Department for
Business, Energy
& Industrial Strategy

Industrial Energy Transformation Fund Application Guidance (Phase 1)

Technological Scope for Deployment

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Technological Scope

Phase 1 of the Industrial Energy Transformation Fund (IETF) will support deployment projects that deliver industrial energy efficiency benefits.

To qualify as an energy efficiency deployment project, the application will need to show kWh energy savings determined by measuring or estimating energy consumption before and after the implementation of an energy efficiency improvement relating to an industrial process. The energy savings must be measured and take place at site level.

Eligible energy efficiency applications must involve the deployment of technology that has been proven to work through successful operations and/or is qualified through test and demonstration (Technology Readiness Level 8 and above).

Ground source and air source heat pumps must have a Seasonal Performance Factor of 2.5 (the Ofgem definition of Seasonal Performance Factor can be found here).

The following types of applications are out of scope:

Out of scope	Exceptions that are in scope
Repair and maintenance projects that would be undertaken in the normal course of business	
Plant closure projects	
Energy efficiency measures in transport	
Energy efficiency measures in building[1] heating and cooling	
Electricity generation (e.g. solar, wind, combined heat and power)	Electricity generation using waste heat, waste pressure, waste process gas, or waste process liquid not suitable for transport use
Production of hydrogen fuels, biogas and biofuels	
Waste heat recovery from plant and production processes that are not already in use	Heat recovery that is a retrofit solution to existing plant

[1] Updated 13/07/2020 to include 'building'

Industrial processes may be changed to switch fuels:

From	To
Fossil fuels more carbon intensive than the gas grid (e.g. coke, coal, oil)	Gas grid
Any fuel	Grid electricity, or electricity produced on-site using renewable sources

Fuel combustion applications are only in scope if they are more than 1MWth input and are not intermittent. These will hence fall within the scope of the air quality regulations, namely the Medium Combustion Plant Directive (EU 2015/2192) or the Industrial Emissions Directive (EU 2010/75).

This publication is available from: www.gov.uk/government/publications/industrial-energy-transformation-fund-ietf-phase-1-how-to-apply

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