

Before the
MAHARASHTRA ELECTRICITY REGULATORY COMMISSION
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Case No. 32 of 2010

In the matter of
Application of M/s. Amravati Power Transmission Company Limited for grant of
Transmission Licence for development of Transmission system.

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

M/s. Amravati Power Transmission Company Limited (APTCL)
E-29, First Floor
Connaught Place
New Delhi-110001.

..... Applicant

ORDER

Dated: 30 December, 2010

M/s. Amravati Power Transmission Company Limited (“APTCL”), a proposed Joint Venture Company between Maharashtra State Electricity Transmission Company Ltd. (“MSETCL”) and Indiabulls Power Limited (“IBPL”) submitted an application to the Commission on July 20, 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 Conditions Regulations”). The application has been made for grant of Transmission Licence for development of the following Transmission System:

- (a) 400 KV D/C Quad Moose Amravati TPP-Akola S/S Transmission Line (104 km)
- (b) LILO of 400 KV S/C Akola to Koradi Transmission line at Amravati TPP (7km)
- (c) 2 Nos. 400 KV line bays at MSETCL Akola-I Sub-station.

2. The prayers set out in the application are as follows:



“In light of the above facts Honourable Commission is requested to grant transmission License to APTCL for implementing the said transmission system.”

3. M/s. Amravati Power Transmission Company Limited (APTCL), in its application stated as under:

a) Indiabulls Power Limited (IBPL) is constructing a 1350 MW (5 X 270MW) Thermal Power Plant at Amravati (ATPP) under a MOU signed with Govt. of Maharashtra. Land has already been acquired & required quantum of water has been got allocated from the Government of Maharashtra. The applicant further stated that to meet the fuel requirement, coal linkage for the total capacity has also been provided by the Ministry of Coal, Government of India. Financial Closure for the Project has also been achieved.

b) Amravati Project is in advanced stage of civil construction and major equipments like BTG package has already been awarded to M/s BHEL. MSETCL in its capacity of State Transmission Utility (STU) has planned the power evacuation system for Amravati Project. Amravati Thermal Power Plant shall be connected at MSETCL 400 kV Akola Sub-station. IBPL has obtained the approval for connectivity to the intrastate transmission system from MSETCL. The approval for Open Access Connectivity is also granted by STU, vide its letter No.MSETCL/CO/STU/302B/3460 dated March 3, 2010.

c) IBPL has formed a Special Purpose Vehicle (SPV) “Amravati Power Transmission Company Limited” (APTCL) to develop the above transmission system and APTCL is a 100% subsidiary company of Indiabulls Power Limited (IBPL).

d) IBPL is pursuing a Joint Venture arrangement with MSETCL after signing of which the effective equity holding in Joint Venture company i.e. APTCL shall be 74 % & 26 % between Indiabulls Power Limited and MSETCL respectively. The formation of Joint Venture has been approved by Board of Directors of MSETCL and the same has been conveyed by MSETCL vide their letter dated July 16, 2010.

e) APTCL has offered 1200 MW power from ATPP Phase I to MSEDCL for sale in Maharashtra, for which MSEDCL has entered into two different PPAs for 450MW and 750MW respectively.



f) The walk-over survey on the route of the transmission lines had been undertaken and the necessary data about terrain, water table etc. had been compiled. Out of the three proposed route, as the route no. 2 & 3 are more in length as well as no of angle points as compared to the route No.1 besides route No.2 passes through MIDC area. Hence, route No. 1 is selected for detail survey. Based on these data, the Preliminary Feasibility Report (PFR) had been prepared with the following cost estimates:

Sr. No	Name of the Line / Sub-station	Estimated project cost (Rs. Cr)
1	Preliminaries	6.77
2	400 kV D/C Quad Moose Amravati TPP – Akola Transmission Line	187.20
3	LILO of 400kV S/C Akola-Koradi Transmission Line at Amravati TPP	7.00
4	2 Nos. 400 KV Line Bays at MESTCL Akola-I Sub-station	10
5	Overheads, Contingency and Engg. Cost	42.20
6	Financing and IDC	22.78
Total		275.95

The applicant submitted that the cost estimates in the Pre-Feasibility Report (PFR) are prepared on line length assessment through walk-over survey and taking per km rate of transmission line on average basis. As such, these are tentative cost estimates. The applicant further submitted that final completion cost would be based on tendered rates and actual quantities of material and works and other expenditure.

4. The applicant indicated the following time schedule of activities involved in the project:

- Scheduled Commercial Operation Date (COD) of different Units i.e 5 x 270MW of the Phase I ATPP are as follows:

Unit	COD
Unit – I (270MW)	May 2012
Unit – II (270MW)	July 2012
Unit – III (270MW)	September 2012
Unit – IV (270MW)	November 2012
Unit – V (270MW)	January 2013



- The startup power for commissioning of 1st unit is required in November 2011. It has been proposed to meet the start up power requirement from LILO of 400kV S/C Akola to Koradi Transmission line at Amravati TPP.

5. The applicant submitted that IBPL has worked out an implementation schedule for completion & commissioning of the line as following mile stones & targets for critical activities:

Activity	Start	Completion
Transmission Licence	Jul 2010	Dec 2010
Statutory Clearance	Jan 2011	Nov 2011
Detailed Check survey	Jan 2011	Nov 2011
Tendering and Award of Contracts	Jan 2011	Feb 2011
Design and Engineering	Jul 2010	Oct 2010
Construction of 400kV D/C (Quad Moose) Transmission Line from Amravati TPP to MSETCL 400kV Akola Substation	Mar 2011	May 2012
Construction of 2 Nos. 400 KV line bays at MSETCL Akola-I Substation	May 2011	Mar 2012

The applicant also stated that award of contracts for transmission line and sub-station bay packages are being planned from experienced and competent EPC contractors. Apart from MSETCL, reputed project management consultant is proposed to be appointed to supervise, monitor and coordinate the construction activities of the selected EPC contractors so that the project is completed within the estimated cost and timeframe.

6. The applicant submitted the following documents along with its application:
- i) Copy of STU's letter dated March 09, 2010 to Indiabulls Power Limited for Grid connectivity as Annexure-I.
 - ii) MSETCL's Board of Director's In-principle approval for formation of Joint Venture Company as Annexure-II.
 - iii) Pre-feasibility Report for Transmission System for Power Evacuation from Amravati Thermal Power Project (5 x 270MW) as Annexure-III.



- iv) Bar chart for various activities involved including the award of various packages for completion of transmission system as Annexure-IV.
- v) Memorandum and Articles of Association of APTCL enclosed as Appendix-I
- vi) Management Information (provided in respect of Technical, Finance, HR and IT functions) enclosed as Appendix-II
- vii) Detailed Survey Report for 400kV D/C Transmission line from Amravati Thermal Power project to Akola-I substation and Detailed Survey Report for LILO of S/C 400kV Koradi to Kalwa for Amravati TPP as Appendix-III
- viii) Audited Balance Sheets, Profit and Loss Accounts and the Cash flow statements of Indiabulls Power Limited (Formerly Sophia Power Company Limited) for FY2007-08, FY2008-09 and FY2009-10 as Appendix –IV.

7. The applicant submitted the copy of the proposed public notification to the Commission for information, vetting and for intimating to the applicant if any changes/modification required in the public notification.

8. The applicant vide its letter APTCL/MERC/TL/01/206 dated August 13, 2010 submitted the copies of the Public Notice published by APTCL in two English and Three Marathi newspapers as per the proforma prescribed by the Commission.

9. The Commission vide its Notice dated August 25, 2010 scheduled a Technical Validation Session (TVS) on September 21, 2010, in the presence of the four consumer representatives. The Commission also directed the Applicant to serve a copy of its Petition, along with its accompaniments, to the Chief Engineer, State Transmission Utility (STU), the Managing Director, MSETCL and the four consumer representatives.

10. Based on preliminary scrutiny of the application in accordance with Regulation 5.1 of the Transmission Licence Conditions Regulations, the Commission vide e-mail dated September 20, 2010, directed APTCL to submit clarifications regarding the following data gaps noted therein:

i) Technical information:

- a) Single line diagram of Existing Transmission lines, Amaravati TPP Switchyard, actual or proposed location of the system of Lines & power plants by means of which the applicant intends to enable transmission of electricity.
- b) Detailed map or maps on Topographic sheet of the proposed area of Transmission network to be developed, on suitable/prescribed scale.



- c) Detailing route survey, showing streets and part of streets which are repairable by person other than Government and Railways, tramways, canals and waterways for which the applicant has obtained authorization to undertake works.
 - d) Single line diagram of 400 KV Switchyard at Amaravati Thermal Power Station.
 - e) Past experience in the Transmission: Petitioner should submit the Work/Project carried out in Transmission Network development, anywhere India if any for the information of the Commission.
- ii) Power System Studies: Detailed report on load flow, Short-circuit and Transient stability Studies carried out for the proposed Transmission Network to be submitted for Commissions records.
 - iii) 400 kV transmission line Configuration: Conductor Size, No. of conductors per phase, Type of conductor, Capacity Amps, SIL of each line in MW.
 - iv) For joint venture (MSETCL and Indiabulls Power Ltd.) GoM approval for MSETCL equity / share is not attached.
 - v) Copy of the MSETCL, Board Resolution for in-principle approval of MSETCL for JV is not attached.

11. The TVS in the matter was held on September 21, 2010 as scheduled. Shri Shreyas Mhatre and Shri Umesh Agrawal of M/s Pricewaterhouse Coopers (PwC), Consultants to APTCL gave a detailed presentation on the business activities of Indiabulls Group and on the status of implementation of the transmission project by APTCL. The brief highlights of the presentation are given below:

- a) Indiabulls Power Limited (IBPL) is constructing a 1350 MW (5 X 270MW) Thermal Power Plant at Amravati under a MOU signed with GoM.
- b) IBPL has entered into PPA with MSEDCL for 450 MW and 750 MW on 22-04-2010 and 05-06-2010 respectively.
- c) Land, water, letters of assurance for coal supplies, all approvals from statutory authorities have been obtained and financial closure for the above project has been achieved.
- d) The start-up power for commissioning of first unit is required in November 2011.
- e) Scheduled Commercial Operation (COD) dates of units I to V are between May 2012 to January 2013.



- f) Indiabulls Power Limited (IBPL) has formed a Special Purpose Vehicle (SPV), Amravati Power Transmission Company Ltd. (APTCL) to develop the following transmission system for evacuation of power from IBPL TPP.
- 104 km 400 kV D/C Quad Moose Amravati TPP– Akola Transmission Line
 - 7 km LILO of 400 kV S/C Akola – Koradi Transmission Line at Amravati TPP
 - 2 Nos. 400 kV Line Bays at Akola sub-station.
- g) Detailed Route Survey and Soil Investigation of the above Transmission lines has been completed. APTCL has obtained the approval from MSETCL for connectivity of the above transmission system to the intra-State transmission system.
- h) The project cost has been estimated at about Rs 276 crores. APTCL has published a Public notice on 12th August, 2010 regarding the above. No objections have been received from any party on transmission licence application till date.
- i) The above transmission evacuation system is scheduled to be commissioned between Nov. 2011 to May 2012.
- j) APTCL is also pursuing a Joint Venture arrangement with MSETCL with a proposed equity participation of 74:26% between Indiabulls Power Ltd. and MSETCL.
- k) The formation of Joint Venture has been approved ‘In Principle’ by Board of MSETCL and the same has been conveyed by MSETCL vide their letter dated 16th July 2010.
- l) MSETCL is presently in the process of obtaining necessary approvals from Govt. of Maharashtra.

12. During the TVS, the Commission drew the attention of the MD, MSETCL to the “Guidelines for Encouraging Competition in Development of Transmission Projects” formulated by the Ministry of Power (MoP), GOI for implementation of inter-state transmission projects so as to enable participation of private sector in transmission through competitive bidding process. The Guidelines mention that, as far as intra-state projects are concerned the State Governments may adopt these guidelines and may constitute similar committees for facilitation of transmission projects within the State.

13. The Commission further observed that the Govt. of Maharashtra has not yet formulated the guidelines for adoption of above process to the State Transmission Projects. Therefore, MD, MSETCL should take up this matter with GOM and evolve a process for selection of Transmission Service Providers (TSPs) for implementation of the selected state transmission projects. Then, the selected TSP can approach the Commission seeking the



transmission licence. Prima-facie, it appears that the State Govt. is following the joint venture route with MSETCL as it happened in the case of Jaigad Power Transmission Company Ltd., which is a joint venture between JSW Energy and MSETCL with 74% and 26% equity participation respectively.

The Commission also directed the applicant to furnish the following –

- i) Progress report along with photographic evidence of the actual progress of important activities at the site of the generation projects at Amravati.
- ii) Copies of letters of assurance for coal linkages, land allotment, water allocation, etc. for both the generation projects.
- iii) Single line diagrams of the transmission lines including the LILO arrangement of Amravati TPP-Akola-I at Akola-II showing the complete evacuation arrangement of power from the generation projects.

The Commission enquired whether the transmission line routes consist of any forest areas, creek crossings, hutments, defense establishments, airports, etc. The Commission directed that APTCL should check the above and obtain clearances from all the concerned authorities well in advance so that the construction of the transmission lines can proceed smoothly as per schedule.

The Commission also directed the applicant to carry out short circuit and transient stability studies in addition to load flow studies as these studies are extremely important for stability of the Intra-state Transmission Network (InSTS) and submit the results of the same to the Commission. ED, STU explained in detail about the evacuation arrangement planned downstream Akola sub-stations for evacuation of the generation from Amravati project. It was also confirmed by STU that the proposed transmission scheme of APTCL is included in the STU's 5 year transmission plan document for the Maharashtra State. The Commission further directed STU to co-ordinate the power system studies with the Commission's officers and discuss the same with Member (Technical), MERC.

APTCL confirmed that 2 Nos. 400 KV line bays within the switchyard at ATPP end are covered in the IBPL Generation Business and is not in the scope of their transmission licence applications.



The Commission directed APTCL to comply with the data gaps as well as the additional details and clearances from GOM sought during the proceedings of TVS early, so as to enable the Commission to process the above licence applications further.

14. In reply to the above queries raised by the Commission, APTCL submitted a supplementary affidavit with clarifications as given below:

- i) Submitted a copy of the Single Line diagram (Index plan) of the transmission lines; a copy of Single line diagram of Amravati TPP switchyard; plot plan of Amravati TPP indicating actual location of the system of Lines & power plant.
 - ii) Submitted a copy detailed map on topographic sheet for proposed area of Transmission network
 - iii) Submitted a copy of detailed route survey report and a copy of detailed route alignment on toposheet map. The applicant submitted that he is proposing to apply for obtaining the necessary authorisation (under Section 164 of EA 2003) to undertake the works on streets and part of streets which are repairable by person other than Government and railways, tramways, canals and waterways, the necessary authorisation shall be submitted subsequent to the obtaining of the same.
 - iv) Submitted a copy of detailed report on Power System Studies including Load Flow, Short Circuit and Transient stability studies.
 - v) Submitted a data sheet on 400kV Transmission line configuration
 - vi) Submitted a copy of MSETCL letter dated 16.07.2010 conveying 'in-principle' approval accorded by MSETCL Board for information Joint Venture.
- APTCL submitted that the GoM approval for MSETCL equity/share is awaited and would be submitted subsequently.

APTCL submitted the correspondence on the following clearances:

- Land allotment letter from MIDC dated 15.02.2008
- Water Allocation letter from VIDC, Nagpur dated 22.02.2008
- NOC for laying Transmission Line from Dy. Conservator of Forests, Amravati dated 04.05.2009
- Coal linkage-LOA received from SECL & WCL dated 06.06.09 & 13.06.09
- NOC for laying Transmission line from Dy. Conservator of Forests, Akola dated 10.08.2009
- Revised Environmental Clearance for 5x270MW received from Ministry of Environment & Forests dated 15.07.2009



APTCL also submitted status of award of packages and photographic evidence of the actual progress of important activities at the site of the generation projects at Amravati.

15. M/s.Indiabulls Power Limited submitted an undertaking letter dated November 1, 2010 enclosing 'No Objection' consent letter from MSETCL. In the said letter M/s.Indiabulls has stated following:

- Pending the approval from GoM for participation of MSETCL in the Joint venture Company, Indiabulls requested MSETCL to grant No Objection Certificate (NOC) in favour of APTCL to proceed through due regulatory process for obtaining the transmission licences from MERC.
- Based on the above, MSETCL has given 'No Objection' certificates accordingly to APTCL, with an option to take up 26% equity, as originally envisaged on receipt of GoM approval.
- M/s. Indiabulls Power Ltd. has also given an undertaking in the said letters that it will undertake to arrange additional 26% equity contribution, over and above its 74% commitment, in case of delay or non-receipt of GoM approval for 26% equity investment by MSETCL in APTCL.
- In view of the above, M/s. Indiabulls Power Ltd. requested the Commission to kindly admit the application at the earliest for initiating process for early grant of the Transmission Licences.

16. The STU submitted the short circuit and transient stability studies vide its letter Ref No: MSETCL/CO/STU/17011 dated 01/11/2010.

17. As required under Section 15(5) (a) of the EA 2003, a Public Notice dated November 23, 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 M/s APTCL, by December 16, 2010.

18. The Public Notice as above and soft copy of the application were also posted on the Commission's website, and at the same time, the applicant was also directed to publish the same on its website. It was also intimated vide the above mentioned Public Notice that the Public Hearing in the matter would be held on Wednesday, December 20, 2010, at 11:00 hours at the Commission's office at World Trade Centre, Cuffe Parade, Mumbai 400 005.



19. The Commission received comments/objections/suggestions from M/s. Maharashtra Eastern Grid Power Transmission Company Limited (“MEGPTCL”) in response to the above mentioned notice on the end of the specified date of December 16, 2010 for receipt of objections/comments/suggestions.

MEGPTCL submitted that for evacuation and transmission of power from 1350MW ATPP of IBPL at Nandgaonpet, Amravati beyond Akola, transmission capacity being provided through 765kV intra-state network of Maharashtra will be used and 400kV D/C transmission line from Nandgaonpet, Amravati TPP connecting to Akola-II substation of MEGPTCL, as has been planned, needs to be retained as such. Further MEGPTCL requested the Commission to take the above into consideration in finalizing scope of works for grant of Transmission Licence to APTCL and subsequently direct APTCL to sign the necessary Connection Agreement with MEGPTCL.

20. The Public Hearing in the matter was held on December 20, 2010. Shri Ranjit Gupta represented APTCL. No authorised consumer representative was present during the Public Hearing.

APTCL also submitted updated status of award of packages and photographic evidence of the actual progress of important activities at the site of the generation projects at Amravati. The applicant also submitted that they have signed two PPA’s (one of 450 MW and other of 750 MW) with MSEDCL and power will be supplied in the Maharashtra State.

The Commission enquired about the approval from GoM for participation of MSETCL in the Joint venture Company. The applicant and MSETCL submitted that still it is pending. The Commission directed them to follow up and sort out this matter on thier own. The applicant submitted that they have already provided an undertaking letter on this matter.

The Commission directed applicant to take due care on two prime sensitive issues i.e. water and fly ash disposal. The Commission asked the petitioner to look into water recycling issues and directed to optimize the water usage right from beginning i.e. from design stage itself. On the issue of fly ash disposal, the Commission directed the applicant that they will have to come up with proper fly ash disposal plan. In reply to query from the Commission the applicant submitted that there is no time over run in the implementation schedule of ATPP.



Mr. A.K Asthana, representing MEGPTCL, explained about the objection/suggestion raised by MEGPTCL on the Public Notice issued by APTCL. When enquired by the Commission, representatives of STU replied that they have not received comments/objections submitted by the MEGPTCL. Then hardcopy of the same was handed over to the representative of STU. In this context the Commission clarified that there should not be any evacuation bottlenecks and also any objections for little redundancy in the transmission system. Further, the Commission directed the STU, MSETCL, the applicant, the Commission's Consultant along with MEGPTCL to have a meeting immediately after the public hearing to find a technically feasible solution in regard to the objection raised by MEGPTCL.

21. As per the Commission's directive the meeting was held immediately after the Public Hearing and the following was agreed by all the participants which was subsequently confirmed by STU to the Commission vide letter Ref: MSETCL/CO/STU/MERC/19624 dated December 21, 2010

- a) APTCL's 400 KV Quad D/C line from Amravati to Akola will be connected to Akola-I substation of MSETCL initially and subsequently extended and connected to Akola-II substation of MEGPTCL.
- b) The 2 Nos. 400 KV line bays constructed by APTCL at Akola-I substation will be used to terminate MEGPTCL's 400 KV D/C transmission line from Akola-II to Akola-I.
- c) The 2 Nos. 400 KV line bays constructed by MEGPTCL at Akola-II substation will be used to terminate APTCL's 400 KV Quad D/C line from Amravati to Akola subsequently.

With the above arrangement:

- i) Scope of works under Transmission Licence no.1 of 2010 granted to MEGPTCL by MERC would remain same.
- ii) Total number of 400 KV bays to be constructed with allied bay equipments at 765/400 KV Akola-II and 400 KV Akola-I substations will remain same considering the scope of MEGPTCL and APTCL.

22. After scrutinising all the submissions made by the applicant and carrying 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, and



considering 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.

In reply to the comments received from the MEGPTCL the Commission would like to clarify that detailed procedure for executing the Connection agreement is outlined in the Regulations formulated by the Commission and also in the model agreement prepared by the STU.

23. Considering the above, the Commission hereby grants Transmission Licence for a period of 25 years to M/s. Amravati Power Transmission Company Limited (“APTCL”) for development of the following Transmission System:

- (a) 400 KV D/C Quad Moose Amravati TPP-Akola S/S Transmission Line (104 km)
(Line to be taken and connected to Akola-I substation of MSETCL initially and subsequently extended and connected to Akola-II substation of MEGPTCL.)
- (b) LILO of 400 KV S/C Akola to Koradi Transmission line at Amravati TPP (7km)
- (c) 2 Nos. 400 KV line bays at MSETCL Akola-I Sub-station.

The Transmission Licence shall come into effect from the date of issuance of this Order.

24. 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. Construction of Transmission system through Competitive procurement basis: 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 Process.
- 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 APTCL. Accordingly, APTCL 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. APTCL shall take into consideration the objections / representations, before finalizing the optimal route alignment. Thereafter, APTCL shall submit a certificate along with an application under Section 164 of the EA 2003 to GoM to this effect. APTCL will also submit to the Central Electricity Authority 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.

APTCL 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.

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

26. 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 further 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 website of the Commission. The Commission also directs that the aforesaid Specific Conditions of Transmission Licence of APTCL be specified by regulations under Section 16 of the EA 2003. Such conditions shall be deemed to be conditions of licence of APTCL.

27. 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.



28. The Commission directs APTCL to submit its application for approval of capital expenditure within 30 days from grant of Transmission Licence for Commission's approval and Petition for approval of Annual Revenue Requirement, separately, after commissioning into commercial service of the proposed transmission system as per the grant of the Transmission Licence 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. 32 of 2010 stands disposed of.

Sd/-
(Vijay L. Sonavane)
Member

Sd/-
(V. P. Raja)
Chairman



(K.N. Khawarey)
Secretary, MERC