



**THE UTTAR PRADESH ELECTRICITY REGULATORY COMMISSION**

**LUCKNOW**

**Petition No. 2104 of 2024**

**QUORUM**

Hon'ble Shri Arvind Kumar, Chairman

Hon'ble Shri Sanjay Kumar Singh, Member

**IN THE MATTER OF**

Application under Section 14, 15 and 86 (1)(d) of the Electricity Act, 2003 read with Uttar Pradesh Electricity Regulatory Commission (Conduct of Business) Regulation, 2019 and the Uttar Pradesh Electricity Regulatory Commission (General Conditions of Transmission Licence) Regulations, 2005 seeking Transmission License for Tirwa Transmission Limited.

**AND**

**IN THE MATTER OF**

**Tirwa Transmission Limited**

2<sup>nd</sup> Floor, Niryat Bhawan, Rao Tularam Marg, Vasant Vihar,  
Opposite Army Hospital & Referral, New Delhi - 110057

**...Petitioner**

**VERSUS**

**1. PFC Consulting Limited**

First Floor 'Urjanidhi', 1, Barakhamba Lane  
Connaught Place, New Delhi-110003

**2. Uttar Pradesh Power Corporation Limited**

Shakti Bhawan 14 Ashok Marg  
Lucknow-226001, Uttar Pradesh

**3. Dakshinanchal Vidyut Vitran Nigam Ltd.**

Urja Bhavan, NH - 2 (Agra - Delhi Bypass Road),

by



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Sikandra, Agra, Uttar Pradesh-282002

**4. Kanpur Electricity Supply Co. Ltd.**

Headquarter, Kesa House,  
14/71, Civil Lines, Kanpur, Uttar Pradesh

**5. U.P Power Transmission Corporation Ltd.**

7<sup>th</sup> Floor, Shakti Bhawan, 14, Ashok Marg,  
Lucknow, Uttar Pradesh-226001

**6. Madhyanchal Vidyut Vitran Nigam Ltd.**

4-A, Gokhale Marg, Lucknow,  
Uttar Pradesh-226001

**7. Purvanchal Vidyut Vitran Nigam Ltd.**

132 KV S/s Bhikari Vidyut Nagar,  
Varanasi, Uttar Pradesh-221004

**8. Paschimanchal Vidyut Vitran Nigam Ltd.**

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

**...Respondents**

**PRESENT IN THE HEARING**

1. Ms. Abiha Zaidi, Advocate for Tirwa Transmission Limited
2. Sh. Alok Dubey, GM, Tirwa Transmission Limited
3. Sh. A K Shukla, S.E, UP Power Transmission Corporation Limited
4. Sh. Rakesh Kumar, S.E, UP Power Transmission Corporation Limited
5. Sh. SC Joshi, S.E, UP Power Corporation Limited
6. Sh. Rajiv Singh, EE, UP Power Corporation Limited
7. Sh. Avadhesh Kumar Verma, UP Rajya Vidyut Upbhokta Parishad





## ORDER

(Date of Public Hearing: 15<sup>th</sup> Jan 2025)

1. The Petitioner, "Tirwa Transmission Limited" (hereinafter referred to as the "Petitioner") has applied for the grant of a transmission license under sections 14, 15 and 86 (1)(d) of the Electricity Act 2003 for the establishment of Transmission System for construction of 220/132/33 kV Tirwa (Kannauj) substation with associated lines and LILO of one circuit of 400 kV D/C (Twin Moose) Shamli-Aligarh line at THDC 2x660 MW Khurja Power Plant (hereinafter referred to as "the Project") on Build, Own, Operate and Transfer basis, consisting of the following transmission elements as per the signed TSA:

S.No.	Name of Transmission Element
<b>A</b>	<b>Construction of 220/132/33kV Tirwa (Kannauj) Substation with associated lines</b>
1	Construction of 220/132/33 kV substation, Tirwa (Kannauj) (including following bay at S/s): - 2x160+2x63 MVA  I. 220 kV 160MVA ICT Bay – 02 Nos. II. 132 kV 160MVA ICT Bay – 02 Nos. III. 132 kV 63MVA ICT bay – 02 Nos. IV. 33 kV 63MVA ICT Bay – 02 Nos. V. 220 kV Bay: Feeder Bay – 02 Nos. Bus Coupler Bay – 01 Nos. Transfer Bus Bay – 01 Nos. VI. 132 kV Bay: Feeder Bay – 02 Nos. Bus Coupler Bay – 01 Nos. Transfer Bus Bay – 01 Nos. VII. 33 kV Bay: Feeder Bay – 10 Nos. Transfer Bus Coupler Bay – 01 Nos.
2	LILO of 220 kV Mainpuri (220) – Bhauti PG (400) S/C line at 220 kV Tirwa S/s
3	LILO of 132 kV Dibiyaapur – Bidhuna S/C line at 220 kV Tirwa S/s
<b>B</b>	<b>Construction of LILO of one circuit of 400kV D/C (Twin Moose) Shamli-Aligarh Line at THDC 2x660 MW Khurja Power Plant</b>
1	LILO of one circuit of 400 kV D/C (Twin Moose) Shamli – Aligarh Line at THDC 2x660 MW Khurja Power Plant







## **FACTS OF THE CASE AS SUBMITTED BY PETITIONER AND BID PROCESS COORDINATOR**

2. UP Power Transmission Corporation Limited (UPPTCL) through its Letter of Intent dated 19.11.2022 appointed PFC Consulting Ltd. to be the Bid Process Coordinator (BPC) for the purpose of selection of Bidder as Transmission Service Provider (TSP) to establish the Project through Tariff Based Competitive Bidding process.
3. Pursuant to the LOI, BPC issued the RFP dated 20.02.2023 for inviting the bids and thereby selecting the prospective TSP, in accordance with the "Tariff Based Competitive Bidding Guidelines for Transmission Service" and "Guidelines for Encouraging Competition in Development of Transmission Projects" issued by the Government of India, Ministry of Power under Section 63 of the Electricity Act 2003.
4. The BPC incorporated a Special Purpose Vehicle ("SPV") by the name of "Tirwa Transmission Ltd." on 14.06.2023 as its 100% wholly owned subsidiary 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 received the RFP (Technical & Financial) Bids from the following two (02) Bidders by the due date, i.e., 12.05.2023:
  - a) Megha Engineering & Infrastructures Limited
  - b) Power Grid Corporation of India Limited
6. Based on the RFP Evaluation Report, the Bid Evaluation Committee (BEC) was informed that the RFP (Technical) bids submitted by all the Bidders were meeting all the requirements as stipulated in the RFP document. Further, the BEC, in its meeting held on 03.06.2023, observed that the bids of the two (02) bidders might be considered as responsive to qualify for opening of their RFP (Financial) Bids.
7. The Financial Bid of the qualified bidders were opened online on MSTC portal on 08.06.2023 by the Bid Opening Committee in the office of UPPTCL, Shakti Bhawan, Lucknow in the presence of Director (Works & Projects), UPPTCL. The Initial Offer





(Quoted Transmission Charges) of each bidder as quoted at the time of submission of RFP Bids is as under:

S. No.	Name of the Bidder	Quoted Transmission Charges (in Indian Rupees Million per annum)	Rank
1	Megha Engineering & Infrastructures Limited	171.50	L-1
2	Power Grid Corporation of India Limited	306.80	L-2

8. e-Reverse bidding process was carried out on MSTC Portal on 09.06.2023. No bid was received during the e-reverse bidding process. As no bid was received during the e-reverse bidding stage, the lowest initial offer of Rs. 171.50 million per annum of "Megha Engineering & Infrastructures Limited" was considered as final offer. The ranking of the bidders as per initial offer is as below:

S. No.	Name of the Bidder	Final Quoted Transmission Charges (in Indian Rupees Million per annum)	Rank
1	Megha Engineering & Infrastructures Limited	171.50	L-1
2	Power Grid Corporation of India Limited	306.80 (not participated in e-RA)	L-2

9. BEC in its meeting held on 20.06.2023 decided the following with respect to RFP financial evaluation:
- 'Megha Engineering & Infrastructures Limited' is the successful Bidder after the conclusion of the e-reverse bidding process with the lowest Quoted Transmission Charges of Rs. 171.50 million per annum.
  - The quoted tariff is lower than the Levelised Tariff estimated as per CERC norms. The quoted tariff discovered through e-reverse bidding process is acceptable.
  - In view of (i) and (ii) above, 'Megha Engineering & Infrastructures Limited' may be issued Letter of Intent (LOI).
10. The BPC issued LOI to 'Megha Engineering & Infrastructures Limited' on 30.01.2024.







11. Ministry of Power vide letter no. 24-9/1/2024-PFC (MoP) dated 04.03.2024 accorded approval for transfer of shares held by PFC Consulting Ltd. in "Tirwa Transmission Limited" to 'Megha Engineering & Infrastructures Limited', the Successful Bidder.
12. The SPV (Tirwa Transmission Limited) was transferred to Megha Engineering & Infrastructures Limited on 07.03.2024 upon submission of the Contract Performance Guarantee and signing of the Share Purchase Agreement (SPA). The TSA was entered into between the Petitioner and the LTTCs.
13. Subsequently, the Petitioner filed the present Petition for grant of Intra-State Transmission License for establishment of the Project.

#### **SUBMISSIONS BY PARTIES**

14. The BPC, through an affidavit dated 26.06.2024, provided a chronology of the bidding process and certified that the bidding has been done in accordance with the "Tariff Based Competitive Bidding Guidelines for Transmission Service" and "Guidelines for Encouraging Competition in Development of Transmission Projects" issued by Ministry of Power, Govt. of India under section 63 of the Electricity Act, 2003, as amended from time to time. Furthermore, the BPC affirmed that the bidding process was conducted as per the provisions of the Standard Bid Document (SBD) and there was no deviation from the SBD.
15. UPPTCL, on 09.08.2024 submitted various approvals accorded to the Project.
16. The Petitioner, on 06.08.2024 and 24.09.2024, submitted additional documents in the Commission in response to the deficiencies raised by the Commission.
17. On 14.10.2024, UPERC issued an Order directing the Petitioner to ensure compliance with the provisions of the Electricity Act (EA) 2003 and relevant UPERC regulations. In compliance, the Petitioner submitted an affidavit on 04.11.2024, informing the publication of public notices detailing about the Project on 22.10.2024 in English and Hindi newspapers.



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18. On 09.12.2024, UPPTCL, as STU, confirmed through letter (ref. 6090/Dir(O)/UPERC) that UPPTCL does not have any objection in consideration of issue of transmission license in favour of M/s Tirwa Transmission Limited.
19. On 26.12.2024, the Petitioner submitted an additional affidavit informing the Commission about recommendation of the STU, and that it had not received any public objections/suggestions from any third party pursuant to the public notice.
20. On 31.12.2024, UPERC directed the Petitioner to obtain a No Objection Certificate (NOC) in accordance with Section 15(2)(ii) of the EA 2003.
21. On 02.01.2025, the Petitioner informed the Commission that it had applied for an NOC from the CATCO, Headquarters WAC, on 25.12.2024.

#### **PUBLIC HEARING AND SUBSEQUENT SUBMISSIONS**

22. A public notice was published by the Commission in the newspapers for holding a public hearing on the matter on 15.01.2025.
23. During the public hearing, Advocate for the Petitioner provided the Commission with an overview of the Project and the sequence of events. She also apprised the Commission of the STU's recommendations and informed that the Petitioner has applied for the necessary No Objection Certificates from Defence U/s 15 (2)(ii) of the Electricity Act 2003 and will promptly submit before the Commission as and when they are received.
24. The Commission noted that the Petitioner has submitted a request for an NOC from the Western Air Command. However, merely filing this request may not suffice, as certain elements of the Project might fall outside the jurisdiction of the Western Air Command. The Commission directed the Petitioner to identify the specific office, under whose jurisdiction different components of the Project fall, and then apply for an NOC from relevant offices, and submit a copy of the application to the Commission.

In compliance with the Commission's instructions, the Petitioner, on 16.01.2025, submitted an affidavit stating that the application has been sent to CATCO, Headquarters WAC, Subroto Park, New Delhi, and that as per the information

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received from the Headquarters of Western Air Command, the files will be processed from the Headquarters directly for the concerned regions too. Subsequently, the Petitioner, on 29.01.2025 submitted an affidavit stating that clearance under Section 15(2)(ii) of the Electricity Act, 2003 is currently under process, and the No Objection Certificate (NOC) will be submitted to the Commission as and when it is received from the concerned authorities. It further prayed that in the interim, the Commission be pleased to grant Transmission License in terms as deemed appropriate.

25. Sh. Avadhesh Kumar Verma emphasized that the costs incurred on this project would ultimately burden electricity consumers. He vehemently argued that consumers should not bear the financial burden of projects benefiting private entities, such as airports and data centers, and called for the development of dedicated transmission lines for these entities to prevent such undue impact on general consumers. He also raised concerns about how future liabilities related to transmission charges would be addressed amidst the ongoing privatization of certain state DISCOMs, urging the Regulatory Commission to ensure transparency and fairness.
26. The Petitioner and its holding company, Megha Engineering & Infrastructures Limited (MEIL) submitted their affidavits on 29.01.2025 stating that MEIL had submitted an affidavit dated 16.09.2023 as part of the bid in which it declared that as on Bid Deadline, the Bidder or any of its Affiliate including any Consortium Member & any of its Affiliate, their directors or key personnel have not been barred or included in the blacklist by any Government Agency or Authority in India.

#### **CONCLUSION:**

27. The Commission noted that the Project has been conceived and approved at various relevant levels, including the Transmission Works Committee, UPPTCL Board of Directors, Appraisal Committee, ETF, CEA, etc. This demonstrates that the Project has been subjected to rigorous scrutiny and approval processes by competent authorities. The Commission is convinced that the Project is designed to benefit the public at large and that there is no merit in the claim that it is intended to serve the interests of any specific private entity or section of

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stakeholders. Development of industrial climate is also a laudable objective of any State as it not only provides higher revenue to the Licensees but also creates employment opportunities in the society. The scope and objectives of the Project align with the broader public good ensuring systemic improvement in the transmission network. Regarding the concerns raised about the potential privatization of some Distribution Companies, the Commission observed that, in such an eventuality, all relevant agreements, including those linked to the Project, shall be transferred to the successor entities in compliance with vesting orders and contractual requirements. There is no reason to believe that this transition would create any hindrance in issuing the license for the Project as grant of license is a time bound phenomenon, based on the evaluation of bidding process as well as credentials of successful bidder, which is totally impervious to change in external co-ordinates, if any, of the power sector climate of the State.

28. The Commission examined the submissions of the Petitioner and MEIL with respect to its submitted affidavit as part of the bid confirming compliance with Clause 2.1.9 of the RFP thereby declaring that as on bid deadline:

- i. the Bidder & any of its Affiliate including any Consortium Member & any of its Affiliate, their directors or key personnel have not been barred or included in the blacklist by any government agency or authority in India, the government of the jurisdiction of the Bidder or Members where they are incorporated or the jurisdiction of their principal place of business, any international financial institution such as the World Bank Group, Asian Development Bank, African Development Bank, Inter-American Development Bank, Asian Infrastructure Investment Bank etc. or the United Nations or any of its agencies; or
- ii. the Bidder & any of its Affiliate including any Consortium Member & any of its Affiliate or their directors have not been convicted of any offence in India or abroad.

MEIL further declared in its affidavit that no investigation is pending against them [including any of their Consortium Member or Affiliate or Parent or Ultimate Parent or Affiliate] or CEO or any of our directors /

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manager / key managerial personnel of the Applicant/ Consortium Member or their Affiliates.

Furthermore, the Bid Evaluation Committee had evaluated the technical and financial bids and subsequently certified Megha Engineering & Infrastructures Limited as the Successful Bidder after conclusion of the bidding process.

The Commission is satisfied that the bidding process adhered to the RFP conditions relating to blacklisting, and that all requisite declarations and certifications were submitted and evaluated by the Bid Evaluation Committee.

29. The Petitioner has submitted that it has applied for clearance under Section 15(2)(ii) of the Electricity Act, 2003 on 25.12.2024 and the application is currently under process. In view of the Petitioner's compliance with all other necessary conditions and the importance of timely progress in the development of the Project, the Commission considers it appropriate to principally approve the grant of the transmission license, subject to the Petitioner obtaining clearance or not getting any adverse comments on its NOC application within three months from the date of this Order. The Commission will take appropriate action, in accordance with applicable laws and regulations, in event of any objection from the authority to whom application has been made under section 15(2). The Petitioner shall bear full responsibility for any consequences, liabilities or repercussions including but not limited to cancellation of the License arising out of such an outcome.
30. The Commission, accordingly, approves grant of Transmission License for the Project mentioned at para 1 of this order, subject to the following conditions:
  - a. The transmission license shall, unless revoked earlier, remain in force for a period of 25 years from the date of issue of the license.
  - b. If the useful life of the transmission system extends beyond the period of 25 years, the licensee may make an application two years before the expiry of initial period of license for grant of license for a further period of 10 years, which shall be considered by the Commission in accordance with the then prevailing laws.







- c. The licensee shall not enter into contract or otherwise engage in the business of trading in electricity during the period of subsistence of the transmission license.
- d. The licensee shall remain bound by the provisions of the Act, the rules and regulations framed thereunder, in particular the Transmission License Regulations, Indian Electricity Grid Code, UP Electricity Grid Code, the standards specified by the Central Electricity Authority and the orders & directions of the Commission issued from time to time.
- e. The licensee shall carry out the responsibilities conferred upon it, in particular but not limited to, under UP Electricity Grid Code, Uttar Pradesh Electricity Regulatory Commission (Terms and Conditions for Open Access) Regulations, 2019, UPERC (Grant of connectivity to Intra State Transmission System) Regulations, 2010 including their amendments and modifications.
- f. The licensee shall provide non-discriminatory open access to its transmission system for use by any other licensee, including a distribution licensee or an electricity trader, or generating company or any other person in accordance with the Uttar Pradesh Electricity Regulatory Commission (Terms and Conditions for Open Access) Regulations, 2019, as amended from time to time.
- g. The licensee shall comply with the directions of the Regional Load Dispatch Centre and the State Load Dispatch Centre, as may be issued from time to time.
- h. The Transmission Service Agreement (TSA) entered into between the licensee and long-term transmission customers shall be honoured by the parties involved in the TSA.
- i. The licensee shall not undertake any other business for optimum utilization of the "Transmission System" without prior intimation to the Commission.





- j. The licensee shall have the liability to pay the license fee in accordance with the provisions of the UP Electricity Regulatory Commission (Fees & Fines) Regulations, 2010, as amended from time to time. The license fee for a part of the year shall be paid on pro-rata basis. The year for the purpose of this clause shall mean a financial year, i.e., a period of twelve months from 1st April of a year to 31st March of the following year.
- k. The licensee shall disclose details of related party transactions to all Long- Term Transmission Customers (LTTCs) and STU, if any, periodically in accordance with provisions of Companies Act.
- l. The licensee may lay down or place electric supply lines and other installations subject to provisions of Section 67 to 69 and 159 to 161 of the Electricity Act, 2003. Further, the licensee shall ensure adherence with the requirement laid down under Section 164 of the Electricity Act, 2003.
- m. The license may be revoked subject to Section 19 of the Electricity Act, 2003 at any time during its period of operation as specified in the Electricity Act, 2003.
31. Secretary, UPERC, is accordingly directed to issue a transmission license to Tirwa Transmission Limited to undertake the business of Build, Own, Operate and Transfer (BOOT) basis of the transmission system.
32. Petition no. 2104 of 2024 is disposed of in terms of above.

  
(Sanjay Kumar Singh)  
Member

  
(Arvind Kumar)  
Chairman



Place: Lucknow

Dated: 10.02.2025