bidder may be partially attributable to the risk associated with adoption of this advanced technology.

ii. the quoted tariff is discovered through the e-reverse bidding process and through a competitive bidding process based on Guidelines issued by MoP and may be considered as reasonable;

iii. Adani Energy Solutions Limited may be considered as the successful bidder, and Letter of Intent (LoI) may be issued to the successful bidder.

6. Based on the discussions, the BEC recommended the following:

i. Adani Energy Solutions Limited is the successful bidder after the conclusion of the e-reverse auction process with the lowest Quoted Transmission Charge of Rs.23,917.69 million per annum;

ii. The quoted tariff discovered through the e-reverse bidding process is acceptable;

iii. In view of (i) and (ii) above, Adani Energy Solutions Limited may be issued LoI.

The BEC has also issued a separate certificate in this regard (Annexure-C)."

30. Bid Evaluation Committee (BEC), vide its certificate dated 12.11.2025, certified as under:

"It is hereby certified that:

1. 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 and as amended from time to time.

2. Adani Energy Solutions Limited emerged as the Successful Bidder after the conclusion of e-reverse bidding process with the lowest Quoted Transmission Charges of Rs.23,917.69 million per annum.

3. The quoted tariff is higher than the Levelised Tariff calculated based on CERC norms considering the Capital Cost for the Project 'Transmission System for Evacuation of Power from potential renewable energy zone in Khavda area of Gujarat under Phase-V (8 GW): Part C' as assessed by Cost Committee. The quoted tariff discovered through e-reverse bidding process is acceptable."

31. In the light of the discussions in the preceding paragraphs, it emerges that the selection of the successful bidder and the discovery of the annual transmission charges of the Project have been carried out by the 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. BEC has certified that the process is in conformity with the Ministry of Power Guidelines. BEC, in its certificate dated 12.11.2025, has certified that Adani Energy Solutions Limited has emerged as the successful bidder after the conclusion of the e-reverse auction with the lowest transmission charges of Rs. 23,917.69 million per annum. It is noted that the quoted tariff is higher by approximately ~12% than the estimated CERC levelised tariff based on the revised project cost approved by the Cost Committee. The BEC, in its meeting held on 12.11.2025, observed that the subject scheme is based on Voltage Source Converter (VSC) technology, which is the first project to be developed through the TBCB route in India, and the higher price quoted by the bidder may be partially attributable to the risk associated with the adoption of this advanced technology. The BEC further observed that the quoted tariff has been discovered through a transparent e-reverse bidding process based on Guidelines issued by the Ministry of Power and may be considered reasonable. Accordingly, based on the BEC certification, we

approve and adopt the annual transmission charges of Rs. 23,917.69 million per annum as per the final offer of the successful bidder, subject to the grant of transmission licence to KPS III HVDC Transmission Limited company. The transmission charges shall remain valid throughout the period covered in the TSA.

32. The sharing of the transmission charges by the designated ISTS customers (DICs) shall be governed by the provisions of the Central Electricity Regulatory Commission (Sharing of inter-State Transmission Charges and Losses) Regulations, 2020, as amended from time to time.

33. Extract copy of this order shall be sent to the Nodal agency, CTUIL.

34. Petition No. 28/AT/2026 is disposed of in terms of the above.

Sd/-
(Ravinder Singh Dhillon)
Member

sd/-
(Harish Dudani)
Member

sd/-
(Ramesh Babu V.)
Member

sd/-
(Jishnu Barua)
Chairperson