

EnergyWatts

Monthly update on India's energy storage market

August 2026

1. ESS tendering trends

India tendered 1.7 gigawatts of energy storage capacity in July 2026, led by 1.1GW of standalone battery energy storage system. Firm and dispatchable renewable energy accounted for 0.5GW, while renewable energy + energy storage system capacity made up 0.1GW.

1.1 ESS tendering in July 2026

- Tendering authorities issued 1,707 megawatts (MW) of grid-scale energy storage capacity through build own operate (BOO)/build own operate transfer (BOOT) tenders in July 2026, including six battery energy storage system (BESS), two renewable energy + energy storage system (ESS), and one firm and dispatchable renewable energy (FDRE) tender (Table 1). No pumped hydro storage (PHS) capacity was tendered during the month.
- Standalone BESS was the dominant segment, comprising around 65% of the storage tendered capacity in July 2026. The segment is gaining traction as it enables distribution companies (DISCOMs) to procure storage independently of electricity generation. It provides flexibility to store energy during low demand periods and dispatch it during peak hours, while also supporting renewable energy balancing. Depending on the contractual and regulatory framework, standalone battery energy storage system can also provide ancillary services and other grid-support functions.
- The Solar Energy Corporation of India (SECI) revised India's first contract for difference (CfD) tender for assured peak renewable power supply under a BOO model. The tender mandates developers to sell 2,000 kilowatt-hours (kWh) of energy per MW of contracted capacity each day during two selected non-solar peak hours between 6AM and 12AM.



Under the CfD mechanism, gains and losses relative to the discovered strike price (tariff [INR/kWh] discovered through SECI's e-reverse auction) are shared between the developer and an INR76 crore (USD7.93 million) CfD Stabilisation Fund.



This reduces developers' exposure to merchant-price volatility while retaining an incentive to optimise exchange revenues. As this is a pilot mechanism, wider adoption will likely depend on its performance and the development of liquidity and price discovery in India's short-term power market.

- Shorter storage durations continue to dominate, with around 85% of project development tenders specifying a 2-hour discharge under the two-cycle-per-day operating pattern. This configuration targets both morning and evening demand peaks.



Table 1: Project development tenders (BOO/BOOT) issued in July 2026

Tender name	Location	MW	MWh	Commissioning timeline (in months)	Classification	Per day cycles	Operating tenure (years)	Scope
MPPMCL 625MW/ 1,250MWh BESS	Madhya Pradesh	625	1,250	18	Standalone	2	12	• BOO model with viability gap funding (VGF) support (INR18 lakh/megawatt-hours or USD18,773/MWh) • Developer must self-procure all project land near the designated MPPTCL substations • MPPMCL provides the required energy for charging the system at no additional cost • Grid connection (to state transmission utility [STU] network) and metering are within the scope of the developer
SECI 500MW/ 1,000MWh supply (CfD)*	Pan India	500	1,000	15	FDRE (assured peak power)	-	12	• CfD mechanism on a BOO model • Developer must self-procure all project land and install inter-state transmission system (ISTS)-connected renewable energy projects (with or without ESS) • Developer bids to sell power on the power exchange and selects any two hours from the designated Peak Hours (6AM to 12AM) during non-solar periods on a day-ahead basis • Developer is mandated to sell 2,000kWh of energy per MW of contracted capacity daily during peak hours • Grid connection and obtaining necessary approvals are within the scope of the developer
JDVVNL 150MW/ 600MWh BESS	Rajasthan	150	600	9	Standalone	2	15	• BOO model with no VGF/state subsidy support¹ • JDVVNL provides land at existing 33/11 kilovolt (kV) substations on a right-of-use basis • JDVVNL provides energy for charging system • Grid connection is within the scope of the developer
SJVN 265MW/ 530MWh BESS	Haryana	265	530	15	Standalone	2	12	• BOO model with VGF support (INR 18lakh/MWh or USD18,773/MWh) • UHBVNL to provide land near substation (Panipat Thermal Power Station) on a lease/right-to-use basis at a rent of INR1 (USD0.01) per acre per annum • UHBVNL provides energy for charging system • Grid connection within the scope of developer

Note: USD1 = INR95.88

¹VGF support is not automatically applicable to all BESS projects located in states receiving allocations under the central VGF scheme. States/eligible entities must identify and submit specific BESS capacities to the Central Electricity Authority (CEA) for approval under the scheme.



Tender name	Location	MW	MWh	Commissioning timeline (in months)	Classification	Per day cycles	Operating tenure (years)	Scope
BSPGCL 150MW-Solar PV 75MW/ 300MWh BESS	Bihar	75	300	24	Renewable energy + ESS	-	25	• Tendered under BOO model • Land procurement within developer scope along with grid connection at 33kV or above, including required engineering, procurement, and construction (EPC) • Minimum capacity utilisation factor (CUF) at 19% • Can be set up at multiple locations with ESS of at least 0.5MW/2MWh capacity for every 1MW of solar PV at developer risk
TERI 57.5MW/ 115MWh BESS	Delhi	57.5	115	15	Standalone	2	12	• BOOT model with no VGF support • Land provided by BRPL at four substations (Sagarpur - 30MW/60MWh; Bindapur - 15MW/30MWh; Hari Nagar - 7.5MW/15MWh; and G4 Dwarka - 5MW/10MWh) • BRPL provides energy for charging • Grid connection (to STU network) and metering are within the scope of the developer
REMCL 17MW solar + 12.5MW/ 50MWh BESS	Gujarat	12.5	50	18	Renewable energy + ESS	-	25	• BOO model with no VGF support • Land provided on lease basis by zonal railway • Grid connection within the scope of the developer at GETCO STU substation • 21% minimum CUF other than peak hours
JVVNL 12MW/48MWh standalone BESS	Rajasthan	12	48	9	Standalone	2	15	• BOO model with no VGF/state subsidy support • JVVNL provides land at existing 33/11kV substations on a right-of-use basis • JVVNL provides energy for charging system • Grid connection is within the scope of the developer
AVVNL 10MW/40MWh BESS	Rajasthan	10	40	9	Standalone	2	15	• BOO model with no VGF/state subsidy support • AVVNL provides land at existing 33/11kV sub-stations on a right-of-use basis • AVVNL provides energy for charging system • Grid connection is within the scope of the developer
Total: 1,707MW 3,933MWh								

Source: Tendering authorities, JMK Research

*Re-issued tender by SECI 500MW/1,500MWh from April, earlier issued for 3-hour capacity, now issued for 2-hour capacity at 500MW/1,000MWh



1.1.1 Storage EPC tenders in July 2026²

In July 2026, 1,025MW of EPC storage capacity was tendered, led by Power Grid Corporation of India Limited's (POWERGRID) 750MW/2,000MWh standalone BESS procurement, which accounted for about 73% of the total tendered capacity in the month. GAIL also tendered a 600MW solar PV project integrated with a 275MW/550MWh BESS. Of the total storage capacity tendered, 775MW, or about 76%, was configured as two-hour systems, comprising POWERGRID's 500MW/1,000MWh tranche and GAIL's 275MW/550MWh BESS.

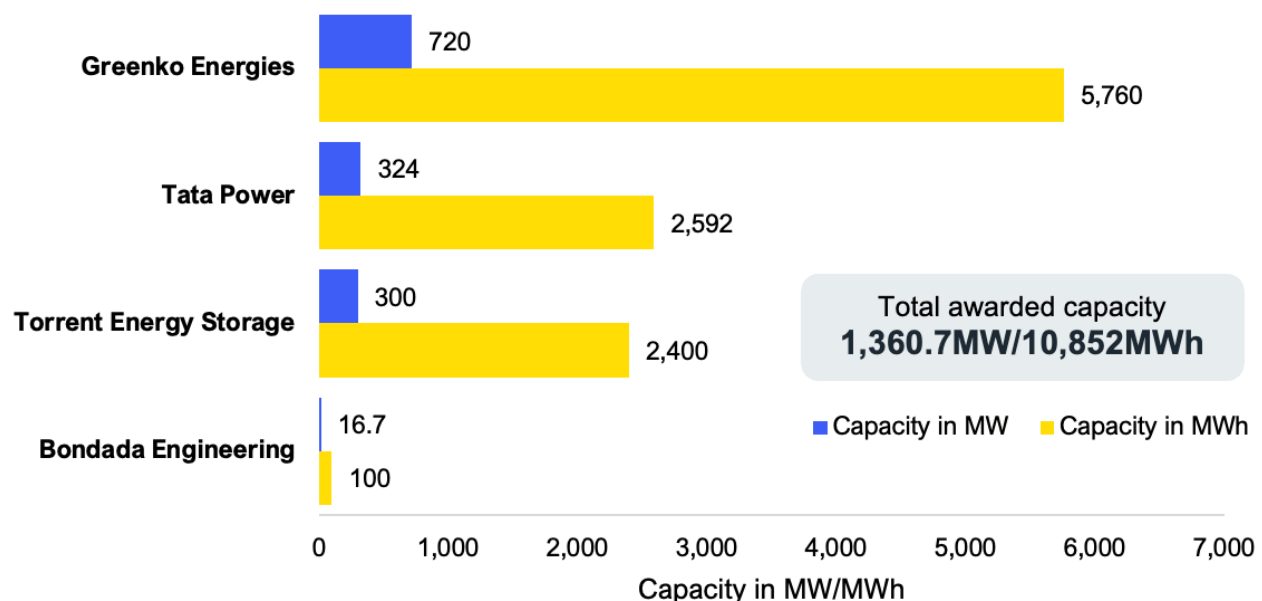
1.2 Capacity awarded in July 2026

In July 2026, 1,344MW/10,752MWh of standalone pumped hydro storage (PHS) capacity was awarded under project development scope, alongside 16.7MW/100MWh of standalone BESS capacity (using vanadium redox flow battery technology) under EPC scope.

1.2.1 SECI pumped hydro storage award

- SECI awarded 1,344MW/10,752MWh of eight-hour pumped storage capacity to Greenko, Torrent Energy Storage Solutions and Tata Power (Figure 1).
- The auction discovered tariffs: Annual fixed charges³ (AFCs) of INR108.42–109.76 lakh/MW/year (USD113,079–114,476/MW/year), and total storage costs⁴ (TSCs) of INR134.9–135.1 lakh/MW/year (USD140,697–140,905/MW/year). In comparison, UPPCL's 2025 procurement of eight-hour pumped storage capacity was awarded at the lowest tariff of INR76.53 lakh/MW/year (USD79,821/MW/year). SECI's discovered tariffs are, therefore, around 40-43% higher than the UPPCL benchmarks, which may partly reflect SECI's tighter commissioning requirement of 36 months compared with around six years for the UPPCL-awarded projects.

Figure 1: Leading winners in ESS segment by capacity awarded in July 2026



Source: Tendering authorities, JMK Research

Note: The trends depicted in the above chart include both project development and EPC tenders.

1.2.2 NTPC vanadium redox flow battery (VRFB) standalone BESS award

- Bondada Engineering, in association with Delectrik Systems, won NTPC Renewable Energy Limited's (NTPC REL) EPC tender for a 16.7MW/100MWh VRFB project at Khavda, Gujarat. This is Delectrik's second association as a technology partner for VRFB deployment. For NTPC's earlier 0.6MW/3MWh NTPC Energy Technology Research Alliance (NETRA) tender in 2024, Delectrik partnered with Rays Power Infra for a pilot-scale system. The latest award increases the energy capacity by more than 30 times and marks a shift in India's VRFB deployment from pilot projects towards utility-scale applications (Figure 1).

² In EPC tenders, the contractor doesn't own the project and is only responsible for its engineering, procurement and construction.

³ Annual fixed charge (AFC) represents the fixed capacity payment payable to the pumped storage plant (PSP) developer and is referred to as tariff in this report.

⁴ Total storage cost (TSC) is SECI's bid-evaluation metric, calculated by adjusting the AFC for the bidder-declared cycle loss; payments to successful bidders are based on AFC, not TSC.



- This VRFB project is designed for nearly six hours of discharge, with a 25-year design life and 10 years of comprehensive operations and maintenance (O&M). Bondada will undertake the overall EPC, system integration and grid-connection scope, while Delectrik will provide the VRFB technology.
- The pipeline of alternative long-duration storage technologies is also widening beyond NTPC's VRFB deployment. Gujarat Industries Power Company Limited (GIPCL) has tendered a 20MW/120MWh VRFB project, while Uttar Pradesh Electricity Regulatory Commission (UPERC) approved a fixed tariff of INR4.73/kWh in June 2026 for a 5MW concentrated solar power (CSP) pilot project with thermal storage in Uttar Pradesh.
- These developments indicate growing interest in storage technologies that can provide longer-duration and firm peak-hour supply, have a larger lifecycle span, and have raw materials that are easier to source vis-à-vis lithium-ion (Li-ion). However, wider deployment will depend on cost competitiveness, operating performance and bankability relative to Li-ion BESS and PHS.

1.2.3 Power purchase agreements (PPAs) signed

Following earlier capacity awards, two storage-linked projects progressed to the PPA signing stage during the period. Ceigall India signed a PPA for a 220MW solar-plus-storage project, while AMPIN Energy Transition signed one for a 199MW FDRE project (Table 2).

Table 2: PPA-related updates

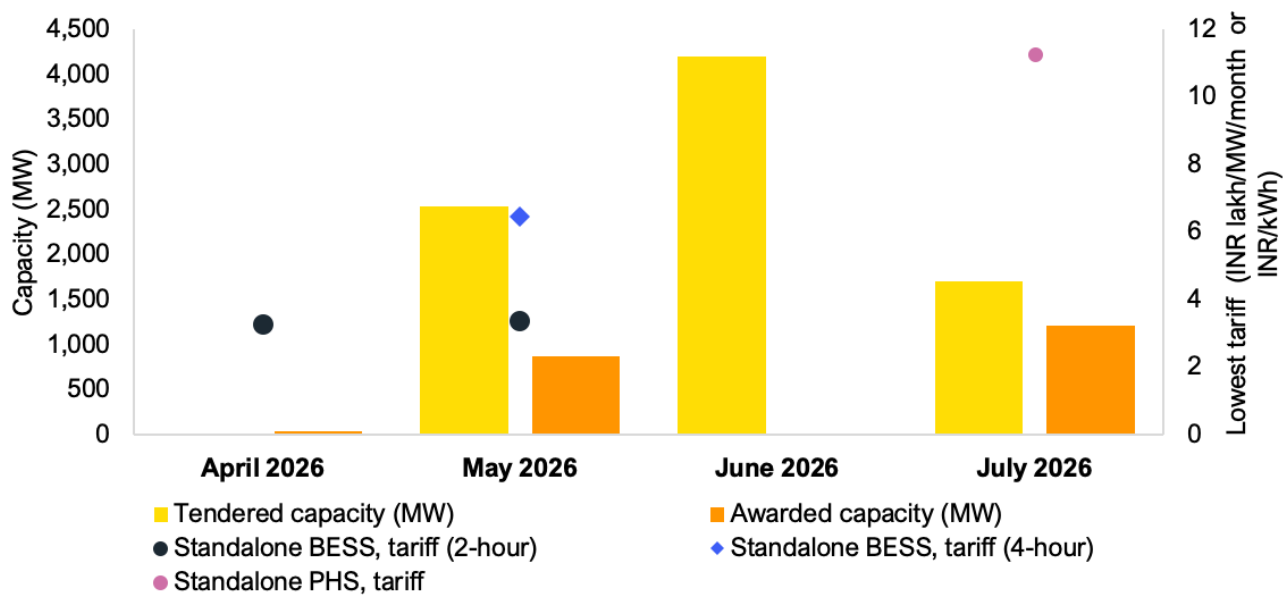
PPA signed					
Devel- oper	Counter party	Project type	Project capacity	Location	Other details
Ceigall India	Rewa Ultra Mega Solar Limited	Renewable energy + ESS	220MW	Morena Solar Park, Madhya Pradesh	A Ceigall India subsidiary signed a 25-year PPA with Rewa Ultra Mega Solar Limited for 220MW of solar-plus-storage capacity at a discovered tariff of INR2.70/kWh (USD0.028/kWh).
AMPIN Energy Transition	SECI	FDRE	199MW/ 800MWh	—	AMPIN signed a PPA with SECI for a 199MW/800MWh FDRE project at a tariff of INR6.28/kWh (USD0.065/kWh), delivering peak power during non-solar hours.
PPA cancelled					
Issuing authority	Project capacity	Project type	Other details		
SECI	1GW	FDRE	SECI cancelled its 1GW FDRE tender, issued December 2025, which was initially intended to monetise curtailed power from existing round-the-clock (RTC) assets through a 12-year PPA with ISTS-connected storage requirements. The withdrawal is part of a broader government reduction of over 11.5GW in renewable energy capacity approvals amid expected weak DISCOM demand.		

1.3 ESS tendering trends, FY2027 year-to-date (YTD, first four months)

- ESS tendering declined by around 26% to 8.4GW in FY2027YTD (April–July), from 11.4GW during the same period in FY2026. Awarded capacity declined by around 65% to 2.4GW in FY2027YTD (April–July), from 6.9GW during the same period in FY2026 (Figure 2).



Figure 2: Monthly trends in storage project development (BOO/BOOT) tenders, FY2027⁵



Source: Tendering authorities, JMK Research; Note: The figure includes only project development (BOO/BOOT) tenders. Standalone BESS and standalone PHS tariffs are reported in INR/MW/month, except for the four-hour standalone BESS tender issued in May, where the tariff is denominated in INR/kWh. For standalone PHS tenders, AFCs reported in INR lakh/MW/year have been converted to INR lakh/MW/month for comparability across tenders. SECI 500MW/1,500MWh FDRE (CfD) tender has been re-issued in July for 500MW/1,000MWh.

- Standalone BESS remained the dominant storage procurement segment in FY2027YTD 4M, accounting for 4.3GW, or around 51% of total tendered capacity. FDRE accounted for a further 1.9GW during the period (Figure 3).
- The 2-hour configuration continued to dominate the tenders, accounting for about 4,448MW (Figure 4). However, the 4-hour configuration is gaining traction as DISCOMs increasingly seek storage capable of shifting daytime renewable generation across a longer, non-solar peak window. The trend has also been supported by the Ministry of Power's clarification allowing 4-hour BESS operations in VGF-supported projects.

Figure 3: Tendered capacity by technology, FY2027YTD (April–July)

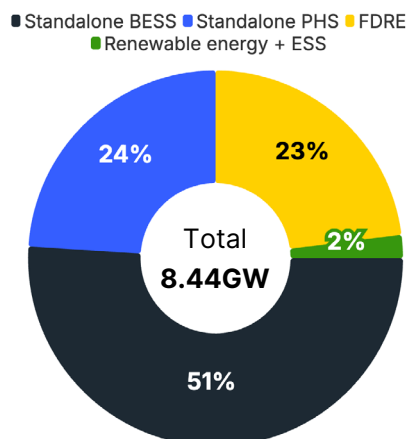
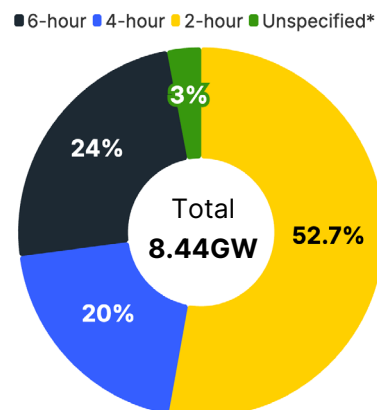


Figure 4: Tendered capacity by discharge/delivery duration, FY2027YTD (April–July)



Source: Tendering authorities, JMK Research; note: The trends depicted in the above charts only include project development tenders. SECI 500MW/1,500MWh tender from April has been re-issued in July, earlier issued for 3-hour capacity, now issued for 2-hour capacity at 500MW/1000MWh; *capacity of 250MW by RUMSL has not specified hours and is represented by FDRE.

⁵ This report classifies BOO and BOOT tenders together under 'project-development tenders', in which the developer builds, owns and operates the asset (BOO), or builds, owns and operates it for a fixed concession period before transferring it to the procurer (BOOT). Both structures require the developer to undertake full project development, distinguishing them from EPC tenders, where the contractor holds no ownership stake, and delivers only construction services. Later chapters use 'project-development tenders' as shorthand for this combined BOO/BOOT category.



2. Capacity commissioned

Approximately 710MWh of ESS capacity was commissioned in July 2026, dominated by standalone capacities.

- India commissioned approximately 710MWh of energy storage system (ESS) capacity in July 2026, accounting for 8.6% of the total capacity commissioned in FY2027 so far. Standalone BESS dominates the current market share of commissioned capacity (Table 3).

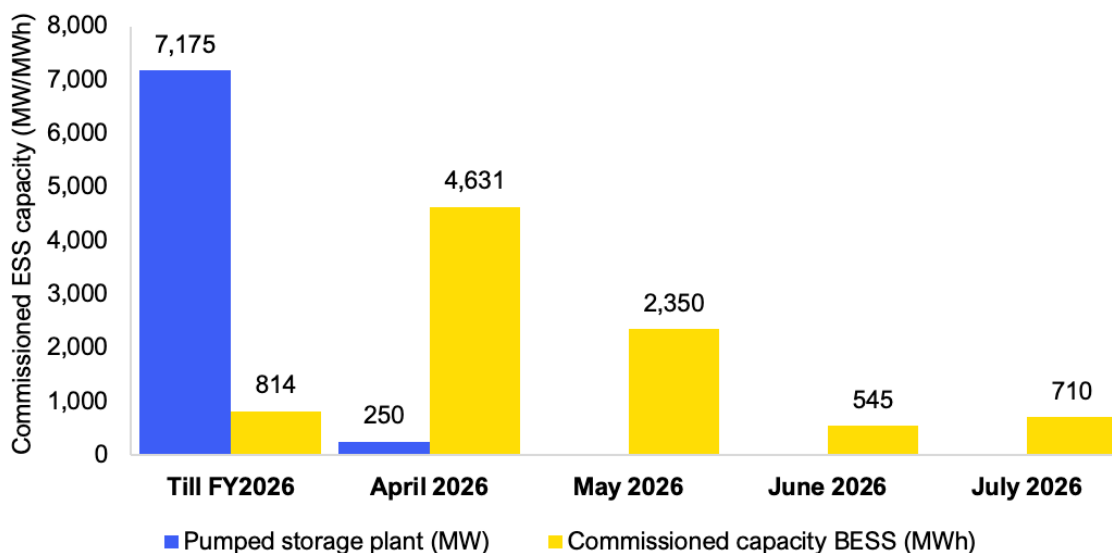
Table 3: ESS projects commissioned in July 2026

Developer/owner	Location, state	Project type	MW/MWh	Business model
ACME Suryodaya Private Limited	Pokhran, Rajasthan	Standalone	110MWh	Merchant
ACME Suryodaya Private Limited	Pokhran, Rajasthan	Standalone	160MWh	Merchant
PACE Digitek	Maharashtra	Standalone	220MW/ 440MWh	Utility-scale

Source: Bombay Stock Exchange (BSE)/National Stock Exchange (NSE) filings, press releases, JMK Research

- ACME Solar has expanded its merchant BESS capacity in Rajasthan through its subsidiary, ACME Suryodaya Private Limited, bringing the subsidiary's total portfolio to 1.1GWh and pushing ACME's cumulative BESS capacity to approximately 3.6GWh. Concurrently, Pace Digitek has operationalised 440MWh of Maharashtra State Electricity Distribution Company Limited's (MSEDCL) 300MW/600MWh battery storage pilot in Maharashtra, achieving over 73% completion on the utility-scale initiative to strengthen grid stability in the region.
- BESS commissioning in FY2027YTD (till July) has reached around 8,236MWh, alongside 250MW of pumped hydro storage (Figure 5).
- Standalone BESS business models are beginning to diversify beyond utility-contracted capacity. Merchant projects can monetise price spreads by charging during lower-price periods and discharging when power prices are higher, while utility-contracted projects provide storage capacity under long-term agreements. In the longer term, aggregation of distributed BESS through virtual power plant (VPP)-type models could enable participation in power and ancillary service markets.

Figure 5: Monthly ESS commissioned capacity trend for FY2027YTD (till July)



Source: CEA, Stock Exchange filings, JMK Research

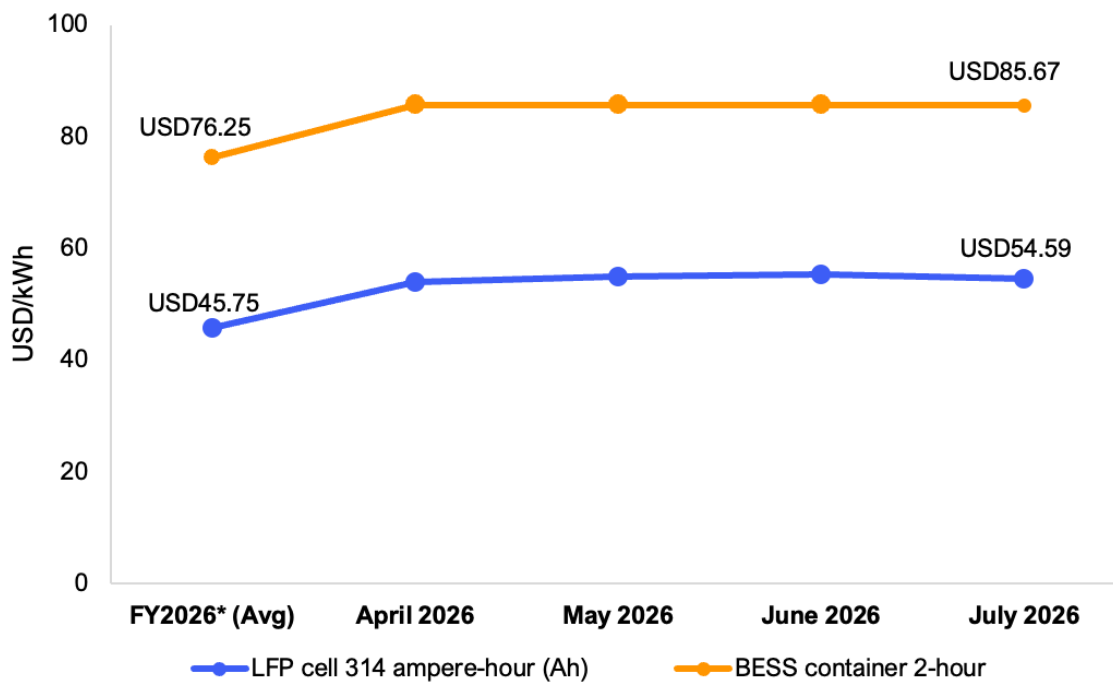


3. ESS pricing trends

Lithium iron phosphate (LFP) cell prices fell marginally this month to around USD54.5/kWh (INR5,209/kWh) in China. In India, the landed costs of cells and containers are 13–23% above China after-tax prices.

- The average price of 314Ah LFP cells, widely used in utility-scale BESS applications, declined by 1.4% month-on-month to CNY0.370/watt-hour (USD0.05/Wh; INR5.23/Wh) in July 2026. This was equivalent to approximately USD54.5/kWh (INR5,209/kWh) on a China after-tax price basis (Figure 6).

**Figure 6: BESS pricing trends for cells and containers
(USD/kWh, after-tax price in China)**



Source: InfoLink, Intercalation, JMK Research, industry consultation; *Note: The FY2026 value is an annual average drawn from prices published by intercalation and prevailing market prices over the financial year. After-tax price refers to the average price observed across actual market transactions in China. InfoLink's China price benchmarks are based on after-tax transactions and include value-added tax (VAT). A 2-hour AC container is a fully assembled, grid-ready unit containing the battery packs with the power conversion system (PCS), battery management system (BMS), liquid cooling, enclosure and other balance-of-plant equipment, sized to discharge at rated power for two hours.

- Cell prices softened through July as lower lithium-carbonate prices eased cost pressure on manufacturers with a 10.7% month-on-month decline. Expectations of additional supply following the restart of China's Contemporary Amperex Technology Company Limited's (CATL) Jianxiawo mine, alongside ample 314Ah cell availability and stronger buyer bargaining power, further contributed to the decline in prices for newly negotiated orders.
- Average prices for integrated two-hour alternating current (AC)-side liquid-cooled containers remained unchanged at USD85.7/kWh (INR8,216/kWh) in July 2026. Non-cell components and services — including power conversion systems (PCS), thermal-management systems, fire-safety equipment, energy management systems (EMS), commissioning and warranties — continue to account for a significant share of overall system costs.
- The roughly USD30/kWh (INR2,876/kWh) difference between the LFP cell and an assembled AC container reflects the additional equipment required to make the battery ready for grid use.
- India's landed LFP cell price stood at USD62–USD67/kWh (INR5,944–INR6,423 /kWh) in July 2026, around 13–23% above the China after-tax price level, representing a premium of roughly USD7–USD12/kWh (INR671–INR1,150/kWh). The same price delta is also observed for an assembled AC container. The gap reflects freight, duties and other import-related costs. Localising cell and pack manufacturing would let developers avoid this import surcharge and reduce their reliance on Chinese supply.

4. BESS manufacturing updates

Manufacturing facilities of 6.3GWh were established across multiple supply-chain segments in July 2026, followed by a global tender from the Ministry of Heavy Industries aiming to establish a 10GWh advanced chemistry cell (ACC) manufacturing facility for grid storage applications.

Waaree ESS commenced operations at its 5.15GWh BESS container manufacturing facility, while Midwest Energy began commercial production at its 1.2GWh integration facility for battery modules, racks, trays and containerised systems. Together, these represented around 6.35GWh of downstream capacity entering operations during the month, with maximum capacity in Gujarat at 5.15GWh, followed by Karnataka at 1.2GWh, and Telangana at 0.06GWh (Table 4).

Despite these additions, India's manufacturing footprint remains concentrated in battery-pack assembly and system integration. Commercial cell manufacturing remains limited, leaving the domestic BESS industry substantially dependent on imported cells as deployment scales.

On the demand side, VGF-supported BESS projects require a minimum 20% local content in total project cost, including indigenously developed EMS software, creating an initial demand pull for domestic components and system integration. This could be further strengthened by the proposed approved list of battery manufacturers (ALBM), which is intended to promote the use of domestically manufactured batteries in government-backed storage projects.

4.1 Ministry of Heavy Industries (MHI) ACC tender

MHI issued a tender for the remaining 10GWh capacity under the 50GWh ACC battery storage production linked incentive (PLI) scheme, with the entire capacity dedicated for grid-scale storage application, thereby representing an important localisation push. The requirement for domestic value addition of at least 25% within two years and 40% within five years could support the development of a domestic stationary-storage cell supply chain.

Table 4: Key manufacturing updates in July 2026

Entity	Type of update	Location	Manufacturing capacity (GWh)	Other details
Waaree ESS	Container facility commissioned	Gujarat	5.15	Waaree ESS commissioned a 5.15GWh BESS container manufacturing facility, marking the first milestone in the company's long-term 20GWh energy storage manufacturing roadmap.
Ampere-Hour Energy	Facility inaugurated	Maharashtra	5	AmpereHour Energy inaugurated a 5GWh BESS manufacturing and integration facility in Chakan, Pune, for the integration of containerised battery DC-AC blocks for utility-scale, and commercial and industrial applications.
Midwest Energy	Facility commissioned	Karnataka	1.2	The facility in Midwest Energy commissioned a 1.2GWh BESS manufacturing facility in Bengaluru, covering battery modules, racks and integrated containerised storage systems.
Amara Raja	Facility commissioned	Telangana	0.06	Amara Raja commissioned a 60MWh customer qualification plant at its Giga Corridor in Telangana. The facility will manufacture cells for customer testing and validation ahead of the planned commissioning of its first 2GWh commercial cell-manufacturing line in 2027.
Premier Energies	Ground-breaking ceremony	Telangana	6	Premier Energies broke ground on a 6GWh BESS manufacturing facility at its Seetharampur manufacturing campus in Telangana.

Source: News articles, JMK Research



5. Storage deals and partnerships in July 2026

In July 2026, JSW Energy secured a major BESS supply order, while Hitachi Energy was awarded a significant BESS installation contract.

Table 5: Storage deals and partnerships in July 2026

Principal entity	Deal value	Counter party	Project type	Other details
JSW Energy	INR443.74 crore (USD46.2 million)	Bondada Engineering	BESS and PCS supply	JSW Energy's step-down subsidiary, JSW Energy PSP Eleven, secured orders worth INR443.74 crore (USD46.2 million) from Bondada Engineering for the supply of a 200MW/400MWh BESS and associated PCS solutions.
Hitachi Energy	—	—	BESS installation	Hitachi Energy secured its first BESS contract in India for installation of a 165MW/330MWh grid-scale battery project in Andhra Pradesh.

Source: News articles, JMK Research

6. Policy and regulatory updates

CEA's July measures strengthened grid-forming requirements for BESS, while the Ministry of New and Renewable Energy (MNRE) allowed DISCOM incentives under PM Surya Ghar: Muft Bijli Yojana to support BESS deployment, and Gujarat extended capital support to captive BESS in eligible data centres.

Table 6: ESS policy and regulatory updates in July 2026

Title	Key provisions
Technical and operating norms	
<u>CEA notifies comprehensive technical standards for BESS projects</u>	CEA has introduced a dedicated set of construction and performance standards for BESS, effective 1 April 2027. The framework covers battery containers, BMS, PCS, protection, monitoring and auxiliary systems. BESS must provide a minimum 80% depth of discharge, PCS efficiency of at least 95%, and AC-to-AC round-trip efficiency of at least 70%. The standards also prescribe minimum output retention of 90% after five years, 80% after 10 years and 70% after 15 years, along with requirements for layered protection, data capture, and system monitoring.
<u>CEA issues advisory requiring 100% grid-forming inverters for upcoming BESS projects</u>	CEA issued an advisory requiring 100% grid-forming (GFM) inverters for upcoming BESS projects. The prescribed GFM systems are expected to remain stable at a short-circuit ratio (SCR) of 2.0 or below, initiate active and reactive power response within 5 milliseconds and achieve full response within 30 milliseconds. BESS projects with aggregate capacity of 50MW and above must additionally provide black-start capability and enable continuous participation in automatic generation control (AGC).
<u>Rajasthan State Load Despatch Centre (SLDC) issues operating guidelines for BESS installed with renewable energy projects</u>	BESS charging is restricted to electricity generated by the associated renewable energy project, with charging preferably during 10AM–3PM; and drawing grid electricity for charging is prohibited. BESS discharge is permitted during 6AM–8AM and 6PM–10PM. Any discharge outside these windows without prior SLDC approval will not be considered for commercial settlement. SLDC can curtail, reschedule or restrict BESS operations in response to grid contingencies, transmission constraints, congestion or other system-security requirements.



Title	Key provisions
Tariff, connectivity and procurement approvals	
<u>Central Electricity Regulatory Commission (CERC) restores ISTS connectivity for PACE Digitek's 100MW solar + 50MW BESS project</u>	CERC condoned a two-day delay by PACE Digitek in submitting connectivity bank guarantees for its 100MW solar project, coupled with a 50MW BESS at the NP Kunta Pooling Station in Andhra Pradesh. The CERC directed the CTUIL to process the guarantees, noting that their revocation could affect a SECI-tied project, which has a scheduled commercial operation date (SCOD) of September 2026 and INR5.58 billion (USD58.2 million) in committed investment.
<u>KSERC approves 200MW solar procurement with 100MW/400MWh ESS</u>	KSERC approved KSEBL's long-term procurement of 200MW solar capacity coupled with 100MW/400MWh of energy storage under SECI's ISTS-connected solar-plus-storage scheme. The underlying competitively discovered generation tariff is INR2.86/kWh (USD0.030/kWh), with the delivered procurement cost including SECI's trading margin at around INR2.93/kWh (USD0.031/kWh).
<u>UERC clarifies tariff treatment for VGF-backed BESS projects</u>	UERC clarified that the INR2.5 lakh/MW/month (USD2,607/MW/month) benchmark capacity charge determined for standalone BESS for FY2026-27 will not apply to BESS projects developed under the Government of India's VGF scheme. The commission noted that VGF-supported projects may differ materially in storage duration, project size, location, operating cycle and deployment configuration, and therefore should not be benchmarked using a single generic ceiling.
<u>BERC limits connectivity for Kajra solar-plus-BESS project to maximum grid injection</u>	BERC clarified that connectivity for BSPGCL's 185MW solar project with 45.4MW/181.6MWh BESS at Kajra, Bihar, should be determined based on the project's maximum instantaneous grid injection rather than the arithmetic sum of solar and BESS nameplate capacities. BSPTCL had initially granted connectivity for 230.4MW, but BERC reduced this to 185MW, noting that the solar and BESS components are designed for non-overlapping injection of power into the grid.
Title	Key provisions
BESS development support	
<u>MNRE expands use of PM Surya Ghar incentives for BESS and grid upgrades</u>	MNRE clarified that DISCOMs may utilise the balance incentive amount available under the 'Incentive to DISCOMs' component of PM Surya Ghar: Muft Bijli Yojana for deployment of BESS to facilitate rooftop-solar integration and grid management, after meeting the mandatory allocations prescribed under the scheme's guidelines. The funds may also be used for distribution-infrastructure augmentation in high rooftop-solar penetration areas, rooftop solar at DISCOM buildings and generation-monitoring initiatives.
<u>Gujarat Data Center Policy extends capital-support framework to captive BESS</u>	The Viksit Gujarat Data Center Policy 2026–2029 explicitly includes captive BESS within eligible fixed capital investment (EFCl) for qualifying data-centre projects. For projects in the Dholera region, the policy provides a capital subsidy of 2.5% of EFCl, although the subsidy attributable to the BESS component cannot exceed 10% of the total capital subsidy claimed.

Source: CERC, SERCs, Appellate Tribunal for Electricity (APTEL), MNRE, JMK Research



Abbreviations

AC	Alternating current	MPPMCL	Madhya Pradesh Power Management Company Limited
ACC	Advanced chemistry cell	MPPTCL	Madhya Pradesh Power Transmission Company Limited
AFC	Annual fixed charge	MSEDCL	Maharashtra State Electricity Distribution Company Limited
AGC	Automatic generation control	NETRA	NTPC Energy Technology Research Alliance
ALBM	Approved list of battery manufacturers	O&M	Operation and maintenance
AVVNL	Ajmer Vidyut Vitran Nigam Limited	PCS	Power conversion system
BERC	Bihar Electricity Regulatory Commission	PHS	Pumped hydro storage
BESS	Battery Energy Storage System	PLI	Production linked incentive
BMS	Battery management system	PPA	Power purchase agreement
BRPL	BSES Rajdhani Power Limited	PSP	Pumped storage plant
BOO/BOOT	Build own operate/build own operate transfer	PV	Photovoltaic
BSPGCL	Bihar State Power Generation Company Limited	REMCL	Railway Energy Management Company Limited
BSPTCL	Bihar State Power Transmission Company Limited	RUMSL	Rewa Ultra Mega Solar Limited
CEA	Central Electricity Authority	SCOD	Scheduled Commercial Operation Date
CERC	Central Electricity Regulatory Commission	SECI	Solar Energy Corporation of India
CfD	Contract for difference	TERI	The Energy and Resources Institute
CSP	Concentrated solar power	TSC	Total storage cost
CTUIL	Central Transmission Utility of India Limited	UERC	Uttarakhand Electricity Regulatory Commission
CUF	Capacity utilisation factor	UHBVNL	Uttar Haryana Bijli Vitran Nigam Limited
DISCOM	Distribution company	UPERC	Uttar Pradesh Electricity Regulatory Commission
EFCI	Eligible fixed capital investment	UPPCL	Uttar Pradesh Power Corporation Limited
EMS	Energy management system	VPP	Virtual power plant
EPC	Engineering, procurement, and construction	VGF	Viability gap funding
ESS	Energy storage system	VRFB	Vanadium redox flow battery
FDRE	Firm and dispatchable renewable energy		
GETCO	Gujarat Energy Transmission Corporation Limited		
GFM	Grid-forming		
GIPCL	Gujarat Industries Power Company Limited		
ISTS	Inter-state transmission system		
JDVVNL	Jodhpur Vidyut Vitran Nigam Limited		
JVVNL	Jaipur Vidyut Vitran Nigam Limited		
KSEBL	Kerala State Electricity Board Limited		
KSERC	Kerala State Electricity Regulatory Commission		

About IEEFA

The Institute for Energy Economics and Financial Analysis (IEEFA) examines issues related to energy markets, trends and policies. The Institute's mission is to accelerate the transition to a diverse, sustainable and profitable energy economy. www.ieefa.org

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