

FISCAL YEAR ALLOCATION

\$4 million

AWARD ANNOUNCEMENT DATE

September 2025

The Iowa Energy Center (IEC) Grant Program's administrative rules can be found in Iowa Administrative Code section 261.404. You may also request a copy of the administrative rules by sending an email to iecgrants@iowaeda.com.

OVERVIEW

The IEC Grant Program provides grants to eligible applicants on a competitive basis. The program is funded by an assessment on the intrastate revenues of Iowa's gas and electric utilities.

The Iowa Economic Development Authority (IEDA), in consultation with the IEC Board, administers the IEC Grant Program. Administrative rules were updated in 2024 — Iowa Administrative Code 261.404.

The IEC Board has a designated grant committee comprised of board members involved with review and recommendation of both pre-applications and applications. The IEC Board will make funding announcements at least once per fiscal year. Grants will be made by IEDA directly to recipients, who will submit claims to IEDA on a reimbursement basis.

This guide provides the vision, policies and administrative procedures for management of the IEC Grant Program. This document will be reviewed and approved by the IEC Board at least once per year. This guide does not replace administrative rules regarding the grant program. If a conflict between the two exists, the administrative rules will prevail.

PURPOSE

The IEC Grant Program is funded by Iowa utility ratepayers. Funds will be used for projects that aid in the implementation of the key focus areas of the Iowa Energy Plan and provide a benefit to the Iowa ratepayers. For the purposes of this program, a ratepayer is defined as a customer who pays for an electric or natural gas utility service in the state of Iowa.

Eligible projects will have a focus on one or more of the following areas:

- ***Energy workforce development***
Projects should aim to assist Iowa in attracting and training professionals to meet the state's future energy needs.
- ***Technology-based energy research and development***
Projects should aim to develop and bring to market energy technologies through collaborative state and private partnerships.
- ***Biomass conversion***
Projects should help Iowa realize the value-added attributes of biomass in the development of bioenergy, biofuels and biochemicals.
- ***Natural gas expansion in underserved areas***
Projects should support the expansion of natural gas buildout to rural communities where its absence is a limiting factor to economic development.
- ***Support for rural and underserved areas***
Projects should support rural and underserved areas and vulnerable populations through opportunities for greater access to energy efficiency expertise, training and programs.
- ***Electric grid modernization***
Projects should assist electric grid stakeholders in establishing a vision for what the modernized grid should look like for Iowa.

- **Alternative fuel vehicles**

Projects should support the growing biofuels and electric vehicle markets in Iowa, including the buildout of its charging and biofuels infrastructure.

- **Carbon management**

Projects should create carbon value through research, agricultural stewardship and energy generation.

ELIGIBLE APPLICANTS

Iowa businesses, colleges and universities, and private nonprofit agencies and foundations are eligible to apply for IEC grant funds.

- An eligible applicant may submit an application that includes one or more subrecipients.
- An eligible applicant may apply individually or jointly with another eligible or other eligible applicants.
- A principal investigator will be allowed to submit one application per funding announcement. An applicant who has applied as the principal investigator for a funding announcement may also be named as a co-investigator on additional applications submitted but may not be named as a principal investigator on additional applications.
- Please note that the review committee may consider the diversity of applicant organizations during the review process. If applicant organizations plan to submit more than one application, internal vetting should be completed prior to application submittal.
- An eligible applicant may apply jointly with ineligible applicants, but the applicant cannot act solely as a passthrough to the ineligible entity.
- A business will be considered an Iowa business if the business is incorporated in the state of Iowa or authorized to do business in the state of Iowa.
 - A business that is authorized to do business in the state of Iowa must provide a certificate of authority during the full application phase.
 - Applicant organization must have a physical location within Iowa at the time of application. The majority of funds (51% or more) used for salaries and wages must be used for Iowa-based employees of the applicant organization.

ELIGIBILITY REQUIREMENTS

Requirements for IEC grant awards include, but are not limited to, the following:

- Applicants shall demonstrate a benefit for ratepayers.
- Applicants shall demonstrate that they are eligible candidates.
- Applicants shall demonstrate the capacity for grants administration.
- Applicants who have previously received IEC awards shall have demonstrated acceptable past performance, including the timely expenditure of funds.
- Applicants shall demonstrate the feasibility of completing the proposed activities with the funds requested.
- Applicants shall identify and describe any other sources of funding for the proposed activities.

INELIGIBLE PROJECTS

The following projects are ineligible for funding:

- Relocation of a business
- Expansion of a business
- Funding for existing training programs
 - If the application is to continue a training program that is ending or expanding a training program to include new technologies/fields of study, it may be eligible. Prior approval by the program manager must be obtained prior to application submission.
- Improvements to a building, including energy efficiency and energy generation projects
- Pipeline, transmission line and distribution line construction
- First-generation ethanol
- Cellulosic ethanol

PROJECT PARTNERS

A relevant project partner is required, though cost share from that partner is not.

ELIGIBLE EXPENSES

Only expenditures directly related to the implementation of the funded grant activity will be reimbursed.

Examples of eligible expenses include, but are not limited to:

- Salaries/wages
- Supplies and materials
- Domestic travel
- Tuition
- Equipment purchases, which must be an integral part of the funded grant activity and must be approved by the board at the time the award is made
- Vehicle purchases, which are eligible only when the purchase of the vehicle is an integral part of the funded grant activity and must be approved by the board at the time the award is made

INELIGIBLE EXPENSES

Only expenditures directly related to the implementation of the funded grant activity will be reimbursed. Vehicle and equipment purchases are eligible only when the purchase is an integral part of the funded grant activity and must be approved by the board at the time the award is made. Ineligible expenses include, but are not limited to:

- Purchase or rental of buildings
- Office equipment
- Furniture and fixtures
- Intangible assets
- International travel
- Insurance
- Phone expenses

OTHER BUDGETARY REQUIREMENTS

Other budget requirements include the following:

- Indirect costs shall not exceed more than 20% of the IEC grant award request.
- IEC grant funds shall not be used as cost share to a federal grant award.
- Vehicle and equipment purchases or other expenses related to vehicles or equipment are not eligible if the purchase or expense supports the proposed grant activity but is not an integral part of the proposed grant activity. If a vehicle or equipment purchase is an integral part of a grant activity but a recipient fails to obtain board approval prior to the purchase, then the vehicle purchase is ineligible.

COST SHARE

- Cost share is required to apply for IEC grant funds
 - Minimum cost share is 5%.
 - Minimum cost share for Iowa-based business depends on the type of project. If you are a private business, you must contact the program manager to determine cost share requirements
 - After reviewing information provided, the program manager will provide a cost share requirement form, which will detail the cost share requirements for that project by line item.
 - Cost share requirements depend on many factors, including whether the budget items could be used by the applicant following grant completion, or for activities outside the scope of the grant. For example, if equipment or supplies are purchased in order to commercialize a product, the applicant must provide a minimum 50% cash cost share on those line items.
 - In-kind donations can be used as cost share for some budget line items.
 - If cost share requirements are not met, the application will be disqualified.
- Applicants do have the opportunity to obtain extra points if they provide or secure additional cost share.

- Unrecovered indirect costs cannot be used as cost share. However, matching indirect costs can be counted as cost share (not to exceed 20% of the cost share).
- Points awarded for cost share will be based on the total grant award request.

APPLICATION PROCESS

The IEC Board will review applications and make funding decisions after each funding announcement.

- Pre-applications will only be accepted during the established application period, as identified at iowaeda.com.
- Applicants planning to apply must use an IowaGrants account.
 - If the person completing the application already has an account through IowaGrants or a State of Iowa A&A account, this same account will be utilized.
 - If the person completing the application does not have an account, the applicant will need to allow a minimum of two weeks to register and activate their account.

PRE-APPLICATION PROCESS

- IEDA will release an open call for grants on its website and via email to stakeholders.
- The pre-application will be completed via IowaGrants.
- Once the pre-application window has closed, all pre-applications received will be reviewed by the program manager for eligibility and completeness. IEDA staff will then review the pre-applications and prepare recommendations for the grant committee.

IEDA staff in the review may include:

- Grant program manager
- Other Iowa Energy Office program managers
- Team leader
- Legal counsel

- The grant committee will then review the pre-applications and select which will move forward in the application process. The grant committee will evaluate and record the collective answers on a single review sheet with a numerical score and comments. The grant program manager, on behalf of the grant committee, will invite selected applicants to submit a full application.

- This invitation will be sent to the point of contact as provided in the pre-application.

PRE-APPLICATION REVIEW CRITERIA

Pre-application Screening Criteria

- Applicant is an eligible candidate.
- Request is for no less than \$10,000 and no more than \$1,000,000.
- Initial grant duration does not exceed three years.
- Application is complete and submitted through IowaGrants.
- Principal investigator/applicant is not named as principal investigator/applicant on any other applications — they can, however, be named as co-investigators or subrecipients on additional applications.

Pre-application Review Sheet

Pre-applications will be evaluated on a yes-or-no basis; no numerical score will be given. To move forward, an application must receive a yes on four of the five evaluation criteria.

Criteria	Evaluation Criteria	Yes/No
Focus Area and Ratepayer Benefit	Does the project provide a benefit to Iowa ratepayers?	
	Does the project align with at least one key focus area of the Iowa Energy Plan?	
Budget	Does the budget seem reasonable?	
Project Goals	Do the project goals align with a key focus area and aid in the implementation of the Iowa Energy Plan?	
Post-Grant Plan	Does the application describe a reasonable plan post grant completion?	

FULL APPLICATION PROCESS

- The grant committee will invite selected applicants to submit a full application, which will be completed via IowaGrants. The program manager will communicate the application submission deadlines and other application details to selected applicants via the email address provided during the pre-application process. The program manager will be responsible for all communications to selected applicants and will serve as the point of contact for applicants.
- Once the submission deadline has closed, the program manager will review the applications for eligibility and completeness.
- IEDA staff will then review the applications and prepare recommendations for the grant committee. IEDA staff in the review process may include:
 - Grant program manager
 - Other Iowa Energy Office program managers
 - Team leader
 - Legal counsel
- An outside technical review panel may be utilized for application reviews when IEDA staff and/or grant committee members feel it is necessary. This may delay the published timeline.
- IEDA staff will prepare a recommendation for the grant committee. The grant committee will review staff recommendations, score applications and make recommendations to the IEC Board.
- The program manager will summarize the applications and grant committee recommendations for the IEC Board.
- Upon review of the recommendations of the grant committee, the IEC Board may approve grant awards.
- Applicants selected to receive grant funds will be notified in writing within 15 days of the board's decision. Applicants not selected will receive a denial letter.

FULL APPLICATION REVIEW CRITERIA

Full Application Screening Criteria

- Indirect cost request does not exceed 20% of the total award request.
- A minimum of 51% of grant funds must be directed to activities performed by the recipient organization.
- Application identifies any other sources of funding for proposed activities.
- Certificate of Authority has been uploaded, if applicable.
- A letter of support or commitment must be provided from all subrecipients and project partners.

FULL APPLICATION REVIEW SHEET

Please note that there are several questions in the matrix below that only pertain to Iowa-based businesses. Universities, colleges and private nonprofit agencies and foundations will not need to answer these questions. Iowa-based business applicants must achieve a minimum score of 208 out of 238 to be considered for funding. All other applicants must achieve a minimum score of 160 out of 183.

Criteria	Evaluation Criteria	Total Points
Focus Area and Ratepayer Benefit	Does the proposal explain the benefit the project or product will provide to Iowa ratepayers?	5
	Iowa-Based Business Only: Does the proposal describe the benefit the commercialized product will provide to Iowa ratepayers?	5
	Does the benefit appear to be sound and reasonable?	15
	Iowa-Based Business Only: Does the applicant demonstrate that the project will benefit more than just the applicant organization?	10
	Does the proposal meet at least one of the key focus areas? Key focus areas: <ul style="list-style-type: none"> • Technology-based energy research and development • Natural gas expansion in underserved areas • Support for rural and underserved areas • Energy workforce development • Biomass conversion • Electric grid modernization • Alternative fuel vehicles • Carbon management 	5
	Does the fulfillment of the key focus area seem sound and reasonable?	10
Programmatic Capabilities	Does the proposal provide information regarding organizational experience, staff qualifications, and procedures and controls for ensuring that awarded grant funds will be used in a timely and efficient manner in order to successfully complete proposed activities?	5
	Has the applicant received previous Iowa Energy Center awards? If no, the applicant will receive 5 pts. If yes, did the applicant expend grant funds in a timely manner and comply with reporting requirements? If yes, the applicant will receive up to 5 pts based on past performance.	5

Criteria	Evaluation Criteria	Total Points
Project Approach, Outcomes and Deliverables	Does the proposal describe the applicant's project goals to be reached by project end?	5
	Are the project goals described in clear, easy-to-understand language?	10
	Do the project goals appear reasonable?	10
	Does the proposal describe the timeline, project tasks and milestones of the project (in chronological order)?	5
	Do the project tasks appear reasonable? Is there an appropriate number of tasks relative to the length and cost of the project?	10
	Does the proposal define the qualitative and/or quantitative measures the applicant will use to document the achievement of the goals of the project? Do the measures appear to be reasonable?	8
	Does the proposal satisfy a need or a problem?	10
	Iowa-Based Business Only: Does the need or problem exist beyond the applicant organization?	10
	Does the proposal demonstrate a new or novel approach to a need or a problem?	5
	Iowa-Based Business Only: Is the proposed product or technology new to the market?	10
	Does the proposal differentiate itself from previously funded Iowa Energy Center projects?	7
	Does the proposal define the staff roles and responsibilities in the scope of work?	3
Budget and Budget Narrative	Does the proposal demonstrate that the project is feasible within the resources requested?	10
	Is the budget narrative complete, reasonable and sound?	10
Dissemination and Replication	Does the proposal provide a clear dissemination or post-grant plan that is relevant to the goals of the project? Is the dissemination plan appropriate for the post-grant period?	5
	Iowa-Based Business Only: Does the proposal provide a clear post-grant plan to continue working toward commercialization or encourage entrance to the supply chain?	10
	Iowa-Based Business Only: Does the proposal demonstrate that the benefits of the project will provide an economic impact to the state of Iowa?	10
	Does the proposal demonstrate that the benefits of the project can be replicated by outside entities post grant completion?	10

Criteria	Evaluation Criteria	Total Points
Cost Share	Does the proposal indicate that the project has received either cost share funding match or external funding? This score will be calculated based on the total project budget.	15
	Iowa-Based Business Only:	
	5.1% – 10% 2 pts 25% – 30% 2 pts	
	10.1% – 15% 5 pts 30.1% – 35% 5 pts	
	15.1% – 20% 10 pts 35.1% – 40% 10 pts	
	20.1% + 15 pts 40.1% + 15 pts	
	Does the proposal indicate that the project has received external cost share from a project partner?	5
Collaboration	Does the proposal demonstrate that it is supported by any relevant stakeholders?	10

ADMINISTRATION

Agreement

IEDA will notify successful applicants in writing of an approved request for funding. IEDA will, at the same time, issue an agreement, which will be between the recipient and IEDA. The recipient must return the agreement to IEDA within 60 days of the transmittal of the agreement from IEDA. Failure to return the agreement may be cause for the IEC Board to terminate the award.

Amendments

Any substantive change to a funded IEC project, including time extensions, budget revisions and alterations to proposed activities, will be considered an agreement amendment. The recipient shall request an amendment in writing. No amendment will be valid until approved by the board, except the following (with written confirmation from IEDA):

- Staff may approve one no-cost extension provided that the extension does not cause the duration of the grant to exceed five years. Additional no-cost extensions will require board approval.
 - A typical no-cost extension will not exceed one year.
 - The first no-cost extension request must be one year.
 - A no-cost extension request must be submitted at least 45 days prior to project end date as listed in the agreement or amendments.
- Staff may approve budget modifications that are not substantial. For purposes of this program, “substantial modification” means a budget modification of either \$10,000 or 10% of the total grant award, whichever is less.
 - The creation of a new budget line item will be considered a substantial modification, regardless of the amount of the modification.

To request a contract amendment (including all rebudget requests and revisions), the recipient shall initiate the amendment process in writing. If the recipient organization has a sponsored programs office, the amendment request must be approved by the appropriate legally responsible official. Once the amendment request is received, staff will review and determine if the request requires board approval. If it does, staff will place the amendment request on the agenda for the next scheduled board meeting. If staff determines the request can be approved without board approval, staff shall initiate the amendment approval process.

Disbursement of Funds/Claims

- Disbursements will be made on a reimbursement basis. No advance disbursements will be allowed. Disbursement claims must be for an amount equal to or greater than \$1,000 per request, except for the final draw of funds. All claims must be made through IowaGrants and must be submitted quarterly. If no funds will be requested, the recipient will still file a quarterly report. When submitting a claim, the following items will be required:
 - An invoice on the submitting organization's letterhead, as well as:
 - A detailed description of the expenditures and their corresponding amounts
 - Product invoices and proof of payment for any equipment
 - Invoices and receipts for any supplies or materials purchased that exceed \$500
 - Receipts for any domestic travel expenses that exceed \$50
 - Invoices and proof of payment for any subcontractor payments
 - Invoices and proof of payment for any co-investigator payments
 - IEDA may request additional documentation as needed
 - A general accounting expenditures (GAX) form with a vendor code
- Final claim must be received within 120 days of project completion as defined in the project agreement.
 - IEDA will withhold 5% of award funds until the final report is received and approved by the program manager.
- Any funds not claimed within 120 days of project completion will be considered deobligated.
- If claims are not submitted quarterly, the project will be considered out of compliance.

STATUS REPORT REQUIREMENTS

Recipient Reports

Quarterly Status Reports

- In the final application, the applicant shall provide a timeline and the goals and objectives by which to measure the success of the project. The timeline should provide the start date (by quarter) and end date (by quarter) of each goal/objective. The recipient's success will be measured based on the progress toward the completion of each goal or objective as outlined in the final application timeline.
- By the 15th day after the end of the previous quarter, the recipient must provide an update on the percentage toward completion of each goal or objective and a narrative of the activities that have taken place in support of the goal or objective. This should be in table format and include information for each individual goal or objective, as well as a narrative for each goal or objective.

Reporting Table Format

Project Task	Deliverable	Verification Model	Target Completion Date	Percentage Complete	Brief Narrative Describing Quarterly Grant Activities

- Recipients shall also provide a narrative description of any deviations from the proposed timeline, tasks and objectives during the reporting period. If the reported deviations will have an impact on the remainder of the project or the dissemination plan, the recipient should also notify the program manager via email.
- If the quarterly report has not been received by the required date, the grant will be considered out of compliance.
- The benefit the end product provides or will provide to Iowa ratepayers
- Budget narrative detailing how funds were spent in support of the project
- Narrative description of any deviation from the original budget, timeline or any grant activities
- Dissemination plan/post-grant activities timeline (please include any deviations to the originally proposed dissemination plan)
 - Examples may include, but are not limited to:
 - > Conference presentations
 - > Speaking engagements
 - > Publishing white papers

Final Report

- The final report will be submitted via IowaGrants within 120 days of the project completion date.
- IEDA will withhold 5% of award funds until the final report is received and approved by the program manager.
- The final report shall contain the following information:
 - Executive summary
 - Timeline of the completion of each goal or objective
 - Narrative description of grant activities undertaken to support the project
 - Narrative description of the achievements of the project

Staff Reports

Annual Reports

Annual reports will be comprised of the prior 12 months of quarterly status reports. Recipients will not need to submit additional reports unless documented in the tasks/objectives section of their application.

Monitoring

IEDA will use the following process to monitor the IEC grant activities:

Desktop Monitoring

- IEDA will review the claims and status reports in IowaGrants.
- IEDA will review the progress of the project through quarterly status reports uploaded to IowaGrants by the recipient.
- IEDA will review timely expenditure of funds by the recipient through quarterly claims via IowaGrants.
- IEDA will identify performance and expenditure issues and will contact the recipient to address any concerns over either.
- If the program manager feels that milestones are not being met, the program manager will contact the recipient and attempt to obtain a written explanation.
- IEDA will notify the grant committee and/or IEC Board of any ongoing performance and/or reporting issues.

Formal Monitoring

- IEDA staff will routinely complete one monitoring visit following the first year of grant activity and will also perform a closeout visit at the end of the grant performance period. Staff retains the right to increase the number of site visits if necessary.
- The IEDA program manager will notify the recipient at least three days in advance of a site visit.
- IEDA staff will complete monitoring visit information in IowaGrants.
- If any additional information is requested during the site visit, the recipient will upload that information into IowaGrants.

Closeout Procedures

- The final report will be submitted by the grant recipient within 120 days of project completion via IowaGrants.
- Final payment will be made after the program manager has determined milestones have been met and project goals have been completed.
- IEDA will provide a final closeout document stating that contracted funds have been spent in accordance with the agreement and the agreed-upon deliverables have been achieved.
- If a balance remains after the final claim has been received and payment has been made, the unused funds shall be deobligated.

Noncompliance

At any time during the project, the IEC may, for cause, find that a recipient is not in compliance with the requirements of the program. At the board's discretion, remedies may include penalties up to and including the return of grant funds to the IEC. Noncompliance may include, but is not limited to, the following:

- Use of IEC funds for activities not described in the application
- Failure to complete approved activities in a timely manner
- Failure to comply with any applicable state or federal rules, regulations or laws
- Lack of a continuing capacity of the recipient to carry out the approved project in a timely manner

TO LEARN MORE
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