



U.S. Small Business  
Administration

# **HOW TO: Industrial Assessment Center (IAC) Implementation Grants for Small Businesses**

# Goals of our How To guide

We hope that by the end of this presentation, you will understand:

- What the IAC implementation grants are
- Why they matter for your small business
- Next steps for your small business
- How SBA can help your small business by ready to access IAC implementation grants

# IAC Implementation Grants Program Process

1



## Receive a Free Qualified Assessment

Small- to medium-sized manufacturer receives an energy assessment from a qualified assessor (IAC, CHP/Onsite Energy TAP, or third-party\* assessor)

2



## Apply for Grant Funding

Manufacturer applies for IAC Implementation Grant funding of up to \$300,000 (with 50% cost share) to implement project recommendations from qualified assessments

3



## Get Selected and Receive Grant Funding

DOE selects and works with manufacturer to finalize award size and sign award documents; after project implementation, manufacturer submits invoice(s) of incurred costs to DOE to receive grant funding

To learn more about the grants program, including FAQs and how to apply, visit <https://www.energywerx.org/opportunities/iacimplementationgrants>

Working through a “partnership intermediary” enables a very streamlined application process!

\*DOE cannot guarantee that third-party assessments will be free

# Overview: Industrial Assessment Centers (IACs)

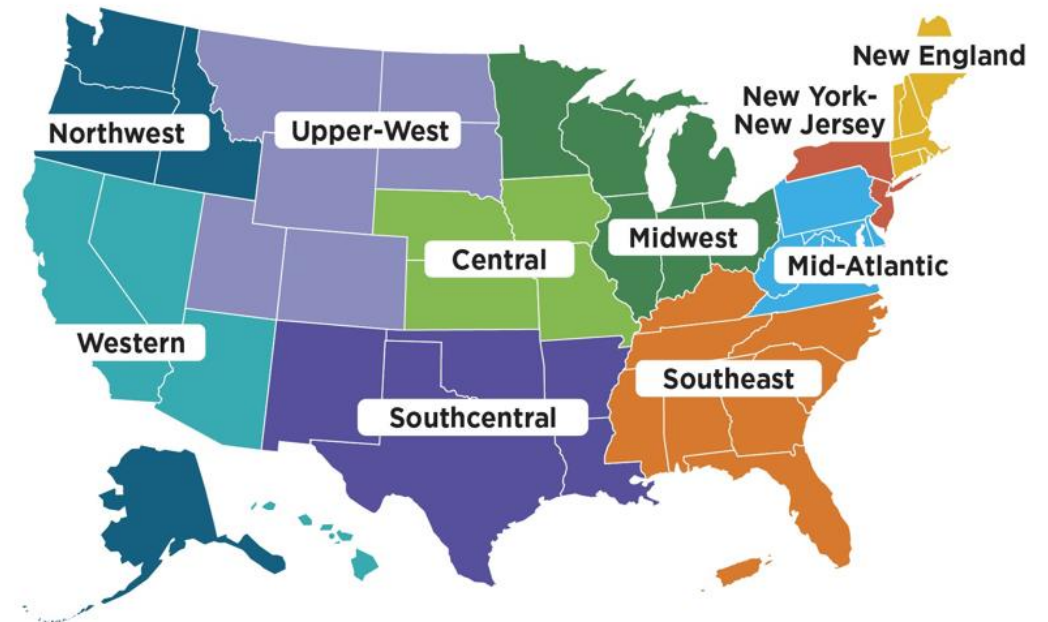
- **37 universities** around the country have conducted over **21,000 IAC assessments** over more than 40 years
- The program provides technical assistance to small- and medium-sized manufacturing firms while training the next generation of energy-savvy engineers
- Assessments identify **>\$150K in potential annual savings** on average



To learn more and apply for an IAC assessment, visit [iac.university](https://iac.university)

# Overview: Onsite Energy TAPs (formerly Combined Heat and Power Technical Assistance Partnerships, or CHP TAPs)

- **10 regional CHP TAP entities** around the country conducted **>1000 technical screenings** over the past 5 years
- Partnered with manufacturers to identify cost effective & resilient ways to deploy combined heat & power (CHP)
- CHP TAPs transitioned into Onsite Energy TAPs in 2024 – focused on technical assistance for industrial facilities and other large energy users to increase the adoption of a broad range of onsite clean energy technologies, including CHP



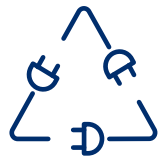
To learn more and to apply for a screening, visit <https://www.energy.gov/eere/iedo/onsite-energy-program>

# IAC Implementation Grants

## Bipartisan Infrastructure Law Provision 40521.b1



**\$80M in funding** available for the first year of program operation  
(Additional funding available in the next few years depending on demand)



Grants awards of up to **\$300,000 per manufacturer**, at a 50% cost share (**valid cost share options** include internal capital, in-kind contributions, state and local public programs, private loans – including SBA-guaranteed sources, utility programs, leases, and Energy Savings Performance Contracts)



Eligibility exclusively for **small- and medium-sized manufacturing firms** & water/wastewater treatment facilities



To **address energy assessment recommendations** by IACs, DOE Combined Heat and Power/Onsite Energy TAPs, or other third-party assessors deemed equivalent by DOE

# Key Details: IAC Implementation Grants

## What projects are eligible

- Covered projects include energy assessment report recommendations that:
  - Improve site energy and/or material efficiency
  - Improve site cybersecurity infrastructure
  - Improve site productivity
  - Reduce site waste production
  - Reduce site greenhouse gas emissions and/or non-greenhouse gas pollution
- All projects must relate to recommendations in a qualified energy assessment (i.e., an IAC, CHP TAP/Onsite Energy TA, or qualified third-party assessment)

## Who is eligible

- The grant is available to small- and medium-sized manufacturers with:
  - Gross annual sales of less than \$100 million;
  - Annual energy bills between \$100,000 - \$3,500,000; and
  - Fewer than 500 employees at the plant site.
- If the manufacturer/facility is an individual LLC that pays separate taxes from the parent company, then the eligibility is based on the LLC.
- Applicants must also first receive an energy assessment from a qualified assessor (see next slide for options).

# Getting a Qualified Assessment

## Option 1: Industrial Assessment Centers (IACs)

Receive a no-cost comprehensive assessment from one of 37 IACs located at four year-universities around the country. To locate the closest IAC and apply, visit:

<https://www.energy.gov/mesc/locations-industrial-assessment-centers>



## Option 2: Onsite Energy Technical Assistance Partnerships (TAPs)

Receive a no-cost screening assessment for onsite clean energy technology deployment from one of 10 regional TAPs. To locate the closest Onsite Energy TAP and apply, visit:

<https://betterbuildingsolutioncenter.energy.gov/onsite-energy/taps>



## Option 3: Third-Party Assessors

Receive an assessment\* from a third-party assessor qualified as “IAC-equivalent:”

- [Cascade Energy](#)
- [CLEAResult](#)
- [eSai LLC](#)
- [Go Sustainable Energy, LLC](#)
- [Michaels Energy](#)
- [New York State Energy Research and Development Authority: Flexible Technical \(FlexTech\) Assistance Program](#)
- [North Carolina Advanced Energy Corporation](#)
- [Pennsylvania Technical Assistance Program \(PennTAP\)](#)
- [Utah DEU StepWise Program](#)
- [...And more coming soon!](#)

\*DOE cannot guarantee that third-party assessments will be free



# The Application Process

## When to Apply?

The IAC grants program **operates on a rolling basis** and applications may be submitted at any time through the year, with reviews after the following deadlines:

March 31, 2024

June 30, 2024

September 30, 2024

## How to Apply?

In contrast to traditional DOE funding opportunities, the IAC grants program has a very simple and straightforward application form and process via Submittable

<https://www.energywerx.org/opportunities/iacimplementationgrants>



## Other Questions?

The IAC grant program team will be hosting informational monthly office hours.

- [RSVP for April 16, 2024 from 1:00 – 2:00 PM ET](#)
- [RSVP for May 14, 2024 from 1:00 – 2:00 PM ET](#)

[Review our frequently asked questions \(FAQs\)](#). If you have additional questions, please contact ENERGYWERX: [info@energywerx.org](mailto:info@energywerx.org)

# Let's walk through an example

- SaveEnergyNow Co. gets a free energy assessment from a regional IAC.
- The IAC provides SaveEnergy Now Co. with a comprehensive assessment report that includes project recommendations.
- SaveEnergyNow Co. applies for an IAC implementation grant to fund recommended project/s and includes the IAC assessment report as an attachment.
  - The application includes a demonstration of financial need and viable cost share, including a 7(a) SBA-guaranteed loan.
- SaveEnergyNow Co. is approved for an IAC grant!
- SaveEnergyNow Co. completes their approved project/s and submits an invoice to the IAC implementation grant program team.
- SaveEnergyNow Co. receives funding equivalent to 50% of the incurred and approved costs within 30 days after submitting its complete invoice.

# IAC Implementation Grants Application Design

## Grant Funding Request

What is the total funding requested from DOE (excluding any funding your company will provide or that will come from non-DOE sources)? \*

\$  USD

Note: Maximum grant per manufacturer is either \$300,000 or 50% of the total implementation costs (whichever is less).

How much funding, in \$, will come from non-DOE sources? \*

\$  USD

Note: This is asking for how much funding will the applicant provide to implement targeted recommendations.

What are the sources of non-DOE funding (e.g., internal capital, private loans, utility rebates)? \*

Note: Separate different funding mechanisms using a comma.

Breaking down the grant funding request and sources of non-DOE funding

## Entity Information

What entity conducted this facility's assessment? \*

IAC

In 3-5 sentences, please tell us about your company including -- manufacturing sector, manufactured product lines, overall manufacturing network, etc. \*

Address of Assessed Facility \*

City \*

State \*

Zip \*

Basic questions about the applicant's location and line of work

## Entity Eligibility

Annual gross sales (\$/yr) of the manufacturer/company in the year assessment was conducted? \*

\$0 - \$100,000

\$100,001 - \$500,000

\$500,001 - \$100,000,000

> \$100,000,000

Note: A manufacturer/company can be an entity that engages in the mechanical, physical, or chemical transformation of materials, substances, or components into new products. Additionally, an entity that files taxes separately.

If a manufacturer/company is a subsidiary or LLC under a holding company that pays taxes separately from the holding company, please use the manufacturer/company gross sales figures, not the holding company gross sales.

(Optional) Annual gross sales (\$/yr) of the manufacturer/company in the last full fiscal year of operation?

\$0 - \$100,000

\$100,001 - \$500,000

\$500,001 - \$100,000,000

> \$100,000,000

Note: A manufacturer/company can be an entity that engages in the mechanical, physical, or chemical transformation of materials, substances, or components into new products. Additionally, an entity that files taxes separately.

If a manufacturer/company is a subsidiary or LLC under a holding company that pays taxes separately from the holding company, please use the manufacturer/company gross sales figures, not the holding company gross sales.

Questions to confirm eligibility (on applicant size, annual gross sales, and annual energy bill)

## Project Narrative

Project Narrative Questions

Please provide 1/2 paragraphs for each of the 3 questions below

1. Project overview: Please describe the overall technical scope and objectives for the proposed project -- including workplan, timelines, & resourcing requirements. \*

2. Need for financial assistance: Please describe the impact that DOE funding will have on the project implementation, and why it cannot be funded wholly through other sources. Describe any efforts to secure other funding (e.g., loans, energy service contracts, etc.) and plans for other funding mechanisms to support the proposed project. \*

Note: For any efforts to secure other sources of funding (e.g., loans, energy service contracts, etc.) -- please upload supporting documentation (e.g., secured funding confirmation letters) as applicable in the optional field after the Project Narrative section. \*If applicable, if not applicable please explain why above.

Free form questions on the project/s overview, the applicant's need for financial assistance and cost share, and potential community benefits (impact on workers and hiring, environmental effects, etc.)

# How SBA can help

I need financing to meet the 50% cost share requirement of the IAC implementation grant program.



Consider asking your local lender about accessing an [SBA 7\(a\)](#) or [504 loan](#) to meet your capital needs.

Explore the [SBIC program](#). SBICs are investment vehicles that provide equity and debt financing to small businesses to help them grow.

I need general business counseling and advice as I think about growing my manufacturing business and potentially applying for an IAC implementation grant.



Find an SBA [District Office](#) or [Resource Partner](#) near you for counseling and training.

# Quick facts on SBA capital programs

## 7(a) program

- May be used for the entirety of the 50% cost-share requirement to cover up to 100% of eligible project costs when combined with the IAC implementation grant program

## 504 program

- Can only be used for a combined 50% of eligible project costs with IAC implementation grant funds. The remaining 50% must come from non-federal sources

Leverage [Lender Match](#) to identify potential lenders