

# **Average bid cost for MW scale storage system project 2025**





## Overview

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As of most recent estimates, the cost of a BESS by MW is between \$200,000 and \$450,000, varying by location, system size, and market conditions. This translates to around \$200 - \$450 per kWh, though in some markets, prices have dropped as low as \$150 per kWh. Key Factors Influencing.

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Figure ES-2 shows the overall capital cost for a 4-hour battery system based on those projections, with storage costs of \$147/kWh, \$243/kWh, and \$339/kWh in 2035 and \$108/kWh, \$178/kWh, and \$307/kWh in 2050 (values in 2024\$). Battery variable operations and maintenance costs, lifetimes, and.

Net market revenue for batteries decreased from an average of about \$78/kW-yr in 2023 to \$53/kW-yr in 2024. This decrease was driven largely by lower peak energy prices and lower loads than in 2023. Batteries received \$17.9 million of real-time bid cost recovery payments in 2024, representing 11.

As of most recent estimates, the cost of a BESS by MW is between \$200,000 and \$450,000, varying by location, system size, and market conditions. This translates to around \$200 - \$450 per kWh, though in some markets, prices have dropped as low as \$150 per kWh. Key Factors Influencing BESS Prices.

DOE's Energy Storage Grand Challenge supports detailed cost and performance analysis for a variety of energy storage technologies to accelerate their development and deployment The U.S. Department of Energy's (DOE) Energy Storage Grand Challenge is a comprehensive program that seeks to accelerate.

Sign up for free insights into how DG and utility-scale battery storage system pricing is shifting in response to key market factors, such as lithium carbonate pricing, more manufacturers entering the market, and new tariff risks. Example graph from Anza's Q3 2025 Energy Storage Pricing Insights.



In today's market, the installed cost of a commercial lithium battery energy storage system — including the battery pack, Battery Management System (BMS), Power Conversion System (PCS), and installation — typically ranges from: \$280 to \$580 per kWh for small to medium-sized commercial projects. For. How much does a MWh system cost?

MWh (Megawatt-hour) is a measure of energy capacity (how long the system can continue delivering that power output). For example, a 1 MW / 4 MWh BESS has four hours of storage capacity. So, while the system might be \$200,000 per MW, the effective cost can be \$800,000 per MWh if it has four hours duration.

How much does a 1 MW battery storage system cost?

Given the range of factors that influence the cost of a 1 MW battery storage system, it's difficult to provide a specific price. However, industry estimates suggest that the cost of a 1 MW lithium-ion battery storage system can range from \$300 to \$600 per kWh, depending on the factors mentioned above.

Will additional storage technologies be added?

Additional storage technologies will be added as representative cost and performance metrics are verified. The interactive figure below presents results on the total installed ESS cost ranges by technology, year, power capacity (MW), and duration (hr).

How can I reduce the cost of a 1 MW battery storage system?

There are several ways to reduce the overall cost of a 1 MW battery storage system: Technological advancements: As battery technologies continue to advance, costs are expected to decrease. For example, improvements in cutting-edge battery technologies can lead to more affordable and efficient storage systems.

Why do storage costs persist through 2050?

The lower costs persist through 2050 because of that lower starting point. Table 2. Values from Figure 3 and Figure 4, which show the normalized and absolute storage costs over time. Storage costs are overnight capital costs for a complete 4-hour battery system. Figure 9.

How much does storage cost in 2035?



By definition, the projections follow the same trajectories as the normalized cost values. Storage costs are \$147/kWh, \$234/kWh, and \$339/kWh in 2035 and \$108/kWh, \$178/kWh, and \$307/kWh in 2050. Costs for each year and each trajectory are included in the Appendix, including costs for years after 2050. Figure 4.



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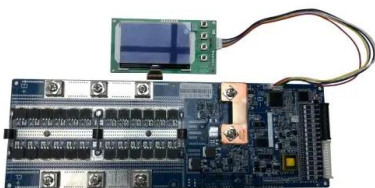


### Summary of Global Energy Storage Market Tracking ...

Figure 3: Installed capacity of new energy storage projects newly commissioned in China (2023.H1) In the first half of the year, the capacity of domestic energy storage system which completed procurement process ...

### China's Huadian announces winners in 6 GWh BESS ...

The procurement exercise has attracted 67 battery energy storage companies but only six have emerged as winners. The average bid stood at CNY 0.473/Wh (\$65/kWh).



### What Does Green Energy Storage Cost in 2025?

In 2025, you're looking at an average cost of about \$152 per kilowatt-hour (kWh) for lithium-ion battery packs, which represents a 7% increase since 2021. Energy storage systems (ESS) for four-hour durations exceed \$300/kWh, marking the ...

### LAZARD'S LEVELIZED COST OF STORAGE ...

A levelized cost of storage analysis of an illustrative 100 MW / 1,000 MWh energy storage system yields potentially attractive economics relative to the available alternatives



**Figure 1. Recent & projected costs of key grid**

Meanwhile, the costs of pumped hydro storage are expected to remain relatively stable in the coming years, maintaining its position as the cheapest form - in terms of \$/kWh - ...

### Microsoft PowerPoint

Lead is a viable solution, if cycle life is increased. Other technologies like flow need to lower cost, already allow for +25 years use (with some O& M of course). Source: 2022 Grid Energy ...



### Cost Projections for Utility-Scale Battery Storage: 2025 Update

Executive Summary In this work we describe the development of cost and performance projections for utility-scale lithium-ion battery systems, with a focus on 4-hour duration ...





### China'S Huadian Announces Winners In 6 Gwh Bess Tender With Average Bid

Grid-scale energy storage solutions are also being considered to improve system reliability and flexibility. In June 2025, Syria signed a US\$7bn agreement with a ...



### RFP: Michigan utility DTE Energy seeks 450 MW of standalone energy storage

The RFP requires grid-scale standalone energy storage projects to be in commercial operation by December 31, 2028. The projects must be located in Michigan and ...

### Cost Projections for Utility-Scale Battery Storage: 2025 Update

In this work we describe the development of cost and performance projections for utility-scale lithium-ion battery systems, with a focus on 4-hour duration systems. The projections are ...



### Energy Storage Systems (ESS) Projects and Tenders

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## 1MW Solar Power Plant: Real Costs and Revenue ...

Remember that while costs and profits can vary by location and market conditions, solar power remains one of the most stable and environmentally responsible investment opportunities available today. With ...



## [Battery Energy Storage Systems Report](#)

This information was prepared as an account of work sponsored by an agency of the U.S. Government. Neither the U.S. Government nor any agency thereof, nor any of their employees, ...



## BESS Costs Analysis: Understanding the True Costs of Battery

Several factors can influence the cost of a BESS, including: System Size and Capacity Larger systems cost more, but they often provide better value per kWh due to ...



## A 2025 Update on Utility-Scale Energy Storage ...

While the energy storage market continues to rapidly expand, fueled by record-low battery costs and robust policy support, challenges still loom on the horizon--tariffs, shifting tax incentives, and supply chain uncertainties ...



### Bigger cell sizes among major BESS cost reduction ...

According to BloombergNEF's recently published Energy Storage System Cost Survey 2024, the prices of turnkey energy storage systems fell 40% year-on-year from 2023 to a global average of US\$165/kWh. The ...



### 2025 Predictions for the Energy Storage Sector Following a ...

As we move into 2025, Convergent is at the forefront of bringing strategic industrial-scale and utility-scale energy storage systems online, reinforcing our commitment to ...

### Summary of Global Energy Storage Market Tracking (Q2 2023)

Figure 3: Installed capacity of new energy storage projects newly commissioned in China (2023.H1) In the first half of the year, the capacity of domestic energy storage system ...



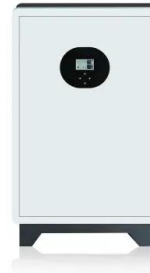
### Battery storage capacity in the UK: the state of the pipeline

Figure 3: Battery planning applications by country (MW) and average capacity per project submitted (MW) Overall though, the breakdown of the battery storage pipeline in ...



## The Real Cost of Commercial Battery Energy Storage in 2025: ...

With fluctuating energy prices and the growing urgency of sustainability goals, commercial battery energy storage has become an increasingly attractive energy storage ...



## [Solar Photovoltaic System Cost Benchmarks](#)

The U.S. Department of Energy's solar office and its national laboratory partners analyze cost data for U.S. solar photovoltaic systems to develop cost benchmarks to measure progress towards goals and guide research and development ...



## Key factors impacting energy storage pricing to start 2025

Anza published its inaugural quarterly Energy Storage Pricing Insights Report this week to provide an overview of median list-price trends for battery energy storage systems ...



## Battery Storage Unlocked: Lessons Learned From Emerging ...

Lessons Learned from Emerging Economies The Supercharging Battery Storage Initiative would like to thank all authors and organizations for their submissions to support this publication. This ...



### A 2025 Update on Utility-Scale Energy Storage ...

In most cases, the cost of an energy storage project will be more closely correlated to its MWh of storage capacity rather than its MW of output capacity, which is very different than conventional and renewable generation, ...



### 'Mind-blowing' bids in Power China's 16GWh BESS tender

The tender for the design, manufacture, installation and 20-year operations & maintenance (O& M) of battery energy storage systems (BESS) for Power China's 2025-2026 ...

### Real Cost Behind Grid-Scale Battery Storage: 2024 ...

The rapidly evolving landscape of utility-scale energy storage systems has reached a critical turning point, with costs plummeting by 89% over the past decade. This dramatic shift transforms the economics of grid-scale ...



### RFP: Michigan utility DTE Energy seeks 450 MW of ...

The RFP requires grid-scale standalone energy storage projects to be in commercial operation by December 31, 2028. The projects must be located in Michigan and will interconnect to the Midcontinent Independent ...





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