



CICE

B.C. CENTRE
FOR INNOVATION
& CLEAN ENERGY

Directed Innovation Applicant Guide

B.C. Centre for Innovation & Clean Energy

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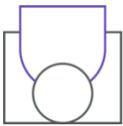
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Introduction

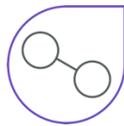
To solve the climate challenge we need to think about the cleantech and clean energy space as a two-sided marketplace. Companies need innovations, and innovators need funding. We exist to connect these two sides together.

The British Columbia Centre for Innovation and Clean Energy (CICE) was created in 2021 with funding from the Government of British Columbia, Shell Canada and the Federal Government of Canada. We're an independent organization with a mandate to support the development, commercialization and global scaling of BC-based technologies and business solutions. Alongside our members, we're enabling breakthroughs in global greenhouse gas (GHG) reduction and economic development by funding BC-based innovators working in five key focus areas.

INITIAL FOCUS AREAS



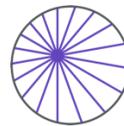
**CARBON CAPTURE,
UTILIZATION AND
STORAGE**



**LOW CARBON
HYDROGEN**



**BIO-FUELS/
SYNTHETIC FUELS**



**RENEWABLE
NATURAL GAS**



**BATTERY AND
ENERGY
STORAGE**

This document describes the Directed Innovation Program, its objectives and limitations as well as the application and evaluation processes. This document is intended to provide guidance to applicants and is not in itself binding in any way.

Directed Innovation Program Aims

At CICE the planet is our number one stakeholder. This means our first and most important objective is to identify projects that can and will reduce GHG emissions and the impacts of climate change.

Our second priority is supporting BC-based innovators (working on either technology or business model innovations) as they grow and amplify their impact by scaling to global markets.

This stream presents an opportunity for innovators in the clean energy sector in BC to scale their solutions in any of the five focus areas outlined above. CICE invites proposals for innovative clean energy solutions from any qualified applicants for any activity that meets our broad objectives.

Project Funding

Project funding will vary on a project-by-project basis.

The Directed Innovation stream allows for close collaboration between proponents and CICE to define the scope and parameters of each project. Funding allocation may be distributed between multiple projects at our discretion, depending upon the strength and number of proposals received in considering our annual budget. CICE reserves the right to not fund any projects. CICE will contribute funding to projects in the form of non-repayable grants, paid in increments upon successful completion of project milestones.

Who can apply?

CICE will accept applications for project funding from organizations with a British Columbia presence. Companies must demonstrate their ability to complete the proposed project with sound management, operational capability and overall financial support in order to advance the commercial capability of the company.

Occasionally, innovations may be proposed by groups that are not incorporated entities. While such proponents can be accepted, the additional requirements for demonstrating management, operational and financial capabilities to complete the project will be required.

Consortia of companies working together to complete a project are acceptable and welcomed. In such cases a single lead company should become the applicant.

Companies located outside BC are not eligible to participate in this program.

What projects are eligible?

Eligibility is based on activities that enable the commercial scaling of innovative clean energy solutions in one or more of the five CICE focus areas listed in the introduction.

Eligible innovations include both new technologies and new business processes that have already been developed to the level of early commercialization and that will be accelerated towards broader implementation as a result of project activities.

As a guide, the technologies/processes being developed should be at a Technology Readiness Level (TRL) between 5-9 to qualify for support under this program.

Project activities may include, but are not limited to, demonstrations, implementation of plans to scale technology production, linkage of system components to produce complete solutions, development of standards to enable deployment, and creation of business linkages to demonstrate system solutions.

How can project funds be used?

Project work must be completed within British Columbia.

Project funds can be used to pay salaries, consultants, and reasonable direct costs of project management. Funds can also be used to secure demonstration sites (including the operating costs of demonstrations), build prototypes, integrate system components, demonstrate pilot production or scale up manufacturing etc.

Project funds **cannot** be used to enhance normal business operational capabilities, purchase capital equipment, perform capital or leasehold improvements, or purchase furniture or other equipment to be used in the routine course of business. Project funds cannot be used for advertising or other forms of business promotion. Human resource costs cannot be ‘marked up’ to include blanket overheads.

Project Evaluation Criteria

Projects will be evaluated by CICE staff and subject matter experts. The following lists the seven major decision criteria which will be applied to project proposals:

1. Strategic Alignment

- The project furthers the commercialization of a technology or business model innovation that has the ability to significantly reduce GHG emissions in the province, with potential for significant global GHG reduction when applied at scale.
- The technology or business model innovation is developed and commercialized by a BC-based company.

2. Portfolio Match

- The project fits within the CICE portfolio and complements the Centre’s balance of risk / reward profile of CICE investments.
- The opportunity is within Technology Readiness Level 5-9 and within one or more of the CICE focus areas.

3. Team Strength

- Application presents a strong management team with the required skills for growth aspiration.
- The team possesses a depth of knowledge on what is required to successfully scale their solution.

4. Technology Viability

- The overall plan for technology development is realistic.
- Barriers have been identified and plans to overcome barriers have clear and measurable targets.
- Regulatory, permitting and IP ownership issues are addressed to enable project implementation.

5. Corporate Readiness

- Teams have a finance framework in place to partially fund and scale the opportunity.
- No encumbrances or other liabilities exist to prevent implementation and scaling.
- Planned partnership agreements are in place.

6. Plan Readiness

- Project outcomes lead to a scaling opportunity for the business.
- A development plan, including assumptions for market readiness and financing, is in place.

7. Social Impact

- Overall environmental, social and governance impact benefits are shown, including impact on Indigenous communities and enhancement of diversity and inclusion.

Application Process

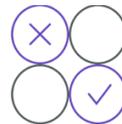
A staged application process will be used to funnel project proposals from initial inquiry to final evaluation, as outlined below.



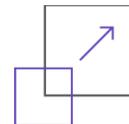
EXPRESSION OF INTEREST



DETAILED PROPOSAL



DECISION
COMMUNICATED



SCALE OPPORTUNITY

STAGE 1: EXPRESSION OF INTEREST

The first stage of proposal includes an expression of interest and provision of basic details about the proposed project, the proponent advancing the project and the alignment with CICE objectives and criteria. At this stage CICE expects submissions to involve non-confidential disclosures submitted without a requirement for any non-disclosure agreement.

We encourage participants to refer to the project evaluation criteria as guidance in preparing for submission.

Stage 1 evaluation will consist of a preliminary review of proposal details to ensure eligibility against program requirements. Eligible projects will undergo a competitive review of the proposed projects against the CICE evaluation criteria as well as in comparison to all other project proposals submitted. In some cases, we may contact the applicants to request additional information related to the project proposal. A limited number of project proposals will be invited to execute an NDA and proceed to Stage 2.

STAGE 2: DETAILED PROPOSAL SUBMISSION AND REVIEW

This stage includes preparation and submission of a detailed proposal, detailed due diligence and multiple engagements with the CICE project review team. Applicants will be required to enter into a confidentiality agreement with CICE so that we can share information with our technical assessment partners and other agents for the purpose of detailed due diligence.

CICE will provide Stage 2 applicants with a document template for detailed proposal submission.

Upon review of the written submission, CICE may elect to conduct a review meeting with project proponents and request further documentation to support the project proposal.

Project proposals will be reviewed against CICE evaluation criteria and will be ranked competitively with other Stage 2 project proposals. CICE will assess proposals independently and in relation to each other to identify projects to be funded under the program. Multiple projects may be funded, the amounts determined by the requirements of each project.

Successful project proposals will be subject to a final stage of due diligence review after which they may proceed to Stage 3.

STAGE 3: DECISION COMMUNICATED

Successful project proponents will work with CICE to develop and agree on a contribution agreement which will identify obligations of all parties and will become a binding agreement governing the relationship between CICE and the project proponent(s). The contribution agreements will also include key milestones for fund release and reporting requirements.