

Supporting your journey to net zero, Industrial Energy Transformation Fund

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Department for
Energy Security
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Industrial Energy Transformation Fund Phase 3

£185m Industrial Energy Transformation Fund Phase 3 will support businesses with high energy use to cut their energy demand and reduce carbon emissions associated with their industrial process. It will provide funding for capital investment for industrial energy efficiency and decarbonisation.

Industrial sites in England, Wales and Northern Ireland can apply for funding for:

- **Feasibility and engineering studies** for potential deployment projects that will deliver energy efficiency or decarbonisation benefits if implemented, enabling decision-makers to make informed investment choices
- **Deployment of mature energy efficiency technologies** that improve industrial energy efficiency and reduce energy demand (TRL 7-9)
- **Deployment of decarbonisation technologies** that reduce carbon emissions associated with the industrial process (TRL 7-9)



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Studies

Feasibility studies: to investigate the technical and commercial viability of a future deployment. **Options analysis** to find the best technologies to deploy are in scope. Studies can also investigate offsite infrastructure requirements subject to clearly defined boundaries

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 60% Medium 70% Small/Micro	1 st July 2025	31 st March 2028

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 35% Medium 45% Small/Micro	1 st July 2025	31 st March 2028

Deployment

Minimum threshold	Maximum subsidy for EE	Maximum subsidy for DD	Must start by	Must complete by
£100k grant funding per application (large)	30% Large	50% Large	1 st July 2025	31 st March 2028
£75k grant funding per application (small and medium)	40% Medium 50% Small/Micro	60% Medium 70% Small/Micro		

Proposals should **reduce the energy demand or carbon emissions produced by industrial processes at site level.**

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

NOTE: There is a grant uplift for both deployment competitions for sites in assisted areas (tier 1 and tier 2)



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IETF Competition support and information

Competition guidance

<https://www.gov.uk/government/publications/industrial-energy-transformation-fund-ietf-phase-3-spring-2024>

Eligibility Check ietf@energysecurity.gov.uk

Networking Platform

Register at <https://ietf-phase3.meeting-mojo.com>

Technology Marketplace

Register at <https://forms.office.com/e/K021v6nMCq>



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Thank you

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Thermal energy systems
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