

§48C Tax Credit Program Reviewer Brochure for Round 1

Background:

The Department of Energy is focused on implementing the Bipartisan Infrastructure Law and Inflation Reduction Act to accelerate deployment and market adoption of clean energy technologies and the equitable transition to a decarbonized energy system. As part of President Biden's Investing in America agenda, the U.S. Department of Energy (DOE) is partnering with the U.S. Department of the Treasury and the Internal Revenue Service (IRS) to implement a \$10 billion investment through the Qualifying Advanced Energy Project Credit (48C). This 48C Tax Credit Program aims to play a critical role in creating high-quality jobs, reducing industrial emissions, and increasing domestic production of critical clean energy products and materials. More information about the program is available at: www.energy.gov/infrastructure/48C.

The Office of Manufacturing and Energy Supply Chains (MESC) would like to invite interested experts to be potential reviewers for full applications for the \$4 billion Round 1 of the 48C Tax Credit Program that is open for applications. To accomplish our goal of selecting the most impactful projects, we are planning to engage experts to review the proposed projects across the three project categories: Clean Energy Manufacturing and Recycling Projects, Greenhouse Gas Emission Reduction Projects, and Critical Material Projects.

Full applications are expected to be approximately 35 pages of narrative and supporting appendices that describe the projects along with the merit review criteria (including key sub-elements): Commercial Viability (e.g., Project Plan, Business Plan, Management Plan), Greenhouse Gas Emissions Impacts (e.g., End-Product and Emissions Impacts, Product and Facility Performance, GHG Emissions from Facility, Process Improvements, Best-in-Class Technologies, Mitigation Efforts), Strengthening U.S. Supply Chains and Domestic Manufacturing for a Net-Zero Economy (e.g., Facility Inputs and Outputs, End-Use Applications, Supply Chain Resilience), and Workforce and Community Engagement (e.g., Job Creation and Workforce Continuity, Workforce and Community Engagement, Energy Community Transition and Local Environmental Impacts).

Merit Review Criteria Overview The section below summarizes the merit review criteria, please see the 48C IRS Additional Guidance Notice 2023-44 for detailed description:

Commercial Viability will be assessed based on the readiness and reasonableness of the project schedule, described risks and associated risk mitigation strategies, the strength of the proposed business plan, and the strength of the proposed management plan. Reviewers should review the business plan for the potential for commercial deployment, the source and certainty of financing, the strength of key arrangements including offtake agreements and supply strategy, and the degree to which the investment is profitable based on the provided cash flow analysis.

The **Greenhouse Gas Emissions Impacts** assessment will vary by project category. For clean energy manufacturing and critical materials projects, applications should be assessed based on the impact of the facility's products to facilitate a reduction in anthropogenic GHG emissions as

well as facility level initiatives to decarbonize. For GHG emission reduction projects, applications should be assessed based on reduction in direct (Scope 1) emissions facility-wide and indirect fuel- and energy-related (Scope 2) emissions based on the proposed re-equipment of the industrial facility.

The criteria on **Strengthening U.S. Supply Chains and Domestic Manufacturing for a Net-Zero Economy** varies by project category.

- For clean energy manufacturing projects, applications should be assessed based on:
 - The extent to which the project addresses current and anticipated supply chain vulnerabilities for clean energy products,
 - The extent to which the project would increase domestic production capacity and availability of clean energy products and associated components and materials,
 - The extent to which the project promotes long-term U.S. manufacturing competitiveness or technology leadership in the transition to a net-zero economy; and
 - The extent to which the project will support and encourage follow-on supply chain investments in the region; and
- For GHG emission reduction projects, applications should be assessed based on:
 - The extent to which the proposed project will enhance U.S. leadership in low-emissions industry or manufacturing; and
 - Whether the project aligns with one or more cross-cutting industrial decarbonization techniques.
- For critical materials projects, the assessment of this criterion will focus on:
 - The extent to which the project would increase availability of materials critical to clean energy products and
 - The extent to which the project addresses a critical supply chain need.

The four key considerations for assessing **Workforce and Community Engagement** are consistent across project categories. Job Creation and Workforce Continuity considers the quantity and quality of jobs created, the ability for employees to organize and participate in labor organizations, and stakeholder engagement to develop a diverse workforce through training. For all project categories, Ensuring Timely Project Completion through Workforce and Community Engagement will be assessed based on engagement with community and local stakeholders, benefit-sharing agreements, and accountability to affected workers and community stakeholders. For all project categories, Energy Community Transition will be assessed based on whether the application includes specific and high-quality actions to support energy communities and the extent to which the project will utilize existing local and regional resources that previously supported the coal industry. For all project categories, Local Environmental Impacts will be assessed based on evaluation of the project's environmental impact to the surrounding community and the identification of specific, measurable impacts to disadvantaged communities.

Reviewers:

There are 3 anticipated groups of reviewers for each application:

Special Purpose Reviewers: These reviewers are expected to review the specific content that relates to the sub-elements in each merit review criteria and prepare a summary analysis and high-level list of strengths and weaknesses. It is expected that the effort is approximately 3-5 hours per application.

Compensation: Varies based on the terms of the actual contract with the reviewer, but generally 300-500 dollars per application, plus 500 dollars for administrative activities such as but not limited to: attending the merit review training, completing vendor paperwork, and/or uploading comments/scores into eXCHANGE.

Desired qualifications: These reviewers are expected to be in the early stage of their careers in their area of expertise.

Super Reviewers: These reviewers are expected to review the application for their area of expertise (e.g., commercial viability, supply chain, workforce and community engagement) and provide their score for the merit review criterion, in addition to providing strengths and weaknesses. They will have access to the analysis prepared by Special Purpose Reviewers and, if needed, suggest additional analysis to help with their review. Each application will be reviewed by four Super Reviewers, one for each merit review criterion. It is expected that the effort is approximately 6-8 hours per application. Towards the end of the merit review process, the Super Reviewers are expected to participate in the merit review meeting where the scores and comments for each application are discussed and consolidated.

Desired qualifications: These reviewers are expected to be senior experts/leaders in their area of expertise.

Compensation: Varies based on the terms of the actual contract with the reviewer, but generally 800-1000 dollars per application, plus 500 dollars for administrative activities such as but not limited to: attending the merit review training, completing vendor paperwork, making travel arrangements, and/or uploading comments/scores into eXCHANGE. When travel is required, certain pre-approved costs may be paid by the program, within GSA allowable costs, but time spent traveling will not be reimbursed.

General Reviewers: These reviewers are expected to review the complete application and provide their scores for all the merit review criteria, in addition to providing strengths and weaknesses. They will have access to the analysis prepared by Special Purpose Reviewers and, if needed, suggest additional analysis to help with their review. It is expected that the effort is approximately 8-12 hours per application. Towards the end of the merit review process, the General Reviewers are expected to participate in the merit review meeting where the scores and comments for each application are discussed and consolidated.

Compensation: Varies based on the terms of the actual contract with the reviewer, but generally 800-1200 dollars per application, plus 500 dollars for administrative activities such as but not limited to: attending the merit review training, completing vendor paperwork, making travel arrangements, and/or uploading comments/scores into eXCHANGE. When travel is required, certain pre-approved costs may be paid by the program, within GSA allowable costs, but time spent traveling will not be reimbursed.

Desired qualifications: These reviewers are expected to be senior subject matter experts in respective technology areas, with broad understanding of the commercial viability, supply chains, and general workforce practices for the specific technology areas.

Onboarding and Training:

- KBC Energy Solutions, LLC, is supporting MESC in reviewer onboarding. Additional details will be provided later.
- All reviewers are required to sign the Nondisclosure Agreement (NDA) and Conflict of Interest and Foreign Government-Sponsored Talent Recruitment Program Involvement forms, in addition to IRS Data Privacy forms.
- All reviewers are required to submit for background checks (fingerprinting) before they can be considered for merit review of applications.

Several training sessions will be provided on:

- Reviewer Conflict of Interest and Foreign Government-Sponsored Talent Recruitment Program Involvement and Nondisclosure obligations, and Data Privacy requirements.
- 48C Round 1 guidance, technical content background
- Merit review process, review guidelines/rubric
- “Office hours” to answer any questions/concerns before or during the merit review process.

Registration:

- Those interested in assisting in the merit review process should send an email to 48cProgram@hq.doe.gov detailing your area of expertise. Please do not attach your resume.
- Based on the program requirements and specific reviewer needs, 48C program team will get in touch with you about the next steps to complete and the onboarding process.