

Call for Innovation Applicant Guide

2024

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Introduction

To achieve global climate stability, we need to fast-track 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 established in collaboration with BC industry, the BC government and NRCan to help fund the development, commercialization and scaling of made-in-BC clean energy technologies and solutions — from Canada to the world. We unite BC innovators, government agencies, academia, communities, not-for-profits and leading corporations around one primary focus: Accelerating the world towards a net zero carbon future.

Since October 2021, CICE has built a proven track record for catalyzing early-stage investment and fast-tracking the scale-up of clean energy innovation throughout BC. With \$22.6 million invested in 34 projects valued at over \$140.6 million, CICE is advancing the world towards a net zero future and supporting the BC changemakers that are our future job, diversity and green economy creators.

Through its Call for Innovation, CICE grants non-dilutive funding for clean energy projects that address 'hard to decarbonize' challenges across industries such as forestry, mining, transportation, agriculture and technology. We fast-track credible world-class technologies and solutions with high impact potential in:

INITIAL FOCUS AREAS



CARBON MANAGMENT



LOW CARBON HYDROGEN



LOW CARBON FUELS



BATTERY & ENERGY STORAGE

The CICE Innovation Applicant Guide describes the Call for 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.

Call for Innovation program priorities

CICE expands 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 accelerate the reduction of global greenhouse gases (GHGs) and enable a net-negative emissions future.



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

This 2024 innovation call presents an opportunity for BC innovators in the clean energy sector to validate and scale their world-class solutions in any of the four 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 \$10 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 British Columbia incorporated 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 to advance the commercial potential of the company.

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

What projects are eligible?

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

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

Project activities may include, but are not limited to:

 Integration and testing of components in a laboratory or simulated environment to validate or improve the reliability of the technology



- Demonstration in an operational environment of the system model or prototype to increase in technological maturity
- 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 related to the project proposed in the application. Funds can also be used to secure demonstration sites (including the operating costs of demonstrations but NOT land or lease costs), 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 decision criteria will be applied to project proposals:

1. Strategic alignment

- The project furthers the commercialization of a technology or business model innovation that can significantly reduce GHG emissions in BC and Canada, 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 BC-based company or through a project completed in BC.

2. Portfolio match

- o The project complements the risk / reward investment profile of CICE investments.
- The project is within a Technology Readiness Level 4-9 and within one or more of the CICE portfolio 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 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

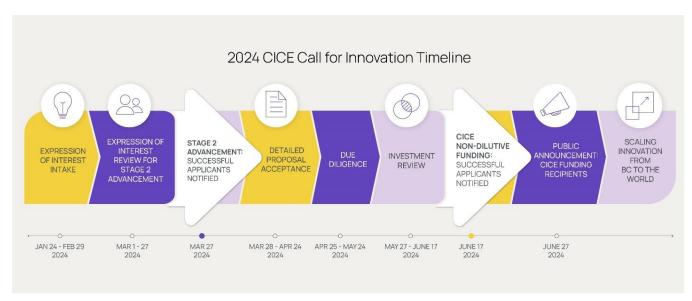
- Project outcomes lead to a scaling opportunity for the business.
- A development plan, including assumptions for market readiness and financing, is in place.

7. Social impact

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





STAGE 1: EXPRESSION OF INTEREST (APPLICATIONS ACCEPTED JAN 24 - FEB 29, 2024)

The first stage of proposal includes an Expression of Interest (EOI) 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 24th, 2024. 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 required 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 go-to-market strategy?
- e. What impact do you expect your innovation to have (or what impact has it had) on GHG emissions reduction or removal or the enablement of GHG reduction or removal?
- f. What makes your company capable of successfully commercializing and scaling this innovation?
- g. What existing project funding is in place?
- h. How will you move your innovation towards scale?

Project details covered in the video can be presented in an interview style, demonstration or slide presentation format – the choice is up to you. Video quality and production elements will not be evaluated or prioritized in the decision process. 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

Applicants selected for Stage 2 advancement will be notified by March 27, 2024. 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

Applicants selected for CICE funding will be notified between June 7-17, 2024. 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 14 th , 2024	Program Announcement
January 23rd, 2024, at 10:00 PT	Virtual Q&A Session – <u>Register here</u> .
January 24 th , 2024, at 09:00 PT	Program Start Date – Open to receive Expression of Interest
February 29 th , 2024, at 17:00 PT	Deadline for submission of Expression of Interest
March 27 th , 2024	Notification of Stage 1 outcome, invitation for successful projects to advance to Stage 2
April 25 th , 2024, at 17:00 PT	Deadline for submission of detailed proposals



June 17 th , 2024	Stage 3 applicants notified of status
June 27 th , 2024	Execution of contribution agreements, projects start



Information required for the expression of interest

General Information

Company Name, Incorporation, Address, Website Project Title, Short Summary and Location Focus Area Main Contact and Details

Company Overview

Applicant Description
Technology/Innovation Principle
Technology Baseline Reference
Company Size
Management/Project Team Structure

Project Specific Data

Project Description and Status

Project Location

Project Partners

Technology Readiness Level (TRL) (Current and expected at the end of the project)

IP Ownership Status
Regulatory Status of Project
Commercial Readiness Level of Project
Diversity and Inclusion of Project

Effect on GHG Emissions

How does this project/technology reduce and/or remove GHG emissions (enablement is included)? How does this innovation compare to the technological baseline on emissions? Indicate how GHG emissions claims are validated if any validation?

Project Cost and Funding Request

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