

# Advanced Fuels Fund Competition

## Stakeholder enquires and responses for Window 3

Ref	Question	Response
1	<p>Are the production of other PtL fuels, such as PtL methanol or PtL DME, eligible for funding? This question refers to two scenarios:</p> <ol style="list-style-type: none"> <li>A PtL methanol/DME facility targeting industrial and/or shipping offtakers.</li> <li>A PtL methanol facility targeting MtJ e-SAF offtake, with the MtJ e-SAF producer <b>not</b> located on the PtL methanol project site.</li> </ol>	<p>a. Methanol and DME are not eligible fuels under the AFF, so projects with these as the main fuel outputs would not be eligible.</p> <p>b. A PtM facility on a standalone site would not be eligible for the AFF, presuming that the MtJ facility is not part of the AFF application and would be developed by a third party. This applies even if the MtJ facility were to be in the UK, and the MtJ developer were to provide contractual evidence of an offtake for upgrading to jet. The AFF guidance only allows funding of those applications that have an eligible main fuel output, and this application would only have methanol as its output.</p> <p>However, if the application were for a whole supply chain in the UK, e.g. PtM + MtJ, where the development of both facilities were proposed for AFF funding, with project partners from both facilities included in the project team, then if the facilities are on the same or separate UK sites, both facilities could be eligible, if contractual evidence (at least signed HoTs) is provided that all the methanol from the PtM facility would be supplied to the MtJ facility. This evidence should be included in the application, or at DfT's discretion, could form a starting stage gate if your project were selected (i.e. PtM facility funding would not start until this evidence is provided). If this contractual evidence is not provided, only the MtJ facility would be eligible.</p> <p>If elements of the supply chain were to be based abroad, then:</p> <ul style="list-style-type: none"> <li>- if the PtM facility is abroad and the MtJ facility is in the UK, only the MtJ facility would be eligible (and would have to evidence eligibility of its feedstock methanol).</li> <li>- if the PtM facility is in the UK and the MtJ facility is abroad, even with contractual supply evidence provided, neither facility would be eligible, as the UK project is not producing an eligible main fuel output.</li> </ul>

Ref	Question	Response
2	<p>We see that feasibility studies have been classified as ineligible for funding. Would a project be eligible under the following scenario:</p> <p>a. The project targets a combined feasibility and pre-FEED study, that will conclude prior to the end of the Window 3 delivery timeline. If the project is eligible in this scenario, would the funding cover the full combined package or only the pre-FEED element?</p>	<p>AFF funding would only cover the pre-FEED element. Note that the (ineligible) Feasibility stage ends at the date of the completion of a AACE Class 5 (or equivalent) cost estimate, and the (eligible) Pre-FEED stage immediately starts at the same date.</p>
3	<p>In Appendix A of your guidance documentation, the qualified ASTM pathways are listed, including those under assessment. However, we noticed that <b>“Co-processing of pyrolysis oil from used tires”</b> is not included. A link to supporting evidence can be found here: <a href="#">ICAO Conversion Processes</a></p> <p>Could you confirm whether this pathway is recognised under the AFF grant?</p>	<p>Yes, this would be eligible under case ii of the main fuel output cases, and evidence of the resulting jet fuel quality should be supplied. But please see the response the Question 4 first.</p>
4	<p>Tyre Pyrolysis Oil (TPO) contains both biogenic and Recovered Carbon Fraction (RCF) components. Under the recent legislative amendment to the Energy Act 2004, the RCF fraction is now eligible under the RTFO. How does this impact the project’s overall eligibility, considering that the guidance currently only references fossil fractions of MSW and waste industrial fossil gases in relation to RCF?</p>	<p>Eligible RCFs must be made from a designated RCF feedstock, as per the published <a href="#">feedstock list on the DfT website</a>. This currently only lists two eligible RCF feedstocks (MSW and industrial waste gases), matching the AFF guidance document. Therefore only the biogenic fraction of TPO will be eligible for support.</p> <p>Mass balance rules could be applied if an applicant wished to apply for only a TPO upgrading facility, and were to upgrade only the biogenic TPO consignment but sell the fossil TPO consignment separately. A facility generating TPO would not be eligible for the AFF, due to the ineligible fossil fraction of the feedstock.</p>
5	<p>On page 11 of the guidance document, under “What documentation is required for an applicant?”, there is a requirement stating: <i>“Relevant documentation to enable the completion of due diligence on the applicant(s).”</i></p> <p>Could you provide a clearer explanation of what specific documentation is required to meet this criterion?</p>	<p>To undertake the required level of due diligence, the DfT will require information such as Companies House information (e.g., registration number, registered address, latest accounts), confirmation of the identities of the Directors/Trustees/Persons of Significant Control/Named person on application form (for all consortium/alliance/partnership members), information related to other grants awards, conflicts of interest, links to any company websites, etc.</p>
6	<p>What are the acceptable forms of a confirmation in respect of "compliance with the definition of a waste and with waste hierarchy".</p>	<p>Please see Annex K of the <a href="#">RTFO &amp; SAF Mandate technical guidance</a>.</p>

Ref	Question	Response
7	If a feedstock portfolio includes wood chips and wood pellets (sourced from USA, Canada and Brazil), as well as Palm Kernel Shells (PKS) sourced from the APAC region. Would the latter (PKS) fall under Arboricultural residues or Nut shells category of the Agricultural Residue section?	<p>All feedstocks proposed will have to prove their eligibility, i.e. that the wood chips and pellets are sustainable wastes/residues and meet other RTFO &amp; SAF mandate requirements.</p> <p>Palm Kernel Shells are not currently on DfT's published <a href="#">list of feedstocks</a>, as they have either not yet been proposed as a feedstock or have not yet been assessed by DfT. PKS does not fall under Arboricultural arisings (e.g. tree surgery, hedge trimmings), nor Nut shells. Only biomass feedstocks that are defined as a development fuel feedstock or are confirmed as not being subject to the HEFA cap on these published lists are eligible for the AFF.</p> <p>Developers can separately apply to DfT with a feedstock application (the relevant form can be provided by DfT) plus any associated evidence, although this is not an immediate process, and they would be taking the risk that their project could be ruled ineligible at any point, and AFF funding could only start if and when a positive feedstock determination was made. In terms of the likelihood of an eligible feedstock determination for PKS, we cannot pre-judge the evidence, but we note that PKS has a number of existing uses, empty palm fruit bunches are not eligible for the AFF, and the more generic category of "Waste pressings from the production of vegetable oil" is also not eligible.</p>
8	What evidence of feedstock procurement arrangements (including volumes and target prices) is sufficient/acceptable for the pre-FEED stage?	<p>There are no minimum requirements, but evidence of MOUs, HoTs or feedstock supply agreements will be evaluated, along with the level of detail in these arrangements, and this evidence will contribute towards the scoring of projects in demonstrating their readiness to proceed with funded activities. DfT would expect signed FSAs if entering EPC stage, but the pre-FEED stage is significantly earlier in the project development.</p>
9	With regard to prices (as well as the corresponding supply partners) - it's a highly sensitive commercial information, yet it forms part of the business model and the corresponding project financials. How can we share that sensitive information on a confidential basis - in particular, from the Freedom of Information Act 2000 point of view?	<p>DfT respect that projects are handling sensitive IP and financial information and we have strict confidentiality practices in place. Any information shared by the project in the application is only for the purpose of assessments. Should we receive a Freedom of Information request relating to any material that you have provided, we will consult with you to seek your views on disclosure. We will consider your views before making any decision on disclosure, but we cannot unequivocally guarantee that the information will not be released, particularly if DfT are compelled to do so by the Information Commissioner's Office as a result of any appeal made to them. Should any information provided be confidential, this should be marked as strictly confidential.</p> <p>Evidence of supply partners and offtakers will be evaluated, and this evidence will contribute towards the scoring of projects in demonstrating their readiness to proceed with funded activities, and fuel pricing is also used and evaluated within Appendix E.</p>

Ref	Question	Response
10	Is “in kind” contribution (e.g. development of a FEL package) considered to be match funding? If so, what principles would be used to evaluate the level of that funding?	In kind contributions are recognised as match funding.
11	Can match funding be provided - and used - prior to the AFF making a grant offer?	No. Any match funding will need to be evidenced and used within the funding period.
12	Can match funding commitment be conditional to the project reaching the planned milestones?	Match funding can be conditional based on achievement of set activities/lifecycle stages. It would help to clarify if your intent for this match funding is external financing, or whether this match funding is internal in-kind resources. Either way, it should be made explicitly clear which match funding amounts are conditional and which are unconditional. This is because one of the AFF scoring criteria assesses confirmed match funding and any conditional match funding would be discounted in this calculation.
13	Can match funding be provided after March 2026?	No. Any match funding will need to be evidenced and used within the funding period.
14	Are precursor supply chain projects and novel technologies eligible?	<p>Presuming the precursor is not avtur, avgas or diesel, precursor supply chain projects on their own are not eligible for AFF funding, as this application would not have an eligible main fuel output. It would help if you could specify the precursor in question to be able to give a clearer answer.</p> <p>Precursor supply chain projects might only be eligible if they are in the UK, all the feedstock consignments are eligible, and there is contractual evidence (at least signed HoTs) provided that all the precursor will be converted/upgraded into an eligible main fuel output within a facility that is also applying for funding in the same AFF application, and project partners from each of the facilities are involved in that application. See the answer to question 1 (but generalising beyond methanol to other precursors).</p> <p>Technology eligibility is based on the eligibility of the main fuel output, feedstock, TRL and GHG emissions. It would help if you could specify the novel technology in question to be able to give a clearer answer.</p>
15	As the UK SAF Mandate requires an LCA approach and there is limited UCO/HEFA availability there is clearly going to be pressures on sourcing sustainable biomass feedstocks at the significant scale of demand. We have an advanced mechanical recycling (AMR) system to extract waste paper and card biomass from residual wastes, such as RDF (which is otherwise a default heterogeneous material only suitable for landfill or incineration). This is a key missing part of the supply chain, is this eligible under the AFF?	No, as an application focused only on this pre-processing step would not result in production of an eligible main fuel output (avjet, avgas, diesel).

Ref	Question	Response
16	What would be the minimum size of a small demonstration plant located in an industrial environment, particularly for the conversion of CO2 into hydrocarbons?	<p>There is no set minimum size for a TRL 6 small demonstration plant, and the onus is on the applicant to show to DfT that the proposed AFF plant meets the definition of technology demonstration (not just validation) in an industrially relevant environment.</p> <p>Whilst there are indicative sizes that are commonly used for more developed pathways, TRL is not just a function of scale – it is also a function of operating regimes &amp; run times, the level of process integration &amp; recycling, the setting &amp; staffing, and feedstock &amp; fuel logistics. DfT will be looking for evidence of longer run times, reliability testing and performance optimisation, integrated processes with key recycles, an industrial/commercial environment with engineers, no use of bottled feedstock gases (for CO2 and H2), and fuel testing with offtakers or for ASTM qualification. Technology pathways that integrate process units and/or can evidence they will be commercially profitable (TRL 8) at significantly smaller scales than other pathways are likely to have corresponding smaller scales for their TRL 5, 6 or 7 facilities.</p>

17

Many thanks for providing "Electricity grid intensity figures" in the guidance document appendix E. Will DfT also provide a similarly aligned forecast for the proportion of renewable (non-bioenergy) and nuclear electricity in the national grid? These forecasts are both key inputs into the UK PtL SAF cashflow model, determining the number of compliance certificates obtained per unit of PtL SAF produced, and hence project revenue generation.

The corresponding projections of grid generation shares, from the National Grid FES Holistic Scenario, are as follows:

Year	Wind/solar/hydro/ geothermal share (%)	Nuclear share (%)
2024	43%	14%
2025	49%	13%
2026	54%	13%
2027	57%	8%
2028	63%	7%
2029	67%	5%
2030	69%	7%
2031	70%	7%
2032	71%	6%
2033	73%	6%
2034	75%	6%
2035	77%	6%
2036	78%	4%
2037	77%	5%
2038	77%	5%
2039	75%	8%
2040	74%	9%
2041	74%	9%
2042	72%	11%
2043	72%	11%
2044	72%	11%
2045	71%	12%
2046	72%	12%
2047	72%	12%
2048	72%	11%
2049	72%	12%
2050	72%	12%

If grid electricity is purchased and used to generate input hydrogen for SAF production (either via onsite electrolysis or as part of a combined reaction, such as co-electrolysis to syngas), and none of the exceptions listed in 4.40 of the RTFO & SAF Mandate technical guidance apply, then:

- while the wind/solar/hydro/geothermal share of the GB grid will generate a PTL consignment under the SAF mandate (or RFNBO consignment under the RTFO), under Scenario 1 of Table 4 in the RTFO & SAF Mandate technical guidance, this consignment will have to use the projected annual average grid lifecycle GHG intensity (as real-time data including upstream emissions from a relevant competent authority is not available now, nor are forecasts). Nil CI for this share of the grid electricity cannot be assumed.

Ref	Question	Response
		<ul style="list-style-type: none"> <li>while the nuclear share of the GB grid will also generate a PTL consignment under the SAF mandate, under Scenario 1 of Table 4 in the RTFO &amp; SAF Mandate technical guidance, this consignment will also have to use the projected annual average grid lifecycle GHG intensity (as real-time data including upstream emissions from a relevant competent authority is not available now, nor are forecasts). The nuclear electricity CI for this share of the grid electricity cannot be assumed.</li> </ul> <p>In both cases, the declining GB grid intensity over time in Annex E should mean declining SAF emissions for these PTL consignments, and increased numbers of certificates each year under the SAF mandate.</p> <p>If grid electricity is purchased and only used to run processes (and does not generate hydrogen/atoms for SAF production), then the grid electricity will only impact the CI of the SAF consignments generated, and the wind/solar/hydro/geothermal or nuclear shares above are irrelevant. However, as the grid decarbonises this could still mean declining SAF emissions, and increased numbers of certificates each year under the SAF mandate.</p>
18	Can we spend money in advance of the June start? We note that there is a 3 month gap between when the AFF Window 2 closes in March and the Window 3 Award notification in June, which is troublesome when trying to keep projects going. Will there be any concession from DfT to allow eligible spend in March to June to be covered under the grant, if awarded in June?	Only eligible costs incurred during the funding period will be paid out of funding allocated under Window 3. As such, any existing AFF project which is successful in Window 3 and incurs eligible costs before the Window 3 funding period begins will not be able to make claims to cover those costs from funding allocated under a window 3 grant funding agreement.
19	What are the hydrogen requirements? The application specifies both Low Carbon Hydrogen Standard and RTFO Guidance, which seems to indicate blue hydrogen may be ok, but the SAF Mandate is clear only green (from renewable or nuclear power) is permitted.	Hydrogen used as a feedstock has to meet SAF Mandate requirements (RFNBO or nuclear) as well as the AFF requirements (e.g. show likely future LCHS compliance if production is part of the funded project). Hydrogen that is only used as a process input (e.g. refinery upgrading) can be from any source, provided the AFF rules are met (e.g. fossil hydrogen usage limited to 5% of total fuel outputs) and GHGs accounted for. So "blue hydrogen" (from fossil natural gas reforming with CCS) will not be eligible where this hydrogen is a feedstock, or more than the 5% limit used.
20	Is a site selection exercise eligible under this AFF grant? We note that this site selection type of work would not be feasibility study work as the FS is already completed but rather an effort to assess and secure the best, most cost effective site for a pre-existing viable project.	Yes, if completion of the Feasibility study is evidenced, this site selection work will fall under pre-FEED activities.

Ref	Question	Response
21	If our pathway is not currently ASTM qualified but, as per AFF eligibility criteria, we are engaged with the ASTM D4054 evaluation process – would this be eligible?	Yes, and please select case ii when answering questions 2.2.1 and 3.3.1.
22	We carried out feasibility and some pre-FEED work for a FOAK UK SAF project. While certain parts of the technology value chain have been tested and operated, other parts require deeper evaluation. There are two potential non-UK suppliers whose technology we would like to evaluate and test. Would this evaluation and testing be eligible under the AFF window 3?	If a project is led by a UK company/charity, and the demo/FOAK conversion plant project will be sited in the UK, but the project proposes to spend some (not a majority) of the AFF funding on generating new results and analysis from testing and optimisation outside of the UK to inform the UK project design work – this is acceptable provided that AFF funds will be spent in the AFF funding period and are not going towards the construction of new pilot or lab facilities (due to the TRL 6-8 eligibility criteria).
23	We would like to use a residue feedstock, which is listed as “Contact Administrator” under the RTFO and SAF Mandate list of feedstocks including wastes and residues. DfT indicated that for this feedstock we will need to provide proof that the feedstock is residue. Would we need to provide such proof for the feedstock in the application, or can we provide this if we receive the grant, the testing protocol is defined, and we source the required amount for the testing?	<p>Unless you plan to separately submit evidence directly to DfT regarding your feedstock status before the AFF deadline, we would encourage you to include this evidence in your AFF application, to ensure that your project passes the eligibility criteria checks.</p> <p>Given the unique "Contact Administrator" status of your proposed feedstock, if there is a remaining unresolved question as to your feedstock eligibility, at DfT's discretion, DfT may decide your project can be taken for full assessment. If your project scores well and is judged as a strong contender for funding, at DfT's discretion in light of other more certain funding demands, it could be recommended for funding but with a starting gate stage for the provision of the required feedstock evidence (i.e. funding would not start until this evidence is provided and feedstock eligibility confirmed).</p> <p>Feedstocks that are not on the DfT list of feedstocks will not be eligible for the AFF, and so applications relying on these feedstocks will fail the eligibility check and will not be assessed. All feedstocks used by a proposed AFF project must be eligible.</p>
24	The AFF guidance for third window states that “IP developed within the project remains the property of the applicant/consortium.” However, point 19.1 of the Example Grant Agreement says that Intellectual Property Rights “in the course of undertaking the Funded Activities are the property of the Authority.”. Would the Intellectual Property developed under the Funded Activities belong to the Authority of the grant recipient?	The grant conditions state that IP contained within the progress reports will reside with DfT, not the much wider IP generated by the project itself. DfT respect that projects are handling sensitive IP and we have strict confidentiality practices in place. Any information shared by the project in the reports is only for the purpose of monitoring and reporting progress of the project, including unlocking milestone payments. Should any information provided with the progress reports be confidential, this should be supplied as a separate annex and marked as strictly confidential.



Ref	Question	Response
25	<p>In the AFF Guidance 6.3 Data Protection:</p> <p>a. It states that “The Department for Transport may be required to release information, including personal data and commercial information, on request under the Environmental Information Regulations 2004 or the Freedom of Information Act 2000. However, the Department for Transport will not permit any unwarranted breach of confidentiality, nor will we act in contravention of our obligations under the General Data Protection Regulation 2018.” Would we be consulted before any commercially sensitive information is intended to be released and can we object to the release?</p> <p>b. It states that the Department of Transport can publish information about estimated investment cost for the winning projects. We consider this commercially sensitive information. Can we object to the estimated investment cost information being published?</p> <p>c. It states that “The final report which describes the benefits and performance of the project, the difficulties encountered, and lessons learned, may be published in full.” Would data submitted in a separate non-publishable annex not be revealed, as per 19.1 of the Draft Grant Agreement?</p>	<p>DfT respect that projects are handling sensitive IP and financial information and we have strict confidentiality practices in place. Any information shared by the project in the application is only for the purpose of assessments. Should we receive a Freedom of Information request relating to any material that you have provided, we will consult with you to seek your views on disclosure. We will consider your views before making any decision on disclosure, but we cannot unequivocally guarantee that the information will not be released, particularly if DfT are compelled to do so by the Information Commissioner’s Office as a result of any appeal made to them. Should any information provided be confidential, this should be marked as strictly confidential.</p>
26	<p>The AFF application, point 5.7.3 mentions that match funding could be secured from entities’ own resources. However, the Example Grant Agreement defines Match Funding as “any contribution, in whatever form, to the Project from a Third Party to the Grant Recipient”. Would Match Funding from our own resources be acceptable?</p>	<p>Match funding from your own resources is acceptable, and, as with all match funding, should be evidenced.</p>

Ref	Question	Response
27	Point 4.4 in the Example Grant Agreement states that the Grant Recipient must notify the Authority of any Match Funding and cannot use the Match Funding without Authority's agreement. Would this apply to own internal resources that will need to be deployed during the project in case additional resources are required for the project during the funding period?	Yes, this also applies to own internal resources.
28	Some of the information that we might put into the application could contain third parties' confidential information. Would the Authority treat such information in the application as confidential, if the information is clearly marked as confidential?	DfT respect that projects are handling sensitive IP and financial information and we have strict confidentiality practices in place. Any information shared by the project in the application is only for the purpose of assessments. Should we receive a Freedom of Information request relating to any material that you have provided, we will consult with you to seek your views on disclosure. We will consider your views before making any decision on disclosure, but we cannot unequivocally guarantee that the information will not be released, particularly if DfT are compelled to do so by the Information Commissioner's Office as a result of any appeal made to them. Should any information provided be confidential, this should be marked as strictly confidential.
29	The application requires the acceptance of the terms and conditions of the supplied Example Grant Agreement. However, the Example Grant Agreement is a Draft. When do you expect to finalise the Example Grant Agreement, and can we provide comments on the Agreement before it is finalised?	The Example Grant Agreement should be considered as the final terms and conditions and these are non-negotiable.
30	We are planning a proposal to be led by a University which is a registered charity, in collaboration with supply chain partners from industry, including fuel producers and OEMs. We wanted to double check that there is no restriction for a University to lead a proposal under this call.	The lead applicant needs to be a registered UK company or charity. This means that there is no restriction for a University to lead a proposal. However, we note that the proposed plant must meet the TRL eligibility criteria, and pilot plants (TRL 5) cannot be funded.
31	Will there be any future changes or flexibility to the eligibility?  The whole supply chain needs supporting, not just the offshore PLCs, who are building the SAF production; requiring massive quantities of low carbon input material.	At the closure of AFF application window, all eligibility criteria are final. No flexibilities are possible, in the interest of fairness across all applicants.  DfT welcomes the involvement of UK supply chain partners (both upstream and downstream) within any AFF bids, and notes any project applying for AFF funding must be sited in the UK.

Ref	Question	Response
32	<p>Could you let us know if the eligibility criteria are the decision of the government or internal to the AFF, and any contact details for the same?</p> <p>We would also welcome a Teams meeting if at any point you are available to discuss this.</p>	<p>The eligibility criteria are ultimately agreed and set by DfT. They are separate to the eligibility criteria for the RTFO and SAF mandate.</p> <p>As a starting point we would like to ask that you submit your specific questions in writing to the <a href="mailto:AFF@ricardo.com">AFF@ricardo.com</a> email address. This ensures that all potential applicants are treated fairly and no advantages given to any particular organisation. Please note we can only provide support on eligibility and application material queries.</p>
33	<p>For major milestones that would complete outside of the funding window i.e FEED, the project is eligible to claim for specified interim related milestones as long as they complete within the funding window.</p>	<p>This is correct.</p>
34	<p>If a grant of £5M was awarded in AFF2 and the claims submitted to the end of the window of AFF2 are £3.5M, does this statement infer the theoretical maximum award in AFF3, if successful, would be capped at £1.5M?</p>	<p>No. The AFF window 3 round is entirely separate to prior AFF windows. No unused funding from prior windows can be carried across into window 3, and nor will any unused funding from prior windows be used to cap a project's request in window 3</p>
35	<p>If a project has been unable to commence activities proposed in AFF2 due to lack of funding, rather than failing to deliver, are these activities now excluded from being funded in AFF3 application.</p> <p>It is presumed that the activity list is as per grant offer letter or most recent DfT approved change request - is this understanding correct?</p>	<p>Each AFF window 3 application will be assessed in isolation, and no eligible activities will be excluded from consideration, provided they have not been previously claimed for. As listed in the guidance document, credibility of the current status of the project and readiness to proceed with funded activities is one of the scoring criteria, so evidence should be provided of your window 2 project's situation.</p> <p>The list of eligible activities for window 3 are as given in Annex D of the latest published window 3 AFF guidance document. Grant offer letters or change requests from prior windows are irrelevant.</p>
36	<p>If a project provides a bio-ethanol pathway to SAF, given the importance of this pathway as part of SAF production, would this qualify as eligible under the AFF?</p>	<p>Please see the answers to question 14 and question 1 above.</p>

Ref	Question	Response
37	If a joint application consisting of two projects, is submitted, is it permissible for one project to be awarded and not other if deemed more aligned with DfT objectives or would both projects be rejected due the joint application?	<p>It is only advisable for a joint application containing two projects to be submitted if:</p> <ul style="list-style-type: none"> <li>• they are separate demonstration and FOAK commercial projects for the same technology pathway</li> <li>• they are the precursor production project and then upgrading project for a combined technology pathway, provided the evidence requirements as stated in response to questions 14 and 1 are also met.</li> </ul> <p>Under these two situations, it could be possible that DfT only funds one of the two projects. Furthermore, ineligibility of one project will not rule the other project ineligible, and any eligible project within an application will be scored.</p> <p>Please ensure that your two projects are very clearly distinguished throughout the application, including whenever any scales, fuel production, GHGs, costs, benefits are discussed. Provide breakdowns by duplicating any application form tables as necessary, and follow the guidance for completing Appendix D, E and H.</p> <p>If you are planning on submitting a joint application containing two different technology pathways, regardless of whether these projects will be on the same site or separate sites, we would strongly encourage you to submit two separate AFF applications, unless these two technologies share the same staff and commercialisation plan or are inherently tied together technically (each relies on outputs from the other). A non-PTL project that is considering adding PTL elements (such as supplementary green H2 feedstock) will still share technology process units downstream to create jet fuel, in which case a single AFF application would still be appropriate - see question 133.</p>

Ref	Question	Response
38	<p>The guidance states:</p> <ul style="list-style-type: none"> <li>Up to 100% grant funding for Pre-FEED and FEED stages.</li> <li>Up to 50% grant funding for Detailed Design and Procurement of Main Equipment stages</li> </ul> <p>Now in the application it says, "match Funding."</p> <p>We are going through a global fund raise and part of the fund raise is allocating budget for the UK project. The investment won't finalise until late Q2 this year.</p> <p>Do we need to match fund for funding for the Pre-Feed? Do we annotate on the application that we are looking to pour in a certain amount to the UK project from the investment raise?</p>	<p>DfT has set the maximum grant funding intensity at 100% of total eligible costs during Pre-FEED and FEED stages, and at a maximum of 50% of total eligible costs at 'Detailed Design' and 'Procurement of Main Equipment' stages within EPC. Eligible costs are set out in detail in Appendix D.</p> <p>It is not necessary to have any match funding at the Pre-FEED and FEED stages, or above 50% match funding at the 'Detailed Design' and 'Procurement of Main Equipment' stages within EPC however proposals that include match funding will be scored preferentially, with increased match funding able to score higher marks.</p> <p>The DfT Programme Board may rely on funding intensity to decide funding allocations in marginal cases. All applications for funding are subject to assessment and there is no guarantee that successful applicants will be offered the full amount they have applied for.</p> <p>All match funding will need to be evidenced.</p>
39	<p>We intend to apply for AFF funding to enable us to develop the FEED phase of our project. As is standard practice for developments of this type, we intend to set-up a Special Purpose Vehicle (SPV) for the project and asset. Subsequent contracts (including with the FEED contractor) will be with the SPV. If we are successful in our funding application, can you please confirm if subsequent claims showing transactions / disbursements from our organisation-to SPV-to FEED contractor will be acceptable? Alternatively, can you please advise if it would be better for us to apply for funding via the newly formed SPV, noting that the SPV will have no financial history?</p>	<p>Any company that is a registered UK company or charity is eligible to apply for funding, regardless of its date of establishment. DfT will need to carry out due diligence against the company and any parent companies as well as the project partners and it is highly likely that this will involve further clarification questions on their status should this be a newly formed company. In this scenario, this would be acceptable on the assumption that the SPV would still be within the same Group, who would be subject to the due diligence process.</p>

Ref	Question	Response
40	The project scheme intends to leverage offsite infrastructure as we see significant advantages to the local region in partnering with existing infrastructure providers and in bringing disused assets back into use. This includes design of new storage tanks at an existing storage terminal and re-using stranded pipeline facilities to bring them back into use. This offsite infrastructure is an integral part of our project scheme. Can we include support for engineering and consulting costs associated with developing this offsite scope in our application (in addition to onsite infrastructure at the SAF plant).	Engineering and consulting costs associated with developing offsite tanks & pipes is unlikely to be eligible due to TRL eligibility criteria for that project within the supply chain, if storage tanks and pipes are fully commercialised technologies for the materials being handled, e.g. precursors and/or finished fuels. You should make clear the separate costs and TRLs associated with the assets in the different locations, in case DfT determine parts of the supply chain are not eligible. Also see Question 14 - supply chain projects might only be eligible if they are in the UK, if all the precursor and fuel consignments flowing through the tanks & pipes are eligible, and there is contractual evidence (at least signed HoTs) provided that precursors and finished fuels will be stored/piped in these assets that are also applying for funding in the same AFF application, and project partners from each of the assets are involved in that same application.
41	During the pre-FEED to FEED bridging phases of the project, we have endeavoured to continue progressing the project in readiness for FEED. As part of this, we have placed some purchase orders but, in some cases, have not yet instructed commencement of the work or incurred the costs. Can we include support for scopes of work on which purchase orders have been placed but costs have not been incurred? In practice, without further funding, we will not be able to instruct or incur further costs on these scopes of work.	Funds can be claimed in arrears against evidence of eligible expenditure for activities, as agreed in your Grant Offer Letter (GOL), that are to be conducted during the funding period (between GOL signing and 31 March 2026). If purchase orders for eligible activities (e.g. FEED design work) have been placed ahead of GOL signing, but the work has not started and the costs of this work have not yet been incurred, then provided that both the work occurs during the funding period and the related expenditure is incurred during the funding period, this expenditure can be eligible. If work has already started ahead of GOL signing, then only the parts of the work occurring during the funding period will be eligible. Funding also cannot be given for tasks carried out before GOL signing, even if the expenditure (e.g. invoices) for those tasks occurs after GOL signing. Evidence of the purchase orders and their acceptance by the contractor/vendor, expected dates for the activity deliverables and the invoice/payment dates, and the status of the instruction to start, should be provided in your application.

42

How should multiple feedstocks, each with its own CI from its source, and each with its own transport mechanism (ex: road vs rail), be calculated in Appendix H? Without making edits to the sheet the project runs into the below problems:

1. Cell P17 in each system takes the total output divided by the first input, if there are multiple equivalent inputs this will then calculator number greater than 100%
2. this percentage higher than 100% then goes to the 'Summary' worksheet where it incorrectly discounts or allocates the CI from this system
3. attempts to modify the sheet so that cell P 17 would show 100%, such as by adding an equal number of main module outputs, will cause problems in the GHG emission calculation in column W within the same worksheet since only uses the single output in cell O17. Can column W be modified so that the appropriate input devised by the appropriate output rather than having to divide by row 17?

We are unclear how each feedstock will have its own CI from its source, given that the only biomass feedstocks allowed are wastes/residues that start with nil emissions at the point of collection, and eligible CO2 feedstocks start with nil emissions just before the point of CO2 capture (and water and electricity are not feedstocks). Please can you explain more about your proposed feedstocks?

The whole Appendix H workbook should be replicated for each consignment, and all the fuel within a consignment has the same GHG intensity. This will mean separate workbooks for each feedstock-transport mode combination. However, you may use weighted average transport distances for each feedstock-transport mode workbook (e.g. you do not have to have separate workbooks for UK forestry residues trucked 50km vs UK forestry residues trucked 100km).

In answer to points 1&2, Appendix H requires only one feedstock (main input) for the efficiency formulae to work correctly. Multiple feedstocks cannot be input in the available Appendix H template.

In answer to point 3, Appendix H requires only one main output per worksheet, along with any co-products generated alongside the main output in that step given in rows below this. Please do not attempt to structurally modify Appendix H or any of the formulae within it, as this will result in your application losing marks in the GHG emission scoring criteria, or could even present eligibility concerns.

However, if following the instructions above will result in more than 5 Appendix H workbooks being generated for one plant, please contact [AFF@ricardo.com](mailto:AFF@ricardo.com) by COP 18th March to explain what feedstocks, intensities and transport modes you are using, and how many workbooks this would generate. If we agree more than 5 workbooks will be required, DfT will by COP 21st March provide you with a bespoke modified Excel to include all your feedstocks of one type (e.g. biomass feedstocks) together on the collection tab, and all the transport modes/fuel inputs together on the feedstock transport tab, and give you pre-approval to use this modified workbook template instead of the published Appendix H for that type of feedstock (pre-approval which should be clearly marked in your application form and template). It is still your responsibility to ensure that any data entered is entered correctly and in the right place. Please do not attempt to structurally modify the bespoke template or any of the formulae within it, as this will result in your application losing marks in the GHG emission scoring criteria, or could even present eligibility concerns. Note that weighted averaging is very unlikely to meet SAF Mandate reporting requirements once your project is operational (given the need to report actual data by consignment), and will only be used in AFF as method to simplify the application and assessment process where the need



Ref	Question	Response
		is evidenced, and will only be permitted for feedstock-transport mode combinations that are likely to be comfortably compliant with the AFF GHG threshold - those more marginal combinations may still have to use a separate Appendix H to demonstrate their eligibility. Also note that the different GHG emission intensity for each consignment will have a different number of SAF mandate certificates generated, and you ensure any SAF Mandate fuel values given in the Appendix E cashflow workbook reflects this (or at least a weighted average value is given with a clearly evidenced breakdown).
43	Can we confirm that your understanding is that projects in which hydrogen is used solely for Hydrogenation and where uses under the 5% of LHV threshold, that hydrogen is still considered a feedstock and therefore will have its own appendix H generated and own consignment?	<p>There are two AFF 5% thresholds relating to hydrogen (calculated as MJ LHV hydrogen/MJ LHV total fuel outputs) that have to be met for AFF eligibility:</p> <ul style="list-style-type: none"> <li>- One of these thresholds is set to ensure that AFF funding is not supporting large-scale fossil hydrogen production.</li> <li>- The other threshold is set to ensure large-scale hydrogen purchases will come from a source that is likely to meet the UK's LCHS.</li> </ul> <p>Neither of these AFF thresholds determine whether the hydrogen is a feedstock or process input - this is determined by the RTFO &amp; SAF Mandate technical guidance (section 4.5-4.13).</p> <ul style="list-style-type: none"> <li>- Under the AFF (for jet or avgas as the main fuel output), if hydrogen is used for hydrogenation, this will fall under section 4.10 of the RTFO &amp; SAF Mandate technical guidance, and this hydrogen will be considered a process input (with a CI), but will not form a new consignment. So a separate Appendix H is not required.</li> <li>- Under the RTFO (for diesel as the main fuel output), if hydrogen is used for hydrogenation, whether a new consignment is formed with the input hydrogen becoming a feedstock depends on whether these hydrogen atoms end up in the final fuel. If they do, a separate Appendix H will be required for this new consignment. And as a reminder, all feedstocks must be eligible for your AFF project to be eligible, and fossil fuel hydrogen is not an eligible feedstock for the SAF mandate (only RFNBO, biofuel, RCF or nuclear hydrogen is eligible as a feedstock).</li> </ul>
44	In the default appendix H Excel sheet for a FOAK plant, column L for "Moisture content (kg water/kg as received)" is not used in the formula to convert between mass flow and Equivalent energy flow (MWh/yr LHVwet) in the 'upgrading to fuel' worksheet or many other worksheets. Is this intentional and how should the project account for LHV of feedstocks containing trace moisture entering the 'upgrading to fuel' step?	This was a formula error in column O for the inputs, and some of the outputs, within the worksheets after Feedstock Collection. This has now been corrected, and v1.2 of the Appendix H workbooks are now available on the AFF website. Please ensure you use v1.2 instead of v1.0.



Ref	Question	Response
45	A note that the project intends to use site-specific carbon intensities for utilities such as hydrogen or steam. This is intended to give a better real-world snapshot of future operation. These will be clearly listed and noted how they deviate from UK SAF Mandate Standard Data references. Is this ok for the application?	Yes, this is permissible, as the use of the SAF Mandate Standard Data workbook is recommended but not obligatory. Note that steam is not given in the the SAF Mandate Standard Data workbook, so site-specific data should be reported and referenced/evidenced anyway. The SAF Mandate Standard Data workbook only gives hydrogen production intensities for 3 likely pathways, but these values do not include any transport or storage of the hydrogen to the AFF project. Please make clear the production pathway, feedstock intensity, efficiency (and any CO2 capture if relevant), transport and storage that is assumed for the delivered hydrogen intensity you use. Please also bear in mind the AFF eligibility rules for hydrogen.
46	The lead organisation must be a UK company/charity and the project must be located in the UK, but (could I double check) is the involvement of non-UK company permissible, e.g. US based, as a partner or if not, as a subcontractor?	Yes, partners or subcontractors do not need to be based in the UK.
47	Page 5 of the guidelines refers to fuel production and the need to produce commercially significant volumes of eligible fuel – can you please clarify what you mean by “significant”	This would be the at least the volume of fuel produced by a small demonstration plant (at the minimum TRL 6). See the answer to question 16.
48	Page 11 of the guidance states that applications will be acknowledged within 2 working days of the application date – can an application submitted within 48hrs of the deadline receive confirmation of receipt before the deadline passes?	Yes, if an application is received 48 hours before the application deadline, it will be acknowledged before the application window closes.
49	The guidance outlines 15 different scoring criteria and states that a total score will be allocated to an application by applying a weighting to each of these scoring criterion – can you please share these respective weightings so that applicants can fully understand the assessment process.	DfT choose not to share the individual scoring criteria weightings in order to maintain the incentive for applicants to focus on providing complete answers to each question asked. These individual scoring criteria weightings have not been shared in any previous DfT competitions (or AFF windows). As in previous windows, we can however provide grouped weightings for Table 2 in the window 3 AFF guidance document. These are 5% for project relevance, 25% for technical approach, 17% for commercial approach, and 53% for project implementation.
50	Can you please confirm that match funding for a pre-FEED and FEED project seeking funding up to 100% can be provided by other public monies as well as private sources.	If private sources of funding are evidenced, these can be used as match funding for eligible activities. If other public monies are sought or already secured, please read "Interaction with other funding schemes" on page 15 of the AFF guidance. Note if a project is seeking 100% AFF funding, there will be no match funding.
51	Can you please provide confirmation of the maximum subsidy control limit for an SME applying to the AFF.	There is no maximum subsidy control limit for SMEs in the AFF. The SME would need to meet the requirements of the scheme to be eligible for funding in the same way as any other applicant.

Ref	Question	Response
52	<p>Can I please check on the following point from the guidance: The proposed plant must achieve Technology Readiness Level 6-8 (small demonstration, large demonstration or FOAK commercial scale) once operational. Note that proposed pilot plant projects (TRL 5) are not eligible and will not be supported under the Advanced Fuels Fund. The proposed technology must already be at least TRL 5 (operational pilot plant) today , and cannot already be fully commercialised (TRL 9).</p> <p>My question is as follows:</p> <ul style="list-style-type: none"> <li>- Would the fund support (in theory) a technology which today is at TRL7 and could reach TRL9 once operational i.e., after the AFF funding window 3 has closed?</li> </ul>	<p>We would suggest distinguishing between a technology (which could be developed by multiple actors in various plants globally) and your AFF project (one application of a technology). A technology being TRL 7 today would meet that part of the TRL eligibility criteria (TRL 5 or greater today). However, the AFF can only support the development of projects that will be TRL 6-8 once the plant is operational. The AFF cannot support projects that will be TRL 9 (fully commercialised) once operational - for example, if there are dozens of similar plants, using the same technology, in profitable operation globally, either already today or in the next couple of years (ahead of the proposed AFF plant starting up). Obviously after 20+ years of operations of an AFF plant, the technology might at that stage have reached TRL 9 through multiple large-scale commercial deployments, but the TRL of your proposed AFF project is determined at the time of AFF application, and not recalculated throughout its operational lifetime or at the end of the AFF funding period (31 March 2026). It is also not a requirement that your plant starts operations during the AFF funding period.</p>
53	Will the webinar be available in recording?	Yes, the webinar will be recorded and published on the webpage after the event.
54	If a process uses RDF as the primary feedstock for syngas and FT-SAF, and the CO2 generated from this process is then further converted by reaction with RNG to produce further syngas for SAF, would it be acceptable to use RNG by mass balance as a secondary feedstock in this case? The RNG in this case will be under certification and derived from eligible feedstocks such as biomass or RCF. So effectively it will be akin to a SAF pathway from biomass/RCF through biomethane.	Yes, this would be acceptable provided the RTFO Biomethane guidance rules are followed and evidenced. This third consignment should use a separate Appendix H file (from the other two consignments, the biogenic fraction of RDF, and the fossil fraction of RDF). Note that the RNG has to be evidenced as being derived from AFF eligible feedstocks (e.g. for biomass feedstocks, those listed as not subject to the HEFA cap on the DfT's list of feedstocks) and that any sustainability requirements are met.
55	What is the expectation for projects requesting funding for pre-FEED and onwards. Is it expected that these projects will also be able to make use of the 50% procurement funding? Based on 9 months of grant funding this seems challenging. Is it likely that the grant funding period will be extended?	How many project lifecycle stages can be fitted into ~9 months is a matter for each project, but based on the experience of prior AFF windows, DfT would encourage applicants to be conservative in their timeline assumptions. Unless the AFF project is a small demonstration plant, and just about to complete pre-FEED at the start of the funding period, it is unlikely that projects will be able to complete pre-FEED, start and complete FEED and start drawing funds within the Procurement of Main Equipment lifecycle stage within ~9 months. DfT reserve the right to only fund some of your project lifecycle stages if your project is selected. The AFF window 3 funding period will not be extended beyond 31 March 2026.
56	Our assumption is per the usual processes, the process information is not made public such as heat and mass balances and we have control over what is issued in public domain.	See questions 24 & 25.

Ref	Question	Response
57	Wondering if the pilot project can be undertaken by a partner outside the UK?	AFF funding is not eligible for developing or building a pilot plant (TRL 5), and AFF funding is only available for eligible plants located in the UK.
58	In regards to the emissions calculations for projects: for the GHG Intensity of inputs, for example diesel, is this the GHG Intensity of getting this diesel to the trucks before it has been burned? i.e. the Scope 2 upstream emissions of diesel production in the UK?	When completing Appendix H for a transport step, you should ideally list e.g. diesel as an input, and give the GHG intensity in that row as only the upstream production & supply (Scope 3) emissions for the diesel to the point of refuelling into a truck. Then in the outputs section of that same step, separately list the fossil CO <sub>2</sub> , CH <sub>4</sub> , N <sub>2</sub> O emissions from combustion of the diesel. Alternatively, you may list diesel as an input, and give the GHG intensity in that row as the combined GHG emissions of combustion plus upstream production & supply emissions, and do not provide emissions from fossil diesel combustion in the step output table. In either case, do not double-count emissions in the step, but do not omit emissions either, and make your assumptions and references clear in the relevant rows.
59	For woody biomass, if on a net basis the carbon emissions released from the produced fuel is 0 as this feedstock is biogenic. Should we show this on a -ve / +ve basis for the feedstock and fuel summing to 0, or is it acceptable to put 0 against both the feedstock and fuel for GHG intensity?	Following the RTFO & SAF Mandate GHG methodology, there is no credit for biomass feedstocks' absorption of atmospheric CO <sub>2</sub> (and note all AFF eligible feedstocks are residues/wastes, so not are not grown/this drawdown would not be applicable in any event). Similarly, there is no GWP penalty for biofuel combustion into the atmosphere, as "emissions from the fuel in use" for biofuels are taken to be zero.
60	Please confirm that projects can apply for partial outcomes of a project lifecycle? For example, if a project is not able to complete all outcomes of a 'FEED' by 31st March 2026 can the project still apply for the portion of activities that will be completed by this date? Under this approach what level of definition is appropriate to demonstrate completion of the scope within the grant funding window?	Applicants can apply for funding towards eligible activities to be completed within the funding window, this does not have to be a full pre-FEED or FEED study. The Grant Agreement will set out the milestones for activities and the evidence needed to prove the activities have been completed. Grant funding will be paid in arrears after this evidence is provided.  AFF Window 3 funding will not be extended beyond 31 March 2026.
61	Can the designer for FEED sit outside the UK providing plant is to be built in UK?	The Lead Applicant must be a UK registered company or charity. The proposed plant must be located in the UK. Partners or subcontractors do not need to be based in the UK.

Ref	Question	Response
62	We will check the RFNBO CO2 sourcing guidance - but are you able to confirm which fossil CO2 sources are eligible? Would CO2 captured from fossil coal power plant be eligible for example?	Please read sections D.6-D.11 of the RTFO & SAF Mandate technical guidance. CO2 from fossil coal power stations could be eligible, provided this guidance is followed (around claims of emissions reductions from the power plant, meeting the definition of a waste, evidence of otherwise being emitted to atmosphere, and the fossil CO2 is not deliberately generated for the purposes of making transport fuel). Given there are no coal power stations left in the UK, this project would therefore have to rely on either shipping the CO2 to the UK (for PTL conversion in the UK as the AFF project), or making an intermediate precursor to then ship to the UK (for upgrading in the UK as the AFF project). The development of these overseas CO2 capture units will not be able to be claimed under the AFF.
63	Are physical ground investigation works (Geo-tech bore holes) carried out for a site as part of pre-FEED activities eligible under the grant?	Provided these bore holes are evidenced as being necessary for eligible activities during pre-FEED (e.g. permitting or planning application work or site identification review work), they will be eligible. Note that any bore holes required for site building works, construction, land remediation as part of the site works will not be eligible.
64	What is the maximum file size that the email address AFF@ricardo.com can accept for incoming emails, including all attachments? Additionally, are there any specific restrictions or limitations on the types of attachments that can be received?	There are no restrictions on the types of attachments that can be received, although we are only expecting to receive documents in word, excel and pdf. If you are concerned about the file size, we can offer a secure SharePoint area for you to upload documents to, for us access. Alternatively, you can set up a secure SharePoint area and give us access to that for us to download the documents. We would recommend that if you are concerned about large file sizes, you get in contact with us well in advance of the deadline date so that we can work with you to take receipt of your application.
65	The eligibility mentions the CI must be < 31 gCO2e/MJ LHV, not the SAF mandate of 40% less than 89 gCO2e/MJ LHV. Could the reason for this be explained?	This is consistent with windows 1 & 2 of the AFF. Firstly, DfT wish to ensure that plants supported with AFF are resilient and can operate for 20-30 years without likely GHG emissions threshold concerns. Secondly, DfT wish to promote innovation and high GHG saving projects, and make sure that the maximum amount of GHG savings can be delivered for the amount of public money available. Third, a high GHG emission threshold in the AFF could mean high GHG emission projects get funded that are then locked in for decades presenting challenges to UK carbon budgets - given the AFF is a one-off eligibility criteria to be passed, and cannot be tightened over time like the RTFO or SAF Mandate GHG thresholds can.

Ref	Question	Response
66	<p>ON TRL - do you factor in two different technologies that get combined into a calculation?</p> <p>One element may be TRL9, the other may be TRL 7</p> <p>How would this be taken into account?</p>	<p>If you have a supply chain with sequential processes, you are likely to have different TRLs for those different components, and we expect these component TRLs to be given and evidenced, as well as for the combined pathway. Generally, the combined pathway TRL will be the lowest common denominator of the components, so TRL 7 in your example. The combined pathway TRL will be used for the TRL eligibility checks.</p> <p>However, if there are two different technologies that get combined into a single reactor/a merged technology is created, this may have a different TRL, and will be judged on its own merits and status of development. The onus is always on the applicant to evidence their TRL and accompanying pilot/demo evidence.</p>
67	<p>How should match funding be evidenced? In the previous Q&amp;A doc it is stated that in kind contributions, e.g. for development of a FEL package, are recognised as match funding - would this be evidenced through LOIs / contracts with the contractor providing the in-kind contribution?</p>	<p>Match funding should be evidenced by Letters of Intent or by signed contracts.</p>
68	<p>What kind of information could be requested during the clarification stage and when would we expect these questions to be asked?</p>	<p>You might get different types of questions at different points in the assessment process. In the first few days you are most likely to get questions around eligibility concerns. Then the first week, you may get questions about inconsistencies or unclear materials. In the following weeks, more likely to receive more involved or detailed questions, how different parts of your process or supply chain fit together, e.g. if you have 2 plants within an application (demo + FOAK, or precursor + upgrading), technical and project scheduling questions. By May, around the Expert Panel and Programme Board, you are more likely to get questions on risks, and the impacts of cutting parts of your application or funding request, or setting stage gates. We would ask that you are responsive throughout the assessment process as the types of questions you may get could vary across the weeks.</p>
69	<p>Does a greater level of match funding score better? For example, would 10% match funding of eligible cost score better than 5% match funding?</p>	<p>Yes, within the one scoring criteria that weights for match funding, a higher level of (evidenced) match funding will be scored preferentially.</p>

Ref	Question	Response
70	What is the definition of a small demo plant (and how does this differ from a pilot plant)?	See question 16 for a small demo plant definition. A pilot plant (TRL 5) will only be validating the technology, rather than demonstrating it. This means a pilot plant is likely to be smaller, run for considerably fewer hours and shorter run, is less likely to have full heat integration or recycle loops, may be sited in a more academic or research setting rather than commercial/industrial, may be staffed predominantly by academics instead of engineers, and may rely on bottled feedstocks, and the fuel is less likely to go to commercial partners for testing or for ASTM qualification.
71	What are the scope boundaries for eligible Pre-FEED or FEED cost? For instance, if a PtL project intends to source H2 and CO2 from 3rd party suppliers, would Pre-FEED or FEED costs for those 'projects' be eligible under AFF?	See question 14 regarding precursors. If the H2 and CO2 is only from third party suppliers, then pre-FEED and FEED costs for these third-party projects would not be eligible.
72	Do you need to evidence Class 5 estimate and all other documents at the 28th March submission, or can we provide later before the funding decision i.e. at some point during the due diligence process?	The more evidence that can be provided in the application stage the better, and evidence of already completing a Class 5 cost estimate would allow assessors to state your project has already entered pre-FEED. However, a project could still be months away from completing their Class 5 cost estimate. We would still encourage an application to be made, but note that the project can only apply for funding from the point of completion of the Class 5 estimate/start of the pre-FEED activities (up until 31 March 2026). The application should clearly state the expected date for completing Feasibility, and current status of the Class 5 cost estimate. Should the project be selected for funding, it is likely a starting Stage Gate would be imposed in the Grant Offer Letter, where completion of the Class 5 cost estimate would have to be evidenced before access to AFF funding could start.

Ref	Question	Response
73	In respect of pre-FEED, plant site requirements are defined as "specific location has been identified". As part of the scope, can we (a) assess several locations, and (b) progress pre-FEED with two locations for risk mitigation purposes?	<p>In Appendix C, under Pre-FEED, the text "A specific location for the plant will have been identified" is the expected outcome of Pre-FEED, not the start. It is likely that different sites will need to be assessed for your AFF project, and "plant site identification and review" work is eligible.</p> <p>The Pre-FEED engineering may not be site-specific and resulting costs could be applicable across several sites, given the wider error margins than for FEED studies (which will be site and configuration specific).</p> <p>It would be relatively unusual to have two sites being developed with similar pre-FEED studies at the same time, in the knowledge one of the sites will definitely be dropped - although this is not impossible, and would be up the applicant to evidence why this back-up optionality would be a good use of AFF funds. Please clearly demarcate the costs, scales and emissions of the two different sites. The applicant should also clearly show what the added costs are of one site versus the other, to evidence how you should be able to reduce costs as opposed to duplicating them.</p> <p>Alternatively, if one of the sites will not be dropped, and you are asking for AFF funding for both sites for two similar projects (e.g. two demo plants, or two FOAK plants), we would encourage you to submit two separate applications.</p>
74	The request for match funding - is this match funding for the entire project or match funding for the activities covered under an AFF funding request? Will the former be rewarded with points during the application?	<p>It is match funding for only those eligible activities within the AFF window 3 funding period. One of the scoring criteria are weighted by the amount of (evidenced) match funding. However, we note that projects that as part of their application can evidence strong engagement or commitments from investors towards the final investment decision (FID) for the plant are likely to score better on the credibility of the current status of the project and readiness to proceed.</p>
75	We are developing a SAF production hub that will take a 'hub-and-spoke' approach by importing eligible feedstocks from both the UK and global market and then converting / upgrading these on-site within a UK facility to create SAF. This will be utilising one of the currently qualified ASTM SAF pathways. Please confirm that a UK based downstream processing facility such as the one described in the previous sentence will be eligible for funding under the AFF?	<p>Provided all the feedstocks, GHG emission and TRL criteria are met, it appears a UK hub that converts/upgrades feedstocks in the UK would be eligible. We would need more details about the feedstocks and the technology to provide a clearer answer.</p>



Ref	Question	Response
76	Linked to the previous question, within this 'hub-and-spoke' model we anticipate utilising a combination of different feedstocks (all of which will be meet the eligibility rules) but this will create a 'basket' of different classifications of SAF, including bio-SAF, RCF-SAF and PtL-SAF. We would anticipate that a large quantity of the feedstock will be produced from CO2 point source to create PtL-SAF. How would a project that produces both PtL SAF and non-PtL SAF be treated in relation to the CO2 use sub-pot?	<p>All consignments need to be eligible. And different consignments need separate GHG emission intensity calculations conducted. So if you have bio-SAF, RCF-SAF and PtL-SAF, there will be at least 3 different Appendix H workbooks required.</p> <p>Regarding the CO2 use sub-pot, provided the majority (over 50% on a LHV energy basis) of your main fuel output is RFNBO/PTL, your application will be considered under the CO2 use sub-pot.</p>
77	Can suppliers and contractors - e.g., a FEED contractor or technology provider - be a consortium partner? If so, will the requirement of evidencing at least three competitive quotes be applied to those parties' eligible cost (eg for FEED or process design packages)?	Yes, a FEED contractor or technology provider can be a consortium partner. The requirement to obtain three competitive quotes does not apply to consortium partners.
78	If the project is at the pre-FEED stage, what evidence of investor engagement is required in respect of the subsequent (FEED) stage?	There are no minimum investor requirements within the AFF at pre-FEED stage or when entering FEED, but projects that can evidence more advanced discussions (memorandum of understanding, heads of terms, draft agreements, signed agreements) will have stronger evidence and score better on some of the relevant scoring criteria, including current status of the project and readiness to proceed. Projects that are yet to engage with investors are likely to be seen as slightly higher risk on those same scoring criteria.
79	As part of pre-FEED scope, can we deep-evaluate several technology options for a specific production process, and then proceed with the final selection?	Feasibility (not eligible for window 3 of the AFF) is normally the stage at which you conduct technology screening and choose between various different technology pathways. Pre-FEED is normally the stage at which you appraise and choose between different technology configurations, preferred technology providers, utilities provision, system boundaries (onsite vs over-the-fence inputs). So for Pre-FEED to start, you will need to evidence the completion of a Class 5 cost estimate for your chosen technology pathway. For example, if a project is still choosing between 3 different technology pathways, this would be placed in Feasibility. If the project is conducting in-depth appraisals of different suppliers for one of the process units (within a chosen technology pathway for which a Class 5 cost estimate is evidenced), that should be eligible for pre-FEED.
80	Will there be a networking opportunity dedicated to this call? We are keen to meet partners who can use our biogenic gases in their processes.	In previous windows, we have allowed potential applicants to provide their details for inclusion on the AFF website. If you would like to do this, and are comfortable for your email address to be publicly available via the AFF website to enable others to make contact with you, please email AFF@Ricardo.com with your organisation name, email address, and a summary of your offering.



Ref	Question	Response
81	Securing the site for the plant location is critical for site-specific engineering work, with pre-FEED and FEED. Is the cost of an option to acquire site an eligible expense?	No, purchase or lease costs of any land on which the project is built is ineligible.
82	If CCS is part of the production process - and part of the business model - what evidence is required to confirm CCS arrangements?	Presuming that this question refers to CCS sequestration (i.e. a fuel production plant that's generating CO2 that is then relying on CO2 transport and sequestration), there are no minimum evidence requirements. However, we would ask for as much evidence as possible about what CO2 network your project would be connected to and at what location, where the final sequestration site would be, who will be handling that CO2, the status of your contractual arrangements with the network operator, the scales of your CO2 generated and the network size, the timings for deployment/roll-out of this network vs your AFF plant, what happens to your project GHG emissions if there is a CO2 network delay that means no CCS is available in the first full calendar year of operations (Appendix H), and the expected revenues generated from this CCS in each year (Appendix E) with your assumptions and evidence. Failure to provide evidence regarding your CCS arrangements will result in marks lost in a few questions, including those relying on Appendix E and H, and/or may result in eligibility concerns given the GHG threshold for the AFF. Also see question 103.
83	Is biogenic CO2 to an intermediate step e.g methanol or ethanol eligible for funding for pre-FEED or FEED costs if applying for CO2 to jet funding.	Please see question 14.
84	Does the "export" criteria for application scoring mean ability to replicate the plant overseas? Will specific plans in that respect increase scoring in respect of that criteria?	Yes, one of the scoring criteria asks about the realistic potential for future commercial deployment within the UK and overseas, and the benefits arising from this roll-out. This could be replicating the plant, or deployment of larger (or smaller) plants using the same technology, and indications of countries, scales and start-up years would be beneficial.
85	For the CO2 source Head of Terms for a PtL project, can this be contingent on government support for CC retrofit on that asset?	Please see question 14 first. And yes it can be contingent, but Head of Terms still needs signed between the CO2 provider and PTL project. This arrangement does indicate more risk in terms of this CO2 source not materialising, which would be factored into the risk profile of your application scoring. Your project, if selected, may have a starting Stage Gate where it has to be proven the CO2 capture has been successfully selected for government support (depending on the timings of when this government support might be announced). It is unlikely government support for the CO2 capture would need to be distributed to the CO2 provider, unless your PTL project were passing FID/entering EPC during the AFF funding window, at which point it would likely be a Stage Gate condition.
86	Is equipment manufactured outside the UK eligible?	Yes.
87	Are land reservation fees or land exclusivity fees eligible?	No, purchase or lease costs of any land on which the project is built is ineligible. This also applies to reservation or exclusivity fees for land.

Ref	Question	Response
88	Would pre-FEED be considered as definition up to Class 4 with FEED providing definition up to Class 3. If we have completed pre-FEED before AFF award can we claim match funding for that work?	<p>Completion of a Class 4 cost estimate is the correct definition between pre-FEED stopping and FEED starting.</p> <p>However, any activities completed prior to the signing of the Grant Offer Letter are ineligible for AFF funding. All match funding has to be for eligible activities - ineligible activities (including any activities outside of the funding period) cannot be assigned as match funding for eligible activities inside the funding period.</p>
89	We have already placed an order for a long lead item for which grant funding may be sought - is this OK?	<p>By a long-lead item, we presume you mean a piece of capital equipment, under the Procurement of Main Equipment lifecycle stage.</p> <p>If long-lead capital equipment has already been ordered, then by definition, the project must have passed its Final Investment Decision (FID) and already be in the EPC stage today. However, it is not credible to have passed FID but not to have already secured all the investment needed to purchase all the equipment and build the whole plant. And therefore the AFF claim, if allowed, would be by definition replacing private sector investment, which rules the cost ineligible (as per the published AFF eligibility criteria table, page 8).</p> <p>Therefore, the placement of orders for Main Equipment is only eligible if the project is yet to enter FID (at the time of Grant Agreement signing), and can demonstrate AFF funding is necessary to achieve FID (it does not replace private sector investment), in which case, after FID is passed, this funding can then be spent on placing orders for eligible Main Equipment as set out in the project's Grant Agreement.</p>
90	If you do not have an AACE but are in the process of doing this when the application is submitted, would this be acceptable?	As per question 72, if you are not yet at the stage of having a Class 5 estimate, it should be noted that you can only apply for funds for activities in the pre-FEED stage, so your application must clearly show when you expect to move into pre-FEED activities.
91	Technology license fees during the EPC stage are shown as ineligible costs. Please confirm that technology license fees as part of completing a Process Design Package (PDP) during the Pre-FEED/FEED are however eligible? In addition, please confirm if the cost of completing a parallel technology PDP competition can be included within the application if the project was to run a PDP competition?	Yes, technology licence fees as part of completing a PDP during the pre-FEED and FEED stages are eligible. Tendering costs are also eligible.
92	Are land costs allowed as match funding?	No. Match funding should be against eligible costs only.

Ref	Question	Response
93	To clarify, the earlier question on whether the resultant SAF price in the application could be higher than the buyout or not ?	<p>A typical SAF price value stack in the UK might include the fossil jet A-1 price, the SAF Mandate buyout * CI multiplier for your fuel (with discounting from the buy-out depending on short vs long market expectations), the UK ETS price, plus any other value pool you may be able to capture from customers, with appropriate discounts applied to each of these for any value retained by downstream parties and not fully passed back to the SAF producer. We are therefore unclear about the question, as there are other value pools beyond the SAF Mandate, so the total jet price could be higher than just the SAF Mandate buyout, particularly if the SAF Mandate (or PTL sub-mandate) is short in that year, and the fuel has a low CI/high CI multiplier.</p> <p>Appendix E will show the likely production costs from the proposed AFF plant. If a demonstration plant, these costs could be high, well above the maximum willingness-to-pay of a jet fuel supplier or airline. A FOAK commercial plant will hopefully be able to make a profit, where production costs are sufficiently below prices, but the output production costs or revenues in Appendix E are not specifically scored against certain threshold levels. The purpose of Appendix E is to provide scale and cost information that is consistent with the rest of the application, show robust referencing and evidence sources behind the assumptions made, and flag up risks if a project has been overly optimistic or overly pessimistic in their input assumptions, timings, pricing or resulting production costs.</p>
94	Compressors and pumps as long-lead time equipment, as these eligible?	<p>First read question 89 and the response.</p> <p>As a reminder, Procurement of Main Equipment eligible costs include conversion technology and fuel upgrading technology, onsite pre-processing technology, CO2 capture equipment. Provided the project is yet to enter EPC, and the project can show that a compressor is a major budget item and an integral part of their conversion technology, it could be considered as eligible, but given the TRL of this component is likely to be very high, DfT may decide to exclude commercialised components from AFF support, and focus funding on more innovate components of your technology pathway. Pumps are even less likely to be eligible, as generally smaller budget items, not an integral part of the conversion technology units, and very high TRL/fully commercialised. Therefore, for all Procurement of Main Equipment items being claimed after FID is reached in window 3, please provide a clear description of each item, with its capital cost and TRL, to allow DfT to make an informed decision about what merits funding if your application is successful.</p>
95	For the co2 source heads of terms - can this be contingent on government support for asset cc retrofit?	See question 85.

Ref	Question	Response
96	With regard to cost estimates accuracy, could we go for higher accuracy during pre-FEED to de-risk the path to commercialisation?	Yes.
97	To clarify - plastic waste is not eligible if it is purchased sorted, but unsorted waste is eligible?	Sorted plastic waste is not listed on the DfT list of feedstocks as being an eligible RCF feedstock, therefore is not eligible for the AFF. In contrast, the fossil fraction of mixed MSW is listed, and is therefore eligible (as is the fossil fraction of the resulting intermediate RDF made from MSW).  If you have questions about the eligibility of a specific feedstock, please email <a href="mailto:AFF@ricardo.com">AFF@ricardo.com</a> with more information.
98	You mentioned pre-FEED stage is classed as AACE Class 4 estimate. Can you confirm this? This is usually considered feasibility level.	Following Appendix C of the AFF guidance document, provision of a AACE Class 5 cost estimate for the chosen pathway is deemed to complete the AFF Feasibility stage, Class 4 is deemed to complete the AFF pre-FEED stage. The AFF FEED stage is deemed to end at the point of Final Investment Decision being taken (and the expectation is at least a AACE Class 3 cost estimate will have occurred within FEED).
99	Are own labour costs, including agreed overheads and project management costs during construction eligible?	No, as construction is not an eligible project lifecycle stage.
100	Can the plant be a hybrid bioSAF/eSAF?	Yes. Please submit separate Appendix H GHG templates for both consignments, and also make clear the separate consignment volumes/pricing in Appendix E. If you have follow up questions about the GHG methodology to be used, please contact DfT's Low Carbon Fuels team.
101	Re the pilot question - if the technology has been piloted by a partner already and that partner is not in the UK, does this qualify the requirement to have a partner?	If the technology has already been piloted (and this can be evidenced), then the minimum "TRL 5 today" criterion will be met. There is no requirement to have project partners for your application, as an organisation can bid alone (and evidence which organisations they are engaged with, which technology pathway they have selected etc).
102	Can the Revenue Certainty Mechanism be part of the business strategy?	Yes, and if so, also make clear your assumptions around pricing in Appendix E.
103	Can CCS be part of the business model - considering that at present SAF producers are not eligible for the access to the UK Government's CCS clusters?	Yes, revenues from CCS can be included in the forecasted cashflow model/business plan, but will need to be evidenced as to the likelihood these revenues will be achieved at the stated time. Please make very clear in Appendix E your assumptions around any CCS revenues, and also see question 82.  At present, only certain plants & networks have been allocated initial CCS cluster funding in the UK, but there is no policy banning SAF plants from accessing CCS networks.
104	Can fuel made from end-of-life tyres be considered as a waste feedstock meeting RTFO and mandate requirements?	Please see question 4.

Ref	Question	Response
105	Why is the sub-pot for projects using CO2 as a feedstock so large (32 million GBP)? We understood the latest AFF grant was to support SAF projects closest to construction and who have been delayed by the delays in implementing the RCM. PtL projects will be dogged by lack of access to cost effective green hydrogen (and potentially biogenic CO2) for the near- and mid-term in the UK. Note, recent cancellations of major green hydrogen projects	This sub-pot recognises the longer-term potential of these pathways but also nearer-term challenges in sourcing CO2 and low carbon hydrogen and aims to ensure the Advanced Fuels Fund supports a diverse range of technologies that utilise a range of sustainable feedstocks. If there are not enough PtL applications that meet the minimum scoring criteria, money from the sub-pot can be used to fund projects utilising other technology pathways.
106	Why the PTL sub cap is very high when production of green H2 in the UK is not feasible in the foreseen future?	See question 105, and note that the UK's PTL sub-mandate should help incentivise the production of green H2 in the UK.
107	Regarding a CO2 source from point source capture.... some emitting assets have not retrofitted CC. Can the heads of terms for the CO2 supply be agreed subject to government funding for CC?	See question 85.
108	What is your expected average grant size?	The funding requirements of AFF applications are assessed on a case-by-case basis. These requirements vary from project to project, and therefore we are unable to predict an average grant size for the third window.
109	Is it possible to know the weighting score for each of the 9 scoring criteria?	See question 49.
110	Can you please clarify what is the threshold criteria for differentiating a pilot plant from a demonstration unit, e.g. capacity, time of operation, etc.	See questions 16 & 70.
111	What is the basis for restricting part-eligible feedstocks?	All feedstocks (and fractions of feedstocks) must be eligible. DfT are not willing for AFF funds to be spent on ineligible feedstocks that could be purportedly mixed with eligible feedstocks, or to be spent on those conversion technologies that rely on consuming ineligible feedstocks alongside eligible feedstocks (due to promoting unsustainable feedstocks or locking in high GHG emissions). Allowing part-eligibility would introduce a number of complexities as to AFF scoring and funding allocations, as well as there no being any applicable GHG methodology within the RTFO & SAF mandate technical guidance for many of these ineligible feedstock fractions (so even if some of these ineligible feedstock fractions might have high GHG emissions, these cannot be calculated and fairly assessed).
112	Re the pilot project. My understanding is that a pilot project must be completed to apply for the grant, hence my question was whether that completed pilot project could be done by a partner (and shareholder) outside of the UK?	Yes it could, the already completed pilot does not need to be in the UK to be able to evidence your technology is already at TRL5 today.

Ref	Question	Response
113	Can any pre-FEED activities post AACE class 5 that are conducted before AFF contract award be included in match funding?	See question 88 (second part).
114	Can/shall RCM be part of the business model?	See question 102.
115	Will the AFF be extended to allow an investment window of > 9 months?	AFF Window 3 will not be extended beyond 31st March 2026.
116	When will DfT confirm the delivery partner for the next phase?	Procurement for the delivery partner is underway. DfT will announce the successful applicant as soon as this process is complete.
117	Can you confirm that the bid assessment criteria and weightings are as published in the 1st and 2nd calls please?	See question 49.
118	Will there be preferential scoring for any of the main fuel output?	There is some preference given in one of the scoring criteria to already ASTM qualified pathways, followed by those in ASTM qualification. In the same scoring criterion, there is also some preference against FOAK projects that will rely on a future retrofit to jet, or demo AFF plants that only have a commercial strategy to modify the technology to jet in future plants, given the delays these projects face in achieving near-term AFF objectives.
119	Because the funding window is so short is it your assumption that a complete project phase (e.g., FEED) must be completed within the window?	No, as applicants can apply for funding towards eligible activities to be completed within the funding window, this does not have to be a full pre-FEED or full FEED study. For example, a project could start the window in FEED, and end the window still in FEED, and have claimed for eligible costs in that period. The Grant Offer Letter will set out the milestones for activities and the evidence needed to prove the activities have been completed. We would encourage you to set realistic timelines for the eligible activities that can be completed within the funding window, and not try and squeeze too many activities/phases into the ~9 months available and risk under-delivering or any delays pushing later activities out beyond 31 March 2026 (that will become unclaimable).
120	What is the reasoning for limiting feedstocks by removing part-eligible? Given the lack of development on UK SAF it feels like this needs to be more open (not less).	See question 111.
121	Will this grant prioritise advanced SAF projects in which the FID is delayed due to delay of RCM?	As per page 12 of the AFF guidance document, one of the scoring criteria has a preferential weighting towards projects that are closest to commercial scale construction. However, there is no weighting based on FID delays/RCM reliance.
122	If you have completed work beyond AACE class 5 estimate working toward AACE class 4 can this work be included in our application?	Yes, any work that is already complete or in progress should be evidenced as part of your application, to demonstrate the current status of your project and readiness to proceed with the planned eligible activities.

Ref	Question	Response
123	Will activities started before June 2025, when the winners will be announced, be eligible?	Only costs incurred from the date of signing the Grant Agreement until 31 March 2026 will be eligible to be claimed. It is unlikely that Grant Offer Letters will be issued before June 2025. Delays in finalising your milestones, stage gates and special conditions will delay signing of your Grant Agreement, so we encourage projects to be as responsive as possible during finalisation of Annex 2 and 7 in your Grant Agreement.
124	Do items like pumps and compressors fall into eligible funding items?	See question 94.
125	Are legal costs for commercial due diligence covered under “addressing legal issues”?	Yes, if during the funding window. Any legal costs incurred during DfT due diligence on the project and partners will be before Grant Offer Letters are signed, so are not eligible.
126	Are technology license fees during detailed design included as eligible?	No, technology license fees during the EPC stage are ineligible.
127	Are borrower’s legal advice and lender’s legal advice during debt financing covered in “addressing legal issues”?	The project's legal advice costs during debt financing are eligible costs. The lender's legal advice costs during debt financing are not eligible, unless the lender is a project partner within the AFF application or unless you can evidence why the project paying for the lender's legal advice costs is standard industry practice and is a necessary condition to access debt financing.
128	<p>Is non-recyclable plastic waste an eligible feedstock under the Advanced Fuels Fund (AFF) Window 3?</p> <p>We understand that AFF allows recycled carbon fuels (RCF) from fossil-derived refuse-derived fuel and industrial waste gas feedstocks. Since our feedstock consists of fossil-based waste plastics that are otherwise non-recyclable, we would like to confirm whether this qualifies as an RCF under AFF criteria.</p> <p>We believe our process aligns with waste hierarchy principles, as it prevents non-recyclable plastic waste from being landfilled or incinerated. However, we would appreciate guidance on whether our feedstock meets RTFO &amp; SAF Mandate criteria and qualifies as a Recycled Carbon Fuel (RCF) under AFF eligibility rules.</p>	See question 97.



Ref	Question	Response
129	We are planning a large scale project to produce hydrogen for aviation fuel (via the Power-to-liquid route with a partner with industry experience in aviation fuel production who will act as our partner & off-taker). The Pre-FEED study will focus on “hydrogen production as part of the funded project”. We have a strong partner to deliver the Power-to-Liquid element with reliable, large scale fuel production experience including certification, direct transportation to airports and investors actively engaged. This would support the large scale fuel producer with existing infrastructure which would drive down costs for an effective commercial offering to airline customers. Can we check if this is eligible for the AFF please?	See question 14 and 1, where the precursor would be hydrogen in this case. Your partner would need to be developing a SAF plant within the same AFF application, and the other criteria listed in Questions 14 and 1 would have to be met. From the description provided, it does not appear that this offtaker set-up would be eligible, given the application would not be generating an eligible main fuel output.
130	Are the following two facilities as a design concept eligible for the AFF competition? The first is a methanol plant, that takes in ~two thirds waste biomass, and ~one third blue hydrogen (on a LHV energy basis), and generates some CO2 that is sequestered. ~Two thirds of the methanol produced is then sold as wholly biogenic to a Methanol-to-Jet plant to create bioSAF, and the remaining ~one third of the methanol is separately sold as wholly fossil into other industries. And on the basis that the energy in the blue H2 procured is mass balanced into the fossil methanol, are there any issues in securing subsidised blue H2?	<p>The methanol plant will not be eligible for the AFF, because fossil hydrogen use is capped at 5% of the total fuel output of a project. This % may be calculated separately for the different plants, i.e. MJ LHV fossil hydrogen / MJ LHV methanol output (the % would be even higher if calculated for the combined plants). Given methanol production is efficient, this 5% threshold will be breached, given the large amount of blue H2 purchased.</p> <p>However, given that mass balancing of a precursor into wholly biogenic (or wholly fossil) methanol consignments is permitted, the MtJ plant could still be eligible for the AFF, if the waste biomass feedstock meets the AFF eligibility rules and sufficient methanol can be evidenced as sold to other industries as wholly fossil.</p>
131	<p>What (if any) Hydrogen constraints exist when applying for an AFF grant for my project?</p> <p>a. My notes (possibly wrong): If large hydrogen volumes are used on site, they must meet the UK Low Carbon Hydrogen Standard. Fossil-derived hydrogen is capped at 5% of total output energy</p>	See question 17, 19, 43. It is currently unclear what your technology pathway is, or how the hydrogen would be used, so we cannot provide further guidance until more information is provided.
132	Is the funding able to be used for studies with utilities (e.g. Water, grid connection, CO2 export, etc) that will be undertaken as part of Pre-FEED or FEED?	Yes.



Ref	Question	Response
133	Does PtL work have to be covered in a separate application from non-PtL work? We recognize there is a PtL sub-fund, but we may have an application that covers both Ptl and non-Ptl elements. Will you accept this type of application, and hence allocated some PtL and some non-PtL budget to this one application?	<p>If your plant will generate both PtL and non-PTL consignments, whether your application will be assessed under the CO2 use sub-pot or the main AFF pot will depend on whether the majority (over 50%) of your main fuel output is PtL. See the second part of question 76. If your project does not meet this CO2 use sub-pot entry condition, it will be assessed under the main AFF pot instead. Funding will not be provided from two AFF pots for one plant.</p> <p>If you have a non-PTL project that is considering adding PTL elements (e.g. injecting supplementary green H2 into a biomass-generated syngas), it is OK to include this as a single AFF application, but you should very clearly separate out the activities, timelines, costs, scales, risks, GHG emissions etc of these two separate plant concepts, duplicating application form tables and Appendices as needed.</p> <p>If you are proposing two separate technology pathways (one PTL, one non-PTL) as separate projects, please see the end of question 37 regarding submitting two separate AFF applications.</p>
134	Do demo plant applications have to be separate from commercial scale applications or can one application cover both activities?	One application can cover both, provided they are the same technology pathway. Please very clearly separate out the activities, timelines, costs, scales, risks, GHG emissions etc of these two separate plants, duplicating application form tables and using the correct Appendices/tabs as needed.
135	Do we need to be a SAF producer to apply for funding?	No, your organisation does not have to be a current producer of SAF. See questions 14 and 1, noting your application must produce an eligible main fuel output.

Ref	Question	Response
136	<p>Funding for demo set-up and testing outside UK:</p> <ul style="list-style-type: none"> <li>The demo set-up and testing, costing around £3.5m, will be covered by AFF funding if successful. The supplier has a facility that produced the small-scale pilot demo in the EU and the set-up costs will be reduced if using existing supplier.</li> <li>Match funding, estimated at £3.5-£4m, will cover activities like feedstock studies, FOAK site shortlisting, travel, and participation in testing and results review.</li> </ul> <p>Would such arrangement be acceptable to AFF?</p>	<p>See question 22. The AFF plant for which funding is requested must be located in the UK. If as part of this UK project's engineering work (e.g. pre-FEED or FEED), there is a requirement to conduct some limited additional testing (e.g. to improve heat &amp; mass balance accuracies, test new feedstocks etc), this testing can happen abroad in an existing pilot/demonstration facility, but is limited to testing necessary for the development of the UK project (and this must be evidenced). Set-up costs (e.g. construction, commissioning) for a demo plant would not be eligible.</p> <p>For the UK project, feedstock availability or sourcing studies would be eligible, as would FOAK site shortlisting in the UK and results review. Participation in testing is subject to the points above. Travel would only be eligible if it was necessary for eligible activities, and must be evidenced as necessary, particularly if overseas or regularly. Travel costs also ought to be separated out in your application, and shown to be appropriate. Provided all these activities are eligible, and match funding is covering these activities (whether in-kind or external funding), these could be listed as match funding.</p> <p>We would have concerns about your proposed funding set-up that the majority of the AFF funds would be spent overseas, and not on a UK project, and your application would therefore not be eligible. As well as your application making clear the amount of funds that would be spent overseas vs in the UK, it should also make clear in the economic benefits section the distinction between UK and overseas benefits arising from your project.</p>
137	<p>We would also like to participate in another demo test run outside the UK. The test will be conducted by a consortium. None of the consortium members will be part of our AFF application. Would our share of participation in the demo test be eligible under AFF? The cost of participation will fit into the estimated £3.5m AFF funding.</p>	<p>See question 22.</p>
138	<p>FEL-2 activities, particularly those related to technology demonstration, could face schedule delays (e.g., manufacturing, parts supply, feedstock delays). If these activities were scheduled and paid for within the Funding Window but some work was completed after March 31, 2026, would the AFF cover the work completed post-March 31, 2026, due to unexpected delays?</p>	<p>No, AFF funds are distributed in arrears for expenditure incurred relating to activities that were completed during the AFF funding window. Work completed after 31 March 2026 is not eligible for funding. Your application needs to consider the likelihood of delays and whether costs will be claimable by 31 March 2026.</p>

Ref	Question	Response
139	We are obtaining quotes for various project tasks, such as site selection and feedstock studies. We may fund these tasks from our budget or use our internal resources to complete them as part of match funding. Can we use the obtained quotes as budget indications for the work to be done as match funding, and if successful, potentially carry out some of the work internally?	If your preferred base case is to obtain quotes and use contractors to carry out these works, use these quotes in your application as to the costs of these activities. If your preferred base case is instead to carry out some of this work internally, you will have to estimate how many days this will take you, and then apply your own labour rates, to estimate your own costs for this work (as both your number of days required and rates could differ significantly to your contractors), and use this in your application instead. We would encourage you to only submit one set of base case costs in the tables and Appendices to avoid confusion, but you could describe in text what the impact of the other case is likely to be. Were your project to be successful, this difference could then be used as the basis for a potential Change Request (for DfT to approve/reject) if you wished to change from the base case listed in your Grant Agreement.
140	For the project we are supporting, we are currently in discussions with a potential technology licensor regarding the data we intend to share with you for the AFF bid. They have informed us that an NDA will be required between you and them.  Would this be possible?	As all Civil Servants are bound by the Civil Service Code, DfT deem it unnecessary to enter into an NDA in these circumstances.  It should also be noted that DfT have a confidentiality agreement in place with delivery partners which covers all information provided to and handled by them as part of the AFF scheme.  DfT respect that projects are handling sensitive IP and financial information and we have strict confidentiality practices in place. Any information shared by the project in the application is only for the purpose of assessments. Should we receive a Freedom of Information request relating to any material that you have provided, we will consult with you to seek your views on disclosure. We will consider your views before making any decision on disclosure, but we cannot unequivocally guarantee that the information will not be released, particularly if DfT are compelled to do so by the Information Commissioner's Office as a result of any appeal made to them. Should any information provided be confidential, this should be marked as strictly confidential.
141	The project is applying with its current UK legal entity but if successful will like to open a separate SPV company that would hold the grant. Is it permissible to change the legal entity they actually sign the grant agreement with between application and winning (this new entity would also be a UK company)?	A future reassignment/change in the lead applicant is technically possible under clause 21 of the Grant Offer Agreement, with DfT's consent. In your application form, please provide company and governance information regarding both the current lead applicant and the potential other entity (or entities) that might take over in the future, and the relationship(s) between them – this is because DfT need to be able to conduct due diligence on any organisation that is being considered for AFF funding.

Ref	Question	Response
142	During the AFF evaluation period (and whilst not removing the responsibility of the Company to ensure compliance), will AFF provide some advance reassurance concerning Supplier's Scope of Works proposed and estimated associated costs that all looks acceptable as Eligible Expenditure and highlight areas where they might have concern as to eligibility, or caution needs to be applied?	Decisions regarding eligibility of activities and costs (or of your whole application) will only be communicated once project funding allocations are made by DfT and feedback letters are sent out to all applicants. You may however be asked clarification questions in the interim period regarding the details of certain activities or costs to help us ascertain eligibility (that would give you some limited steer), or the impact of removing certain activities or costs due to portfolio funding pressures (that would also give you some limited steer). There are however no guarantees that these types of clarification questions will be asked, as your application could also be accepted as is, or rejected outright. Specific questions about the eligibility of certain activities or costs can be raised with the AFF@ricardo.com inbox ahead of the window 3 deadline, but we cannot review a planned programme of works or project budget to provide any pre-approvals.
143	It is concerning that we need to get 3 competitive quotes for expenditure >£5,000 which may take a considerable amount of time. It is also concerning that a number of suppliers seek upfront fees to even provide a quote. Can we provide for each contract we wish to enter a list of the companies that we wish to seek quotations from and for a particular contract an explanation why fewer than 3 will be invited?	For any partner or consortium member of the Lead Applicant there will not be a need to seek three quotations for their scope of work. The three-quote requirement for procurement activity applies for subcontractors after a successful applicant signs their grant agreement and during the funding phase. You will need to provide evidence of expected costs as part of the application and these costs will be scrutinised as part of the assessment, as much information on the expected costs should be provided as part of the application including your list of preferred subcontractors. DfT recognise that it is not always possible to get 3 quotes for all contracts and it is the responsibility of the Grant Recipient to provide explanation where this is the case and to ensure that value for money has been considered.

Ref	Question	Response
144	<p>Eligible Expenditure in Annex 2 includes “Own labour costs, including agreed overheads and project management cost, but not profit. These costs should be directly linked to the design, and evaluation of the equipment contained in the project and auditable as such. In this context “own costs” include applicant’s own costs and eligible costs incurred by consortium members and eligible costs incurred by companies connected to any of these.”</p> <p>As a start-up company, with the need at this early stage to retain flexibility of who gets involved and different stages, management use their personal service companies to provide their services. We assume that this is acceptable.</p> <p>We note in the definition reference to “directly linked to the design and evaluation of the equipment” but assume that management, finance and legal costs associated with contracting and contract management, invoicing, insurance, financial management of the expenditures and the Grant etc are also included?</p>	<p>Only labour costs associated with the funded activities would be eligible. Labour costs for other projects, or general technology development that isn’t relevant to the project cannot be claimed.</p> <p>It is acceptable for management to use their personal service companies to provide labour.</p> <p>Other costs such as management, finance and legal costs associated with contracting and contract management, invoicing, insurance, financial management of the expenditures and the Grant etc are also included where they are relevant to the funded activities. Note there are certain grant expenditures that are ineligible for example the costs of the Independent Auditor's Report.</p>
145	<p>We assume that in clause 5.2 the use of the term “reimbursement basis” is not exactly re-imbursement and not actually requiring the Grant Recipient to pay the Supplier before grant is claimed?</p>	<p>Grant payments are paid in arrears after evidence of costs incurred have been provided. Evidence for costs incurred will be invoices from suppliers. We do not need evidence that the invoice has been paid.</p>
146	<p>Is it acceptable during the Funding Period, and in order to reduce the risk of funding cash flow payments to suppliers, we set interim work milestones that on completion can be demonstrated as completed in order to make a series of Grant Claims, rather than waiting for a much longer period for completion of the full work package?</p>	<p>Yes, the Grant Agreement will set out the milestones for activities and the evidence needed to prove the activities have been completed. This can be split out into multiple milestones and does not need to be a full work package. Grant funding will be paid in arrears after evidence is provided for each milestone.</p>
147	<p>With regard to the project emissions calculation: for the GHG Intensity of inputs, for example diesel, is this the GHG Intensity of getting this diesel to the trucks before it has been burned? i.e. the Scope 2 upstream emissions of diesel production in the UK?</p>	<p>See question 58.</p>

Ref	Question	Response
148	Could you tell us whether CO2 from blue hydrogen production (as a waste product of that process) would be eligible as a CO2 feedstock?	<p>From the point of view of the AFF, potentially, but see questions 62 and 85. You would need to evidence that:</p> <ul style="list-style-type: none"> <li>the blue H2 project has not claimed any emissions reductions for this CO2 provided to you (noting CO2 utilisation is not given any credits/reductions under the UK LCHS, if the UK LCHS is relevant to the blue hydrogen project in question);</li> <li>the CO2 meets the definition of a waste;</li> <li>evidence was provided that this CO2 would otherwise have been emitted to atmosphere (e.g. it would not have otherwise been sequestered - this might be challenging for the blue hydrogen project to evidence, e.g. due to CO2 network constraints); and</li> <li>that the fossil CO2 is not deliberately generated for the purposes of making transport fuel.</li> </ul> <p>Please ensure that the blue hydrogen project is aware of these constraints before setting up arrangements with this CO2 source.</p> <p>If all the criteria above are met and the blue hydrogen project is in the UK, we note as an aside (separate to AFF eligibility) that under the UK LHCS there will be no change in the hydrogen production GHG intensity reported by the blue hydrogen project (because CO2 utilisation is ignored/effectively treated as an emission to atmosphere under the UK LHCS methodology, and only sequestration gains a benefit). The AFF pathway will account for the emissions associated with the added energy and chemicals to capture this additional CO2 at the start of the pathway in Appendix H.</p> <p>As there are no blue H2 projects in the UK currently operating, your application should make clear the location, scales, timings and contractual arrangements with this CO2 source, and consider the potential impacts of any delays.</p>

Ref	Question	Response
149	<p>The formatting in the PDF is not entirely clear with regards to the list of 15 scoring criteria; does item 1 “Clarity of the project objectives and relevance to the fund objectives” link to Section 1 only? Does criterion 2, 3, 4 and 5 link to Section 2: Technical Approach only? Then respectively 6,7 and 8 link to Section 3 Commercial Approach, and finally 9 to 15 only applicable to judging Section 4: Project Implementation? Or is there crossover between criteria and sections? Can you please clarify and perhaps publish an updated table with regards to colours and lines/borders that is clearer.</p>	<p>We suggest viewing the AFF guidance document pdf on a different browser or pdf application, as the version of Table 2 that is published has clear borders.</p> <p>Eligibility of your application for assessment is primarily based on Sections 2.2 (with supporting questions/appendices). In terms of how the scoring operates, there is not a perfect one-to-one mapping between each part of the application form and the Table 2 scoring criteria in the AFF guidance document, as some criteria rely on answers from multiple parts of your application form. In Table 2, criterion 1 is mostly scored based on Section 2.3 of the application form, criteria 2-5 are mostly scored based on Section 3 (and related appendices), criteria 6-8 are mostly scored based on Section 4 (and related appendices), and criteria 9-15 are mostly scored based on Section 5 (and related appendices). Consistency in the information provided across the application form also plays a role (e.g. scales in the application form needing to match those given in Appendices E and H).</p>

Ref	Question	Response
150	<p>“The total score awarded to an application in the scoring process will be calculated by applying a weighting to each of the scoring criterion given in Table 2 below. These scoring criteria will be assessed using the information you provide in your application form (primarily sections 2.3, 3, 4 &amp; 5) and your appendices”</p> <p>I would like to understand the weighting between the sections that are being assessed. Are each of the 4 sections weighted equally, eg 25% each? Or are each of the 15-criterion listed in the table above of equal weighting; therefore <math>100/15 = 6.66</math> per criterion, therefore Section 1 = 6.66 weighting, and then so forth such that Section 4 Project Implementation has 7 criterion, so is up to 46.66% of an awarded score?</p> <p>Or is there a different % weighting of importance between Section or Criterion that you could explain and publish please.</p> <p>If there is a minimum 65% hurdle (total score) for the over application, then it is really important to understand the relative weightings across the application!</p> <p>Other Gov grant funding schemes have been very clear with weighting of sections / questions / criteria – and I am trying to deduce the same clarity from the published documents for this fund.</p>	<p>No, the weightings are not equal. Please see question 49.</p>
151	<p>Picking up on the wording extracted from Version 1.0 – 07 February 2025 Guidance document, “These scoring criteria will be assessed using the information you provide in your application form (primarily sections 2.3, 3, 4 &amp; 5) and your appendices”. What other sections or questions could potentially be scored other than the 4 sections and appendices listed? Can you please explain this statement, and where else in the application you will assess what is submitted using criteria, and give a score?</p>	<p>Please see questions 49, 149 and 150. No other sections or questions will be scored (e.g. sections 1 and 6 are purely administrative).</p>



Ref	Question	Response
152	The Power-to-Liquids (PtL) definition seems to favour water electrolysis to produce hydrogen. Instead, we use electricity in a plasma electrolyser system (PES) that produces a syngas (hydrogen and carbon monoxide (CO)) mixture. The syngas is then processed in a Fischer-Tropsch (F-T) reactor to produce the liquid syncrude. There are no other energy inputs. Therefore, does this count at PtL as we use only waste and electricity to produce the liquid syncrude?	<p>The eligibility of your AFF application will, in part, depend on the sources of your feedstock and likely also your electricity (if a form of electrolysis is claimed). But without further information, we cannot tell if the source of your carbon is eligible (what waste is used, and is this eligible for the AFF?), or where your fuels' hydrogen atoms arise from (is water or steam used and with what source of electricity, or do all the hydrogen atoms come from the waste feedstock)? Please also see question 17.</p> <p>For an eligible application, it is not a requirement to use water electrolysis to be considered under the AFF CO2 use sub-pot - the only requirement is the majority of your fuel's carbon atoms come from Direct Air Capture/point source CO2 feedstocks. Also see questions 76 and 133.</p> <p>We note there is no Power-to-Liquids definition in the AFF guidance document or application form, and no mention of water electrolysis either. If you have questions about the eligibility of your feedstock or pathway to meet the UK's SAF Mandate's definition of PTL, please contact DfT's Low Carbon Fuels Delivery Unit at <a href="mailto:saf-compliance@dft.gov.uk">saf-compliance@dft.gov.uk</a></p>
153	In our pathway there are zero carbon dioxide (CO2) emissions. The waste is processed in a plasma that produces a pure syngas for the F-T and all other impurities in the waste are captured in a carbon soot which is used as an aggregate for the cement industry. Any residue gases from the F-T are captured in the PES system and recirculated so there are no emissions. Therefore, does this count as direct air capture (DAC) as we do not require additional CO2 as we create our own CO in the syngas?	No, as Direct Air Capture (DAC) is defined as the capture of CO2 molecules from the atmosphere (at background ppm concentrations).
154	Our pathway prevents MSW and RDF waste from being burned in waste incinerators or energy-from-waste plants that would normally emit about 1 tonne of CO2e for every tonne of waste burned. Assuming we use zero carbon electricity and there are no other residual emissions, if we use 5 tonne of MSW to produce 1 tonne of SAF can we count this as carbon negative of 5 tonnes CO2e?	No, the RTFO & SAF Mandate Technical Guidance must be followed. Your fuel will have a biofuel consignment and a RCF consignment, which have separate GHG methodologies. Only the fossil fraction of MSW/RDF has a displaced counterfactual emission term, which is a penalty based on the loss of grid electricity generation. There are no credits given for avoided fossil CO2 from incineration/EfW plants, but equally, there are no penalties given for release of fossil CO2 when the RCF consignment of the fuel is ultimately combusted.

Ref	Question	Response
155	Can you confirm that e-methanol produced with renewable hydrogen and CO2 that meets the standards outlined in the UK's RTFO and SAF mandate technical guidance would be a compliant pathway for Power-to-Liquid (PtL) SAF?	<p>If you have questions about the eligibility of your feedstock or pathway to meet the UK's SAF Mandate's definition of PTL, please contact DfT's Low Carbon Fuels Delivery Unit at <a href="mailto:saf-compliance@dft.gov.uk">saf-compliance@dft.gov.uk</a></p> <p>If your question is about AFF application eligibility for an e-methanol plant followed by an methanol-to-jet plant, please see Question 1 and 14.</p>
156	Could you please confirm whether training related to the AFF project would be considered an eligible cost, e.g. health and safety?	Health & safety training (for the proposed project team) may be eligible if this training can be evidenced as being necessary to carry out proposed eligible activities (e.g. prior to site visits for plant site identification work). General training that is not specifically related to the proposed AFF plant is not eligible (e.g. for career progression purposes or annual CPD requirements). Note that health & safety assessments, HAZOP, HAZIP workshops etc for the planned AFF plant are eligible.
157	Would fuel testing costs incurred during pre-FEED/FEED and non-recurring engineering activities be considered an eligible cost?	Fuel testing costs relating to your proposed plant's feedstock & pathway would be eligible. Please provide further details as to which non-recurring engineering activities you are referring to, as there is not enough detail to currently determine the likely eligibility of this activity.
158	If an application includes an item that is neither explicitly listed as eligible nor ineligible, can you confirm that this would not render the entire AFF project application ineligible, but rather that the specific cost would simply be excluded from the eligible project costs if the application were to be successful?	<p>You are correct, provided this item/activity is a modest or small share of the total costs, or other important items/activities are not contingent on this item. Larger concerns regarding your application would be raised if this item/activity were deemed ineligible and was a significant share or majority of the funds being applied for, or other important items/activities were contingent on this item.</p> <p>We would strongly encourage you to enquire with <a href="mailto:AFF@ricardo.com">AFF@ricardo.com</a> well ahead of the window 3 deadline if the eligibility of the item is uncertain or is not listed. This would allow you to include/exclude this item from your bid, and maximise the likelihood that your whole application will be deemed eligible. If the item is included but deemed ineligible, it will raise flags and may present challenges in how your application is assessed (e.g. several clarification questions may need raised about the impact on timelines, costs, risks, overall project objectives etc of removing the item) - and we note it is always clearer and more straightforward to assess a fully eligible application.</p>

Ref	Question	Response
159	<p>In Appendix D the worksheet, “main equipment – FOAK plant”</p> <p>We are progressing work to arrive at a fixed-price quote for construction by December 2025 as detailed in our work plan for Appendix C.</p> <p>What information should we include in the worksheet, given we don’t know the exact costs yet, nor the suppliers, nor the date the order will be placed as we are in detailed design working towards these outcomes.</p>	<p>Best estimates should be provided, with any explanation of uncertainties over timings (still has to fall within the AFF funding period), potential suppliers and cost ranges.</p>
160	<p>Would you be able to share if there are any plans for a Window 4 opening in the future?</p>	<p>AFF funding is allocated for 2025/2026 only. Any further windows would be subject to the government's spending review process.</p>
161	<p>As per the guidance for Question 3.1, we understand that supporting technical information for the proposed plant should be provided in Appendix B as a single combined PDF. Our project has successfully completed FEL-3, and at this stage, we have generated over 500 P&amp;IDs and 100 PFDs. Given the volume of documentation, consolidating all these diagrams into a single PDF would result in a very large file, potentially making it difficult to manage and review. In light of this, we would appreciate your guidance on whether providing only the PFDs would be advisable for the submission, with the P&amp;IDs available upon request. Please let us know how best to proceed to ensure compliance with the submission requirements while maintaining clarity and accessibility.</p>	<p>One method would be to list all 500 P&amp;IDs and 100 PFDs, and attach the most relevant 10 for each to evidence the work done on all the main components (assuming each are only a few pages), include a statement from the lead applicant and organisation that carried out the PFDs and P&amp;IDs that they all have already been completed to the same quality, and leave the rest as available on request.</p>
162	<p>Your FAQ (Question 37) strongly recommends that different technology pathways (e.g. types of biomass gasification) should be submitted as separate applications. In that respect,</p> <p>(a) Could the same lead applicant submit two applications or are different entities required for that?</p> <p>(b) Could two separate projects share - on the aggregated volume basis - feedstock supply chain, offtaker and CCS infrastructure?</p>	<p>(a) Yes, the same lead applicant can apply multiple times, provided funding, staff resourcing, governance etc across all their projects are evidenced, i.e. any project could proceed without relying on another project being dropped or going ahead.</p> <p>(b) Yes, but again, the onus would be on each project application to evidence critical path dependencies and risks. Question 37 was referring to two different technology pathways (e.g. gasification + FT vs methanol to jet). Two variants of biomass gasification technology based on the same site (parallel train gasifiers from different suppliers), that have the same feedstock supply, same shared syngas to fuels processing train, same CCS network and same fuel offtakers, would not warrant two separate applications.</p>

Ref	Question	Response
163	Considering that land-related expenses are not eligible, and that at the pre-FEED stage “a specific location for the plant” should only be identified - and not evaluated or secured - what site-related work is eligible during pre-FEED stage?	See questions 20 and 81 regarding securing land or options. "Purchase or lease cost of any land on which the project is built" are not eligible. "Plant site identification and review" are eligible.
164	For application scoring purposes, will the amount of match funding be considered in relation to the original amount of grant applied for or the final amount of grant offered by AFF?	The original amount of grant applied for. If a lower grant offer is made by DfT, this is often due to exclusion/trimming of certain project activities, which may also have match funding associated with them (and which will now be out of scope/not reusable).
165	Please kindly advise whether the Revenue Certainty Mechanism can/should be part of the business and financial model for a pre-FEED project.	See question 102.
166	Many UK airlines are pausing their offtake pipelines until there is some further clarity in respect of the RCM. Would that be taken into the consideration during the applications assessment process?	See question 121.
167	Are such platforms as IATA's Book & Claim, including the support of SAF certificates, allowed to be part of the offtake strategy?	If you can evidence their value to the proposed AFF plant, and compliance with any other relevant policies for which SAF support is sought (e.g. ETS)
168	<p>We are preparing x2 application one for pre-FEED to FEED of a demo and another for a pre-FEED of a FOAK.</p> <p>Depending on time availability, it may be helpful for us to combine the two in one application. May I confirm this is possible /allowed please?</p>	Potentially, see questions 37 and 134.
169	If there is a work stream on using CO2 to make SAF but is not the main scope – how is that dealt with – I believe from the webinar you noted that unless its over 50% (or was it 60%) of the scope it doesn't come under that pot of funding?	See question 133.
170	Could you elaborate on what is considered a "reasonable" level of overhead recovery (as we note contingencies are not eligible costs)?	DfT consider up to 40% of direct salaries to be a reasonable % of overhead costs.
171	Can you clarify from when the eligible costs are counted? What happens to this date if the award date is delayed?	Eligible costs are counted from the date the Grant Offer Letter is signed to 31 March 2026. Any costs incurred before the signing of the Grant Offer Letter are ineligible.

Ref	Question	Response
172	In appendix H, why is the conversion tab cell P17 not calculating?	<p>The formulae in the published v1.2 workbooks are working correctly. If cell P17 is not providing a result, this will be because the row 5 module main feedstock has nil energy content in cell O5.</p> <p>This might occur if the feedstock is CO<sub>2</sub>, in which case, an emissions factor in gCO<sub>2</sub>e/kg for the supplied CO<sub>2</sub> can be given in cell T5, and then cell P17 is not used elsewhere, as the chain will start at Conversion (and cells C3-7 in the Summary tab can be set to No). If the applicant wishes to model the emissions for CO<sub>2</sub> capture and transport to the Conversion step, this can be done on the Additional Evidence tab, and linked to the supplied CO<sub>2</sub> factor in cell T5 of the Conversion tab.</p>
173	We are starting to complete appendix E, however, we noticed that is based on dRTFC values? I wanted to double check we can assume SAFCs? As that is what is under the SAF Mandate?	<p>Yes, whichever policy support scheme is applicable for each fuel output (e.g. dRTFCs might be applicable for diesel, SAF Mandate and ETS might be for jet, in addition to fossil prices). We note that mention of dRTFCs only occurs in the Example worksheet, and this legacy example from window 2 (pre SAF Mandate) can be ignored.</p>
174	The project will be using a liquid biogenic intermediate as some of its feedstock, with sustainability certification and a CI available for each delivered liquid intermediate, from multiple suppliers. No AFF funding will be requested regarding the upstream production/delivery of the liquid intermediate. Given the large number of supply chain steps we have in converting the liquid intermediate to delivered AFF eligible fuels, can we start our Appendix H workbook at the point of collection of the liquid intermediate, to not run out of steps in the workbook? And would submission of less than 5 separate Appendix H workbooks, one for each liquid intermediate source, be acceptable?	<p>The number of suppliers or your commercial/investment scope does not determine the scope of your Appendix H. If your project input is a liquid biogenic intermediate, your Appendix H supply chain should start with the original biomass feedstock to comply with the scope of the GHG methodology set by the RTFO &amp; SAF Mandate. If you need further supply chain worksheets to be added to the Appendix H template, please either:</p> <ul style="list-style-type: none"> <li>- merge steps to fit within the template (e.g. putting the inputs/outputs from several similar storage &amp; transport steps together in one worksheet, ideally where there several steps with no/minimal losses, and clearly mark on the System Boundary worksheet which steps have been merged into which worksheets); or</li> <li>- email AFF@ricardo.com to request which steps you need added to the template, and a bespoke template can be provided to you, with DfT pre-approval to use this.</li> </ul> <p>Also see question 42 – please do not attempt to structurally modify either the main template or bespoke template yourself, or any of the formulae, as this will result in your application losing marks in the GHG emission scoring criteria, or could even present eligibility concerns.</p> <p>In answer to the second question, less than 5 separate Appendix H files would be acceptable.</p>

Ref	Question	Response
175	Within the guidance document it states on eligibility that "FOAK commercial scale plants must demonstrate they will deliver a biofuel, nuclear fuel or renewable fuels of non biological origin (RFNBO) output with lifecycle GHG emissions not exceeding 31 gCO <sub>2</sub> e/MJ LHV in their first full calendar year of operation." Can you confirm whether you are classing landfill gas as a RFNBO or not please?	Landfill gas as an input feedstock is biogenic, so the resulting fuel consignment would be a biofuel, not a RFNBO. However, landfill gas is not listed as a waste/residue feedstock on the DfT website, so on its own is unlikely to be eligible for the AFF. However, for the purposes of the AFF, DfT do allow for the landfill gas to be traced back to the original parent feedstock (e.g. input Municipal Solid Waste to the landfill), provided there is evidence regarding this input, and the emissions of the landfill "pre-processing" step (including leakage/venting/flaring) are included in Appendix H, as well as emissions back up the supply chain to the point of collection of the original feedstock. As well as the full supply chain GHGs meeting the AFF GHG threshold, the eligibility of the plant will then depend on whether the original feedstock meets the AFF eligibility requirements. Also see question 23 regarding contacting DfT.
176	Referring to FAQ 134, may I confirm the following: <ol style="list-style-type: none"> <li>1. We are expected to submit two appendices for demo and FOAK? Or is that only for GHG and for other appendices we add tabs – demo and FOAK respectively.</li> <li>2. You mention to separate key info out – does this need to still within the same word count? Even where tables for input are being duplicated?</li> </ol>	<ol style="list-style-type: none"> <li>1. Yes, there are separate Appendix H Excel workbooks for demo and FOAK plants. Other Appendices have separate tabs within the same workbook.</li> <li>2. Words/numbers within tables will not be counted towards word counts, so please do duplicate as required. More flexibility regarding word counts will be given in cases where your application covers both demo and FOAK plants.</li> </ol>
177	Please can you confirm if it is essential to have match funding for this grant?	See question 38.
178	I would like to check that the deadline for the Window 3 is still 28th March? Is there likely to be any extension to this deadline?	The deadline for applying for grant funding is 16.00 GMT on Friday 28 March. This deadline will not be extended. Any applications received after this time will not be considered.
179	It is stated that where the applicant is proposing solutions for both a demonstration and a commercial solution, these can be on the same application form. However, the question must be answered for both the demo and commercial plant. Does the word count stated in the application form apply to each of the demo and commercial plant? i.e. or is the word count per question in total, regardless of whether the application is proposing just a demo, or a demo + commercial. If the later, there maybe a disadvantage as this lowers the word allowance allowed for each.	See question 176 - more flexibilities will be allowed.

Ref	Question	Response
180	<p>Please kindly confirm that for Appendix E in respect of a pre-FEED stage we can use “Base case” scenario based on Class 5 costs estimate - which will be further narrowed to Class 4 as part of the funded activities.</p> <p>Also, would 8-year cashflow projections (3 years of constructions plus 5 years of commercial operations, including ramp-up) be sufficient in the above case?</p>	<p>Yes, please base your AFF plant costs on the best available estimates today. You should model the full expected operational lifetime of your proposed plant, which in many cases might be 20+ years for a FOAK commercial plant. If this is 5 years, please justify how this fits with your commercialisation strategy (e.g. is this only a small demo with certain objectives) or else justify how your commercial plant will be profitable/repay any finance raised in the years modelled?</p>
181	<p>What evidence does DfT need to see to demonstrate that the feasibility study has been done? Do you need to see the entire study in either appendix B or Appendix i?</p>	<p>If the full Feasibility study (i.e. AACE Class 5 cost estimate) is available to be shared, it can be attached in Appendix B or I (and cross-referenced). If not available to be shared, DfT will need to see evidence as to the work being completed (e.g. contractor invoices paid, showing delivery and acceptance of the Class 5 cost estimate), along with signed statements from the contractor and applicant that a Class 5 cost estimate has been completed.</p>
182	<p>We have a question on the Cash Flow model template (appendix E):</p> <p>Our project will source its feedstock from multiple streams. Therefore, we would like to distinguish between our different feedstock sources in Appendix E by adding separate OPEX rows below row 61: "tonnes/yr feedstock purchased cost stream 9."</p> <p>Would it be allowed to modify the financial template by adding additional rows below row 61 to accommodate this, or should we aggregate all our feedstock purchase cost streams into the single row 61?</p> <p>Could you confirm if we are able to add rows please?</p>	<p>Yes. Please do add additional feedstock rows below row 61, but then also add the same number of new rows below the original row 72 (to provide the prices of the new feedstocks), and then add the same number of new rows below the original row 109 (and copy the formula down from row 109, so that the tonnes/yr of each feedstock multiply by the £/tonne prices). Double-check that the total opex sums all the relevant rows.</p>



Ref	Question	Response
183	<p>We have a very simple scheme: We are producing an RNFB0 compatible PtL e-SAF via electrolysis and Fischer-Tropsch. Our SOEC based electrolyzers are integrated into our process, and take CO<sub>2</sub> and water producing syngas which is piped directly into the Fischer-Tropsch reactor.</p> <p>We:</p> <ul style="list-style-type: none"> <li>Do not purchase hydrogen, nor use hydrogen from any external source</li> <li>We do not sell hydrogen, nor pipe hydrogen anywhere apart from to the Fischer-Tropsch reactor and Hydrocracker to produce the final fuel</li> </ul> <p>Do we need to show compliance with the Low Carbon Hydrogen Standard, given the electrolyzers are an integrated part of our process?</p>	<p>Given the majority of the syngas energy will be hydrogen molecules, there would be significant production of hydrogen occurring onsite as part of the funded project. You should evidence how this hydrogen produced is likely to meet the UK Low Carbon Hydrogen Standard in the first full calendar year of operations, using annual average data (given there is no DESNZ default data for SOECs). Half hourly data does not apply.</p> <p>There are no additionality requirements under the AFF or LCHS, and as you are planning on using RFNB0 eligible electricity sources, the LCHS requirements are not that onerous (e.g. you can evidence you will likely have an eligible PPA signed with an RFNB0 eligible electricity source when operations start, REGOs will likely be retired, the GHG threshold of 20gCO<sub>2</sub>e/MJ LHV Hydrogen Product will likely be met).</p> <p>All hydrogen production projects have to show likely LHCS compliance including any theoretical compression/purification. You do not have to evidence a guarantee of compliance, or even likely compliance today - it is likely compliance in the first full calendar year of operations. There is an Excel LCHS Hydrogen Emissions Calculator for this purpose that could be submitted with your application:  <a href="https://www.gov.uk/government/publications/uk-low-carbon-hydrogen-standard-emissions-reporting-and-sustainability-criteria">https://www.gov.uk/government/publications/uk-low-carbon-hydrogen-standard-emissions-reporting-and-sustainability-criteria</a></p>
184	<p>I had a query regarding the format of submissions for the advanced fuels fund.</p> <p>Some items of our submission ideally could be sent as alternative formats:</p> <ul style="list-style-type: none"> <li>Declarations: Instead of Microsoft word, could they be sent as PDF since they are signed documents?</li> <li>Appendix items: It would be optimal to send some supporting documentation as excel files (i.e. internal calculations for illustrative purposes)</li> </ul>	<p>Please send the application form in word, including the signed declarations. If you would like to send the signed declarations in pdf separately this is acceptable.</p> <p>It is fine to send some supporting documents as excel files if this is more appropriate.</p>
185	<p>If as part of the study we will explore further the full GHG calculation through an LCA, is it necessary to fill in Appendix H at submission point?</p>	<p>Yes, because estimated GHG emissions are required for application eligibility. Given the Feasibility phase is ineligible, you should already have an initial GHG emissions estimate to start Pre-FEED. Further work/refinement of your GHG emissions calculation is permitted during Pre-FEED/FEED.</p>
186	<p>Do you mind which format the Gantt chart is in? For example is smartsheet is acceptable?</p>	<p>Pdf is the preferred format.</p>

Ref	Question	Response
187	I am planning to add 2 organisations who would get paid potentially but I do not have a letter of support from them. This is because they are not in the consortium but would be the recipient of funds due to them being a service. How can I handle this properly?	List them as potential subcontractors, and evidence what level of engagement has occurred to date in Appendix I.
188	On question 2.2.9 it says this in the prompt:  Ineligible activities include Feasibility, Construction, Installation, Commissioning, Start-up and Operations. The project must not have already commenced Construction.  It is necessary for the project to be in construction?	No, because if your plant is in construction already, your application for this plant will be ineligible.
189	We are submitting our Advanced Fuels Fund (AFF) Window 3 application tomorrow and would like to confirm our approach regarding the match funding requirement. Specifically, we will be submitting a funding request for the detailed design phase of our large demonstration plant at a 70% match funding rate.  This submission is in line with the State Aid funding rules and the guidance provided in the AFF Window 3 guidance document. As stated on page 17 of the guidance, “Public funding will not normally exceed 50% of eligible costs, unless the organisation qualifies for a higher intervention rate.”  We understand that we qualify for an enhanced public funding intervention rate of 70%, as per the UK government’s subsidy control framework and the rules set out in the Advanced Fuels Fund – Window 3 Guidance.  We trust this aligns with the AFF’s expectations.	As per the published AFF guidance document v1.5 (pages 8, 10, 14 and 22), AFF funding during the EPC phase (Detailed Design and Procurement of Main Equipment) is capped at a maximum grant funding intensity of 50%.  So if the AFF funding request is 30% and match funding is 70%, this will be eligible for Detailed Design. If the AFF funding request is 70% and the match funding is 30%, this will not be eligible for Detailed Design.  There is no mention of higher/enhanced intervention rates on page 17 (or anywhere) in the AFF guidance document.

Ref	Question	Response
190	<p>Is market making initiatives funded?</p> <p>We are developing a membership and net zero commitment as part of demand development which we see compliments the supply demand and build.</p> <p>Is this eligible?</p>	<p>Advertising, marketing and sales activities are not eligible activities. So generic membership activities or wider industry net zero commitment activities will not be eligible, nor will policy lobbying activities.</p> <p>Material take offs, hosting meetings with potential consortia members (for the project), formalising a consortium or partnership arrangement (for the project), or hosting of meetings between applicant consortia and others necessary to further the development of the project would be eligible activities.</p>
191	<p>We are unable to fill in Appx H fully. Would this disqualify us? We have some estimates for the overall process but as part of our proposal will be creating an LCA for the actual figures.</p>	<p>Appendix H will need to be completed sufficiently to provide enough confidence that the AFF eligibility criteria (including the gCO<sub>2</sub>e/MJ LHV emissions threshold) can likely be met. If there are gaps in your Appendix H, you may lose some marks, or have clarifications questions/eligibility flags raised, depending on how serious the gaps are, and in which process steps they are identified (some steps only have minor emissions and will be less of a concern). If Appendix H is empty, your application will be ineligible.</p>
192	<p>If we cannot complete the cashflow sheet in full are we ineligible?</p>	<p>No, the provision of Appendix E is not one of the AFF eligibility criteria, but marks will be lost if it is not provided or completed in full.</p>