

New Mexico Advanced Energy Award Pilot Program



POLICY MANUAL

Fiscal Year 2025

(July 1, 2024 – June 30, 2025)

Advanced Energy Award Pilot Program

The New Mexico Advanced Energy Award Pilot Program is a competitive state-funded grant that awards non-dilutive funds to proposals in advanced energy innovation and commercialization from New Mexico small businesses engaged in research and development. The funds seek to assist early-stage companies developing a unique product with strong growth potential.

Program Objective

The funding provided through the New Mexico Advanced Energy Award (NMAEA) Pilot Program is intended to further the development of innovation and commercialization of advanced energy products or services while assisting companies in continuing to do business in New Mexico.

Through this award, the New Mexico Economic Development Department ultimately seeks to support the retention or expansion of economic-base businesses, the creation of jobs in economic-base businesses, the development of the tax base, and business development.

Program Administration

The NMAEA Pilot Program is administered by the New Mexico Economic Development Department (EDD) Office of Strategy, Science, & Technology (OSST) in partnership with the University of New Mexico Rainforest Innovations (UNMRI).

Eligible businesses will submit applications online.

Applications will be evaluated by EDD staff and the Technology Research Collaborative (TRC) Board. Final approvals will be determined by the EDD Office of the Secretary.

Award

The NMAEA Pilot Program is a competitive grant opportunity. Selected proposals will be awarded between \$250,000 and \$1,000,000 in funds. Funding will be awarded on a cost reimbursement basis – the grantee will be reimbursed by EDD via UNMRI for work performed and/or costs incurred by the applicant up to the total amount specified in the grant. Funds will be required to be expended by June 30, 2026, with the potential for up to two (2) three-month extensions contingent upon extension approval from both EDD and UNMRI.

Eligible Applicants

Applicants that may apply to participate in the NMAEA Pilot Program:

- Must be headquartered in New Mexico
- Must have a NM CRS Tax ID, a physical NM address, EIN number, and a valid NAICS code corresponding to a science/technology business. The business's staff must be physically present in the state and occupy a physical space – businesses

with a virtual headquarters in New Mexico or with more than 40% of their staff outside the state will not be considered.

- Must be a for-profit technology business (a technology business creates a technology-based device, software, etc.) with a focus on advanced energy.
- Must provide a Letter of Good Standing via the New Mexico Taxation and Revenue Taxpayer Access Point (TAP).
 1. Go to <https://www.tax.newmexico.gov/request-a-letter-of-good-standing/> and watch the video for instructions on how to request a Letter of Good Standing.
 2. In order to request the Letter of Good Standing, you must be logged into the New Mexico Taxation and Revenue Taxpayer Access Point (TAP) through an administrator account.
 3. If you do not have an option to request a Letter of Good Standing through your portal, please contact the Office of Strategy, Science and Technology Program Coordinator.
- Must certify they do not have overdue tax debt or are not a party to any claim or lawsuit.
- Must agree to all reporting and claw-back requirements.

Active NMAEA Pilot Program awardees are not eligible to apply for this round of funding and must wait one full grant cycle to reapply.

Evaluation Criteria and Application

Eligible proposals will be those that demonstrate the potential to develop a unique product or service in the advanced energy field with high-growth potential.

The Advanced Energy Awards may not be first money in – evaluation criteria will include the proportion of previously-secured funding from additional sources, with documentation required. The award application will require a detailed executive summary, slide deck/presentation, budget for award funds, and capitalization table. Applicants will be required to provide projections of what they expect the company to look like in the next five years, including staff, revenue, and growth projections.

Submitted proposals will be evaluated by the New Mexico TRC Board. In considering proposals, the TRC Board will review factors that may include:

- a) The experience and expertise of the company's management team.
- b) The uniqueness of the product being developed by the company.
- c) The market and market growth potential for the product.
- d) The risks associated with the proposed business plan.
- e) The likelihood of a projected return on any investment in the company.
- f) The types of exits likely to be available to liquidate an investment in the company.
- g) The competitive landscape of the company and product.
- h) The potential benefits to be derived from public access to the product.
- i) The potential benefits to the State of New Mexico, such as job creation and economic impact.
- j) Other factors deemed relevant by the TRC Board.

Ineligible Funding Use

Award funds may not be used for employee payroll or alcohol/drugs/food. No more than 10% of the total awarded funds may be used to attend trade shows.

Selection Process

Applications will be submitted online to EDD's Office of Strategy, Science & Technology for eligibility and initial screening.

Eligible applications will be evaluated by the TRC Board. Selected proposals will be invited to present live at the Lobo Rainforest Innovations Building in Albuquerque mid-April of 2025, where award winners will be decided and announced.

Grant Agreement

As part of the award contract, grantees will be required to agree to locate the awarded business, and any expansions, within the state of New Mexico for the next five years – violation of the requirement will give the State the right to initiate clawbacks of the awarded funds.

Grantees must agree to, when asked by the EDD, provide (non-financial) support and/or testimonials as to the value and impact of the financial support they are awarded.

Grantees must agree to include the EDD logo on their website and marketing materials for funds used to attend conferences, build websites, make presentations, etc.

Applicants with EDD grants awarded in prior years must be in good standing with the department to be considered for additional funding.

Project Reporting

Grantees will be required to submit quarterly updates on the use of funds and the project status – this reporting will be required for two years following execution of the award contract. Grantees will also be required to report amounts of secured additional funding following completion of the award – this reporting will be required for five years following execution of the award contract.

Upon completion of the Scope of Work, grantees must submit a final report to the EDD Office of Strategy, Science & Technology – final reports must be received on or before June 30, 2026. The final report will include final project costs and expenditures, the use of NMAEA Pilot Program funds, measures of project outcomes, and a description of the project's impact on the state.

Timeline:

January 8th, 2025: Online applications open

January 15th, 2025: Informational webinar at 1 PM MST

February 6th, 2025: Applications close at 5 PM MST

Mid-March 2025: Finalists notified, instructed to prepare presentations for event

Mid-April 2025: Finalist presentations/award winners selected

May 2025: Award agreements finalized and executed

June 30, 2026: Awarded projects must be completed and final reports submitted