



Government of Western Australia
Department of Water and Environmental Regulation

Department of Water and
Environmental Regulation

Carbon Innovation Grant Program Grant Information – Round 2



Cat Jacques
Program Manager
CIGP

Carbon
Innovation
Grants
Program





Acknowledgement of Country

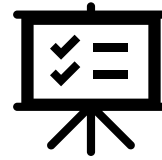
We begin today by acknowledging the Traditional Custodians of the land from which I am speaking today, the Whadjuk Noogar people, and pay my respects to their Elders past, present and emerging.

I want to extend that respect to Aboriginal and Torres Strait Islander peoples who may be joining us today.

Acknowledgement of Country.

Welcome

- Your cameras and microphones will be muted throughout the session.
- Questions may be asked throughout the session via the online chat facility & will be addressed at the end of the session.
- The session will be recorded and posted on the CIGP website.
- FAQs will be updated and posted to website after both sessions have been completed .



Agenda

- Objectives of the Carbon Innovation Grants Program (CIGP)
- Project types and funding thresholds
- Eligibility criterion
- Merit Criterion
- SmartyGrants Portal
- Important dates
- Questions & answers



- Today's session covers the grant application process as well as inclusions and exclusions.
- We expect the presentation to last around 30 – 45 minutes then we will answer your questions.
- We will also be conducting a number of polls to understand a little about you.
- This is to understand more about your organisation and grant streams you are applying for.
- The Polls will feature within the chat facility.

CIGP Round 1 Successful projects

- **Aurizon Operations Limited:** \$1 million for a pilot project to decarbonise heavy rail transport by installing high-capacity charging infrastructure for battery electric locomotives
- **CSBP Limited:** \$500,000 for a pilot project to reduce industrial process emissions from the production of nitric acid and ammonium nitrate through the installation of tertiary abatement technology
- **CSIRO:** \$300,000 for a feasibility study of direct air carbon capture technology from a Wesfarmers industrial manufacturing process
- **Airbridge Pty Ltd:** \$422,565 for a feasibility study to assess patented technology for carbon capture and storage
- **First Mode Pty Ltd:** \$500,000 to assess the feasibility of a hybrid diesel-battery powerplant for retrofitting diesel locomotives
- **Australia VRFB ESS Company Pty Ltd:** \$469,109 to test the feasibility of using vanadium redox flow batteries to store solar energy and replace diesel power generation at mine sites
- **Wallis Drilling Pty Ltd:** \$500,000 for a feasibility study to assess the viability of an electrified air core drill rig solely powered through battery storage, eliminating the use of diesel fuel
- **Tronox Limited:** \$50,000 for a feasibility study to identify reductants that can replace coal in processing ilmenite into synthetic rutile for use in the manufacture of pigments
- **Sea-Quester Offshore Pty Ltd:** \$500,000 to assess the feasibility of an offshore carbon dioxide sequestration hub to support decarbonisation of the Kwinana heavy industry precinct.

- The Carbon Innovation Grants Program committed over \$4.24 million in grant support in Round 1.
- A total of 9 projects were funded including 2 pilot projects and 7 feasibility studies.
- This information is also available on the CIGP website [Carbon Innovation Grants Program | Western Australian Government](#) .

CIGP Objectives

The aim of the program is to support WA heavy industry to transition to net zero Emissions

- **Reduce** carbon emissions from heavy industry processes in Western Australia
- **Support** the development of innovative technologies for carbon abatement and sequestration
- **Maximise** co-benefits for the environment and the Western Australian economy
- **Increase** the supply of carbon credits enabling heavy industry to offset residual emissions



- CIGP's objective is to support WA heavy industry to transition to net zero emissions.
- Our aim is to provide support for organisations to develop innovative technologies for carbon abatement and sequestration.
- And we want to maximise the economic and environmental co-benefits and increase knowledge about the good works that are assisting WA to reduce emissions.
- This grant also supports the increased supply of carbon credits.

Heavy Industry and Industrial Processes

Heavy Industry

Heavy industry, as referenced in the CIGP objectives and merit criteria, is a general term that can cover many types of businesses involved in industrial processing of materials, mining or manufacturing. For example, stationary and mobile plant servicing heavy industry, mineral extraction, mineral or metal refining, machinery manufacturing, fuel production or chemical/fertiliser manufacturing.

Industrial business/activity

An otherwise eligible entity or organisation which is involved in the production of goods and/or industrial processing of materials.

- Note there are other definitions available for acceptable industries. These are discussed in the glossary of the applicant guidelines.
- In round 1 we received applications from cement, chemical and battery manufacturers, raw mineral and meat processors, rail, transport and green hydrogen industries, gas infrastructure and storage industry and the mining and drilling sector.

Project Types & Funding thresholds

Feasibility Study	Pilot Projects/Capital Works
Technology development to move from concept through to real-world trials. TRL3 to TRL5	Real-world pilot trials to enable technologies to scale up to full commercial-ready applications TRL6 to TRL8 or full-scale TRL 9/CRL 2-3
Minimum Funding - \$50,000	Minimum Funding - \$100,000
Maximum Funding - \$500,000	Maximum Funding - \$1,500,000
Maximum % amount – 50%	Maximum % amount – 25%

- CIGP funds feasibility studies focusing on technology development to move from concept to real world trials.
- Pilot projects and capital works focusing on real-world pilots to enable technology to scale up to full-scale readiness.
- Feasibility studies must be completed within a maximum of 24 months and pilot projects within a maximum of 36 months after the completion of the condition's precedent.

Poll

Poll 1:

Are you considering applying for a feasibility study grant or a pilot project/capital works grant?

- 1- Feasibility Study
- 2- Pilot Project/capital works grant
- 3-Not sure yet

Applicant Eligibility Criteria

- ✓ Hold a current Australian Business Number (ABN) and be registered for GST.
- ✓ An Australian corporation, local government authority, not-for-profit organisation, incorporated association, university, Aboriginal and/or Torres Strait Islander corporation, company limited by guarantee, and a partnership or consortium of any of the eligible entities as listed above.
- ✓ Fit and proper persons.
- ✓ Carbon credits – show how the applicant meets the eligibility criteria for an approved crediting method.



- Before applying for a grant, it is useful for organisations to ensure you can meet the applicant and project eligibility criterion which will be discussed with the next few slides.
- To meet the applicant eligibility criterion, you must hold a current ABN and be registered for GST. You can be owned by an international organisation; however, you must have an Australian business number and an Australian bank account as grant payments will only be paid in to Australian bank accounts.
- You must represent one of the organisations discussed in item two. We often get questions on eligibility of trusts. Trusts and trustees are not eligible entities because of the complexities that arise with assigning legal and financial liability relating to the project.
- You must also be a fit and proper person and be able to meet the outcomes required to generate carbon credits (these points are discussed within the application form and grant guidelines).

Poll 2:

What type of organisations do we have attending today?

- 1- An Australian corporation
- 2- Local Government Authority
- 3- Not-for-profit
- 4- Incorporated association
- 5- University
- 6- Aboriginal and/or Torres Strait Islander corporation
- 7- Company limited by Guarantee
- 8- Partnership/consortium of above entities

Project Eligibility Criteria

- ✓ The study must apply to specific sites or locations within WA.
- ✓ Meet funding thresholds.
- ✓ The project must be additional to business-as-usual activities of the applicant.
- ✓ The project must progress along the pathway to commercial viability (feasibility typically [TRL3 to TRL5](#)) (typically pilot [TRL6 to TRL8](#) or full-scale [TRL 9/CRL 2-3](#)).
- ✓ The project activities must be currently permitted by law.
- ✓ A heavy industry business must be the lead or partner in the project providing a cash or in-kind contribution.
- ✓ The project must commence on the date the Conditions Precedent are met.
- ✓ Be completed within 24 months for feasibility studies and 36 months for pilot projects and capital works.
- ✓ Demonstrate how the project would meet the eligibility criteria of the proposed carbon crediting method.

To meet the outcomes of the project eligibility:

- The project site must be in located Western Australia.
- You must meet the funding parameters discussed earlier.
- The project must be additional to your business-as-usual activities.
- Projects must progress along the technology readiness pathways highlighted in item four.
- Your project must be permitted by law.

Merit Criterion 1 – Reducing Emissions – 30%

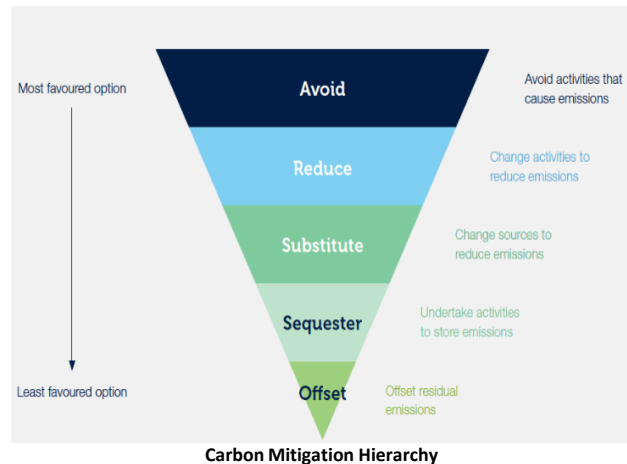
- **Direct and indirect greenhouse gas emission reductions likely to be achieved** - consider operational control boundaries, Scope 3 emissions can be included.
- **Scale of emissions reduction relative to baseline** - demonstrate how the project would make a material difference to current emissions.
- **Permanence of savings** - demonstrate that the project will continue to reduce emissions in the longer term; permanence requirements will vary with project type and may need to address future production plans, reliability of sequestration (e.g. reservoirs, land sector) or retention in used products (CCUS) .
- **Target cost of abatement** – demonstrate that the project aims to achieve emissions reduction at a competitive market cost.

- Merit criterion 1 is about reducing emissions and is mainly assessed through the financial model.
- We ask you use National Greenhouse Emission Reduction factors where available or if using other calculations, you need to clearly demonstrate the methods and formula you have used and justify the evidence.
- **Direct and indirect greenhouse gas emission reductions likely to be achieved** – this is where you consider your operational control boundaries and look at the realistic scale of emissions reduction that you seek to achieve.
- You need to look at facility-based emissions in your operational control as we want to see the scale of what the project seeks to achieve.
- The financial model mainly relates to scope 1 and scope 2 emissions but there is provision to include scope 3 emissions.
- **Scale of emissions reduction relative to baseline emissions** – this is a before-and-after comparison of the project.
- We need to know what the current baseline carbon emissions are and what they will

be once you have implemented the project. This basically ensures any investment makes a true difference to emissions reduction.

- **Permanence of the potential emissions reduction relative to baseline** – this is where you demonstrate that your project will continue to reduce emissions in the longer term.
- As an example, if you are looking at sequestration you need to determine whether the emissions remain sequestered throughout the lifetime of the project.
- If applying for carbon capture and use, you need to determine whether the carbon remains captured after its use. If not, this needs to be clearly demonstrated in the application.
- **Target cost of abatement** – this is where you'll demonstrate how you will achieve emissions reduction at a competitive market rate and that your project has the potential for broader market uptake.

- **Demonstrate how the project aligns with the Carbon Mitigation Hierarchy and the transition to net zero.** In addition to your project describe what else is being done by your business to reduce emissions across the mitigation hierarchy and work towards net zero emissions.



- This section looks at the Carbon Mitigation Hierarchy and how your project will assist the transition to net zero.
- You need to look at where your project sits in the carbon mitigation hierarchy.
- The intention of CIGP isn't to look at projects in isolation; they need to be considered in the context of the business' plan to reach net zero.
- Basically, you need to consider several situations along the hierarchy.
- As an example, if your project is to offset emissions you need to be able to demonstrate that there are other plans to address emissions higher up the hierarchy, so therefore your proposal only needs to tackle residual emissions.
- **Avoid** – as an example ceasing processes or operations that produce emissions at industrial sites is unlikely covered by CIGP as the grant isn't to fund the closure of operations to reduce emissions.
- **Reduce** – this is to improve process efficiency. As an example, using fewer fossil fuels or improving energy your options.

- **Substitute** – this is changing an industrial process to remove emissions. For example, replacing natural gas-based hydrogen with green hydrogen.

As we discussed earlier:

- **Sequester** – this is carbon capture use and storage, the intention of this is to support CCUS but only when already implementing projects higher up the hierarchy.
- **Offset** – we've discussed this previously; however, I want to reiterate we should only be tackling residual emissions once all other avenues in the hierarchy have been exhausted.

Merit Criterion 2 – Business Case – 20%

- You need to identify in sufficient detail the financial and technical viability of the project, which should clearly indicate:
 - the amount of funding sought for the project, and the total project cost
 - other expected sources of funding and evidence that funding has been, or has a reasonable chance of being, secured
 - the proportion of total funds including in-kind contributions committed by you
- Demonstrate your financial capacity to fund your contribution to the costs of the project
- Justify the need for State Government assistance including:
 - costs and benefits of both the project and how it compares to the ‘normal’ business-as-usual solution (pilot project only).
 - likelihood that the project would not proceed without the funding requested
 - status of the project (whether the project has commenced)
 - difference the grant will make to the project in terms of scale and timing
- Demonstrate the project’s technical feasibility and likelihood of success
- Your commitment to proceed to build the project if it is proven feasible, including an understanding of the likely cost and benefits of deploying the project at full scale.

The second merit criterion is **Business Case** – this section is the nitty gritty of the project. It provides the department with confidence you fully understand and can demonstrate the validity of your project.

- You need to identify in sufficient detail the financial and technical viability of the project.

All applicants need to:

- Demonstrate the financial capacity to fund your contributions to the project.
- Justify the need for State Government assistance and that it’s a good investment for the state.
- Demonstrate the project’s technical feasibility and likelihood of success.
- Demonstrate commitment to proceed to build the project after the feasibility or pilot stage is proven.
- For Feasibility Studies no separate business case is required as questions are asked

within the application form; however, you can attach a business case to support your answers.

- Pilot project applications must provide a business case to support the application.

Merit Criterion 3 – Ability to Deliver– 15%

- Technical and management capability and expertise of the applicant.
- Roles of project partners and the status of any relevant agreements between project partners, including the level of involvement of one or more heavy industry in the project.
- Governance structure and/or organisation structure for delivery of the project.
- Comprehensive plan for the project, including such things as timeframe for project commencement and delivery, budget and procurement, project milestones and performance criteria, resourcing and quality assurance.
- Risk register template.
- Secured or can secure the required regulatory approvals and/or access permits to carry out the project.
- Current insurance where relevant or plans for insurance to cover potential liability that may result from carrying out the project.

- Merit criterion 3 is ability to deliver.
- In short, we want to know who is going deliver your project and what assurances and risks have been applied to the project.
- In simple terms: what is your work schedule, how are you going to measure it and by when.
- We want to see a copy of a risk register; this can be downloaded from the supporting documents on the CIGP web page.
- We also need to understand whether you have any regulatory approvals. Or do you require permits to carry out the project? If you have them, show us, if you don't, demonstrate what is required and how and when you are going to gain them.
- Also, tell us what insurances you will require to mitigate any project liability. Again, if you have them already attach them as evidence.
- If insurance is only required at certain stages, let us know what they are and how you will achieve them.

Merit Criterion 4 – Innovation and potential for wider adoption – 20%

- Project innovation – such as a world, national, state or industry sector first, or not common practice (the degree of innovation and/or the extension of the project beyond ‘common practice’ in WA for the relevant sector or subsector and not something that is a requirement under Australian or state law).
- Likelihood that the project will result in similar projects being implemented by the applicant or by others, multiplying the emissions reduction potential.
- Potential for cost reductions for future projects by demonstration of new technology, including the ability of future projects to be financially viable without grant funding.
- Scale of potential abatement if the technology was adopted throughout the industry sector in WA and more broadly.
- Potential for further research or studies arising from the project.
- An assessment of project competitiveness against alternatives, including similar technologies or methods in development.
- Benefits to heavy industry and mitigating hard-to-abate emissions.

Merit criterion 4 looks at innovation and your projects potential for wider adoption!

- We want to know about the innovation of the project. Is it new or has it been applied in other parts of the world? The innovation needs to be new to WA or the industry type.
- Is the project beyond what is required by common practice and are you facilitating new or more efficient ways to abate emissions?
- Does your project provide a new approach to existing methods that reduce costs and barriers to wider adoption by industry?
- You need to provide evidence of the likelihood that similar projects could be easily replicated at other sites or across an industry type.
- We need to understand how competitive your project is against other alternatives. You need to understand who your competitors are. Do they have similar technologies like yours? If yes, why is yours better?
- We also need to understand your project’s potential for scalability for hard-to-abate emissions.

Merit Criterion 5 – Public Good – 15%

- Knowledge sharing – describe the type, quality and extent of the knowledge sharing information about, and resulting from, the project that the applicant proposes to make publicly available to build capacity among others, support learning-by-doing and/or demonstrate the feasibility of new technologies or processes.
- Economic development – delivering economic benefits to the state (i.e. the number of jobs expected to be created by the project, benefits to First Nations employment and/or the extent to which the project represents a new industry or business practice in the state).
- Environmental co-benefits of the project, such as reduced pollution, reduction in the use of raw materials, climate adaptation/resilience, or benefits to local or regional biodiversity.
- Meet the objectives of the WA Climate Policy.

- Merit criterion 5 looks at public good.
- We want to know how you will share your knowledge by informing stakeholders of your technology or processes if it is proven. We don't expect you to share information that is commercial in confidence but describe what you expect to make public to encourage wider understanding and adoption of the technology or process. This can include licensing and selling the technology to others.
- If your project receives a grant, the State Government does not intend to hold or own any project IP. All IP remains with the applicant. The department will use basic information about successful projects to publicly promote the grant program; however, any information for public release needs prior approval from the grant recipient.
- Describe how you are increasing economic development through job creation, not limited to but including First Nations employment. Also, will your technology reduce costs longer term?
- We want to know what, if any, environmental co-benefits will be achieved. For

example, will you reduce pollution or reduce the use of raw materials? You should also consider biodiversity, product recycling, climate adaptation and resilience.

- Finally, you need to tell us how your project meets the objectives of the WA climate policy by ensuring a resilient low-carbon future.

How to apply for a Carbon Innovation Grants Program

- Refer to the Applicant Guidelines when making your project proposal.
- Applications to be made using the SmartyGrants portal, this can be accessed from the CIGP webpage.
- Download and complete the Financial Model template and Risk Register template from website.



- Your first port of call would be to look at the supporting documents, more so the applicant guidelines, the financial model and risk register.
- The actual application form is also accessed via the CIGP website.
- You will be directed to landing page shown here, then all you need to do is choose the grant stream you are applying for.
- Please also note, the department accepts multiple applications; however, you're not guaranteed to be successful for each application. Multiple applications require clearly delineated objectives and outcomes as well as separate project budgets. It is unlikely we will fund two similar projects based at two separate locations, as the idea of the program is, in effect, to support a carbon copy that can be replicated throughout industry.

Smarty Grants Application Tips

- Create a new account
- Save your work every 20 minutes as the portal times out and you will lose your work.
- You can save and go back to you application at any time.
- Ensure you attach:
 - Responsible persons declaration
 - Financial model
 - Business case
 - Risk register
 - Quotes for goods/services
 - Other relevant docs e.g, lease arrangements, CCU fit and proper person, organisation/governance structure, supporting docs
- When you go to review and submit the application a prompt will show missed information.
- * indicates a required field.

2. Applicant Details
* indicates a required field.

2.1 Business Registration AE1/Eligible Entities AE2

2.1.1 Legal name of entity *
[Text input field]
This is the legal name of the of the applicant. Entity will be referred to as applicant or organisation throughout this applications form.

2.1.2 Registered business name *
[Text input field]
(if this is the same as the above, please retype - do not type see above)

2.1.3 Postal Address *
Address line 1
[Text input field]
(Search)
Address line 2
[Text input field]
Suburb [Text input field] **State** [Dropdown menu] **Postcode** [Text input field]

2.1.4 Responsible person *
Title [Text input field] **First name** [Text input field] **Last name** [Text input field]
The person with delegated authority to approve that this application can be submitted. This is usually the CEO, CFO, COO, Director or person described in section 127 of the Corporations Act 2001.

2.1.5 Responsible person position *
[Text input field]

2.1.6 Upload your responsible persons authorisation to lodge this application *
Attach a file: [Choose Files] No file chosen [Select stored file]
This can be an email, signed confirmation on letterhead paper, extract of company minutes

2.1.7 Legal entity ABN/ACN *
[Text input field]
The ABN provided will be used to look up the following information. Click Lookup above to check that you have entered the ABN correctly.

Information from the Australian Business Register
ABN [Text input field]
Entity name [Text input field]
ABN status [Text input field]
Entity type [Text input field]

- This slide provides helpful hints and tips.
- When you log on to the portal you will be prompted to create a new account.
- The most important information I can tell you is the application form times out every 20 minutes. This is set by the software provider, SmartyGrants.
- You need to ensure you save your work regularly as you go.
- If you walk away from the application form to make yourself a coffee and it times out, it will not save your work.
- When you complete each section, make sure your responses are clear and easy for the assessment panel to understand.
- You also need to assume panellists know nothing about your organisation or your technology.
- How are you going to convince them your project is head and shoulders better than others?

- Please do not copy and paste the same responses in each section.
- Also, where asked for definitions, clearly identify or provide links to your research or technology. This is very important.
- Attach all documentation requested and where you have quotes for goods and services, EPA licences, lease agreements and so on, attach them to support the application.
- Note, you can save and go back to the application as many times as you want before the closing date.

Review and submit your application

- When you review and submit you will be prompted by a red box text box if the application requires further action before submission.

The screenshot shows a form interface with a 'Form Navigation' sidebar on the left containing '1. 1. Feasibility Study' and 'Program Overview'. At the top, there are buttons for 'Download PDF', 'Close', and 'Submit'. A red notification box in the center contains the text: 'Some changes to your application are required before it can be submitted. Check the highlighted items and fix them before the application is submitted.'

- The box directs you where an answer is required. If you click **Go to page** you will be directed to the question that requires an action.

I agree the summary description of the project provided in section 3 of this application form may be used to promote the project in media releases and on the Carbon Innovation Grants Program [website](#).

8.2.1 I am authorised to complete this application on behalf of the Applicant's entity and have read and understood the declaration and privacy statement *

Response required.

Go to page

8.2.1 I am authorised to complete this application on behalf of the Applicant's entity and have read and understood the declaration and privacy statement *

[Clear](#)

Response required.

- When you have completed the application form and attached all supporting documents you can review and submit.
- If you have missed sections or forgotten to attach mandatory uploads you will get a notification, like you see in the first red box on this slide.
- You will then be prompted by further notifications as to the areas that require your attention.
- Once submitted you will receive an automatic email with a reference number. You need to keep this for your records
- If you do not receive the email or experience any difficulties submitting your application, please contact the CIGP team using the carbon grants email.
- Please do not wait until the last 30 minutes to submit your application.
- The closing date is 5pm AWST on Friday 28 February 2025 and I cannot stress enough: do not wait until the last minute to submit your application. If you

miss the deadline, the portal will not be reopened.

Important dates

Activity	Date/Timeframe
CIGP opened for applications	21 November 2024
Webinars Grant Information Financial Models	2PM AWST 3 December 2024 2 PM AWST 6 December 2024
CIGP application close	5PM AWST 28 February 2025
Assessment Due and Diligence checks	Q2-Q3 2025
Minister approval and Notification to applicants	Anticipated late 2025

If you have any further questions, you can contact carbon@dwer.wa.gov.au

- The round closes on 28 February at 5pm AWST.
- After closure, we undertake applicant and project eligibility checks; this could take a week or so but it's purely dependant on the number of applications we receive.
- Once applicants and projects are deemed eligible, projects move through to assessment.
- Assessments are completed by an officer panel that consist of process and technical experts. The project is then further assessed by an Executive Panel of senior and executive officers for further due diligence.
- You should note compliance and financial due diligence checks may be undertaken. This includes review by our compliance and industry regulation teams.
- After all checks have been completed, a recommendation report will be provided to the Minister who has final approval of all grants.
- We anticipate applicants will be notified of the outcome in late 2025.

- However, all dates are a guideline and cannot be guaranteed.



We will now answer questions from the chat.