DOE Phase II Webinar: Phase IIA, IIB, and IIC Awards

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Terminology

Phase I		Initial (or first) Phase II		Second Phase II		Third Phase II
Phase I	→	**Phase II**	→	**Phase IIA** **Phase IIB**	→	**Phase IIC**

- Awards
  - "Phase II" denotes an initial or first Phase II award
  - "Phase IIA" and "Phase IIB" denote a second Phase II award (referred to as "sequential" in statute)
  - "Phase IIC" denotes a third Phase II award (referred to as "subsequent" in statute)
- Funding Opportunity Announcement (FOA)
  - Initial (or first), second and third Phase II applications are submitted through our "Phase II" FOAs

Phase IIC

THIRD PHASE II AWARDS

Motivation: Phase IIC

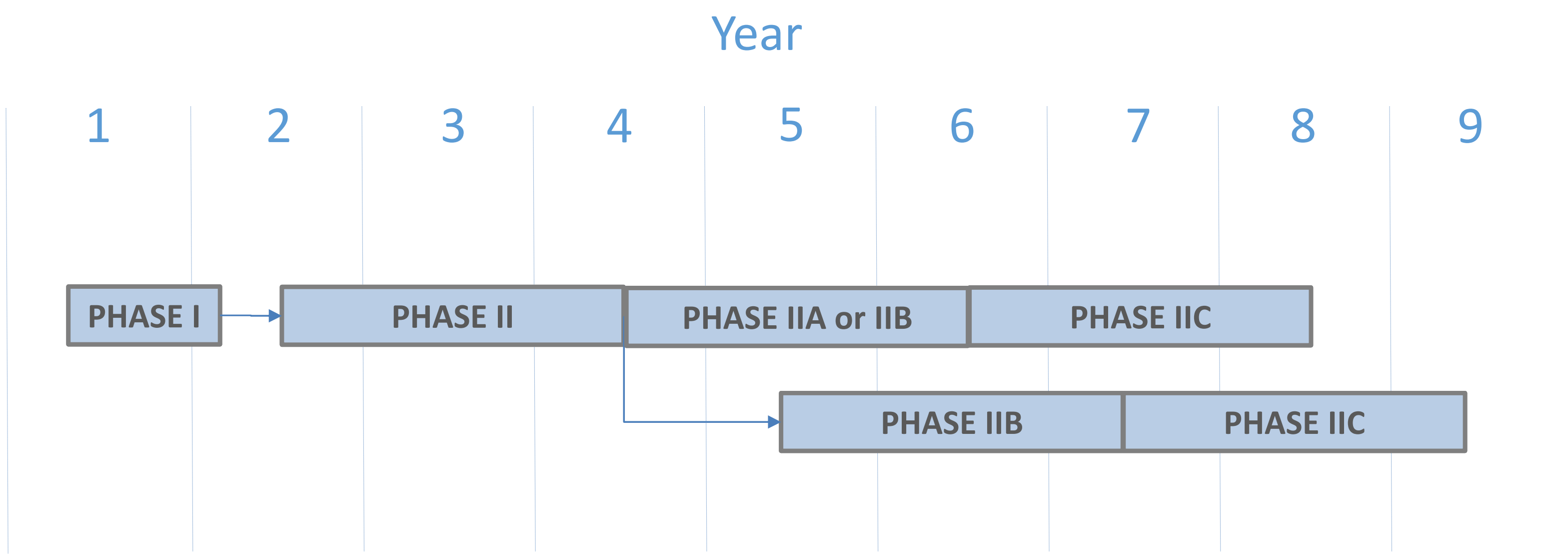
- Phase IIC awards are available under a Congressionally mandated Commercialization Assistance Pilot Program, 5 U.S.C. § 638(uu). The program ends on September 30, 2022. The intent of the program is reflected in the statutory considerations agencies must consider in making these awards:
  - (A) the extent to which such award could aid the eligible entity in commercializing the research funded under the eligible entity's Phase II program;
  - (B) whether the updated Phase II commercialization plan submitted with the application provides a sound approach for establishing technical feasibility that could lead to commercialization of such research;
  - (C) whether the proposed activities to be conducted under such updated Phase II commercialization plan further improve the likelihood that such research will provide societal benefits;
  - (D) whether the small business concern has progressed satisfactorily in Phase II to justify receipt of a subsequent Phase II SBIR award;
  - (E) the expectations of the eligible third party investor that provides matching funding; and
  - (F) the likelihood that the proposed activities to be conducted under such updated Phase II commercialization plan using matching funding provided by such eligible third-party investor will lead to commercial and societal benefit.

Eligibility

- A small business concern must meet the following eligibility criteria:
  - Have received an SBIR Phase II award and an SBIR Phase IIA or IIB award as specified in the FOA
  - The SBIR Phase IIA or IIB award will have been issued two fiscal years prior to the time of eligibility for a Phase IIC award

Note: Phase IIC awards are limited by statute to the SBIR program. No Phase IIC awards will be made under the STTR program. Also to be eligible for Phase IIC your prior Phase II and Phase IIA or IIB awards must be SBIR (not STTR) awards.

Phase IIC Timeline



Phase IIC follows a Phase IIA or Phase IIB award. There will be only one opportunity to apply for Phase IIC--two years after you applied for your Phase IIA or Phase IIB award

Matching Funds

- A Phase IIC award requires that the applicant has matching funds (excluding any fees collected by the small business concern receiving the Phase IIC award) equal to the amount of the Phase IIC award.

- The matching funds must be from an eligible third party investor
  - The term 'eligible third-party investor' means a small business concern other than the eligible entity, a venture capital firm, an individual investor, a non-SBIR Federal, State or local government, or any combination thereof.
    - Please note that SBIR/STTR Phase I, II, or III funding from a Federal agency may not be used as matching funds

- The following types of funding do not qualify as matching funds:
  - The eligible entity's internal R&D funds.
  - Funding in forms other than cash, such as in-kind or other intangible assets.
  - Funding from the owners of the eligible entity, its family members, or affiliates of such owners.
  - Funding attained through loans or other forms of debt obligations.

Matching Funds (cont.)

- When do the matching funds need to be available?
  - The small business concern must have the total amount of the matching funds available for expenditure at the grant start date listed in the FOA. A small business concern that fails to meet this requirement is ineligible for award
  - <u>Your matching funds must also be contingent upon receiving the DOE Phase IIC award</u>

- When must the matching funds be expended?
  - The matching funds must be expended during the period of performance of the Phase IIC award
  - Failure to expend the full amount of the matching funds will reduce the amount of award funding correspondingly, and DOE may take other remedies

- Will a no cost extension be available for a Phase IIC award~~s~~?
  - Yes, but only if the award funding has not been fully expended at the end of the initial period of performance of the Phase IIC award

Funding for Phase IIC Awards

- Maximum Award Amount and Duration
  - $1,100,000, up to 2 years
  - Award amounts and project duration require justification

- Available Funding
  - Is there separate funding for the Phase IIC awards?
    - NO. Second Phase II award funding is obtained from DOE SBIR & STTR allocations used to make Phase I & II awards
  - Is there a maximum amount of funding that can be used for Phase IIC awards?
    - YES. An agency may not use more than 5 percent of its SBIR funding for Phase IIC awards

- Number of Awards
  - There is no target number of awards for Phase IIC
  - The number of awards will depend on the number and quality of applications received under the FOA

Letter of Intent (LOI) Requirement

- Phase IIC applicants are required to submit a LOI through PAMS
  - LOI Deadline: Tuesday, November 9, 2021 by 5:00 pm ET
  - Application Deadline: Tuesday, December 7, 2021 by 11:59pm ET
  - Content:
    - Business Official name and contact information (telephone number and email address)
    - Name(s) of any proposed subcontractor(s) or consultant(s), if any
    - DOE Phase II Award Number, "DE-SC000XXXX"
    - Type of Phase II submission: please select the Phase IIB (Phase IIC selection is not yet available)
    - Third Phase II Project Title (same as your second Phase II project title)
    - Phase I topic and subtopic number (same as your Phase I)
    - Technical abstract that sufficiently describes your technology and application. The abstract should not exceed 500 words and two pages and it must provide sufficient technical depth to allow DOE to assign technical reviewers for your application. Please note that your abstract should not contain any proprietary information.

No Cost Extensions

- A small business concern is eligible to receive a Phase IIC award only if its Phase IIA or Phase IIB award is completed before the start of the Phase IIC grant start date (approximately 4/3/22)

Phase IIA or IIB (ends ~4/3/22)	Phase IIC (starts ~4/4/22)
2 years	*up to 2 years*

Questions?

Please submit any question you may have via the Q&A box, at the bottom of your screen

Partnering needs?

New Tech-2-Market Advisor

Carol.Rabke@science.doe.gov

Application Process Q&A Webinars

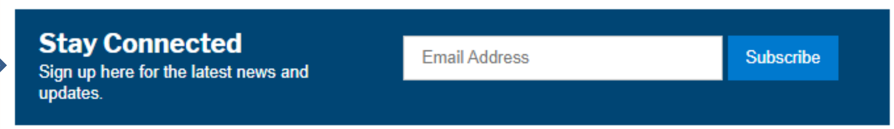
November 3, 2021 @ 2 PM ET

Phase II eligible will receive an invitation

Email us!

sbir-sttr@science.doe.gov

Join our mailing list!



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