

Call for

Energy Storage Innovation In collaboration with BC Hydro

Applicant Guide

November, 2024

BC Centre for Innovation and Clean Energy (CICE)

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Introduction

This collaboration between BC Hydro and CICE marks a strategic partnership dedicated to accelerating the commercialization and scaling of energy storage technologies. By harnessing the strengths of both organizations, we aim to make significant contributions to British Columbia's decarbonization and electrification efforts.

Our partnership aligns with BC Hydro's commitment to attracting innovative industries and advancing the electrification of B.C.'s electricity supply, creating a win-win scenario. BC Hydro's endorsement adds substantial credibility, enhancing market acceptance and investment opportunities for locally developed solutions, thus elevating our innovators to a global platform.

Testing and validation within BC Hydro's infrastructure will expedite the journey to market readiness for these innovative solutions, paving the way for their commercialization and scalability. Together, we can amplify our impact and drive transformative change within B.C.'s innovation ecosystem. This collaboration will advance decarbonization priorities, support local supply chain development, and ultimately benefit all residents of British Columbia.

CICE combines intelligent investment strategies with unwavering support for local businesses, fostering innovation and growth in the province's clean energy sector. Through non-dilutive funding and strategic guidance, CICE promotes the creation of a climate-aligned energy framework for B.C., attracting new industries while facilitating the transition from fossil fuels to clean electricity.

CICE's May 2024 report, '<u>Powering the Future with Energy Storage'</u>, underscores the potential and significance of energy storage in electrification and grid decarbonization.

British Columbia has a unique opportunity to lead in the development and implementation of innovative grid solutions, leveraging its expertise in clean energy alongside BC Hydro—one of the largest and cleanest electricity producers in North America. In this spirit, CICE invites proposals and will award up to **\$3 million** in non-dilutive investments to innovators focused on developing commercial pathways for scalable grid solutions.



Call for Energy Storage Innovation Priorities

Our objectives include:

Identifying high-impact projects that accelerate the reduction of global greenhouse gas (GHG) emissions while facilitating the integration of energy storage and clean energy within an expanding grid infrastructure.

Supporting BC Hydro's Battery or Energy Storage Incentive Programs. We will prioritize innovations and solutions that meet the capabilities and eligibility requirements of these programs:

1. Energy Storage Incentive for commercial customers:

Learn more: Energy storage incentive (bchydro.com)

2. Battery storage rebates for residential customers

Learn more: Rebates for solar panels and battery storage (bchydro.com)

The opportunity

CICE is providing up to \$3 million in non-dilutive funding for project proposals aimed at developing commercial clean grid technologies in British Columbia. This budget will be allocated across multiple projects at our discretion, based on the quality and quantity of proposals received.

Please note that CICE reserves the right to decline funding for any project. Funding will be provided as non-repayable grants, disbursed in increments upon the successful completion of project milestones.

Who can apply?

This program is open to Canadian companies that have projects located within the province. Applicants must demonstrate the ability to successfully complete their proposed projects through effective management, operational capabilities, and robust financial backing to enhance their commercial potential.

CICE is particularly interested in supporting initiatives that focus on scaling energy storage solutions, especially those innovations that can be replicated across various jurisdictions to drive global climate impact.

Collaborative projects involving consortia of companies are encouraged. In such cases, we recommend that one lead company serve as the primary applicant.



What projects are eligible?

The Call for **Energy Storage Innovation** offers a unique opportunity to advance the commercial development of energy storage technologies and manage electrification efforts in British Columbia. Eligible projects include, but are not limited to:

- Energy Storage Solutions (Stationary or Mobile)
- Microgrids, Distributed Energy Resources, and Hybrid Systems
- Flexible Generation, Load, and Grid management
- Power Electronics, Integrated Energy systems, and Sensing Technologies

Projects that offer significant co-benefits such as affordability, reliability, and enhancing community resilience and socio-economic benefits through innovative storage and energy management are favoured.

Eligible project activities may encompass a variety of initiatives, including demonstrations and pilot projects, innovative implementation strategies, novel integrations of system components, mitigation and monitoring technologies, as well as innovative business models.

How can project funds be used?

To comply with CICE's mandate, favoured projects will fall between <u>Technology Readiness Level</u> (TRL) 4-9. Proposals must include a plan for regulatory approvals that is aligned with their proposed timeframe for implementation.

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.

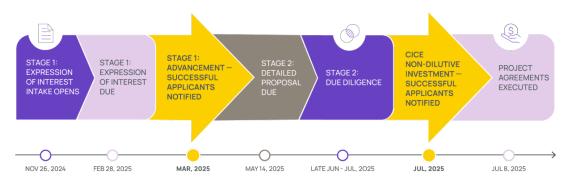
Project funds **cannot** be used to enhance normal business operational capabilities, purchase capital equipment that is indirectly related to and not core to the proposed innovation, perform capital or leasehold improvements or purchase furniture or other equipment to be used in the routine course of 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.

Projects must be started within 6 months of executed funding agreement dates, project funding will be aligned with a contribution agreement between the proponent and CICE that will be negotiated as part of the final award process. Project funding will be paid against completion of milestones. Project funding will be withdrawn in the event projects are significantly delayed or milestone objectives are not adequately met.



Application process

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



CICE CALL FOR ENERGY STORAGE INNOVATION

STAGE 1: EXPRESSION OF INTEREST

The first stage of proposal includes an expression of interest (EOI) that requires a short video to explain basic details about the proposed project and short-form project description. This application style is meant to provide an accessible platform to deliver an oral summary of the project. Video quality and production elements will not be evaluated or prioritized in the decision process. A short outline form will also be submitted via a web-based application form that will be available on CICE's website November 26th, 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.

GENERAL WRITTEN INFORMATION FOR EXPRESSION OF INTEREST

Company name and location Main contact and contact details Project title Short summary Project location Estimated total project cost Funds requested from CICE BC Hydro incentive program eligibility confirmation Funding requested start date Funding estimated end date



VIDEO SUBMISSION

Proponents are required to submit a simple, 5-minute (**Maximum**) video that provides an overview of the project, including:

- a. Project title and short project description. What innovation are you developing? How is it unique? How does your solution address current challenges or gaps in the energy storage industry?
- b. What are you requesting for funding? What funding is currently secured? How could CICE funds be used to accelerate the project?
- c. What is the commercial status of your innovation? What is the commercial business model and business plan, and who are your current customers or customer under contract? How will the status of the technology change over the duration of the project?
- d. How do you plan to scale/commercialize your innovation, and what kind of partnerships or collaborations are in place or planned to achieve this? Describe how this project impacts the commercialization of energy storage innovation.
- e. Describe how the technology or innovation impacts or enables GHG emissions.
- f. Describe the diversity in position of leadership at the project level.
- g. Further elaborate on the lifecycle emissions considered in the solution. Describe any implementations of your solution. What controls do you have in place to ensure the validity of your data?

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. 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 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, with funding 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 sign an agreed-upon contribution agreement with CICE 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 release of funds and reporting requirements.



Project Evaluation Criteria

CICE will lead the project intake, review and evaluation. 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 can significantly impact GHG reductions while accelerating the integration of energy storage and clean energy within an expanding B.C. grid infrastructure.
- The technology or business model innovation meets the capabilities and eligibility requirements of BC Hydro's Battery and Energy Storage Incentive Programs:
 - i. Energy Storage Incentive for commercial customers Learn more: Energy storage incentive (bchydro.com)
 - ii. **Battery storage rebates for residential customers** Learn more: <u>Rebates for solar panels and battery storage (bchydro.com)</u>

2. Team Strength

- The 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.

3. 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.

4. Regulatory Compliance

- The overall proposal is feasible within the existing regulatory frameworks of the province.
- Proposals and plans for permitting are realistic and provide opportunity for timely project development.

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.

Schedule

Date	Event
Nov 26, 2024	Program Start Date – Open to receive Expression of Interest
Feb 28, 2025, at 5:00pm PT	Deadline for submission of Expression of Interest
March, 2025	Notification of Stage 1 outcome, invitation for successful projects to advance to Stage 2
May 14, 2025, at 5:00pm PT	Deadline for submission of detailed proposals
Late June - July, 2025	Due Diligence
July 2025	CICE Non-Dilutive Investment – Successful Applicants Notified
July 8, 2025	Execution of contribution agreements, projects start



About CICE

The B.C. Centre for Innovation and Clean Energy (CICE) is an independent, not-for-profit corporation that provides early-stage investment to fast-track the commercialization of British Columbia's most impactful clean energy and climate solutions – from Canada to the world. We match the urgency and efficiency of the companies we support, driving innovation like the planet depends on it. Because it does. Together with our climate-first community of innovators, industry leaders, investors, academia, government, and Indigenous partners, we advance future pathways to net-zero – leveraging B.C.'s clean energy advantages to attract investment, create good jobs and build a prosperous, clean economy for decades to come. www.cice.ca

About BC HYDRO

BC Hydro is a provincial Crown corporation, owned by the government and people of British Columbia, Canada. It is a leader in clean and renewable electricity generation and delivers power to 95% of the population of B.C. and serves over five million people. <u>www.bchydro.com</u>