Government Approves BESS Scheme to Power a Sustainable Future

The Union Cabinet has approved the "Viability Gap Funding (VGF) Scheme" for the development of Battery Energy Storage Systems (BESS). This scheme sets out to create 4,000 MWh of BESS projects by the fiscal year 2030-31, backed by financial support of up to 40% of the capital costs in the form of Viability Gap Funding (VGF). The scheme is tailored to harness the potential of renewable energy

sources like solar and wind power with the primary objective to generate clean, reliable, and cost-effective electricity. With an initial budgetary allocation of Rs. 9,400 crore, the scheme ensures that at least 85% of the BESS project capacity is

reserved for Distribution Companies (Discoms). This approach enhances renew-

Indi The able energy integration into the power grid while optimising transmission network usage, ultimately reducing the need for costly infrastructure upgrades.

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