

IETF Phase 2: Spring 2022

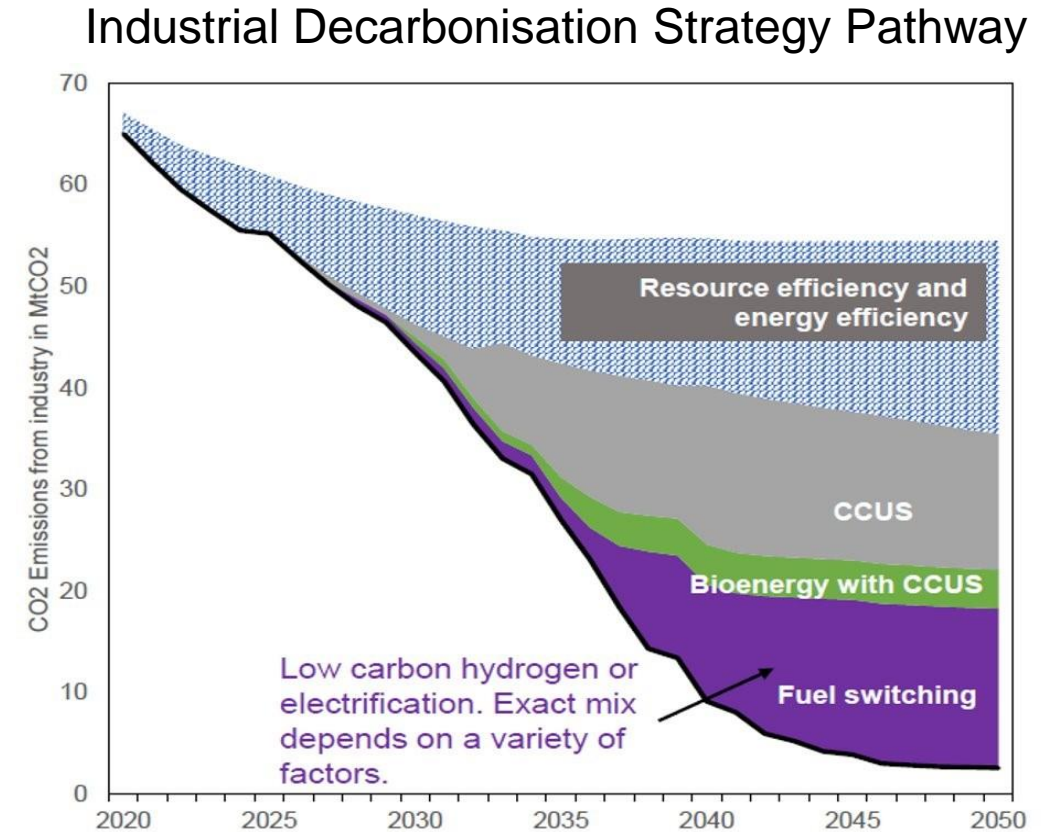
IETF and CCU event for the Food and Drink Sector

Lily Tozer, Head of IETF Capacity Building and Industrial Resource Efficiency Policy

28th January 2022

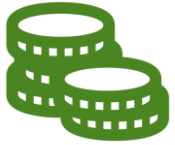
Net zero industry

- Industrial emissions account for around 16% of UK emissions.
- To reach the Net Zero target in 2050 industrial emissions need to fall by around 90% from today's levels.
- The Industrial Decarbonisation Strategy, March 2021, sets out how the UK can have a thriving industrial sector aligned with the net zero target, without pushing emissions and business abroad.



Industrial Energy Transformation Fund

Two objectives:



Reduce energy costs and emissions for industry



Bring down costs and risks of deep decarbonisation technologies by demonstrating those technologies

- The IETF is targeted at **industrial processes**
- The fund is open to businesses - of any size - registered in England, Wales or NI

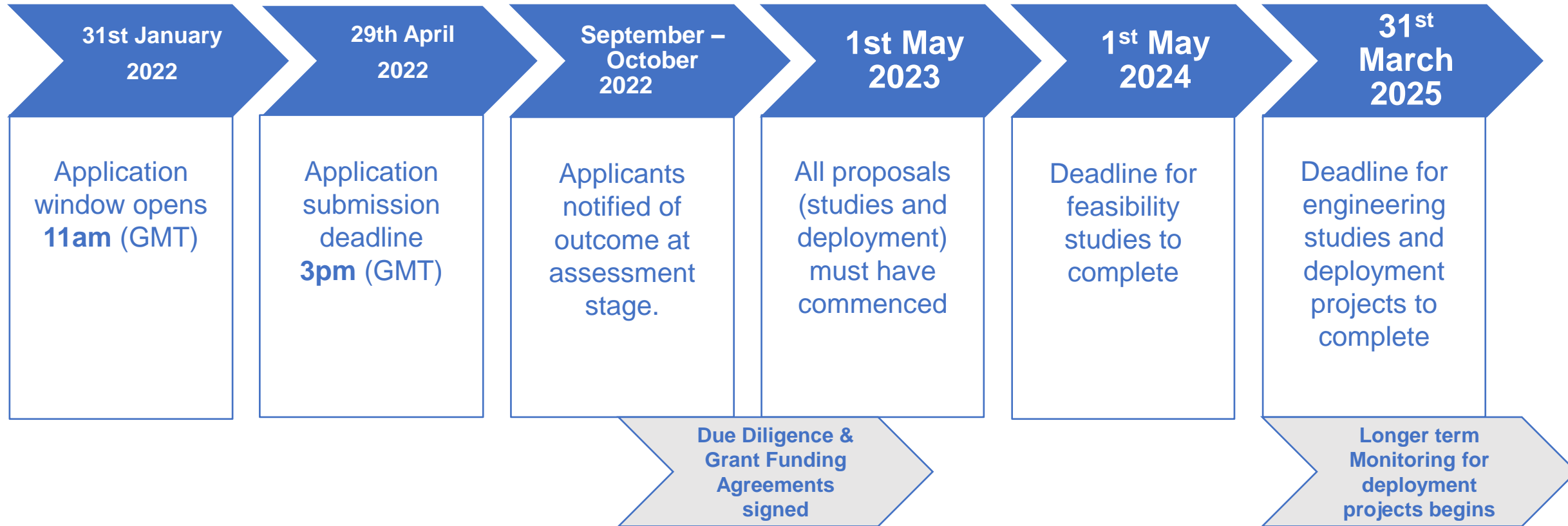
IETF funding and competition windows

The IETF has a budget of £289m out to 2025. Phase 1 has concluded – we expect to spend up to £70m from the first two competitions.

- Phase 2 expands the initial scope to include decarbonisation deployment projects.
- Phase 2 will allocate the remaining funding, with a further 4 application windows in 2021 and 22

Phase 2	Start and end	Approximate budget
Autumn 2021	Assessment underway	£60m
Spring 2022	Jan 31 st - Apr 29 th	£60m
Summer 2022	May - Sep	£55m
Autumn 2022	Oct - Jan	£45m

Spring 2022 Timeline



Who is eligible to apply?

As lead applicant **you must carry out an eligible industrial process** at an **existing** site (or sites) which will be the focus of the application.

Eligible industrial processes	Standard Industrial Classification (SIC) codes
Mining and quarrying	05101 through to 05200; 07100 through to 08990; and 09900
Manufacturing including the food & drink sector	10000 through to 33200
Recovery and recycling of materials	38320
Data centres	63110

We welcome **collaborations** between technology providers, academics and research organisations, provided that the lead applicant is the site itself.

Scope and eligibility

Energy Efficiency Deployment

Deep Decarbonisation Deployment

Feasibility and Engineering Studies

Energy Efficiency and Deep Decarbonisation

Studies (EE and DD)

Feasibility studies - investigate whether or not the potential technology is technically and commercially viable

Minimum threshold	Maximum threshold	Maximum subsidy intensity	Must start by	Must complete by
£30k total eligible cost per study	£7m total grant funding per study	50% (large company) 60% (medium) 70% (small/micro)	1 st May 2023	31 st March 2024

Engineering studies - investigate the technical aspects of commissioning the project, carbon reduction and other benefits analysis, health and safety, and permitting planning and consent.

Minimum threshold	Maximum threshold	Maximum subsidy intensity*	Must start by	Must complete by
£50k total eligible cost per study	£14m total grant funding per study	25% (large company) 35% (medium) 45% (small/micro)	1 st May 2023	31 st March 2025

Deep Decarbonisation (DD) deployment

Minimum threshold	Maximum threshold	Maximum subsidy intensity	Must start by	Must complete by
£100k total grant funding per application	£30m total grant funding per project	50% (large company) 60% (medium) 70% (small/micro)	1 st May 2023	31 st March 2025

Decarbonisation proposals should **reduce the emissions produced by industrial processes at site level**. Compatibility with Net Zero will form part of the assessment of your project.

At the end of your project (project completion) you must have installed and begun to operate (or be ready to operate) the decarbonisation technology.

Carbon capture (DD deployment)

Grant support can be used against the costs of:

- Retrofitting carbon capture technologies onto existing industrial equipment including onsite bioenergy combustion (BECCS), anaerobic digesters and CHP where these are powering onsite industrial processes.
- Intermediate CO₂ storage and transport infrastructure (for example storage tanks and pipes) within the boundary of the site.
- Metering equipment to monitor the quantity and quality of the captured CO₂.

The costs of offsite transport and storage infrastructures, or operational costs are not covered by the IETF.

Carbon Capture and Utilisation (DD deployment)

Provided that you have an identified end user for the captured CO₂, and this is captured from an existing industrial process, CCU technologies are in scope for IETF support.

Your application should include information covering the following areas:

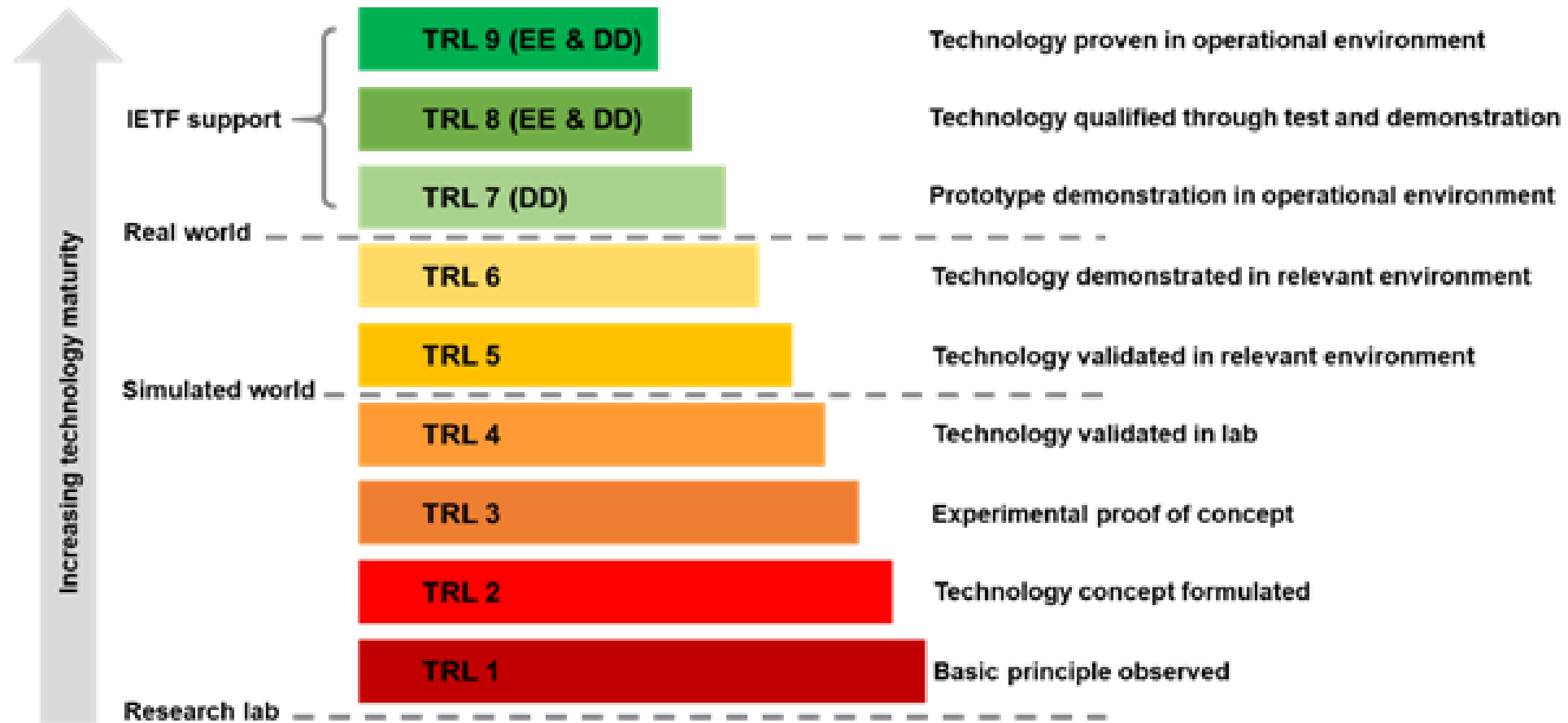
- Capture rate (efficiency) of the total CO₂ content of the flue gas or similar.
- Quantity and quality of the captured CO₂.

We'd also expect that the new CO₂ stream would be displacing an existing requirement, to show that there is a net reduction in emissions.

- We will ask for information about any provisional sales agreements, and the type of industrial process the captured CO₂ will be used in.

Technology Readiness Level (TRL)

There is no eligibility requirement on the minimum capture rate of the technology deployed. However, we would typically expect rates to exceed 85%. The technology must be at least TRL 7.



Application Support Service

1st February 2022

Jenni McDonnell MBE

www.ktn-uk.org



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Services

- Help to understand competition information
- Help with the application process
- Help to find partners
- Help to identify relevant technologies



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Help with the application process

Competition Guidance

IETF Guidance: <https://www.gov.uk/government/publications/industrial-energy-transformation-fund-ietf-phase-2-spring-2022>

Eligibility Checks and Questions

We encourage you to contact the IETF support service at ietf@beis.gov.uk if any help or clarification is needed as you work on your application.

You can contact the same address for guidance on whether your proposal is eligible before you start to write the application. Please include “**Eligibility screening**” in your email title to access this service.

Competition Clinics

Fortnightly webinars to ask questions about the scope, eligibility rules and application process in an open forum with BEIS and KTN.

Register at <https://eur.cvent.me/Y1EZz>



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Help with the application process

How to apply event, 1st March 2022

The online event will:

- Explain how to use the new BEIS portal
- Explain the application form, question by question
- Explain what level of detail is required, particularly for the Finance section
- Explain how to complete the project benefit calculator (Deployment only)
- Provide an opportunity for Q&A

Register at <https://eur.cvent.me/1OGyw>



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Help to find partners

IETF Networking platform

- Register at <https://ietf-phase2.meeting-mojo.com/>
- Complete your profile to improve usability
- Search for partners

The IETF networking platform will remain open for the whole of Phase 2 (until March 2025) to allow you to continue networking between competition windows

This platform will be used after the briefing event to book one to one meetings with BEIS to discuss project ideas



Help to find relevant technologies

Technology Marketplace

Technology Providers create a 5 minute video (MOV or MP4 format) covering;

- A description of your organisation
- A description of your technology and the benefits it will deliver
- Examples of where it has been trialled or demonstrated previously (you need to state TRL)
- A list of the industries where it would be suitable for deployment
- Whether the technology relates to Energy Efficiency or Decarbonisation (you need to pick a theme)

Register your interest

Industrial site owners – [register for access to the marketplace](#), closes in March 2025

Technology providers – [register to upload your video](#) Closes 15th February 2022



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