

Arena Industrial Energy Transformation Studies Program

Canonical: <https://northmoregordon.com/grants-and-programs/arena-industrial-energy-transformation-studies/>

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Funding program archive

This page preserves a dated funding-program record and links it to current project-planning guidance.

Publication date: the source publication date.

Status note: This archive does not confirm that applications are open, funds remain available or the earlier eligibility and co-funding settings still apply. Verify the current administrator page and guidelines.

What this article reported

The IETS Program, launched in September 2022 is now closed and has been re-launched with an expanded scope as the National Industrial Transformation Program.

The program will provide \$43 million in funding to assist large energy users to undertake engineering and feasibility studies to identify opportunities to lower energy costs and reduce emissions. Through for example energy efficiency and renewable projects.

Who is this for?

ARENA is targeting Studies from organisations that align to at least one of the following ANZSIC sectors:

Agriculture

Mining (excluding coal mining, oil and gas extraction)

Manufacturing

Gas Supply

Water Supply, Sewerage and Drainage Services

Waste Collection, Treatment and Disposal Services, or

Data Centres

Funding

Grant funding will be provided in two streams:

Stream A - Feasibility Studies: A Feasibility Study aims to provide an independent assessment that examines all aspects of a proposed Project, including technical, economic, financial, legal, and environmental considerations. The Study should demonstrate the economic case for the technology and associated energy or emission reductions while ensuring that the technological barriers are identified and are manageable.

Stream B - Engineering Studies: Engineering (or FEED) Studies have the purpose of providing sufficient Project detail to enable a Final Investment Decision to be made and a subsequent EPC (Engineering, Procurement and Construction) contract to be executed.

Applicants can seek \$100,000 to \$500,000 for feasibility studies or \$250,000 to \$5 million for engineering studies.

The ARENA Grant may be used to cover up to 50% of the total eligible Study costs. Applications with higher co-contributions (that is. lower ARENA Grant request) may be considered of higher merit.

Relevant Guideline documents are as follows:

Industrial Energy Transformation Studies: Stream A

Industrial Energy Transformation Studies: Stream B

Energy Efficiency examples:

heat pumps for process heat,
improved process control,
high-efficiency equipment,
waste heat and energy recovery

Renewable Energy examples:

electrification technologies, from renewable supply;
renewable fuels, such as bioenergy or renewable hydrogen;
solar thermal energy;
...energy storage and more

An Application can be submitted at any time while this Program remains open, but ARENA is likely to assess applications quarterly.

Finding a suitable grant opportunity is just the start of the process of getting funding. Let us help you! The application for each grant is different and the process can take time and effort. Contact us to walk you through everything from, processes, eligibility criteria and the grants, funding and financial assistance available at the moment.

How to use this information now

Before relying on a grant, confirm the current round, applicant and project eligibility, eligible expenditure, co-contribution, assessment process, closing date and evidence obligations. Build the technical case so the project remains understandable with grant support shown separately.

Separate source-reported facts from forecasts, targets and commentary. For a current project, retain the official source, version, effective date, assumptions and decision record in the evidence file.

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What was the ARENA Industrial Energy Transformation Studies Program and why did it close?

ARENA's IETS Program, launched in September 2022, provided \$43 million to help large energy users commission engineering and feasibility studies for energy efficiency and renewable projects. The program closed because ARENA re-launched it with expanded scope as the National Industrial Transformation Program, which now covers a broader range of industrial transformation activities beyond energy studies alone. Organisations that previously qualified should check the new program's scope and eligibility criteria.

Which industries could apply for IETS funding and what projects were in scope?

IETS eligible sectors included agriculture, mining (excluding coal, oil and gas), manufacturing, gas supply, water and sewerage services, waste management, and data centres. Projects encompassed energy efficiency improvements such as heat pumps, process controls, and waste heat recovery, plus renewable technologies including solar thermal, bioenergy, renewable hydrogen, and energy storage. Applicants had to align studies to at least one eligible ANZSIC sector to qualify for assessment.

What was the difference between Stream A and Stream B funding under IETS?

Stream A (Feasibility Studies) provided independent assessment of technical, economic, financial, legal and environmental aspects of a proposed project, with funding of \$100,000–\$500,000. Stream B (Engineering or FEED Studies) delivered sufficient design detail to support a Final Investment Decision and EPC contract, with funding of \$250,000–\$5 million. The choice depended on project maturity: feasibility studies suited early-stage investigation, while engineering studies supported projects ready for procurement and implementation.

How much of study costs could the ARENA grant cover and what co-contribution was expected?

The ARENA grant covered up to 50% of eligible study costs, with applicants responsible for the remaining contribution from their own resources or other sources. Applications proposing higher co-contributions (requesting a lower ARENA percentage) were often considered more competitive because they demonstrated stronger organisational commitment. Applicants needed to document their co-funding source as part of the eligibility assessment.

How should organisations assess whether to pursue feasibility versus engineering studies?

Feasibility studies suit early-stage project concepts where technical viability, costs and benefits are uncertain. Engineering studies are appropriate when a feasibility assessment or prior investigation has confirmed the project direction and management wants sufficient design detail to proceed to procurement and contract negotiation. Our investment-case guidance recommends preparing a project brief describing the business problem, available evidence and intended decision before commissioning either study type, ensuring the scope matches the actual decision point.

What documents and evidence should applicants prepare before submitting an IETS application?

Applicants should prepare a project brief identifying the organisation, site location, business problem, energy or emissions opportunity, current project stage, available energy data, and the specific decision the study will support. ARENA guidelines for Stream A and B specify required application content. We recommend documenting existing equipment details, baseline energy consumption, production records, operating constraints and any prior studies. This evidence supports competitive assessment and helps scope the study proportionately to the investment at stake.

How does Northmore Gordon assist with identifying and preparing grant applications?

We provide funding-pathway assessment services to identify suitable grant, certificate and financing options for energy projects. We assist with preparing investment cases that align with grant

requirements, conducting energy audits to establish the technical and economic basis for applications, and ensuring project timing preserves evidence and funding eligibility. Craig Morgan, Sales & Marketing Director, brings 30 years' engineering experience including fifteen years helping organisations develop energy and emissions mitigation strategies applicable to grant-funded study programs.

What should organisations do now that the IETS Program has closed?

Organisations should investigate ARENA's National Industrial Transformation Program, which replaces IETS with expanded scope. They should also check the Australian Government grants finder for other relevant opportunities by location, industry and purpose. For energy-specific funding, the NSW Energy Savings Scheme, Victorian Energy Upgrades and Peak Demand Reduction Scheme provide ongoing support for implementation. We recommend early funding investigation to clarify applicable programs, deadlines and eligibility conditions before finalising project strategy.