# Made in WA Energy Affordability Investment Program

## Application

## Frequently Asked Questions

# 1. Program Overview

## What is the Made in WA Energy Affordability Investment Program (MEAIP)?

The Program provides low-interest loans to eligible Western Australian (WA) manufacturers to support investments that improve energy efficiency and energy cost competitiveness which can be integrated with projects that improve manufacturing capability, capacity or productivity.

## Is this a grant or a loan?

This Program provides loans, not grants. Successful applicants must enter into a Deed of Loan and repay the loan in accordance with the agreed terms.

## What funding streams are available?

The Program has two funding streams:

**Stream 1: Energy Efficiency:** Supports projects that improve **energy efficiency** or **energy cost competitiveness**.

**Stream 2: Energy Efficiency and Advanced Manufacturing:** Supports integrated projects that combine eligible energy efficiency investments with advanced manufacturing technologies to deliver an energy cost competitiveness benefit alongside improved manufacturing capability, capacity or productivity.

## What target sectors are eligible?

Eligible manufacturing applicants that are located in Western Australia must operate within, or supply manufactured products to, one or more of the following target sectors:

- Clean energy manufacturing
- Critical minerals manufacturing
- Defence and space industries manufacturing
- Food and beverage manufacturing
- Health and medical life sciences manufacturing
- Building and construction manufacturing

Refer to the Guidelines for detailed target sector definitions.

# 2. Eligibility

## Who can apply?

Applicants must meet the eligibility requirements set out in the Guidelines, including operating a commercial-scale manufacturing operation in WA and operate within, or supply manufactured products to one or more eligible Target Sectors.

## What is a manufacturing business?

A Manufacturer is an entity mainly engaged in the physical or chemical transformation of materials, substances or components into new products, as defined by the Australian Bureau of Statistics under ANZSIC Division C: Manufacturing.

## Can early-stage manufacturers apply?

If an early-stage manufacturer can meet the eligibility requirements outlined under Section 3.1, submits all evidence required as outlined in Section 4.1 Evidence Required, such as three-years of financial statements, actively operates a commercial-scale manufacturing operation in Western Australia and generates revenue from manufacturing-activities, they may be eligible to apply. Businesses operating solely for research, development, demonstration, prototype or pilot-scale production purposes are not eligible

## Can overseas-owned companies apply?

Possibly. Applicants are responsible for determining whether the Australian entity applying meets all eligibility requirements, including operating the eligible manufacturing operation in Western Australia, demonstrating repayment capacity and providing security acceptable to the State. DEED will determine eligibility based on the information and evidence provided in the application.

## Can a business submit more than one application?

No. Only one application may be submitted per applicant.

## Can applicants who have previously received government grants or loans apply?

Yes. Previous receipt of government grants, loans or other forms of financial assistance does not preclude an applicant from applying.

Previous government assistance received by the applicant such as grant funding is not permitted to be used towards the applicants 20% co-contribution.

The applicant's overall financial position, existing debt obligations including those related to loans administered by the government, and capacity to service the proposed loan, will be considered as part of the assessment process.

# 3. Eligible expenditure and activities

## What types of activities are eligible under Stream 1?

Stream 1 supports projects that deliver measurable improvements in energy efficiency or energy cost competitiveness.

Examples may include renewable energy systems, energy storage, electrification, energy management systems and energy-efficient equipment or processes.

Refer to the *Program Guidelines* for the full list of eligible activities and expenditure.

## What types of activities are eligible under Stream 2?

Stream 2 supports integrated projects that include both an advanced manufacturing component and an energy efficiency or energy cost competitiveness component. The overall Project must demonstrate improved energy cost competitiveness alongside improved manufacturing capability, capacity or productivity. Refer to the *Program Guidelines* for the full list of eligible activities and expenditure.

## Can I apply for just advanced manufacturing activities?

No. Stream 2 projects must include both an advanced manufacturing component and an energy efficiency or energy cost competitiveness component. A project that only increases manufacturing capability, capacity or productivity, without an energy efficiency or energy cost competitiveness benefit does not align with the Objectives of the Program and is not eligible.

## Are renewable energy projects eligible?

Yes, where they directly support the manufacturing operation and deliver measurable energy-related benefits.

## Is battery storage eligible?

Yes, where the battery storage is directly connected to the applicant's manufacturing operation, meets applicable technical and connection requirements, and improves energy cost competitiveness.

## Can existing solar systems be expanded with batteries?

Yes, subject to assessment and eligibility requirements.

## Are building upgrades eligible?

Yes, where they are necessary to support manufacturing activities and deliver measurable improvements in energy performance and are within the existing building envelope.

## Is second-hand equipment eligible?

No. The Program is intended to support investment in new equipment and technologies that deliver demonstrable energy-efficiency, productivity and competitiveness benefits. Second-hand equipment may have a shorter operational life, lower energy performance and limited warranty or servicing support.

## Can equipment be sourced overseas?

Yes. Equipment may be sourced from overseas, interstate or local suppliers.

Applicants must ensure all equipment complies with applicable Australian standards and regulatory requirements. Quotes and funding requests must be submitted in Australian dollars (AUD).

Assessment may consider the extent to which a project supports local industry participation, including WA jobs, skills development, workforce capability and the use of WA-based suppliers, contractors, installers, service providers or technical advisers, where possible and practical.

## How long do I have to deliver my Project?

Projects are expected to be completed within two years of execution of the Deed of Loan, unless otherwise approved by the State.

Applicants should demonstrate a realistic delivery timeframe and approvals pathway, including key milestones and completion dates, as part of their application.

## What is meant by ‘electrification’?

Electrification means replacing equipment or processes that use high-cost fuels, with equipment or processes powered by electricity. Examples may include:

- Replacing gas-fired heating equipment with an electric alternative including converting boilers, ovens, cookers, dryers, furnaces or process-heating systems from fossil fuels to electric alternatives.
- Replacing gas fired chillers with high efficiency electric chillers, upgrading refrigeration or chilled water systems with more EE electric equipment, via the adoption of energy management systems (EMS).
- Replacing diesel-powered equipment used within a manufacturing facility with electric equipment.
- Replacing, hydraulic or mechanically driven processes with suitable electric alternatives.

Electrification projects must be directly connected to the applicant’s manufacturing operation and demonstrate an improvement in EE or energy cost competitiveness.

### Can a project increase energy consumption and still be eligible?

Potentially. Projects that increase overall energy consumption will only be considered where the business can demonstrate that, due to the accompanying EE measures, the energy cost increase is acceptable to the business due to the anticipated uplift in revenue or productivity gains.

# 4. Ineligible expenditure and activities

### What types of activities and expenditure is ineligible under the Program?

Refer to the Guidelines for the full list of ineligible activities and expenditure.

# 5. Technical Requirements and Approvals

### Do I need to have all technical approvals in place before I apply?

No. Applicants are not generally required to have obtained all approvals, permits or certifications before applying.

Applicants must demonstrate that they understand the approvals and compliance requirements relevant to their Project and have a credible plan for obtaining them. The level of evidence required will depend on the scale and complexity of the Project.

Successful applicants will be required to provide additional technical and compliance evidence before loan drawdowns are released.

Refer to *Appendix 1: Technical Requirements* in the Program Guidelines for further information.

# 6. Loan Term

### How much can I apply for?

As a general guide, applicants should carefully consider whether the proposed loan amount is proportionate to the size of their business and their capacity to service and repay the loan in line with the *Program Guidelines*.

### Which business category do I apply under?

Business categories are determined by the applicant's annual revenue.

Businesses generating $10 million or less in annual revenue must apply under Business Category 1 and must request between $300,000 and $2 million.

Businesses generating more than $10 million in annual revenue must apply under Business Category 2 and must request between more than $2 million and $15 million.

Applicants will be assessed and compared against other applications within the same Business Category and Funding Stream to ensure projects of a similar scale and type are assessed on a like-for-like basis.

## How long is the loan term?

Up to seven years, including the repayment-free period.

## Is there a repayment-free period?

Yes.

- **Category 1 loans:** No principal or interest repayments are required during the first 12 months of the loan.
- **Category 2 loans**: No principal or interest repayments are required during the first 12 months of the loan.

Monthly repayments commence at the end of the applicable repayment-free period in accordance with the Deed of Loan.

## Interest rate

A 3% per annum interest rate will be applied for all loans under this program, following the interest free period.

## Can the loan be repaid early?

Yes. Early repayment is permitted without penalty.

Amount repaid cannot be redrawn.

## Will there be loan fees?

There are no application or establishment fees.

## Will funding be released in stages?

Yes. Funding may be released through milestone-based drawdowns.

# 7. Co-Contribution and Security

## Is a co-contribution required?

Yes. Applicants must contribute at least 20% of eligible project costs.

With the minimum loan request of $300,000, the 20% co-contribution would be $75,000. The total eligible expenditure cost would be $375,000,

With the maximum loan request of $15 million, the 20% co-contribution would be $3,750,000 million. The total eligible expenditure cost would be $18,750,000.

### Can the co-contribution be funded through debt?

No.

### Can the co-contribution come from another government program?

No.

### What security is required?

Security will be assessed on a case-by-case basis.

### What types of security may be accepted?

Examples of security that may be accepted include:

- general security agreements;
- security over project assets;
- specific security interests;
- mortgages over real property; and
- other forms acceptable to the State.

Security interests may be registered on the Personal Property Securities Register (PPSR) or other relevant public registers. The Minister retains sole discretion to determine the type and level of security required for each loan.

## 8. Leased Premises

### Can tenants apply?

Yes.

### What if I do not own my premises?

Applicants must demonstrate they have the legal right to undertake the eligible expenditure and obtain any required landlord approvals.

### Do I need a long-term lease?

Potentially. Eligible expenditure involving capital works or building upgrades may require applicants to demonstrate a lease term (including any option to extend) that is sufficient to support the eligible expenditure and loan term.

# 9. Assessment

## How are applications assessed?

Applications are assessed competitively against the *Assessment Criteria* outlined in Section 3.4 of the Program Guidelines.

## Is assessment competitive?

Yes.

## How are applications compared during assessment?

Applications are assessed competitively against the published *Assessment Criteria*.

To ensure a fair comparison, applications will be assessed against other projects in the same Funding Stream and Business category.

## Will regional projects receive special consideration?

Applications will be assessed against the published assessment criteria, and each application will be assessed on its individual merits.

In making funding recommendations, the State may also consider the overall mix of projects, including the distribution of projects across metropolitan and regional WA, to support broad economic benefits across the State.

# 10. Application Process

## How do I apply?

Applications must be submitted online through the SmartyGrants portal.

## What level of evidence is required at the application stage?

Refer to Section 4.1 of the Guidelines for a full list of the required evidence. The State may request additional information during the assessment process.

The quality and level of evidence provided should be proportionate to the size, complexity and risk of the proposed Project.

## Can DEED help me prepare my application?

DEED can only provide general guidance on the application process but cannot advise on the merits of an application.

## What happens after I submit my application?

Applications may progress through:

- Eligibility screening
- Due diligence and loan assessment
- Technical advice review
- Panel assessment
- Approval
- Notification and announcement
- Negotiation and Deed of Loan execution (pending outcome).

## When will my application be assessed?

Submitted applications will not be assessed until after the application closing time.

## When will I be notified of the outcome of my application?

All applicants will be notified of the outcome of their application once the Assessment Process outlined in Section 5.1 of the Guidelines has been finalised. Applicants who are unsuccessful at any stage of the screening and assessment process will not be notified until all assessment and approval processes have been completed.

## Can I request feedback on my application?

Yes. Following the notification of outcomes, unsuccessful applicants may request feedback from DEED. High level feedback will be provided within 20 working days of the request.

# 11. Acquittal and Reporting

## What reporting will be required?

Successful applicants will be required to provide:

- a baseline report;
- six monthly progress reports during Project delivery;
- annual performance reports during the repayment phase following Project completion; and
- a final report at the completion of the Project and any other requirements specified in the Deed of Loan.

## What happens if I do not meet my reporting obligations?

The State may suspend drawdowns, seek recovery of funds, or take other action available under the Deed of Loan.

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# Appendix 1 MEAIP Project Examples

The examples below are provided for illustrative purposes only. Projects are not automatically eligible because they are similar to an example. All applications will be assessed as outlined in the Program Guidelines.

**Stream 1: Energy Efficiency (EE)**

- Installing solar PV, inverters, and battery energy storage systems.
- Installing energy monitoring, management, metering, or control systems.
- Electrifying manufacturing equipment, process heating, cooling or other manufacturing processes that improve EE, reduce energy costs, or reliance on higher cost fuels.
- Upgrading motors, pumps, fans, compressors and manufacturing equipment with high efficiency motors and variable speed drives.
- Upgrading compressed air systems through variable speed compressors, control systems, leak reduction and demand management technologies.
- Implementing energy or demand management, load shifting, or smart control technologies that reduce energy costs or peak demand.
- Upgrading HVAC, refrigeration, chiller, cleanroom environmental control or other temperature control manufacturing systems.
- Installing industrial heat pumps, waste heat recovery systems or other thermal EE measures that reduce heating, cooling or process energy requirements.
- Undertaking electrical infrastructure upgrades, switchboard upgrades, network connection works or enabling works directly required to install or operate an eligible EE project.

**Stream 2: EE and Advanced Manufacturing (AM)**

*Stream 2 Projects must demonstrate energy cost competitiveness, manufacturing capability, capacity, and be directly connected to an eligible manufacturing operation in a target sector.*

- Integrating automation, robotics or smart manufacturing equipment with EE technologies, solar PV, battery storage or energy management systems.
- Installing advanced machinery alongside EE, electrification, or electrical infrastructure upgrades.
- Replacing or upgrading inefficient manufacturing equipment as part of an integrated project that improves energy cost competitiveness and manufacturing capability.
- Implementing additive manufacturing, advanced fabrication, digital technologies, software, sensors, monitoring systems, predictive maintenance or AI to improve manufacturing capability, productivity and energy cost competitiveness.
- Installing precision machining, CNC, advanced processing, or smart manufacturing equipment supported by EE improvements.
- Replacing high-cost fuel powered manufacturing equipment with EE technologies, renewable energy generation and/or storage.