

GOVERNMENT OF INDIA
MINISTRY OF POWER

RAJYA SABHA
UNSTARRED QUESTION NO.1113
ANSWERED ON 12.12.2023

BATTERY STORAGE

1113 SHRI PRABHAKAR REDDY VEMIREDDY:

Will the Minister of **POWER** be pleased to state:

- (a) whether it is a fact that cost of battery storage is ₹ 10 per unit and the average energy rate is around ₹ 2.30 per unit;
- (b) the efforts being made to bring down cost of battery storage from the present rate of about ₹ 10 per unit;
- (c) whether the Ministry is in the process of launching PLI scheme for grid-scale battery energy storage, if so, the details thereof; and
- (d) to what extent it would help to bring down the battery storage rate?

A N S W E R

THE MINISTER OF POWER AND NEW & RENEWABLE ENERGY

(SHRI R.K. SINGH)

(a) : In the tariff based competitive bid, for installation of 500MW/1000MWh Battery Energy Storage System (BESS) by the Solar Energy Corporation of India (SECI), the capacity charge discovered is Rs.10.83 lac/MW/month translating into about Rs.10.18/kWh.

(b) to (d): In order to make battery storage affordable Government have approved a Viability Gap Funding Scheme for setting up 4000 MWh of BESS. The Scheme has provision for VGF to the extent of up to 40% of capital cost for BESS, which will bring down the cost of electricity from BESS.

Further, Ministry of Heavy Industries (MHI), in June, 2021 has launched a Production-Linked Incentive (PLI) scheme for the manufacturing of Advanced Chemistry Cell (ACC) battery storage of 50 GWh capacity, which includes more than 10 GWh grid-scale battery storage. Out of 50 GWh capacity, 30 GWh capacity has already been allotted through competitive bidding process. The PLI-ACC scheme has an outlay of Rs 18,100 Crores.

The PLI scheme would encourage investment in the domestic manufacturing of cells for grid-scale applications, reduce dependency on imports and result in reduction of cost of BESS in future.
