



**New Jersey Commission on Science, Innovation and Technology
Pilot Clean Tech Demonstration Grant Program, Round 2
Notice of Funding Availability**

Note: This Notice of Funding Availability was revised on May 28th, 2024 to correct the submission due date for certain application support materials and the OFAC reference.

The New Jersey Commission on Science, Innovation and Technology (“CSIT”) will launch an online application for Pilot Clean Tech Demonstration Grant Program, Round 2 (“Program”) at 9am on June 3, 2024 at www.njeda.com/csit. Applications will be accepted through July 12, 2024 at 5pm.

The Program has a total budget of \$3,750,000 for 15 grant awards of up to \$250,000 each. This is a competitive grant program. No application, transaction, or termination fees will be collected by CSIT for this program. Decisions on this grant award are expected to be made by 4th quarter of 2024.

Purpose and Funding

This grant opportunity is issued by the New Jersey Commission on Science, Innovation and Technology (CSIT). The goal of the Program is to help early-stage clean tech innovation-based companies in New Jersey (“NJ”) accelerate development of technologies to transform new discoveries from research stage into commercially viable products and services. The purpose of the grant is to enable recipients to make significant progress by demonstrating capabilities in a real-world setting, and to have a meaningful impact on commercialization outcomes. Companies must be developing or testing clean technologies intended to avoid emissions of, or recapture, of greenhouse gases and/or criteria pollutants, or to enable such avoidance or recapture.

Total funding for Round2 of the Pilot Clean Tech Demonstration Grant Program (“Program”) will be \$3,750,000 from the 2023 BPU Funds provided to CSIT under the 4th Clean Energy and Clean Tech Innovation Memorandum of Understanding between NJEDA and NJCSIT executed (November 3, 2023).

Program Overview

The Program will fund pilot demonstration projects between Technology Readiness Levels (TRL) 6 (Applied Research) through TRL 8 (Integrated Pilot System Demonstrated) intended to avoid emissions of, or recapture, greenhouse gases and/or criteria pollutants, or to enable such avoidance or recapture. The following technology areas are eligible under the program:

- Chemicals/Advance Materials
- Energy Distribution/Storage
- Energy Efficiency
- Energy Generation
- Green Buildings
- Transportation
- Waste Processing
- Water and Agriculture

Grants will be awarded on a competitive basis, with awards going to the fifteen (15) highest scoring applicants, provided each of those highest scoring applicants has met the minimum score of 70.

Each approved grant will be valid for a period of twenty-four (24) months from the date of the execution of the grant agreement. Any unused portion of the grant will be cancelled after the 24 months and must be returned to CSIT. An extension for up to an additional three (3) months may be permitted at the sole discretion of CSIT.

Eligibility

Each applicant to the Program must meet the following eligibility criteria at the time of application and during the entire review and approval period to be eligible for an award:

- Be authorized and in good standing to conduct business in NJ. Have a current valid NJ tax clearance certificate addressed to New Jersey Commission on Science, Innovation and Technology. All certificates listing another state agency will be rejected.
- Have no more than 50 full-time equivalent (“FTE”) workers (FTE is calculated on a 35-hour work week) at time of application.
- Have a minimum of two full-time workers (35 hours per week basis). A founder can be counted as a worker, and a worker may be paid or unpaid.
- Fifty percent or more of the cumulative hours worked by all workers, founders, and contractors must be conducted in NJ (as calculated on an FTE basis of 35 hours per week).
- Have less than or equal to five million dollars (\$5,000,000) in prior calendar year sales revenue (excluding grant revenue).

- Applicants should have achieved a Technology Readiness Levels (TRL) 6 (Applied Research) through TRL 8 (Integrated Pilot System Demonstrated) for their project proposed for funding.
- The Pilot Demonstration Project must be conducted in New Jersey. The Pilot Demonstration Project is defined as the core project proposed by the Applicant.
- Applicants must have a letter from one or more strategic partners confirming the strategic partner's willingness to conduct the pilot demonstration project, subject to receipt of funding, and describing their role in the Pilot Demonstration Project (e.g. providing a location/facility, conducting testing or evaluation etc.)
- Applicants are limited to a single application.
- Recipients of two or more active CSIT Seed and/or Demonstration Grants are ineligible for this Program.

Eligible Uses

The grant funding can be utilized for project demonstration activities specified in the application including:

- Labor costs related to the pilot demonstration
- Materials, equipment, and supplies for the pilot demonstration
- Travel expenses related to the pilot demonstration
- Other operating costs incurred during the pilot demonstration.

NOTE: If the demonstration project will involve construction, reconstruction, demolition, custom fabrication, repair work, or maintenance work, including painting and decorating, with construction costs totaling \$2,000 or more, and award of a construction contract, the project must comply with the NJ Department of Labor's Public Works Contractor Registration Act, the NJEDA's Prevailing Wage statutes and rules, and NJEDA's Affirmative Action statutes and rules .

In addition, no more than 10% of the budget proposed for the applicant's project, in the aggregate, may be spent on IP patent prosecution and licensing-related expenses.

Project Modification

Any intended changes to project scope of work or budget must be requested in writing to CSIT prior to modification of project (csitcleandemo@njcsit.gov)

Ineligible Uses

The following expense categories are ineligible for funding by this grant:

- Direct services to individuals or organizations
- Manufacturing of products for sale or commercial use
- Real estate rental expenses
- Patient clinical trial expenses
- Marketing and customer discovery
- Travel, entertainment, and other similar expenses
- Allocations of general overhead expenses

- Any expenditures incurred before the grant agreement is signed by both the grantee and CSIT
- Any expenses for equipment and materials that applicant does not use for the Project during the Project period
- Fees related to conferences

Disbursement of funds

Funds will be dispersed on a milestone basis. Each milestone will have deliverables, which must be submitted and approved before receiving the funding for that specific milestone.

- Sixty percent (60%) of the grant will be disbursed upon execution of a grant agreement.
- Thirty percent (30%) will be disbursed when interim milestones stated in the proposal are reached, and with submission of an approved interim Project Completion Report (approximately 12-months after execution of grant agreement).
- Final ten percent (10%) of the grant will be disbursed upon submission of an approved an Economic Impact Report and Final Project Completion Report (approximately 24-months after execution of grant agreement).

Application Process

All applications to the Program must include the following documentation:

- a. Completed online application
- b. Evidence that proof of concept has been achieved for the project. Submit **one or more** of the following:
 - Description of the proof-of-concept results
 - Published paper outlining results achieved
 - Successful completion of a federal SBIR/STTR grant or contract related to the project
 - Confirmation documentation from a university tech transfer office if the project relates to technology that has been developed at the same university
- c. Budget and Milestone Proposals (Excel template embedded within online application)
- d. Employee information as appropriate for applicable company structure and staffing -i.e., most recent NJ WR-30 (W2 employees) or 1099 (contractors), Shareholder Agreement or K- 1, or offer letters. Please note that if a Professional Employment Organization (PEO) is utilized, the

applicant must submit confirmation of PEO-A form issued by the New Jersey Department of Labor (DOL). These confirmations are issued on an annual basis and are valid for a year. See <https://www.nj.gov/labor/ea/employer-services/leasing-companies/> for additional information on PEOs.

- e. Summary of most recent Internal Payroll (Q4 2023 or Q1 2024) indicating each employee name and number of hours worked per week.
- f. Most recent Company tax filing; Federal 941 and either an NJ-CBT-100 (Schedule A), Form- 1065 or Form -1040 (Schedule C) or whichever is applicable to the organizational form of your business, showing the total Gross Receipts or Sales for the year.
- g. Current valid NJ tax clearance certificate listing CSIT as the agency, available at https://www16.state.nj.us/NJ_PREMIER_EBIZ/jsp/home.jsp. **DUE No Later Than August 1, 2024**, or application will be withdrawn. NJ certificates may not be immediately available; therefore, these should be applied for well before the **August 1, 2024** due date.
- h. If applicable, copy of New Jersey certification for **Woman, Minority, Veteran or LGBTQ+** owned business. Certification information available at <https://www.njportal.com/DOR/SBERegistry/Default/> **DUE No Later Than August 1, 2024** or relevant bonus points will not be awarded.
- i. If applicable, a copy of **Executed University License Agreement** with University. **DUE No Later Than August 1, 2024**, or relevant bonus points will not be awarded.
- j. Completed Application Certification
- k. Completed CSIT Legal Debarment Questionnaire
- l. For companies with a dba name (“doing business as”), CSIT requires proof of NJ registration reflecting the same.
- m. A letter from one or more strategic partners confirming the strategic partner’s willingness to conduct the pilot demonstration project and describing their role.

The following steps detail the application submission and review process:

- A document completeness review will be done as applications are received.

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- An evaluation committee comprised of CSIT and New Jersey Economic Development Authority (“NJEDA”) staff will review and assign a score to each application, after receiving qualitative input from subject matter experts (“SMEs”).

At the sole discretion of CSIT, staff may ask for clarification of the information included in the application, including, but not limited to, narrative responses, supporting documentation, and attachments. Applicants will have 10 business days thereafter to provide missing or incomplete documents. Applicants should submit the missing documentation electronically to csitcleandemo@njcsit.gov with the email subject line “Pilot Clean Tech Demonstration Grant Program Round 2 - Missing Documentation Submission - [Company Name].”

Scoring

Applicants must achieve a **minimum score of 70 points (out of a total 100 points)** to be eligible for a grant. Scoring will be based on:

- Innovation (up to 30 points)
- Market Opportunity and Strategy (up to 20 points)
- Implementation plan: budget and milestones (up to 20 points)
- Economic and Broader Impacts, such as environment, health, education, housing, safety, infrastructure impacts (up to 10 points)
- Team (up to 20 points)

Bonus Points – Applicants that achieve a **minimum score of 70 points** may also be eligible for the following bonus points:

- Applicant is using technology initially developed at a NJ university, under an executed license agreement with such university (15 points)
- Applicant is a NJ certified women-owned business (10 points)
- Applicant is a NJ certified minority-owned business (10 points)
- Applicant is a NJ certified veteran-owned business (10 points)
- Applicant is a NJ certified LGBTQ+ owned business (10 points)
- Applicant’s primary place of business/research & development located within an opportunity zone eligible census tract or government restricted municipality (5 points)
- Applicant has not previously received a CSIT grant or voucher (10 points)

Board Approval

The CSIT Program Committee will review scored applications and make funding recommendations to the CSIT Board. The CSIT Board will make the final decision on grant awards and declination on or about 4th quarter 2024.

Fees

No application, transaction, or termination fees will be collected by CSIT for this program.

Additional Requirements and Information

Applicants must be in good standing with both New Jersey Department of Labor ("DOL") and New Jersey Department of Environmental Protection ("DEP") to be eligible for a grant award.

For five years from the date of the grant agreement, workers and consultants for the company must conduct at least 50% of their work in a NJ location. Failure to comply will be a condition of default of the grant and may result in the full re-payment of the grant.

All grant awardees must provide an economic impact report to CSIT upon the completion of the project (24 months) and then yearly for an additional three years on February 1.

All grant awardees are encouraged to commit to participate in one check-in meeting (in-person or virtual) six months from the start of Project term with the CSIT team for update on project.

Funding for this grant is subject to State and Federal statutes including, but not limited to, the following, which may impact affiliates: N.J.S.A. 52:32-60.1, et seq., which prevents the New Jersey government entities from certain dealings with businesses engaged in prohibited activities in Belarus or Russia; Compliance with the list of "Specially Designated Nationals and Blocked Persons" promulgated by the Office of Foreign Assets Control (OFAC), <https://sanctionssearch.ofac.treas.gov>; N.J.S.A. 24:6I-49 which provides that the following are not eligible for most State or local economic incentives (a) a person or entity issued a license to operate as a cannabis cultivator, manufacturer, wholesaler, distributor, retailer, or delivery service, or that employs a certified personal use cannabis handler to perform work for or on behalf of a cannabis establishment, distributor, or delivery service; and (b) a property owner, developer, or operator of a project to be used, in whole or in part, by or to benefit a cannabis cultivator, manufacturer, wholesaler, distributor, retailer, or delivery service, or to employ a certified personal use cannabis handler to perform work for or on behalf of a cannabis establishment, distributor, or delivery service; and N.J.S.A. 52:13D-12, et seq., which prohibits a member of the Legislature or a State officer or employee or their partners or a corporation in which they owns or controls more than 1% of the stock to undertake or execute any contract, agreement, sale, or purchase of \$25.00 or more, made, entered into, awarded or granted by any State agency, with certain limited exceptions.

Confidentiality

Applications received will be reviewed only by staff of CSIT, NJEDA and SMEs. All applications submitted will be subject to requests for disclosure, including but not limited to, requests pursuant to the Open Public Records Act ("OPRA") N.J.S.A. 47:1A-1 et seq. If an applicant believes that information contained in its proposal

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merits confidential treatment pursuant to OPRA, any such purportedly confidential information submitted to CSIT must be specifically identified and marked as “confidential” by the applicant.

Contact Information

All questions concerning this Notice of Funding Availability must be directed to CSIT by email to csitcleandemo@njcsit.gov. All answers will be posted publicly in the form of a Frequently Asked Questions (FAQs) document which will be posted on the CSIT website prior to the application deadline.

Website: <https://www.njeda.gov/csit>.

Email: csitcleandemo@njcsit.gov