

Open Innovation Applicant Guide

Open Call 2023

B.C. Centre for Innovation and Clean Energy

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Introduction

To achieve climate stability, we need to accelerate breakthrough innovation in the clean energy sector that has strong potential to scale through widespread adoption and export. The <u>British Columbia Centre for Innovation and Clean Energy</u> (CICE) exists to do just that. CICE is an independent, not-for-profit corporation that helps fund the development, commercialization and scaling of made-in-B.C. clean energy technologies and solutions – from Canada to the world. We unite B.C. innovators, government agencies, academia, communities, not-for-profits and leading corporations around one primary focus: Accelerating the world towards a net zero carbon future.

Through its Open Innovation and Directed Innovation programs, CICE grants non-dilutive funding for clean energy projects that address 'hard to decarbonize' challenges. We fast-track credible world-class technologies and solutions with high impact potential in:

INITIAL FOCUS AREAS



CARBON MANAGMENT



LOW CARBON HYDROGEN



BIOENERGY, BIO-FUELS & SYNTHETIC FUELS



RENEWABLE NATURAL GAS



BATTERY & ENERGY STORAGE

The Open Innovation Applicant Guide describes the CICE Open 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.

2023 Open Innovation Program Priorities

At CICE, we expand the possibilities of clean energy innovation like the future of the planet depends on it. Because it does.

This means our first and most important objective is to identify high impact projects that accelerates the reduction of global greenhouse gases (GHGs) and enables a net-negative emissions future.

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

This 2023 Open Innovation call presents an opportunity for B.C. innovators in the clean energy sector to validate and scale their world-class solutions in any of the five focus areas outlined above. CICE invites



proposals for innovative clean energy solutions from all qualified applicants for any solutions that meet our broad objectives.

Project Funding

In this call, we anticipate awarding up to \$6 million in non-dilutive funding. This total budget allocation may be distributed between multiple projects at our discretion, depending upon the strength and number of proposals received. 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 organisations 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 potential of the company.

Occasionally, innovative projects 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.

This program is focused on companies located in B.C. but will allow participation of companies outside of the province with presence or a project in B.C.

What projects are eligible?

Eligible projects and innovations include both new technologies and business processes that are at a **Technology Readiness Level (TRL) between 4-9,** ranging from early stage of prototype development to an early commercialization.

Eligibility is based on activities that will accelerate the technology development and broader implementation and will enable the testing, validation, demonstration, development, commercialization and scaling of innovative clean energy solutions in one or more of the five CICE focus areas listed in the introduction.

Project activities may include, but are not limited to, integration and testing of basic components in a laboratory or simulated environment to validate or improve the reliability of the technology,



demonstration in operational environment of the system model or prototype to increase in technological maturity, 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 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.

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 validated, developed and commercialized by either a B.C.-based company or through a project completed in B.C.

2. Portfolio Match

- The project fits within the CICE portfolio and complements its balance of risk / reward profile of CICE investments.
- The opportunity is within a Technology Readiness Level 4-9 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

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

6. Plan Readiness

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

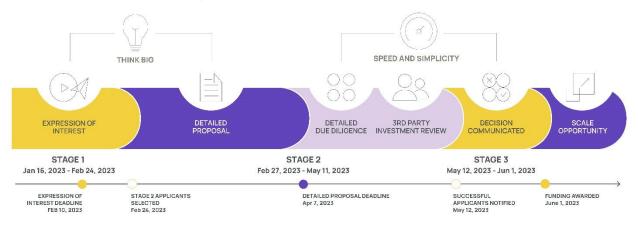
7. Social Impact

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

Application Process

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

Open Call for Innovation Process





STAGE 1: EXPRESSION OF INTEREST

The first stage of proposal includes an expression of interest that requires a short video and provision of basic details about the proposed project, the proponent advancing the project and the alignment with CICE objectives and criteria. Expressions of interest, along with videos, will be submitted via a web-based application form that will be available January 16th – February 10th 2023. 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. To help you and your team prepare for the online submission, at the end of this document, a list of information to submit in the EOI is provided for your reference.

More about your video submission

Proponents are invited to submit a 5-minute video that provides an overview of the project, including:

- a. What innovation are you developing?
- b. What exactly are you proposing for funding?
- c. Who is the customer?
- d. What is your long-term go-to-market strategy?
- e. What impact do you expect your innovation to have (or what impact has it had) on GHG emissions reduction?
- f. What makes your company capable of successfully commercializing and scaling this innovation?
- g. What project backing is in place? h. How will you move your innovation towards scale?

Videos will be uploaded via the web-based application form.

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 a confidentiality agreement and proceed to Stage 2.

STAGE 2: DETAILED PROPOSAL SUBMISSION AND REVIEW

This stage includes preparation and submission of a detailed proposal by the proponents, detailed due diligence, third-party assessments conducted by experts in their relative fields and multiple engagements with the CICE project review team.



CICE will provide Stage 2 applicants with a document template for the detailed proposal submission. Applicants will be required to enter into a confidentiality agreement with CICE before confidential or detailed information on the project is submitted.

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 and the third-party reviewers 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.

Proposed Schedule

Date	Event
December 1 st , 2022	Program Announcement
January 10 th , 2023, at 10:30 PT	Virtual Q&A Session – <u>Register here</u> .
January 16 th , 2023, at 8:00 PT	Program Start Date – Open to receive Expression of Interest
February 10 th , 2023, at 17:00 PT	Deadline for submission of Expression of Interest
February 24 th , 2023	Notification of Stage 1 outcome, invitation for successful projects to advance to Stage 2
April 7 th , 2023, at 17:00 PT	Deadline for submission of detailed proposals
May 12 th , 2023	Stage 3 invitation to successful applicants
June 1 st , 2023	Execution of contribution agreements, projects start



Information Required for the Expression of Interest

General Information

Company Name and Location
Project Title, Short Summary and Location
Focus Areas
Main Contact and Details

Company Overview

Company Mission Statement
Technology/Innovation Principle
Technology Baseline Reference
Company Size
Management/Project Team Structure

Project Specific Data

Project description and its status
How the funds will be used
Innovation Category (Technology, Business Model)
TRL (Current and expected at the end of the project)
IP Ownership Status
ESG Impact (Project)

Effect on GHG Emissions

How does this project/technology reduce/avoid GHG emissions?
How does this innovation compare to the technology baseline on emissions?
Indicate the % of GHG reduced/avoided by this innovation comped to the baseline technology.
GHG Reduction/Avoidance (Initial and at Global Scale) in kt CO₂ eq

Project Cost and Funding Request

Project Total Cost
Fund Requested from CICE
Funding Requested Start Date
Funding Estimated End Date
Remaining Funds Status