

GOVERNMENT OF INDIA  
MINISTRY OF NEW AND RENEWABLE ENERGY  
**LOK SABHA**  
**UNSTARRED QUESTION NO. 2861**  
ANSWERED ON 05.08.2026

**CHALLENGES IN INTEGRATING RENEWABLE ENERGY**

2861.SHRI SRIBHARAT MATHUKUMILLI

Will the Minister of NEW AND RENEWABLE ENERGY be pleased to state:

- (a) whether the Government is aware that Visakhapatnam is facing significant challenges in integrating renewable energy due to grid curtailment, intermittency, land acquisition constraints for large-scale solar projects, limited energy storage infrastructure and seasonal weather variability;
- (b) if so, whether these challenges are resulting in clean energy losses and increased dependence on thermal power to meet the city's growing electricity demand;
- (c) if so, the measures taken or proposed by the Government to strengthen grid infrastructure, promote energy storage systems and facilitate renewable energy expansion in Visakhapatnam; and
- (d) whether the Government proposes any special financial or policy support for renewable energy and storage projects in Andhra Pradesh particularly in Visakhapatnam and if so, the details thereof?

**ANSWER**

**THE MINISTER OF STATE FOR NEW & RENEWABLE ENERGY AND POWER**

**(SHRI SHRIPAD YESSO NAIK)**

(a) to (c) As per information provided by Central Transmission Utility India Limited (CTUIL), presently Vishakhapatnam area is well connected with National Grid through high-capacity transmission corridors comprising 765kV & 400kV lines as well as HVDC System which facilitates smooth transfer of power through Inter-State Transmission System (ISTS) network. Also, ISTS network is being augmented on continuous basis to address requirement of power transfer as per different scenario. Power transfer capacities are being strengthened on a continual basis to address changed power transfer scenarios as and when the requirement arises, with reliability & security. Further no application for renewable integration or Battery Energy Storage System (BESS) has been received at Vishakhapatnam.

(d) The Government of India has already taken several steps to expand investment in storage and renewable energy, including in Andhra Pradesh. The detailed steps taken are placed at **Annexure-I**.

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**Annexure-I referred in Reply to Part (d) of the Lok Sabha Unstarred Question No.2861  
“Challenges in Integrating Renewable Energy” to be answered on 05.08.2026.**

The steps taken by Government to expand investment in storage and renewable energy, including in Andhra Pradesh is placed at Annexure.

- Issued National Framework to promote Energy Storage Systems in the country.
- Notified Guidelines for Procurement and Utilization of Battery Energy Storage Systems (BESS) as part of Generation, Transmission and Distribution assets, along with Ancillary Services.
- Issued Guidelines to promote Pumped Storage Plants (PSP).
- Granted 100% waiver of Inter-State Transmission System (ISTS) charges for PSP for which construction work is awarded on or before June 30, 2028.
- Granted 100% ISTS charges waiver for co-located BESS projects, commissioned on or before 30th June 2028, with certain conditions.
- In March 2024, the Government approved a Viability Gap Funding (VGF) Scheme for the development of large-scale BESS, with an outlay of ₹3,760 crore for the development of 13,220 MWh, at a VGF of ₹27 lakh per MWh. This includes BESS capacity of 1000 MWh allocated to the State of Andhra Pradesh.
- In June 2025, the Government approved another VGF Scheme for 30 GWh, funded through ₹5,400 crore from the Power System Development Fund (PSDF), at a VGF of ₹18 lakh per MWh. This includes BESS capacity of 2000 MWh allocated to the State of Andhra Pradesh. Earmarked 10 GWh capacity for Grid Scale Stationary Storage applications under the “National Programme on Advanced Chemistry Cell (ACC) Battery Storage”.
- Issued an ‘Advisory on co-locating Energy Storage Systems with Solar Power Projects to enhance grid stability and cost efficiency’.
- Implementation of Green Energy Corridor scheme for evacuation of renewable energy with in the states including Andhra Pradesh.

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