Green Energy Corridor Phase-III

Prelims: *Current events of national and international importance | Infrastructure*

Why in News?

Recently, the Union Cabinet approved the Green Energy Corridor Phase-III (GEC-III) on 30 September 2026.

Green Energy Corridor Phase-III

- **Aim –** To strengthen the **Intra-State Transmission System (InSTS)** to facilitate the evacuation and integration of renewable energy.
- All Greenfield projects under the InSTS component will be implemented through **Tariff Based Competitive Bidding (TBCB) mode.**
- While brownfield upgradation and network strengthening works will be executed under **Cost Plus Basis (CPB).**
- **Implementing agencies** – State Transmission Utilities (STUs)
- Transmission Service Providers (TSPs) will participate under ***TBCB on a Build-Own-Operate-Maintain (BOOM) model.***

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Key Features of GEC-III

Aspect	Details
Target	Evacuation of up to 135 GW renewable energy
Battery Energy Storage Systems (BESS)	50 GWh
Implementation deadline	FY 2032–33
Total project outlay	₹1,86,405 crore
InSTS component	₹1,36,378 crore
BESS component	₹50,000 crore
Central Financial Assistance (CFA)	₹54,082 crore
Implementing agencies	State Transmission Utilities (STUs)
Greenfield projects	Tariff Based Competitive Bidding (TBCB)
Brownfield/network strengthening	Cost Plus Basis (CPB)
Transmission Service Providers	TBCB projects through Build-Own-Operate-Maintain (BOOM) model

Battery Energy Storage System (BESS)

- It is a technological system designed to store electrical energy in rechargeable batteries and release it as required.

- **Role –** BESS will address the following challenges:
    - Intermittency in renewable energy generation
    - Grid congestion
    - Curtailment during peak hours
    - Electricity demand during non-solar hours
    - Overall grid flexibility and stability
- **Significance**
- It facilitates **intra-state renewable power evacuation and supports grid integration**.
- It supports India's goal of achieving **900 GW of installed non-fossil fuel capacity by 2035**.
- **The CFA offsets intra-state transmission charges**, helping to contain electricity costs.
- BESS promotes **energy security** and reduces the **carbon footprint**.
- It generates employment in the **power, manufacturing, construction, and energy storage sectors**.

Reference

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