



# Queensland Energy and Jobs Plan – Bioenergy Fund Guidelines

February 2024



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The Department of State Development and Infrastructure connects industries, businesses, communities and government (at all levels) to leverage regions' strengths to generate sustainable and enduring economic growth that supports well-planned, inclusive and resilient communities.

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Copies of this publication are available on our website at [www.statedevelopment.qld.gov.au](http://www.statedevelopment.qld.gov.au) and further copies are available upon request.

## Contact us

{ +61 7 3328 4811 or 13 QGOV (13 74 68)

@ [info@dsgmip.qld.gov.au](mailto:info@dsgmip.qld.gov.au)

🌐 [www.statedevelopment.qld.gov.au](http://www.statedevelopment.qld.gov.au)

✉ PO Box 15009, City East, Queensland 4002

🏠 1 William Street, Brisbane 4000

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# How to use this document

These Guidelines are intended to assist organisations in applying for assistance under the Queensland Energy and Jobs Plan Bioenergy Fund. The Guidelines set out:

- » the types of assistance available
- » the eligibility criteria which must be met to apply for assistance
- » how we will consider and assess applications for assistance
- » how we notify applicants of the outcome of applications for assistance.

## 1. Introduction

In September 2022, the [Queensland Energy and Jobs Plan](#) (the Plan) was launched to deliver clean, reliable and affordable energy to provide power for generations.

Action 1.9 of the Plan focuses on advancing Queensland's bioenergy future. Energy from biomass and organic waste has played an important role in Queensland's energy supply for many decades, with current installed capacity of around 500MW (440MW's of installed co-generation capacity in the sugar milling sector). A diverse energy mix, supplemented with bioenergy, will help to deliver the clean, reliable and affordable energy system needed to both meet Queensland's renewable energy targets and enable new industry growth, particularly in regional Queensland. This supports industries (such as the sugarcane industry) to modernise bioenergy generation and use waste products for bioenergy.

The [Queensland Biofutures 10-Year Roadmap and Action Plan](#) articulates the government's vision for Queensland to be an Asia-Pacific hub in biomanufacturing and biorefining, enabling global efforts to decarbonise and build local bioindustrial capabilities.

## 2. Bioenergy Fund

Under the Plan, the Queensland Government is investing \$4 million to work with industry to investigate options and pathways to expand bioenergy generation from underutilised biomass waste streams and support technology innovation. The objectives of the Bioenergy Fund are to:

- » identify options and pathways to expand bioenergy generation
- » support technology innovation in the bioenergy sector
- » support new industry growth particularly in regional Queensland.

Key factors determining the success of a project under the Bioenergy Fund will be how well the project meets the Fund's objectives reflected in the assessment criteria and achieves value for money for Queenslanders.

The Bioenergy Fund is administered by the Department of State Development and Infrastructure.

### 3. Queensland identified priority areas for investment

The project must be a feasibility or technical study (or similar) to investigate options and pathways to expand bioenergy generation and support technology innovation in the bioenergy sector.

**Table 1.1 Priority areas**

Priority No.	Priority area
1	<p><b>Advancing biomass-to-electricity conversion technologies</b></p> <p>Examples include:</p> <ul style="list-style-type: none"><li>» efficient and cost competitive renewable energy generation systems, including potential co-generation where applicable, for long-term firm renewable power generation in the evening peak and overnight</li><li>» detailed cost-benefit analyses of co-generation projects, considering market regulatory impacts/risks and evolving National Electricity Market (NEM) participation models</li><li>» optimising the biomass supply chain for consistent and sustainable feedstock supply</li><li>» assessment of the economic feasibility of expanding feedstock sources and explore investment and revenue models that ensure commercial viability while managing risks</li><li>» alignment with environmental sustainability goals, including a reduction in lifecycle emissions of biomass sources.</li></ul>
2	<p><b>Enabling growth in the biogas and biomethane sectors</b></p> <p>Examples include:</p> <ul style="list-style-type: none"><li>» blending biomethane into existing gas networks to replace natural gas for industrial and commercial heat, manufacturing and/or processes where electrification is not technically or economically feasible</li><li>» biomass supply chain optimisation, including sustainable sourcing, logistics, and off-takes</li><li>» lifecycle emissions assessment for feedstocks to demonstrate environmental sustainability</li><li>» development of specifications, standards, regulation, certification and market for the renewable gas sector to drive investment in the renewable gas sector to improve commerciality.</li></ul>

## 4. Eligibility

### 4.1. Organisation eligibility

To be eligible for assistance, your organisation must:

- » be a legal entity and hold an active Australian Business Number (ABN) or Australian Registered Business Number (ARBN)
- » not have a history of regulatory non-compliance, including development and environmental approvals, *Corporations Act 2001*, competition and consumer legislation and industrial relations legislation
- » have no unsatisfied judgements or pending court actions or other proceedings against the organisation, its directors, senior officers or key personnel.

The Queensland Government is committed to providing opportunities to Aboriginal and/or Torres Strait Islander business to fully participate in the Queensland economy. First Nations businesses are encouraged to apply.

Local governments, sole traders, family partnerships, not for profit organisations and Government Owned Corporations are not eligible to apply. The applicant may be in the process of establishing a business for the purpose of launching a bioenergy project.

A project will not be eligible to receive assistance under the Fund for project costs which have already been funded, or are proposed to be funded, under another Queensland Government funding program.

### 4.2. Project eligibility

To be eligible, a project must be for a technical or feasibility study (or similar) focussed on modernising bioenergy generation and using waste products for bioenergy, investigating options and pathways to expand generation from underutilised biomass waste streams, and supporting technology innovation, as well as meeting the following criteria:

- » be located in Queensland
- » contribute at least 50 per cent funding towards the total project cost
- » be unlikely to proceed without assistance
- » not have already commenced the project
- » must demonstrate a credible pathway to commercialisation, further capital raise, financial close and/or remove a systemic barrier to the relevant bioenergy sector
- » must be ready to proceed, for example:
  - a commitment from the board or other senior levels of appropriate management to proceed further with the project/s planning and implementation
  - identification and evidence of an achievable pathway to finance the proposed project in the short to medium term
  - if successful with the application, complete the project within 12 months of the execution of a financial assistance agreement with the State (unless otherwise agreed).

To maintain flexibility within the Fund, a proposal may still be considered if it is outside the scope of these Guidelines but is deemed to be consistent with the intent of the objectives of the Bioenergy Fund and will enhance Queensland.

## 5. Assistance available under the Bioenergy Fund

Financial assistance requests can be between \$250,000 (excluding GST) to \$2 million (excluding GST).

- » Financial assistance may be provided of up to a maximum of 50 per cent of the total project cost.
- » This will take the form of a cash reimbursement grant.
- » Financial assistance will only be considered for project expenditure deemed eligible by the department.
- » The State reserves the right to provide assistance in a different form or value and/or with alternative conditions to that requested.
- » The department may consider funding options through other Funds and initiatives.

### 5.1. Eligible project costs

Financial assistance will only be provided for project expenditure determined to be eligible by the State. The department will fund up to 50 per cent for feasibility or technical studies (or similar) that investigate options and pathways to expand bioenergy generation and support technology innovation in the bioenergy sector.

### 5.2. Ineligible project costs

The following items will not be funded and should be excluded from the estimate of eligible project costs:

- » operations and maintenance costs of existing assets, including working capital
- » buildings or storage facilities
- » project activities already funded by grants from other government agencies for the same project costs
- » travel costs (outside of Queensland)
- » legal costs
- » salaries and wages
- » any expenditure incurred prior to the project commencement date
- » planning approvals and environmental licence application costs, including any impact assessment studies that may be required
- » site acquisition costs such as purchase or lease costs and any site rehabilitation costs land survey /site engineering/civil works
- » financing costs
- » grant application, monitoring and administration costs
- » promotion and advertising costs
- » education and information campaigns
- » in-kind contributions and contingency allowances are not eligible for co-funding, but it is considered prudent for these to be included in the total project budget.

## 6. Local Content

The applicant is encouraged to demonstrate that local suppliers and contractors will be engaged wherever reasonably practicable. Where significant expenditure outside of Queensland is required and unavoidable, this should be identified and explained in the Application.

## 7. Application, assessment and agreement process

### 7.1. Application

The fund will be open for six weeks from 29 February 2024 to 11 April 2024.

In the first instance, please contact the department at [bioenergyfund@dildgp.qld.gov.au](mailto:bioenergyfund@dildgp.qld.gov.au) and provide a brief project description of your proposed feasibility or technical study. The department will then contact you to discuss suitability of the project. Following those discussions, an application form may be issued to you by the department.

The application form requires comprehensive information, including but not limited to:

- » project summary, costs and delivery
- » statement addressing assessment criteria
- » evidence of the business structure including governance arrangements for the project
- » identification of all sources of funding for the proposed project.

The application form must include a signed declaration from an authorised representative of the applicant.

You will receive an acknowledgement of receipt of your application.

### 7.2. Assessment



Each application will be checked against the organisation and project eligibility criteria set out in the Guidelines. If the application does not satisfy these criteria, it will not be assessed further, and you will be notified of the outcome.

During the application assessment stage, the department will coordinate probity checks, due diligence, and a risk assessment. The department may engage professional services contractors or specialist advisors to assist with the assessment of applications against the eligibility and assessment criteria, including for probity checks and technical assessments. The department may also seek advice from other government agencies during the assessment process. The department may seek further information from you in relation to any matter arising from the assessment of your application.

The department will prepare an assessment of each project application, which will review it against the assessment criteria and the Bioenergy Fund objectives, seeking expert technical advice as needed to inform the assessment. A cross-agency panel will then consider all applications and make recommendations to the approving delegates. The amount, type of assistance sought and whether the project should be supported will be considered.

If the project is supported, an applicant may be offered a different form or amount of assistance for the project, or assistance on additional or alternative terms and conditions.

You will be notified in writing of the outcome of your application once the department has completed the assessment process.

There is no guarantee of approval at any stage of the process.

### 7.3. Agreement

All successful applicants will be required to enter into a Funding Agreement with the State, which sets out the terms and obligations upon which assistance will be provided including the payment of financial assistance in arrears on achievement of agreed performance milestone requirements.

Funding will be provided in instalments and paid in arrears upon verified, successful completion of agreed performance requirements.

Funding recipients will be required to provide milestone completion reports (and progress reports as requested) to the department to demonstrate that the project is being delivered on schedule as agreed. A completion report will be required once the project is finalised.

The State is not obligated to provide any assistance unless and until a financial assistance agreement is signed by all parties.

The department reserves the right to undertake an audit of the project to monitor progress and/or appoint an independent advisor to undertake an audit of projects.

## 8. Assessment criteria

The following criteria will be used to assess applications made under the Bioenergy Fund to ensure the applicant and project meet the fund objectives; public benefit and delivers value for money.

**Table 1.2 Assessment criteria**

	Assessment Criteria	Weighting
1.	<p><b>Strategic Impact</b></p> <p>The project demonstrates that it will:</p> <ul style="list-style-type: none"> <li>» directly support the modernisation of bioenergy generation and use of waste products for bioenergy in Queensland</li> <li>» support the enhancement of technology innovation in the bioenergy sector</li> <li>» support new industry growth particularly in regional Queensland</li> <li>» have a credible pathway to commercialisation, further capital raise, financial close and/or remove a systemic barrier to the relevant bioenergy sector</li> <li>» alignment to the Queensland Biofutures 10-Year Roadmap and Action Plan.</li> </ul>	33%
2.	<p><b>Project Feasibility</b></p> <p>The application demonstrates:</p> <ul style="list-style-type: none"> <li>» the applicant and Project Partner/s experience and capability in delivering similar projects, or plan to engage external or internal expertise and capability prior to project commencement</li> <li>» compatibility with the relevant planning and regulatory requirements and any identified project risks are appropriately mitigated</li> <li>» well considered risk identification and management plan</li> <li>» timeliness of project delivery, including consideration of all required regulatory approvals</li> <li>» financial capacity to deliver project and project financing plan, including proposed sources and approval status</li> <li>» commercial viability of any future project.</li> </ul>	33%
3.	<p><b>Value for Money</b></p> <ul style="list-style-type: none"> <li>» the project demonstrates value for money to the business, the local market and the State</li> <li>» a Project Budget is provided (Financial Model is not required)</li> <li>» the proponents can demonstrate the viability of any future project emanating from the study within reasonable timeframes, considering the risks and the timing</li> <li>» the proponent should be able to clearly map the project against other industry development activities to reduce overlap and / or ensure symbiotic projects or activities are considered.</li> </ul>	33%

## 9. Communications

### 9.1. Media

All media enquiries or public announcements relating to the Bioenergy Fund will be coordinated and managed by the department's media team. Where possible, all media and communications about projects will be undertaken jointly with successful applicants. You will be required to:

- » seek and obtain the department's approval before making public statements, or contacting or responding to the media, regarding successful or unsuccessful applications through the Bioenergy Fund
- » provide the department with at least 25 business days' notice of any proposed media event
- » provide any proposed media or public statement to the department for approval prior to its release as well as making any changes or amendments to the form, content or manner reasonably requested by the department.

### 9.2. Confidentiality

The department will maintain controls in relation to the management of confidential information provided by applicants and all internal documentation produced in relation to the administration of this Fund.

Applicants must keep confidential any dealings with the department about their application, including any financial assistance offered, but may make disclosures to advisors who are under an obligation of confidence or if required by law.

The State reserves the right to publicly disclose the names of applicants, general information about projects and the assistance provided and details about the anticipated economic outcomes and benefits to the State. The State may also disclose confidential information of, or provided by, the applicant:

- » if required to be disclosed by law
- » to its advisors, consultants and contractors
- » to any government agency.

## 10. Advice and support

If you have any concerns in relation to the application or assessment process, you may raise this concern by email [bioenergyfund@dasilgp.qld.gov.au](mailto:bioenergyfund@dasilgp.qld.gov.au) and this will be considered.

The department welcomes feedback on the Fund. Further information about providing feedback, compliments or complaints to the department can be found at <https://www.statedevelopment.qld.gov.au/about-us/contact-us/feedback-compliments-and-complaints>

For enquiries or assistance with these guidelines, please contact the department at [Bioenergyfund@dasilgp.qld.gov.au](mailto:Bioenergyfund@dasilgp.qld.gov.au)

# 11. Terms and conditions

## 11.1. Reservation of rights

The State reserves the right to administer the Fund and conduct the process for the assessment and approval of applications in connection with the Fund in such manner as it thinks fit and to:

- a) change the structure, procedures, nature, scope or timing of, or alter the terms of participation in, the process or overall Fund (including timeframes and submission and compliance of applications)
- b) consider or accept or refuse to consider or accept any application which:
  - i. is lodged other than in accordance with these Guidelines
  - ii. is lodged after the relevant closing date for lodgement
  - iii. does not contain the information required by these Guidelines
  - iv. is otherwise non-conforming in any respect
- c) vary or amend the eligibility criteria or assessment criteria set out in these Guidelines
- d) take into account any information from its own and other sources (including other Government agencies or advisors)
- e) accept or reject any application, having regard to these Guidelines, the eligibility criteria and the assessment criteria or any other item, matter or thing which the State considers relevant, including the limitations on the funds available for the Fund
- f) give preference by allocating weighting to any one or more eligibility criteria or assessment criteria over the other
- g) seek clarifications or additional information from, or provide clarifications or additional information to, negotiate or deal with, or seek presentations or interviews from, any applicant, without doing or requiring the same from all or any of the other applicants
- h) conduct due diligence investigations in respect of any applicant and subject applications to due diligence, technical, financial and economic appraisals
- i) require an applicant to clarify or substantiate any claims, assumptions or commitment contained in an application or provide any additional information
- j) terminate further participation of any applicant in the application process for the Fund
- k) terminate, suspend or reinstate the Fund or any process in the Fund
- l) not proceed with the Fund in the manner outlined in these Guidelines, or at all
- m) allow the withdrawal or addition of any applicant after the closing date
- n) conduct negotiations with any one or more applicants after applications have been lodged.

Where, under these Guidelines, it is stated that the State may exercise a right or discretion or perform any act or omit to perform any act, then unless stated otherwise the State may do so at its sole and absolute discretion and will not be required to act, or be restrained from acting, in any way or for any reason nor to take into account the interests of any third party (including the applicants). If the State does exercise any of its rights under these Guidelines, the State may inform any or all applicants. The State will not, however, be under any obligation to do so.

## 11.2. Relationship

The State's obligations regarding the application process are limited to those expressly stated in these Guidelines. Subject to Section 11.7, no contractual or legal relationship exists between the State and an applicant in connection with the Fund, these Guidelines or the application process. An applicant, or its representatives:

- a) has no authority or power, and must not purport to have the authority or power to bind the State, or make representations on behalf of the State
- b) must not hold itself out or engage in any conduct or make any representation which may suggest to any person that the applicant is for any purpose an employee, agent, partner or joint-venturer with the State
- c) must not represent to any person that the State is a party to the proposed project (other than as a potential funder subject to the application process and confidentiality obligations detailed in these Guidelines).

## 11.3. Participation at applicant's cost

Each applicant participates in the Fund at its own cost and risk.

To the extent permitted by law, no applicant will have any claim of any kind whatsoever against the State (whether in contract, tort (including negligence), equity, under statute or otherwise) arising from or in connection with:

- a) any costs, expenses, losses or liabilities suffered or incurred by the applicant in preparing and submitting its application (including any amendments, requests for further information by the State, attendance at meetings or involvement in discussions) or otherwise in connection with the Fund
- b) the State at any time exercising or failing to exercise, in its absolute discretion, any rights it has under or in connection with the Fund
- c) any of the matters or things relevant to its application or the Fund in respect of which the applicant must satisfy itself, including under these Guidelines.

Without limiting the foregoing, if the State cancels or varies the Fund at any time or does not select any applicant following its assessment of the applications, or does (or fails to do) any other thing referred to under these Guidelines, no applicant will have any claim against the State arising from or in connection with any costs, expenses, losses or liabilities incurred by the applicant in preparing and submitting its application or otherwise in connection with or in relation (whether directly or indirectly) to the Fund.

## 11.4. Applicant to make own enquiries

These Guidelines have been prepared to give potential applicants background information in relation to the Fund. These Guidelines do not, and do not purport to, contain all of the information that applicants may require in reaching decisions in relation to whether or not to submit an application. Applicants must form their own views as to what information is relevant to such decisions and obtain their own independent legal, financial, tax and other advice in relation to information in these Guidelines or otherwise made available to them during the application process.

The State accepts no responsibility whether arising from negligence or otherwise (except a liability that cannot lawfully be excluded) for any reliance placed upon the information supplied by it in connection with the Fund or interpretations placed on the information by applicants.

## 11.5. Intellectual property

Any intellectual property rights that may exist in an application will remain the property of the applicant or the rightful owner of those intellectual property rights. Any part of an application considered to contain any intellectual property rights should be clearly identified by the applicant.

The applicant grants to the State (and will ensure that relevant third parties grant) a non-exclusive, irrevocable, royalty free, perpetual, sub-licensable licence to exercise the intellectual property rights in the application for the purpose of assessing and making decisions about the application and in administering the Fund.

## 11.6. Privacy

In this section, **Personal Information** has the meaning given to that term in the *Information Privacy Act 2009* (Qld).

Personal Information provided by applicants may, in the course of and for the purposes of assessment of the application, be disclosed to the State's associates (including other government agencies), advisors, consultants and contractors, and project stakeholders. Personal Information may also be disclosed where required for purposes associated with undertaking assessment of the application, including due diligence enquiries.

If any applicant collects or has access to any Personal Information in connection with its application or the Industry Partnership Fund, the applicant must comply, in relation to that Personal Information:

- a) (as if it were the department) with the Information Privacy Principles in the *Information Privacy Act 2009* (Qld)
- b) with all reasonable directions of the State.

## 11.7. Acceptance

By submitting an application, each applicant:

- a) warrants to the State that the information contained in its application is accurate and complete as at the date on which it is submitted and is not by omission misleading, and may be relied on by the State in determining whether or not to provide assistance (including financial or fiscal assistance) to the applicant under the Fund
- b) undertakes to promptly advise the State if it becomes aware of any change in circumstances which causes the information contained in its application to become inaccurate or incomplete in a material respect
- c) acknowledges that the State will rely on the above warranty and undertaking when evaluating the application
- d) acknowledges that the State may elect to remove an applicant or elect not to further consider an application at any stage as a result of a material change to the information presented in an application
- e) acknowledges that the State may suffer loss or damage if the applicant breaches the above warranty and undertaking
- f) is taken to have accepted these Guidelines, including the terms and conditions, and warrants for the benefit of the State that it will not breach these Guidelines or seek to bring any claim, of any kind whatsoever, against the State which is precluded by these Guidelines.



Department of State Development and  
Infrastructure  
PO Box 15009 City East Qld 4002 Australia  
Tel 13 QGOV (13 74 68)  
[info@dSDLGP.qld.gov.au](mailto:info@dSDLGP.qld.gov.au)  
[www.statedevelopment.qld.gov.au](http://www.statedevelopment.qld.gov.au)  
Connect with us @GrowingQld

