

Update on the SBIR and STTR Programs at the Department of Energy

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U.S. DEPARTMENT OF
ENERGY

Office of SBIR/STTR
Programs

Discussion Topics

- SBIR and STTR Extension Act of 2022
 - *Foreign Risk Management*
 - Cybersecurity Self-Assessment Requirement (*new for FY 2024*)
 - *Multiple Award Winners*
- Other Initiatives
 - *PIER Plan Requirement (new for FY 2024)*
 - *Partnering Updates*
 - *Phase Shift I & II (formerly Energy I-Corps for SBIR/STTR)*
 - *National Academies Study*



Foreign Risk Management

- The SBIR and STTR Extension Act required agencies to conduct due diligence on SBIR/STTR applications to address foreign risks
 - *“(1) ESTABLISHMENT.—The head of each Federal agency required to establish an SBIR or STTR program, in coordination with the Administrator, shall establish and implement a due diligence program to assess security risks presented by small business concerns seeking a federally funded award.*
 - *(2) Risks.— The program established under paragraph (1) shall:*
 - *“(A) assess, using a risk-based approach as appropriate, the **cybersecurity practices, patent analysis, employee analysis, and foreign ownership** of a small business concern seeking an award, including the **financial ties and obligations** (which shall include surety, equity, and debt obligations) of the small business concern and employees of the small business concern to a foreign country, foreign person, or foreign entity; and*
 - *“(B) assess awards and proposals or applications, as applicable, using a risk-based approach as appropriate, including through the use of open-source analysis and analytical tools, for the nondisclosures of information required under (g)(13).*



Disclosure of Foreign Relationships

- A new application requirement to disclose foreign relationships was implemented in FY 2023 for both Phase I and II applications
 - *The form has been updated for FY 2024 and can be found here:*
<https://science.osti.gov/sbir/Applicant-Resources/Grant-Application>
 - *Awardees must update the information provided in this document during the award period*
 - *Awardees must receive DOE approval to add project personnel not named in their application (including graduate students and postdocs)*
 - *Awardees can be required to repay their SBIR/STTR awards if they fail to comply with disclosure requirements*



Cybersecurity Self-assessment

- To address the cybersecurity requirement the Office of SBIR/STTR Programs will be hiring an IT Cybersecurity Specialist and require Phase II applicants to submit a Cybersecurity Self-assessment.
 - *The cybersecurity self-assessment has not been finalized yet, but details will be included in our Phase II Funding Opportunity Assessments in FY 2024*
 - *More information and cybersecurity resources can be found here:*
<https://science.osti.gov/sbir/Foreign-Risk-Management>



Multiple Award Winners

- Congress has been concerned about the number of multiple award winners that utilize the SBIR/STTR programs
- Increased performance standards were implemented under the Extension Act; Congress also directed GAO to do a more detailed study of multiple award winners
- Phase I to Phase II Transition Rate Benchmark (Increased Standard)
 - *51 or more Phase I awards during the past five fiscal years, excluding the most recently completed fiscal year.*
 - *must average a ratio of Phase II to Phase I awards of at least 0.50*



Multiple Award Winners

- Commercialization Rate Benchmark (Increased Standard)
 - *Tier 1*
 - 51 or more Phase II awards during the past ten fiscal years, excluding the two most recently completed fiscal years
 - Must average at least \$250,000 in aggregate sales and investments per Phase II award
 - *Tier 2*
 - 101 or more Phase II awards during the past ten fiscal years, excluding the two most recently completed fiscal years
 - Must average at least \$450,000 in aggregate sales and investments per Phase II award
- Companies that fail to meet either of the benchmarks
 - *may not receive more than 20 total Phase I awards and Direct-to-Phase II awards from each Federal agency during the 1-year period beginning on the date of determination (June 1).*



PIER Plan Requirement

- Beginning in FY 2024, the Office of Science is requiring all SBIR/STTR applicants to submit PIER (Promoting Inclusive and Equitable Research) Plans with their applications
- More information about this requirement can be found our website:
<https://science.osti.gov/sbir/Applicant-Resources/PIER-Plan>



PIER Plan

- Applicants are encouraged to focus on areas, including but not limited to:
 - The composition of the project team and partnering institutions
 - The research environment—cultivating respectful, professional and accessible environments
 - Equitable and inclusive implementation of the research project
 - Partnering with underrepresented institutions and/or underserved communities



PIER Plan Requirements

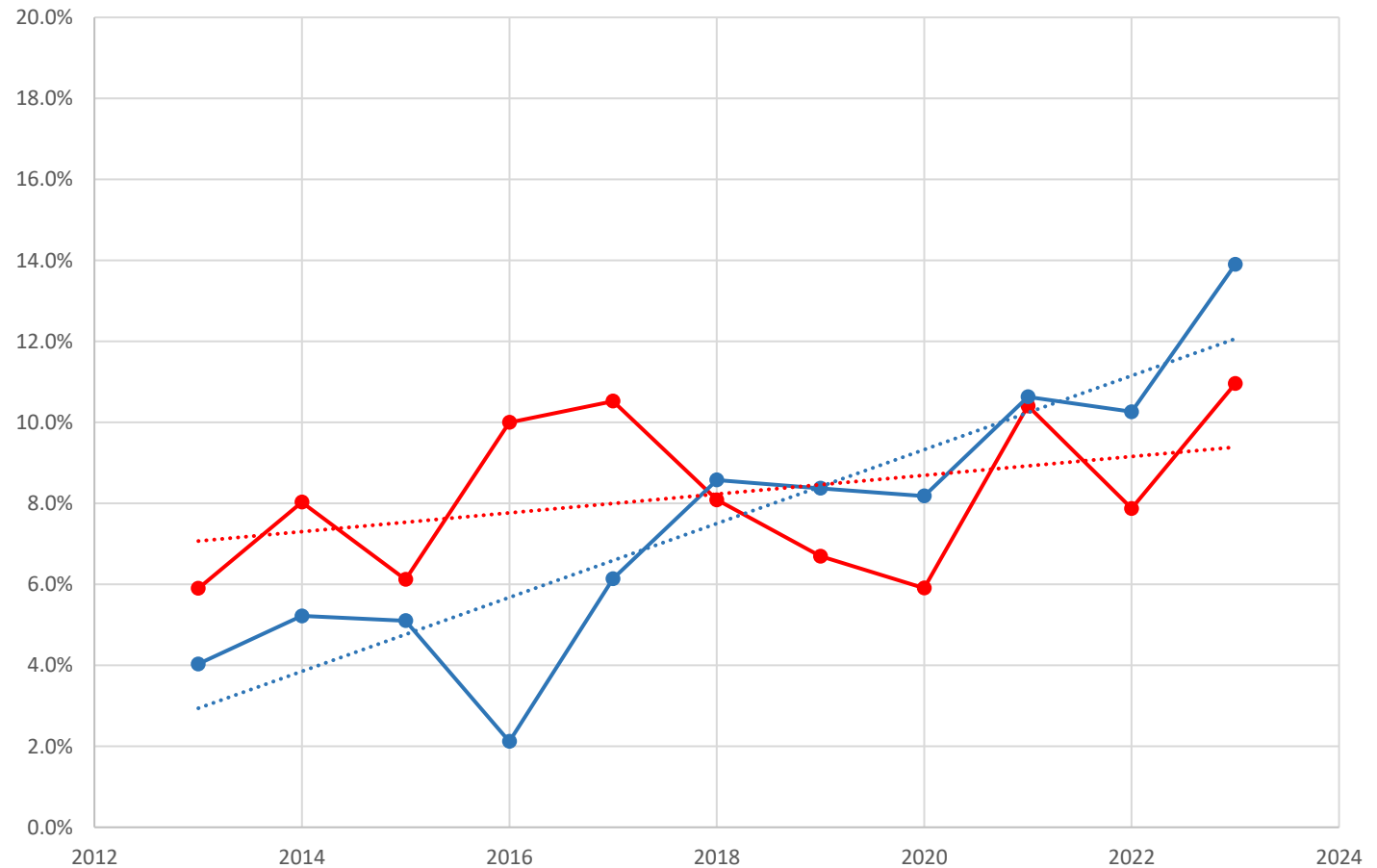
- The PIER Plan is provided as an Appendix to the Project Narrative and 1-3 pages in length.
- The PIER Plan may leverage existing Diversity, Equity, Inclusivity and Accessibility (DEIA) plans, but the plan should be tailored to and integral to the proposed project.
- The PIER plan should include at least one specific, measurable, attainable, realistic and time-bound (SMART) milestone.
- The PIER Plan progress relative to the milestone will be a reporting requirement.
- The complexity and detail of PIER Plans are expected to increase with the size of the small business and the number of personnel supported.
- Funds may be requested for execution of PIER Plan consistent with allowable cost guidelines for financial assistance.



Diversity

- We are continuing to make strides in improving under-represented awardees
- Diversity supplements for Phase II awardees continues to be popular

Percent of Phase I Applications and Awards:
Under-represented Small Businesses



Phase Shift I & II

- We have renamed our entrepreneurial training and extended it to include Phase II
<https://science.osti.gov/sbir/Awardee-Resources/Phase-Shift>
- Phase Shift I:
 - *6-week, 30-interview, learn-by-doing*
 - *hypothesis-driven customer discovery*
- Phase Shift II:
 - *lower-intensity, 5-month experiential learning program*
 - *builds on discovery principles introduced in Phase Shift I and applies the principles to additional topics – revenue generation, manufacturing, and partnerships all wrapped in cash flow modeling structure.*



Partnering Resources

- <https://science.osti.gov/sbir/Partnering-Resources/Phase-II-Awardee-Events>
- With the addition of Carol Rabke to our team, we are beginning to ramp up our partnering assistance
 - *Individual assistance* carol.rabke@science.doe.gov
 - *Quarterly commercialization workshops (Next workshop in September is focused on Phase III awards)*
 - *Virtual Partner Pitch Program*
 - *Partnering Website (coming later this year)*



National Academies Study

- The National Academies of Sciences, Engineering and Medicine will conduct an evaluation of the DOE SBIR/STTR programs beginning this August through the end of 2025.
- One area that they will be investigating is collaborations between small businesses and research institutions
 - *How do these collaborations originate?*
 - *How can DOE foster further collaborations?*
- If you are contacted as a DOE applicant/awardee, please answer questions to assist with the study

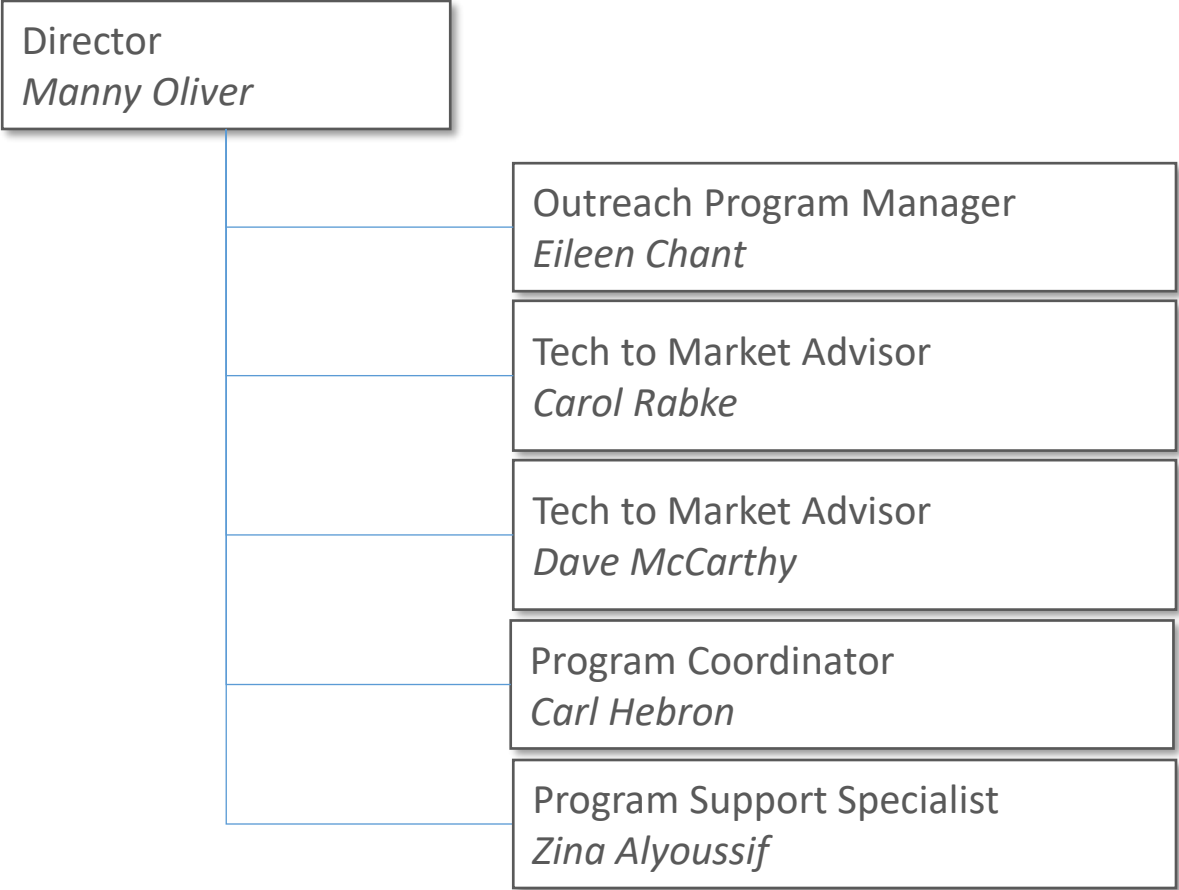


Questions?

- We welcome your feedback on all aspects of the SBIR/STTR programs



DOE SBIR/STTR Programs Office



Contractors

National Academies	SBIR/STTR Evaluation
Dawnbreaker	Phase 0 Application Assistance
Ivory Cloud	Online Application Guide
Omnisync	Partnering Website
ORISE	Meetings & Workshops
Larta	TABA Provider
GSC	On-Site Support Contractor

Phase Shift I/II
(collaboration w/OTT)

