

INFORMATION RELEASE

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ASI CALLS FOR PROPOSALS FOR A SECOND FUNDING ROUND

The Australian Solar Institute (ASI) invests in research and development in order to accelerate to market innovation in photovoltaic (PV) and concentrating solar thermal (CST) technologies. The priority is research that has the potential to significantly reduce the levelised cost of solar energy (LCOE).

The ASI is now calling for submission of proposals to its funding Round 2. Building on its Round 1 investment decisions (announced December 2009 and with further announcements anticipated by June 30th 2010), the ASI has identified focus areas for Round 2. Proposals which address these focus areas are expected to be highly competitive, however, high quality proposals outside the focus areas will also be considered. Such proposals will be considered in the context of the ASI's wider objectives and commitment to support excellence as assessed by our Research Advisory Committee and supported by the ASI Board.

Focus Areas for Round 2

In **photovoltaics** (PV) innovation ASI has a particular focus in this round on R&D in technologies which are not yet commercialised in the market place. These technologies should offer the opportunity to substantially lower the lifetime cost of solar electricity and therefore increase commercial deployment within the next decade. The path to cost reduction could be through challenging current efficiency thresholds, or alternative materials cost structures compared to the limited number of technologies that dominate today's market.

Note: the projects funded in the Foundation Round and in Round 1 were dominated by support for advancing the position of single junction silicon technologies. While proposals in this area are not excluded, proponents should consider that the ASI Board has a desire to create a portfolio of R&D investments across a suite of PV technology areas with short, medium and long term potential. The ASI will focus on electricity generation technology that has the potential to compete with current stationary forms of electricity supplied to the Australian market.

In **concentrating solar thermal** (CST) innovation the ASI is seeking proposals Round 2 which will reduce the levelised cost of solar energy by increasing the efficiency of CST energy generation and reduce the cost of its capture and delivery. This includes research into increasing temperatures, dispatchability, hybrids (i.e. linking and integrating different thermal energy sources), reducing materials and solar field costs, reducing water dependency and reducing operating and maintenance costs. Technologies that seek to displace conventional electricity requirements with thermal energy need to demonstrate a clear path to market that will credibly result in commercial deployment.

In **enabling** research the ASI is seeking proposals which advance the knowledge base and reduce barriers to deployment of solar energy in Australia. For example projects which:

1. Examine grid and transmission development needs to enable solar expansion;
2. Team with the fossil fuels industry to investigate options to increase solar field deployment and reduce emissions through solar / fossil hybrid applications;
3. Increase finance sector confidence to invest in solar by identifying key investment risks and proposing global best practice mitigations;
4. Research generation forecasting techniques that build on best practice in solar deployment in Europe and wind deployment in Australia.

In **skills development** the ASI will be calling in June for applications for scholarships in a limited number of Masters, PhD and post doctorate areas. Industry placement and collaborative opportunities will be encouraged.

Only highly meritorious projects will be funded in Round 2, with the ASI unlikely to commit all of its remaining funds (refer Table 1 for remaining funding availability). Some funding will be retained for future rounds, for leveraging new funding sources and for the brokering of strategic projects. The amount of funding to be released in Round 2 and the funding allocations against each area are at the discretion of the ASI Board.

Table 1: ASI Funding for R&D under Funding Agreement with the Commonwealth (to 2014)

| Area | Foundation Grants | Round 1 announced or Under Negotiation | Unallocated for future rounds and leverage |
|---|-------------------|--|--|
| PV | \$10m | c\$20.5m | c\$10.4m* |
| CST | \$5m | c\$10.5m | c\$25.4* |
| Knowledge Building & Skills Development | | <\$1.0m | c\$5.0m |

* Included in the \$10.4m PV figure is up to \$3.5m earmarked for Core Funding Proposals and included in the \$25.4m CST figure is \$4m earmarked for Core Funding Proposals. Core institutions are ANU, CSIRO and UNSW. All funding allocations are at the sole determination of the ASI Board.

In all areas, industry and state government partnerships that increase project funding leverage beyond the matched funding criteria and reduce commercialisation risk will be viewed favourably. The same minimum matched funding requirements as applied in Round 1 will also apply in Round 2. *Note: This excludes state government contributions. Any State government contributions will however help increase the overall leverage of ASI funds which will be viewed favourably.*

Further information about eligibility and ineligibility of proposals is contained in the Funding Proposal Guidelines, along with the funding limits per project in applied and basic areas. All EOI documentation for Round 2 is available on the ASI website. ASI staff members are also available to answer questions.

Submission and Assessment Process

The funding round will be undertaken over two stages. A call for Expressions of Interest (EOIs) will be followed by an invitation to shortlisted proponents from the EOI stage to submit full proposals. Assessment of proposals will be undertaken in two stages by the ASI Research Advisory Committee (RAC). It is anticipated that proponents will be advised of outcomes from the EOI process by 30 June 2010. Proponents will then have 4-5 weeks to prepare and submit full proposals. The ASI Board aims to make final funding decisions before the end of September 2010 following advice from the Research Advisory Committee and ASI management.

Timeline

The following are the target dates for the EOI phase followed by the invitation to submit full proposals:

- **23 April:** Round 2 launched with invitation for submission of EOIs;
- **21 May:** Closing date for submission of EOIs;
- **May-June:** Assessment of EOIs by ASI Research Advisory Committee;
- **Late June:** Proponents advised of EOI outcome;
- **June – August:** Invitation to shortlist of EOI proposals to submit Full Proposals for funding;
- **Late September:** ASI Board makes Round 2 funding decisions.

Note: The ASI reserves the right to adjust these dates and timelines, proponents will be notified of any changes via the ASI website.

Clarification on any of the information provided can be requested by contacting the ASI team at guidelines@australiansolarinstitute.com.au or on **02 4960 6300**