

Qualifying Advanced Energy Project Credit (§48C) Frequently Asked Questions

Updated on July 03, 2024 (version 11)

Posted on July 03, 2024

1. What does "as may be determined by the Secretary" in Notice 2024-36, Appendices A & B mean?

This statement describes the Secretary of Treasury's discretion to update program priorities and eligibility. Program priorities and eligibility criteria are provided in the guidance in Appendix A, Sections 1.1 and 1.3.

2. What is the reference basis for "carbon intensity on a life cycle basis compared to an appropriate industry-specific benchmark?"

There is no specified benchmark. It is up to applicants to determine the appropriate benchmark for their specific product and justify the use of this benchmark.

3. What is the basis of the 20% GHG reduction for industrial decarbonization projects?

Applicants must demonstrate that the project will result in a 20% reduction in greenhouse gas emissions facility-wide or at a subunit level once implemented. This can be achieved through Scope 1 emission reductions facility-wide, Scope 2 emission reductions facility-wide, or through a combination of Scope 1 and Scope 2 emissions.

While facilities may be eligible under this project category by achieving a 20 percent reduction threshold within a particular element of their process or emissions profile, overall combined Scope 1, and Scope 2 GHG emissions impacts for the full qualifying facility will be taken into account when evaluating each project for the purposes of application scoring. Scope 1 and Scope 2 GHG emissions are further defined in section 2.2 of Appendix B, Glossary of Terms.

4. Are construction costs eligible under 48C?

Please refer to Appendix A of Notice 2024-36 for information on eligibility and qualified investments. Industrial decarbonization projects may only involve retrofits to facilities. New facilities, and construction of these new facilities, are eligible under Clean Energy Manufacturing and Recycling Projects and Critical Material Projects.

5. Under which project categories are costs to expand a facility eligible?

To qualify as an Industrial Decarbonization project, the project must involve retrofitting, not expanding, an industrial or manufacturing facility. Please refer to Notice 2024-36, Appendix A Section 1.2. In contrast, to be eligible as a Clean Energy Manufacturing and Recycling Project or a Critical Materials projects, the project must involve re-equipping, expanding, or establishing an industrial or manufacturing facility. Under these projects, the cost to expand the facility could be a qualified expense. Please to refer to Notice 2024-36, Appendix A Section 1.1 and Section 1.3 respectively.

Please refer to Appendix A of Notice 2024-36 for information on eligibility and qualified investments. Industrial decarbonization projects may only involve retrofits to facilities. New

facilities, and construction of these new facilities, are eligible under Clean Energy Manufacturing and Recycling Projects and Critical Material Projects.

Please also review Q15 on the IRS's [§ 48C credit frequently asked questions page](#) for a description of certain eligible costs.

Posted on June 10, 2024

1. Can I speak with a representative from DOE or IRS to receive assistance in determining my project's eligibility and general project guidance?

Neither DOE nor IRS may provide taxpayer-specific guidance on a particular project's eligibility. All applicants are strongly encouraged to carefully read the IRS Notice 2024-36 and appendices to determine the eligibility of their proposed project and submission requirements. You may also wish to connect with your local, state, or federal development offices, which may be able to offer assistance; please recognize, however, that applicants are solely responsible for assuring the accuracy and completeness of their applications. The state-level development resources include the Economic Development Administration regional [offices](https://www.eda.gov) (<https://www.eda.gov>) and U.S. the Small Business Administration [district offices](https://www.sba.gov/local-assistance/resource-partners/small-business-development-centers-sbdc#id-find-an-sbdc-in-your-area) (<https://www.sba.gov/local-assistance/resource-partners/small-business-development-centers-sbdc#id-find-an-sbdc-in-your-area>)

2. How does 48C(e) interact with the Battery Collection program? Are retailers eligible to apply for the 48C(e) tax credit program if they set up battery recycling bins in their stores and meet program requirements?

The 48C(e) tax credit program is separate from the Battery Collection program. For determining eligibility of a particular project for 48C(e) and examples of Qualifying Advanced Energy Projects, please see IRS Notice 2024-36, Appendix A, Section 1 (<https://www.irs.gov/pub/irs-drop/n-24-36-appendix-a-b.pdf>). Neither DOE nor IRS may provide specific guidance on a particular project's eligibility. All 48C(e) applicants are strongly encouraged to carefully read the IRS Notice 2024-36 and appendices to determine the eligibility of their proposed project and submission requirements.

3. Are you able or interested in supporting projects that collaborate with electrical utilities?

DOE will follow the procedures and merit review criteria published in the Notice 2024-36 in recommending meritorious applications to IRS for allocation decisions. Applicants should carefully review the criteria in that notice to determine how to structure their proposed projects, including any benefits the applicant believes may result from partnership or collaboration, to best align the project with the criteria specified in the notice. Partnership or collaboration with interested participants in proposing a project for consideration under the 48C(e) investment tax credit is wholly up to the applicant to determine.

4. If a manufacturing project can be split into phases, can it qualify for both 45X and 48C(e)? If a company is applying for 45X now, are they also able to apply in round 2 for the 48C(e)?

As described in IRS guidance, products manufactured using eligible property for which a taxpayer receives an allocation of section 48C(e) credits and claims such credits may be ineligible for the section 45X credit. If a 45X facility contains any property for which a section 48C(e) credit has been claimed, then that 45X facility cannot produce eligible components under section 45X. See

proposed § 1.45X-1(g).48C(e)48C(e) Applicants are encouraged to consult with their tax advisor before submitting a concept paper for consideration under § 48C(e)(e). See IRS Notice 2023-44 Section 3 and Notice of Proposed Rulemaking 88 FR 86844 for further clarity.

5. If I have questions regarding the 48C(e) application selection and approval process, who can I contact?

For more information regarding the 48C(e) Program application selection and approval process, please see IRS Notice 2024-36, Appendix B. All applicants are strongly encouraged to carefully read the IRS Notice 2024-36 and appendices and follow the stated submission requirements. Please review the 48C(e) landing page ([https://energy.gov/infrastructure/48C\(e\)](https://energy.gov/infrastructure/48C(e))) for future updates and submit any questions related to the 48C(e) program to [48C\(e\)questions@hq.doe.gov](mailto:48C(e)questions@hq.doe.gov).

6. Are those taxpayers that were successful applicants in Round 1 precluded from submitting concept papers and full applications for Round 2? If not precluded, do they face any limitations in Round 2?

Round 1 applicants are eligible to apply in Round 2. All projects that meet the eligibility criteria and submission requirements described in IRS Notice 2024-36 will be considered for Round 2 tax credit allocations. To be considered for an allocation in Round 2, taxpayers must first submit concept papers to the IRS through the Qualified Advanced Energy Project Credit Program Applicant Portal (48C(e) Portal), accessible at [https://eco.energy.gov/48C\(e\)/](https://eco.energy.gov/48C(e)/), maintained by the Department of Energy (DOE). Note, Section 4 of Notice 2023-44 states that eligible property that is part of a § 48C(e) eligible project placed in service prior to being awarded an allocation of § 48C(e) credits under the § 48C(e) program is not eligible to receive such an allocation.

7. Can we mark our concept papers for confidentiality or submit a confidential version after they are already submitted and after the submission date has closed?

If elements of a § 48C(e)(e) concept paper contain information the taxpayer considers to be trade secrets, confidential, privileged, or otherwise exempt from disclosure under the Freedom of Information Act (FOIA, 5 U.S.C. § 552), the taxpayer may seek to protect it by asserting a claim of exemption at the time of application by placing the disclaimers in the “Company Description” section of their § 48C(e)(e) concept paper. The rules for these disclaimers are in Section 2.8.9 of IRS Notice 2024-36, Appendix B (<https://www.irs.gov/pub/irs-drop/n-24-36-appendix-a-b.pdf>). This must be done at the time of concept paper submission. No additional documents can be submitted after the submission period has concluded. The same process applies to § 48C(e)(e) applications. Note that we are required to publicly disclose the identity and amount of the credit allocated to an applicant approximately 2 years after a taxpayer receives a credit allocation (when a project is certified).

8. Does the person submitting information through ID.me need to be an owner of the company claiming the tax credit or can a representative of the company claiming the tax credit submit information via ID.me?

The registration process for the Qualifying Advanced Energy Project Credit (48C(e)) Program requires that an individual create and submit applications on behalf of an organization (applicant). To be eligible to register and submit an application for an organization, the individual must attest that they have authority to act on behalf of and legally bind the organization. Additionally, this individual will be responsible for signing attestations for the organization within the application and will receive all communications for the organization.

Authority to legally bind an organization will depend on the entity type and, for some entity types, the laws of the state where the organization is organized. If you are uncertain whether an individual is authorized to legally bind the organization, *before registering* you should review the state laws applicable to your organization and internal organization legal agreements regarding duly authorized persons.

9. Does the 48C(e) program require equipment to be compliant with Buy America? Or will the Department provide preference to projects that commit to source domestic equipment or materials when selecting applications or selecting concept papers for further consideration?

The § 48C(e) statute does not require that projects comply with Buy America. The Clean Energy Manufacturing and Critical Materials project concept paper and the Industrial Decarbonization project concept paper and application request applicants describe how the project meets the four technical review criteria, which reflect the overall program objectives. Criteria three is Strengthening U.S. Supply Chains and Domestic Manufacturing for a Net-Zero Economy. Applicants should review Appendix B of Notice 2024-36 to determine what information is requested for this criterion and include it in their concept paper and application.

10. When selecting applications or concept papers for further consideration will preference be provided to projects whose facility's products will be deployed or used domestically?

As described in Notice 2024-36, § 48C(e) program policy factors include the degree to which the proposed project contributes to a portfolio that enhances American industrial and manufacturing competitiveness in a global net-zero economy.

11. Does the program define clean energy? For example, is this program limited to renewable energy projects only?

For the purposes of § 48C(e) the technologies included in the Clean Energy Manufacturing and Recycling Projects are described in section 48C(e)(c)(1)(i). Additionally, section 1.1 of Appendix A of Notice 2024-36 describes in more detail what technologies are included in the Clean Energy Manufacturing and Recycling Projects that are eligible under section 48C(e).

12. When will final regulations be released for 45X so we know whether to submit under 48C(e) or 45X?

Please refer to the Department of Treasury and Internal Revenue Service announcements and websites. DOE cannot provide information on timelines beyond what is made publicly available by Treasury and IRS.

13. Can we apply now if our production does not start until 2028-2029?

As described in Notice 2024-36, within 2 years of receiving an Allocation Letter, a taxpayer must notify DOE that the requirements for certification have been met by submitting the required information through the 48C(e) Portal. As the IRS intends to make all Round 2 allocation decisions no later than January 15, 2025, projects that could not possibly submit the required information within two years after that date could not be expected to meet that requirement. Taxpayers who have successfully met the requirements for certification receive a Certification Letter. Within 2 years of receiving the Certification Letter, the taxpayer notifies DOE that the § 48C(e) Facility has been placed in service by submitting such information through the 48C(e) Portal. See Notice 2023-18, section 5 and Appendix B of Notice 2024-36 or additional information. If the taxpayer has not placed the § 48C(e) Facility in service and notified the DOE

that the § 48C(e) Facility has been placed in service within the required 2-year period, then the § 48C(e) credit allocated to the taxpayer's § 48C(e) Facility would be forfeited.

14. Guidance Notice 2023-44 is more detailed. Is it still relevant or is it superseded by the new guidance Notice 2024?

IRS Notice 2023-18 and IRS Notice 2023-44 are still in effect. The appendices in Notice 2023-18 were superseded by IRS Notice 2023-44, and the appendices in Notice 2023-44 were superseded by Notice 2024-36 for Round 2. Notice 2024-36 updates and expands on the procedures for the allocation of credits under § 48C(e) of the Internal Revenue Code pursuant to the qualifying advanced energy project credit program under § 48C(e)(e) and announces the 2024 allocation round of the § 48C(e)(e) program (Round 2).

15. Under the new energy-intensive material category, some materials are listed like cement, steel, and aluminum. Is it limited to the explicitly listed materials or are those just examples of energy-intensive materials and so manufacturers of other materials are encouraged to prepare concept papers?

Examples of energy-intensive materials that have a substantially lower carbon intensity when compared to an appropriate industry-specific benchmark are described in Appendix A of IRS Notice 2024-36. Eligible projects include, but are not limited to, projects that expand, re-equip, or establish facilities for manufacturing or recycling of low carbon cement, concrete or components such as supplementary cementitious materials, low carbon iron and steel, low carbon aluminum, low carbon chemicals, low carbon pulp or paper, and low carbon glass.

16. If a project might qualify under more than one category, must the applicant choose one or is DOE guidance available prior to submission?

The applicant will be most familiar with the nature of its project, and it is the applicant's responsibility to determine the most applicable qualifying advanced energy project category, according to the guidance in Section 2.8.2, *Determining an Application's Project Category*, and apply to only one category. For all three project categories, eligible applications will be evaluated by DOE against the four technical review criteria reflecting overall program objectives.

17. What is deadline for Round 2 application submittal?

Below are the key dates for Round 2 of the 48C(e) Program:

Milestone	Date
Round 2 guidance issued	4/29/2024
Informational webinar	5/16/2024
DOE 48C(e) Portal opens for registration and concept paper submission	5/22/2024
Concept paper submission deadline	6/21/2024 by 5pm EDT
48C(e) Portal opens for full application submission	Summer 2024
Full application submission deadline	Fall 2024; 50 calendar days after the 48C(e) Portal opens to accept full application submissions
IRS allocation decision notifications	No later than 01/15/2025

Updates to all submission deadlines will be posted on [Qualifying Advanced Energy Project Credit \(48C\(e\)\) Program | Department of Energy](#) and on [48C\(e\) portal](#).

18. What is the definition of a 48C(e) energy community? How close to an energy community do you need to be to qualify?

A project does not have to be in or close to an Energy Community to be eligible to receive 48C(e) allocation. However, the statute requires that at least 40% of 48C(e) allocations are awarded to projects in 48C(e) energy communities.

The term “§ 48C(e)(e) Energy Communities Census Tracts” is defined in section 5.06 of Notice 2023-18, and such tracts are listed in Appendix C of IRS Notice 2024- 36. Section 48C(e)(e) Energy Communities Census Tracts are census tracts in which (1) no pre-IRA 48C(e) projects were located and (2) a coal mine has closed after December 31, 1999, or a coal-fired electric generating unit has been retired after December 31, 2009, or (3) which is directly adjoining to any of these census tracts. A taxpayer can determine whether its project is located within a § 48C(e)(e) Energy Communities Census Tract by referring to the list of Section 48C(e)(e) Energy Communities Census Tracts provided in IRS Notice 2024-36 Appendix C. Additionally, a map of § 48C(e)(e) Energy Communities Census Tracts has been provided by the DOE for general guidance, which is available at [www.energy.gov/infrastructure/48C\(e\)](http://www.energy.gov/infrastructure/48C(e)); please note, however, that the list provided in IRS Notice 2024-36 Appendix C controls in the event of any conflict between it and the map DOE has provided.

A § 48C(e) Facility is determined to be located in a § 48C(e)(e) Energy Community Census Tract at the time that DOE provides recommendations to the IRS. A § 48C(e) Facility is treated as located within a § 48C(e)(e) Energy Community Census Tract if the § 48C(e) Facility satisfies the Footprint Test as provided in section 6.03 of Notice 2023-44.

19. Is it a requirement to use your concept paper template, or is that optional (so that we can use our format)?

Applicants are not required to use the concept paper templates, but DOE recommends that applicants use them. To be considered for an allocation of § 48C(e) credits in Round 2, taxpayers must submit concept papers through the Qualified Advanced Energy Project Credit Program Applicant Portal (48C(e) Portal), accessible at [https://eco.energy.gov/48C\(e\)](https://eco.energy.gov/48C(e)). The entire concept paper submission includes two components: a template (there are unique forms for Clean Energy Manufacturing, Recycling Projects/Critical Materials Projects, and Industrial Decarbonization Projects) and a data sheet.

20. For our work with clients on “Energy-as-a-service” industrial solution offerings, in the context of the industrial decarbonization category, can we submit a concept paper, or must the project be submitted by the current asset owner?

The registration process for the Qualifying Advanced Energy Project Credit (48C(e)) Program requires that an individual create and submit applications on behalf of an organization (applicant) that owns, or will own, the property for which the tax credit will be claimed. To be eligible to register and submit an application for an organization, the individual must have authority to act on behalf of and legally bind the organization that owns, or will own, the relevant property. The individual will be required to attest that they have authority to legally bind the organization. Additionally, this individual will be responsible for signing attestations for

the organization, within the application, and will receive all communications for the organization. See question 8 of FAQs posted on June 10, 2024.

21. Would the refurbishment or fuel switching from coal to gas power generation in a facility located within a coal community qualify as an industrial decarbonization project?

Fuel switching from coal to traditional gas power would not be eligible under the Industrial Decarbonization Project category. However, adoption of renewable or low-emissions fuels and feedstocks is eligible under this project category. Please see IRS Notice 2024-36, Appendix A 1.2 for more information about qualifying Industrial Decarbonization Projects.

22. If we have two distinct projects in two separate categories but happening at the same project site, are we allowed to submit two applications?

Yes, applicants may submit multiple applications for different project categories even if they occur at the same project site.

23. Are Round 2 priority areas for Clean Energy projects medium and heavy-duty electric vehicle/EV components as opposed to light vehicle EVs (passenger cars)?

The following are the EV program priorities for Round 2 which include components for both light, medium, and heavy-duty EVs: Manufacturing of power electronics (including semiconductors, modules, and circuits for EV motor traction drives, on-board EV chargers, DC/DC converters, and EV charging stations), permanent magnets, and specific battery components (separators, electrolyte salts and solvents, cathode and anode active materials and precursors). Manufacturing of capital equipment for battery manufacturing. Manufacturing of sub-components and components specific to medium- and/or heavy-duty (MDV/HDV) electric vehicles and final assembly of MDV/HDV electric vehicles

24. If we are assessing two different locations for the project, and one is a 48C(e) energy community and the other is not, how do we complete that section of the application?

In the concept paper stage, applicants may indicate that they are still determining the project site and are recommended to share a discussion of this in their submission. Applicants must have a determined project site by the time of the full application.

25. Is there a Technology Readiness Level (TRL) in mind for defining commercial viability?

Technical merit review criteria do not reference technology readiness level as it relates to a project's commercial viability. Applicants should tailor their application to demonstrate how the project meets the commercial viability technical merit review sub-criteria.

26. Is there a way to know the minimum and maximum allocation expected?

In Round 2, the minimum and maximum allocation will depend on the size of the projects requesting a tax credit. In Round 1, applicants requested tax credits ranging from under \$1 million to over \$100 million. 48C(e) While the issued guidance does not specify a minimum or maximum allocation amount, DOE is unlikely to recommend to the IRS projects with a very large qualified investment. Applicants with very large projects may consider reducing the proposed qualified investment in their § 48C(e)(e) application to improve their chances of receiving a § 48C(e) allocation.

27. In round 1, facilities that produce low carbon chemicals were not eligible for 48C(e). With the changes in round 2, are facilities that produce low carbon chemicals now eligible?

Yes, low carbon chemicals are eligible so long as the proposed project reduces carbon intensity on a life cycle basis by at least 30% compared to an appropriate industry-specific benchmark.

28. For the fourth technical review criterion “Workforce and Community Engagement”, if the number of jobs created is the same for 2 projects, and one project is prevailing wage and one project is not prevailing wage, will they be scored the same on this criterion?

Projects will be evaluated based on the technical merit review criteria described in Section 2.7 of Appendix B, Notice 2024-36, which includes job quality. Please refer to Section 2.7.1.4 for details on how Criterion 4, Workforce and Community Engagement will be evaluated.

29. Is there an environmental authorization component to my application?

A project is eligible for certification only if the taxpayer has received all permits from federal, state, tribal, and local governmental bodies for construction of the project at the planned location, including environmental authorization or reviews necessary to commence. See IRS Notice 2023-18(7).02.

30. Are projects in located within U.S Territories eligible to apply for the 48C(e) Program?

Yes, projects located within U.S. Territories are eligible to apply for the 48C(e) Program.

Posted on April 29, 2024

1. Do the Concept Paper and Concept Paper Workforce and Community Engagement Plan each require a title page? Does the title page count toward the maximum page count?

The Concept Paper submission has been consolidated into a single document, and a template has been provided. Completing the template is all that is required. A separate title page is not required.

2. A project submitted for the 48(c) program has been recommended for allocation. Are there steps needed at this time to “accept” the allocation?

No further action is needed by the allocated applicant at this stage.

3. What is the required documentation for certification?

No further action is needed by the allocated applicant at this stage. IRS Notification letter included details on next steps on certification. Look for guidance on what documents that are required for certification soon.

4. Will there be a list of § 48C(e) Round 1 projects published publicly?

After a 48C allocation recipient meets the steps required for certification, the IRS is required by statute to publish the name of the taxpayer and the amount of the allocation. Prior to this, your organization may voluntarily choose to share information about your allocation that can be included in upcoming public announcements made by the Department of Energy and/or U.S. Executive Office of the President. Applicants who received an allocation can review the form on the 48C Portal titled, “Optional 48C Announcement Participation Instructions and Attachment” for more information.

5. What are the implications of a change of location of the project after the concept paper phase but before the application phase?

Changes in site address from the concept paper to the application stage are allowed. Please refer to § 8 of IRS Notice 2023-44.

6. Are applicants who were recommended for allocation allowed to change the planned location listed on the application for the facility?

As mentioned in IRS Notice 2023 -18, if it is determined that the project has been placed in service at a location that is materially different than the location specified in the § 48C(e) application for such project, the certification is no longer valid. More specifically, Notice 2023-18, Sec. 8.01 states: "Moving the project to a census tract different than the tract stated in the concept paper and § 48C(e) application is a significant change." This will result in a forfeiture of the § 48C credit allocation. Please refer to section 8 of IRS Notice 2024-36-for additional details.

7. My application was rejected but was encouraged in the Concept Paper phase.

As mentioned in IRS Notice 2023 -18, upon request, the DOE will offer a debriefing once the application period ends. Requests for a debriefing must be received by the DOE no later than 30 business days from the date of IRS notification letter. The sole purpose of the debrief is to provide DOE's impression of the strengths and weaknesses of the § 48C(e) application should applicants apply for future rounds of the § 48C(e) program or § 48C credit allocation programs. Applicants who qualify for a debriefing will be provided with a written response upon request.

8. My application was rejected, and I was discouraged in the Concept Paper phase.

As mentioned in IRS Notice 2023 -18, upon request, the DOE will offer a debriefing once the application period ends. Requests for a debriefing must be received by the DOE no later than 30 business days from the date of IRS notification letter. The sole purpose of the debrief is to provide DOE's impression of the strengths and weaknesses of the § 48C(e) application should applicants apply for future rounds of the § 48C(e) program or § 48C credit allocation programs. Applicants who qualify for a debriefing will be provided with a written response upon request.

9. What is the debriefing process?

As mentioned in IRS Notice 2023 -18, upon request, the DOE will offer a debriefing once the application period ends. Requests for a debriefing must be received by the DOE no later than 30 business days from the date of IRS notification letter. The sole purpose of the debrief is to provide DOE's impression of the strengths and weaknesses of the § 48C(e) application should applicants apply for future rounds of the § 48C(e) program or § 48C credit allocation programs. Applicants who qualify for a debriefing will be provided with a written response upon request.

10. Can updated or additional documentation be provided after my concept paper or application has been submitted and the submission period has ended?

No additional documents can be submitted after the submission period has concluded. However, DOE may request that applicants submit clarifications and/or supplemental information in writing.

11. Will reviewers ask applicants additional questions or request additional information?

DOE may request that applicants submit clarifications and/or supplemental information in writing. Individual reviewers will not contact applicants.

12. For the requirement of “A Professional Engineer must inspect and certify the project documents for feasibility,” must that engineer be a professional Engineer licensed in the United States or will a professional licensed Engineer with only Canadian credentials be adequate?

Canadian credentials equivalent to U.S. credentials are acceptable.

13. Some of the requirements seem geared for commercial companies; are precommercial companies eligible to participate in the DOE 48C program? For instance, will letters of intent suffice to show the interest instead of an offtake agreement?

Any applicant proposing an eligible project under 48C can submit an application.

14. Will letters of intent suffice to show the interest instead of an offtake agreement?

Letters of intent can be submitted as appendix materials if an offtake agreement has yet to be acquired. Note as part of the application process, a Business Entity Certification submission is required. See IRS Notice 2024-36, Appendix B.

15. What does Equity Commitments mean?

An example of an equity commitment could be, but not limited to, a letter that documents the commitment to contribute financial support.

16. What does Debt Commitments mean?

An example of a debt commitment could be a written agreement that outlines the conditions for one entity (the provider) to lend money to another entity (the recipient).

17. What is required for the Shareholders agreement?

An example of a shareholder agreement could be an agreement that details the operational guidelines for the company and delineates the rights and responsibilities of each shareholder.

18. For the Operations and Maintenance agreement, Is this with the Construction Engineering firm or the Companies internal CBA union agreement?

An example of an Operations and Maintenance Agreement could be a contract between the applicant and an entity to manage the operations and maintenance of the project.

19. Does DOE require evidence of the corporate health of the entity that owns and operates the existing manufacturing facility who would be the offtaker for the special purpose entity?

Offtake agreements and other documents provided as evidence may be included as appendix materials. DOE does not explicitly require evidence of corporate health of the offtaker entity.

20. As an applicant, do I have to acknowledge receiving my encourage/discourage notification that I will be moving forward with an application?

No acknowledgment is required. The <https://eco.energy.gov/48C/s/> portal will accept applications from any applicant that submitted a concept paper.

21. Are the examples listed under the clean energy manufacturing and recycling project category in § 48C IRS Notice 2024-36 comprehensive?

Appendix A of IRS Notice 2024-36 lists property eligible under the clean energy manufacturing or recycling project category. The examples provided are non-exhaustive and property may be determined to be designed to reduce greenhouse gas emissions either through published guidance or in the letter notifying an applicant that the IRS has accepted the applicant's application for § 48C(e) certification with respect to the property.

22. In the project overview it asks to describe your baseline emissions compared to peers in your industry. How do you define a peer and where does one find peer emissions data?

A peer is a competitor within your industry who produces the same product and ideally has a similar industrial or manufacturing capacity. Peer data can be found through EPA's [Greenhouse Gas Reporting Program](#) and public emissions disclosures, among other sources.

23. Is it necessary for an organization to register on Sam.Gov for either "All Awards" or "Financial Assistance Awards Only" to apply for the Qualifying Advanced Energy Project Credit (§ 48C)?

No, an organization will need to register for an account in the 48C ECO Portal. Credentials for the 48C ECO Portal are created and managed via ID.me.

24. Is there any advantage to submitting a § 48C Concept Paper earlier than the deadline, or will DOE begin reviewing all applications after the deadline?

There is no advantage to submitting a concept paper before the deadline. DOE will begin reviewing all applications after the deadline.

25. Will the industrial projects qualify for the credits by meeting only 1 of the "three project types", or does it have to be a clean energy manufacturing facility?

Only one of the following project types must be met: (1) Clean energy manufacturing or recycling (2) Industrial decarbonization (GHG emissions reduction), or (3) Critical materials processing, refining, and recycling.

26. Under the Industrial Decarbonization category of § 48C: Can you confirm that wastewater treatment facilities qualify as an industrial facility given their processing and recycling of raw water into releasable effluent, as well as energy producing solids?

Yes, wastewater and drinking water treatment facilities would qualify as an industrial facility.

27. What tool should applicants use to determine their Technology Readiness Level in the datasheet?

The descriptions provided in the TRL drop-down menu are provided for the applicants' clarity. Applicants may use the Commercial Adoption Readiness Assessment Tool (CARAT) linked in the instructions to calculate their appropriate level. While Technology Readiness Level (TRL) and Adoption Readiness Level (ARL) are distinct, we use the terms interchangeably in the data sheet. Please reference <https://www.energy.gov/sites/default/files/2019/04/f62/Appendix%20F%20-%20TRL%20Guide.pdf>

28. Will § 48C concept papers that do not address Round 2 priorities be considered for Round 2 tax credit allocation or should organizations wait for future funding priorities?

All applicants that meet the eligibility criteria will be considered for Round 2 tax credit allocation. The indicated priorities for Round 2 signal priority for one of four technical review criteria, and they are not inclusive of all eligible properties.

29. Are expansions eligible for the industrial decarbonization projects?

No, only projects that re-equip an existing facility are eligible under the Industrial Decarbonization project category. Expansion projects are eligible under the Clean Energy Manufacturing and Recycling or Critical Material Project categories.

30. If we include an early-stage capital cost estimate in the concept paper, are we allowed to update that number in the full application as we progress through different engineering stages of our project?

Yes, current capital cost estimates can be updated in the full application. Please provide the current cost estimate in the concept paper.

31. In completing the data sheet for a § 48C(e) concept paper, can we include additional tabs for each component that is produced at the facility where more than one original equipment manufacturer (OEM) parts are being manufactured?

Please fill in one tab as generally as possible and clarify the OEM parts being manufactured in the narrative of the concept paper (clearly describing parts, end uses, relative volume, etc.). We acknowledge there will be nuances that are hard to capture in the data sheet and intend to consider the data sheet with the context of the narrative. Do NOT add tabs, rows, or columns to the data sheet, as this will interfere with concept paper evaluation.

32. For the Industrial Decarbonization Projects category, how do renewable energy credits (RECs) factor into Scope 2 emissions? If RECs are already being purchased to offset electricity footprint, how does those RECs factor into the calculation of the 20% threshold?

RECs may not factor into the baseline or future Scope 2 emissions or the emissions reduction calculation, as they cannot constitute a facility-level emissions reduction driven by the retrofit. Scope 2 emissions should be associated with the facility's direct electricity and fuel use. However, while they are not directly used in the calculation of the Scope 2 baseline or emissions reduction for the purposes of § 48C, applicants are welcome to share their RECs in the narrative. As with other efforts to reduce the facility's environmental impact, RECs may be considered in the overall evaluation of the project's merits.

33. On the data input sheet and concept paper, does the term "cost" actually mean the MSRP of the product?

The guidance provides information on cost metrics (i.e., \$/W, \$/Unit, and efficiency) as well as higher-level metrics such as LCOE. Applicants are welcome to clarify whether this is the sales price or the production cost when explaining their technological or cost advantage over competitors. We recognize that cost comparisons are not always publicly available, so applicants should do their best to compare their products to peers wherever possible. Applicants can mark their applications for confidentiality to protect proprietary information.

34. When it comes to achieving greenhouse gas emission reductions in a manufacturing facility, can the reductions come from retrofits or reequipment of areas in the facility not directly related to the manufacturing activities?

There is no requirement that the property necessary for re-equipping an industrial or manufacturing facility be directly related to the manufacturing activities of such facility. The equipment, however, must be designed to reduce greenhouse gas emissions by at least 20% through the installation of (1) low- or zero-carbon process heat systems, (2) carbon capture, transport, utilization and storage systems, (3) energy efficiency and reduction in waste from industrial processes, or (4) any other industrial technology designed to reduce greenhouse gas emissions, as determined by the Secretary. Please refer to Appendix A, section 1.2 of IRS Notice 2024-36 for more information.

35. What is the earliest date eligible property could be placed in service and still qualify for a § 48C credit allocation?

Please refer to [Frequently asked questions about the Qualifying Advanced Energy Project \(48C\) Credit | Internal Revenue Service \(irs.gov\)](#) for the answer.

36. Can costs be incurred before the allocation award date, as long as eligible property is not put into service before the award date?

Please refer to [Frequently asked questions about the Qualifying Advanced Energy Project \(48C\) Credit | Internal Revenue Service \(irs.gov\)](#) for the answer.

37. Can an organization submit one application for multiple eligible projects? Or would they have to submit one application per project?

Please refer to [Frequently asked questions about the Qualifying Advanced Energy Project \(48C\) Credit | Internal Revenue Service \(irs.gov\)](#) for the answer.

38. How can I determine if my project is located in a § 48C(e) Energy Community Census Tract?

Please refer to [Frequently asked questions about the Qualifying Advanced Energy Project \(48C\) Credit | Internal Revenue Service \(irs.gov\)](#) for the answer.

39. Is there a limit or maximum credit on the § 48C credit per project/company?

Please refer to [Frequently asked questions about the Qualifying Advanced Energy Project \(48C\) Credit | Internal Revenue Service \(irs.gov\)](#) for the answer.

40. Does "Industrial Decarbonization Project" only apply to existing facilities?

Please refer to [Frequently asked questions about the Qualifying Advanced Energy Project \(48C\) Credit | Internal Revenue Service \(irs.gov\)](#) for the answer.

41. Could an applicant receive an allocation of § 48C credits if it has also been the recipient of a grant/loan under other DOE manufacturing – related funding opportunities?

Please refer to [Frequently asked questions about the Qualifying Advanced Energy Project \(48C\) Credit | Internal Revenue Service \(irs.gov\)](#) for the answer.

42. What costs qualify as investments? Is it anything that goes into developing a property for these uses? What about "soft costs" such as design or development costs?

Please refer to [Frequently asked questions about the Qualifying Advanced Energy Project \(48C\) Credit | Internal Revenue Service \(irs.gov\)](#) for the answer.

43. Is there a procedure for withdrawing a Concept Paper or application once either has been submitted? Is there any penalty for withdrawing a § 48C Concept Paper or application once either has been submitted?

Yes, if the taxpayer chooses to withdraw a submission at any phase of the program, the taxpayer must provide a formal withdrawal notification through the 48C ECO portal.

44. Will taxpayers that fail to receive an allocation in round 1 be eligible to apply again during round 2?

Yes, failing to receive an allocation in round 1 does not preclude an applicant from applying again in round 2.

45. If a company is establishing a US entity for the purposes of § 48C, but that US entity is not set up by concept paper deadline, may a non-US entity submit the concept paper, so long as the US entity is formed to submit the § 48C(e) application and operate the project?

Yes, a non-US entity may submit a concept paper as long as the US entity is formed to submit the full application and operate the project. Please be advised that the 48C ECO Portal may not be accessible through certain non-domestic (US-based) IP addresses.

46. Why is there is a discrepancy between the amount listed in the IRS allocation notification and the Requested Credit Amount"?

IRS considers the information provided in the datasheet as the official request for tax credits when there is discrepancy in the tax credit request in the datasheet and application narrative. It is the applicant's responsibility to upload correct data sheets and information, as well as verify that the information submitted is correct.