Low Carbon Fuels Fund

Launch Webinar

12 August 2026

Public Presentation

Introductions & Agenda

Key persons:

Chloe Page, Low Carbon Fuels Grant Funding, **DfT**

Rachael Gilbert, Deputy Head of LCF Strategy and Production, **DfT**

Kate Thompson, Project Manager, **WSP**

Judith Bates, Project Director, **WSP**

Arwyn Munday, Deputy Project Manager**, WSP**

Amy Nicholson, Project Support, **WSP**

Richard Taylor, Technical Lead, **ERM**

Ausilio Bauen, Technical Director, **ERM**

Chris Sim, Technical Support, **ERM**

Hana Douglas, Project Support, **ERM**

Time	Item	Lead
14.00	Welcome & housekeeping	Chloe Page (DfT)
14.05	LCFF overview - Objectives, funding, scope	Rachael Gilbert (DfT)
14.20	Eligibility requirements: - Technical - Commercial - Voluntary pre-check - Eligible costs	Richard Taylor (ERM) Kate Thompson (WSP)
14.40	Evaluation process: - Timelines - Application form & templates - Assessment criteria	Kate Thompson (WSP) Richard Taylor (ERM)
14.55	Key points	Kate Thompson (WSP)
15.00-15.30	Q&A*	Chloe Page (DfT)

*Please submit questions for the Q&A in the chat, these will be published by our moderator.

Recent SAF Announcements

SAF Mandate

Came into force on 1st January 2025.

The UK's key policy to decarbonise aviation fuel by supporting the supply of sustainable aviation fuels.

The Mandate has been designed to incentivise SAF supply through the award of tradeable certificates with a cash value.

Low Carbon Fuels Fund

First application window opened.

Up to £93m available to support UK SAF plant projects through to construction.

Applications must be submitted before 21 September 2026 at 16:00 BST.

SAF Revenue Certainty Mechanism

The RCM Contract Allocation Strategy was published in July 2026.This provides clarity on the government's ambitions to support UK SAF projects to achieve commercial scale, including timeframe and scale of the first allocation round.

Government expects to open the application window for SAF Allocation Round 1 (SAF AR1) from around Q1 2027.

Low Carbon Fuels Fund Overview

Department for Transport

Objectives and Funding Available

Key objectives of the Low Carbon Fuels Fund are to:

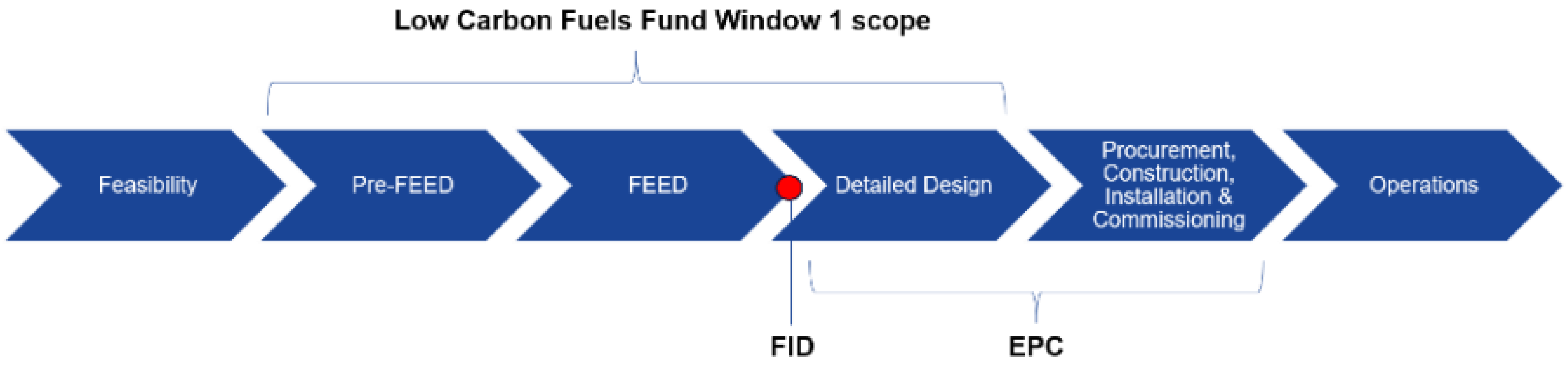
- Support the UK advanced SAF sector in its development of commercial scale projects capable of significantly reducing near-term UK aviation emissions.
- Support those projects in later development stages to achieve a Final Investment Decision, to help unlock future investments in other UK advanced SAF projects.
- Broaden and strengthen the UK project pipeline, accelerating the progression of numerous advanced SAF projects and attracting private backing for their development.
- Support the technical advancement of a diverse range of innovative SAF pathways.

Through LCFF Window 1, DfT will competitively allocate up to £93 million in grant funding to support UK advanced fuel projects until 31 March 2028.

	Total LCFF funding available in first window
Year 1 (January 2027 to 31 March 2027)	Up to £30 million
Year 2 (1 April 2027 to 31 March 2028)	Up to £63 million

Scope and Application Window

Window 1 funding is available for First-Of-A-Kind commercial and demonstration-scale advanced SAF projects in the UK at specific development stages, covering Pre-FEED, FEED and Detailed Design.



This first application window for the Low Carbon Fuels Fund runs until 16:00 BST 21 September 2026. Any applications submitted past this deadline will not be considered.

Minimum requirements for application

Department for Transport

wsp ERM

Eligibility criteria – technical

Category	Eligibility Requirements
Main fuel output	The main fuel output (>50% by LHV energy) of the project must show the ability or future potential to be blended with jet A-1: i. Ideally would **already meet** ASTM D1655/D7566 or DEF STAN 91-091 fuel specifications. ii. Or **currently engaged** with the ASTM D4054 evaluation process. iii. Or clear evidence of the fuel's **future potential** to be blended with jet A-1.
TRL	The proposed plant must achieve Technology Readiness Level **TRL 6-8** (small demo, large demo or First-Of-A-Kind commercial) when operational. TRL 5 (pilots) projects are not eligible, nor are TRL 9 projects (fully commercial). The proposed technology must already be at least **TRL 5** (operational pilot) when submitting your application.
GHG emissions	The GHG methodology used must follow SAF Mandate Technical Guidance methodology, with any consumption of grid electricity using projected factors supplied for the relevant year. FOAK commercial plants must have fuel lifecycle GHG emissions **below 31**$\mathbf{gCO_2e/MJ_{LHV}}$ in their first full calendar year of operation. Demonstration plants must be **below 53.4**$\mathbf{gCO_2e/MJ_{LHV}}$ during the first full calendar year of operations, and show how a future FOAK commercial plant will meet the FOAK threshold.

Eligibility criteria – technical

Category	Eligibility Requirements
Feedstock	Eligibility rules vary according to the original feedstock type(s) used at the start of the pathway: • 100% of any **biomass** feedstocks must be sustainable wastes/residues meeting the SAF Mandate requirements, and not subject to the HEFA cap. Waste biomass feedstocks must meet the waste definition and comply with the waste hierarchy. • 100% of any **recycled carbon fuels** (RCF) must either be the fossil fraction of MSW or waste industrial fossil gases rich in carbon monoxide only suitable for incineration for energy recovery. Must meet definition of a waste and the sustainable waste management standard in the SAF Mandate Technical Guidance. • >90% of any feedstock **electricity** and/or feedstock **heat**, i.e. energy used in enhancing the heating value of intermediates or SAF must be derived from non-biogenic renewable or nuclear sources and must meet the PTL requirements of the SAF Mandate, except for additionality rules. Any consumption of average grid mix electricity is to use the projected PTL-eligible share supplied for the relevant year. • No other feedstocks are eligible, e.g. jet and intermediate fuels cannot be purposedly derived from non-waste fossil feedstocks. **Process input hydrogen** derived from non-waste fossil fuels cannot exceed 10% (by LHV energy content) of the jet fuel output. Any **process input electricity/heat** from a specific biogenic source must meet the same biomass feedstock rules as above. Any **input carbon dioxide** consumed that contributes carbon atoms to the jet fuel must follow the SAF Mandate Technical Guidance on CO_2 sourcing.

Eligibility criteria – commercial

Category	Eligibility Requirements
Location	The proposed plant must be located in the **UK**.
Lead	The project lead must be a **UK registered** company or charity.
T&Cs	Acceptance of the Example Grant Funding Agreement **terms and conditions** in full at the application stage. Further negotiation is not possible.
Project lifecycle stage	Certain activities (see Annex D) proposed within **Pre-FEED, FEED, and Detailed Design** stages are eligible. Ineligible activities include Feasibility, Procurement of Equipment, Construction, Installation, Commissioning, Start-up and Operations as well as EPC licence fees. The project must not have already taken a Final Investment Decision.
Eligible costs and grant intensity	Funding cannot be used for previously funded activities or to replace private sector investment. The maximum grant funding intensity is **100% of total eligible costs during Pre-FEED & FEED** stages, and **50% at the Detailed Design** stage.
Timescale	Funding is only available for eligible project work completed during the competition's Funding Period (**by 31st March 2028**).

Voluntary mid-window indicative eligibility pre-check

Any potential applicant may submit a completed “eligibility pre-check form” to LCFF@WSP.com by 16:00 BST 25 August 2026.

- This form will be checked by the delivery partners. No further evidence or appendices will be checked at this stage.

- A short feedback letter will be returned to you within 5 working days, outlining from your form whether your project is likely to be eligible or whether there are likely to be any eligibility concerns for your project to consider prior to any full application drafting or submission.

- This indicative eligibility check is not mandatory, or worth any marks, but is recommended to potentially avoid any wasted application efforts, as well as being useful for DfT and the delivery partners to accurately gauge potential full application numbers.

Eligible costs

Up to 100% grant funding for Pre-FEED and FEED stages.

Up to 50% grant funding for Detailed Design stage.

No funds for Feasibility, Procurement of Equipment, Construction, Installation, Commissioning, Start-up or Operational stages, nor for EPC licence fees.

Projects that can evidence greater levels of match funding will be preferentially scored.

Eligible activities and costs

- ✓Strategy work and technology configuration appraisals
- ✓Plant site identification and review
- ✓Permitting and planning application work
- ✓Feedstock availability assessments
- ✓Economic assessments (including detailed revenue and cost modelling)
- ✓Process Flow Diagram (PFD) and Process and Instrumentation Diagrams (P&IDs) development up to Approved for Construction revision
- ✓Hazard and Operability (HAZOP) and Hazard Identification (HAZID) Workshop
- ✓Process & Mechanical specifications & data sheets
- ✓Safety, Mechanical, Civil, Structural, Architecture, Electrical, Instrument's lists, drawings and studies
- ✓Plant layout design and plant modelling work
- ✓Material Take Off (MTO)
- ✓Developing detailed GHG emissions projections for plants
- ✓Developing detailed project execution plans, risk assessments, and detailed budgets
- ✓Tendering, bidding, visiting vendor and subcontractor's site
- ✓Own labour costs, including agreed overheads (**up to 40% of salaries**) 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
- ✓Hosting meetings with potential consortia members
- ✓Formalising a consortium or partnership arrangement
- ✓Hosting meetings between applicant consortia and others necessary to further develop project
- ✓Securing private sector funding
- ✓Addressing legal issues

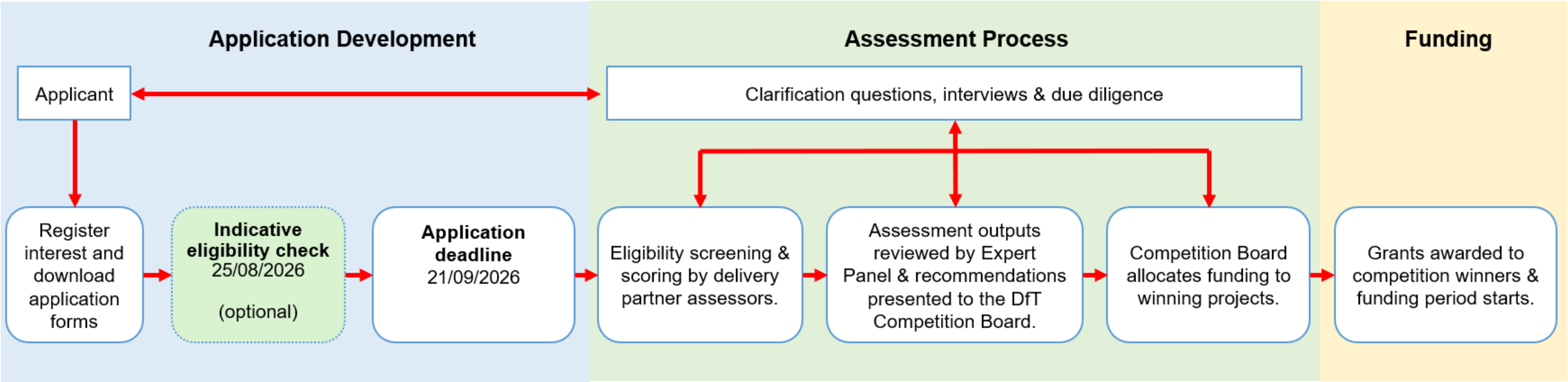
Ineligible activities and costs

- × Any costs incurred before the start date given on your DfT countersigned Grant Funding Agreement
- × Any costs incurred after the end of the Funding Period (31 March 2028)
- × Any cost incurred for construction or installation of the plant, including own or subcontractor labour, overhead and operating costs
- × Any costs incurred for procurement of equipment for the plant
- × Any cost incurred for delivery of the procured equipment
- × Any bulk material costs including pipework
- × Any costs incurred in the Feasibility stage
- × Any technology licence fees during the EPC stage
- × Any cost incurred in commissioning, start up, operations and maintenance
- × Any costs incurred relating to the design or procurement of a pilot plant facility (TRL5)
- × Any building works
- × Purchase or lease cost of any land on which the project is built
- × VAT (except where it cannot be reclaimed by grantees)
- × Interest charges, bad debts
- × Hire purchase interest and any associated service charges
- × Loan repayments
- × Mark up and profits
- × Significant salary increases applied to own labour costs, without justification, during the Funding Period
- × Overheads on salary costs **above 40% of salaries**
- × Profit earned by a subsidiary or by an associate undertaking work sub-contracted under the project
- × Notional costs (e.g. opportunity costs)
- × Audit fee for certification of claims by an independent accountant
- × Grants that contribute directly to a company's distributed profits
- × Endowments
- × Funds to build up a reserve or surplus
- × Contingency
- × Retrospective funding
- × Any costs that are already being funded by another grant source, or are to be funded by another grant source in the future
- × Any costs associated with preparing an application or bid for other grant funding or the SAF Revenue Certainty Mechanism
- × Lenders legal advice costs (unless a project partner named in the application)
- × Attending conferences
- × Advertising, marketing, sales activities, entertaining

Evaluation process

Department for Transport

Timelines



Date	Stage
10 August 2026	Window open for applications.
By 25 August 2026 (16:00 BST)	Voluntary indicative eligibility check deadline (submission of eligibility pre-check form).
21 September 2026 (16:00 BST)	Full application **deadline.**
January 2027	Announcement of winners and likely start of Funding Period for projects.
31 March 2028	Funding Period ends for winning projects.

Application development

Guidance document: LCFF Window 1 Guidance Document v2.0 (.pdf)

Documents to complete:

Application form + Appendices:

A. Consortium letters
B. Technology evidence
C. Work plan
D. Project budget **(template provided must be used)**
E. Financial model for the proposed plant **(template provided must be used)**
F. Match funding details
G. Outline risk assessment **(template provided must be used)**
H. Consignment lifecycle GHG emissions **(template provided must be used – eligibility requirement)**
I. Development status documents
J. Key info summary for proposed project activities & plant(s) (**template provided must be used)**

Please check the News and Updates section on the fund website for updated documents and anonymised Q&As.

Additionally, you will be subject to financial due diligence as part of the assessment process.

Scoring process for eligible projects

- Total score calculated using criteria weightings must be **>65%** to be eligible.
- Projects may be invited to interview, and/or asked to provide clarifications within 5 working days. Due diligence by DfT will also be started during this period. Projects must pass to receive funding.
- DfT Fund Board will employ a portfolio approach considering scores and breadth of technologies.

Category	Scoring criteria
Project relevance (5%)	1. Clarity of the project objectives and relevance to the fund objectives.
Technical approach (20%)	2. Status of the technology, clarity of the project data and justification with pilot/demo plant data.
	3. Credibility of the technical approach, challenges addressed and innovations advanced by the proposed plant.
	4. ASTM qualification status of the fuel pathway.
	5. Level & evidence of delivered fuel GHG emissions from the proposed plant (and expected GHG emissions at commercial scale if different).

We have a rigorous process to manage any direct or perceived conflict of interest that may arise from a personal/working relationship between an applicant and one of the delivery partners.

Scoring process for eligible projects

Category	Scoring criteria
Commercial approach (20%)	6. Level of progression towards a Final Investment Decision for a FOAK commercial plant as a result of the funded activities.
	7. Potential & case for economic benefits of the proposed plant including jobs created, as well as future UK & overseas deployment of the technology.
	8. Evidence of expected viability* and bankability of the proposed plant.
Project Implementation (55%)	9. Credibility of current status of the project and readiness to proceed with funded activities.
	10. Confidence in skills and experience of the project team.
	11. Appropriateness of project management and governance structure and partners roles.
	12. Appropriateness and credibility of the project work plan.
	13. Detailed understanding of the project risks and their management.
	14. Credibility of detailed project costing for the funded activities.
	15. Strength of case for DfT funding, including level of match funding leveraged and status of securing funding.

*It is expected that FOAK commercial plants will likely be profitable, with their bankability driven by debt service coverage ratios (amongst other financial metrics calculated in Appendix E). Demonstration plants are likely not to be profitable, so the viability of these plants will depend on evidence of credible funding to cover the capex and expected losses during planned operations.

Key details

Window 1 deadline for voluntary eligibility pre-checks: 16:00 hours BST, 25 August 2026

- Submission of eligibility pre-check form.
- Brief feedback letter with indicative eligibility will be returned within 5 working days.

Window 1 deadline for applications: 16:00 hours BST, 21 September 2026

- Subsidy Control rules apply – more info at Overview of the subsidy control regime – a flexible, principles-based approach for the UK.
- Applications must meet all the eligibility criteria, and all claimed project costs must be eligible.

One electronic copy must be sent to LCFF@WSP.com prior to the deadline

- Applications will be acknowledged by email and a URN will be issued within two working days. Your URN should be used in all communications.

Further details available on the LCFF website

- All queries should be directed to LCFF@WSP.com.
- Anonymised FAQs will be published and regularly updated.

Q&A

Department for Transport

Thank you for attending