



STATE OF CALIFORNIA

GRANT REQUEST FORM (GRF)

CEC-270 (Revised 12/2019)

CALIFORNIA ENERGY COMMISSION

A) New Agreement # EPC-19-014 (to be completed by CGL office)

B) Division	Agreement Manager:	MS-	Phone
ERDD	Matthew Fung	43	916-327-1422

C) Recipient's Legal Name	Federal ID Number
Electric Power Research Institute, Inc.	23-7175375

D) Title of Project
A zero GWP heat pump and distribution system for all-electric heating and cooling in California

E) Term and Amount

Start Date	End Date	Amount
6/1/2020	3/31/2024	\$ 2,498,557

F) Business Meeting Information

☐ ARFVTP agreements \$75K and under delegated to Executive Director

Proposed Business Meeting Date 5/13/2020 ☐ Consent ☒ Discussion

Business Meeting Presenter Brad Williams Time Needed: 5 minutes

Please select one list serve. EPIC (Electric Program Investment Charge)

Agenda Item Subject and Description:

ELECTRIC POWER RESEARCH INSTITUTE, INC.. Proposed resolution approving agreement EPC-19-014 with Electric Power Research Institute, Inc. for a \$2,498,557 grant to develop, test, and demonstrate ammonia- and carbon dioxide-based heat pumps in multifamily and small commercial applications to improve heating and cooling efficiencies while advancing a low global warming potential refrigerant solution, and adopting staff's determination that this action is exempt from CEQA.

G) California Environmental Quality Act (CEQA) Compliance

1. Is Agreement considered a "Project" under CEQA?

☒ Yes (skip to question 2)

☐ No (complete the following (PRC 21065 and 14 CCR 15378)):

Explain why Agreement is not considered a "Project":

2. If Agreement is considered a "Project" under CEQA:

a) ☒ Agreement **IS** exempt.

☐ Statutory Exemption. List PRC and/or CCR section number:

☒ Categorical Exemption. List CCR section number: Cal. Code Regs., tit 14, § 15303

☐ Common Sense Exemption. 14 CCR 15061 (b) (3)

Explain reason why Agreement is exempt under the above section: This project is exempt under the Categorical Exemption. Cal. Code Regs., tit 14, 15303 New Construction or Conversion of Small Structures which exempts limited numbers of new, small facilities or structures and installation of small new equipment and facilities in small structures. EPRI is developing, testing, and demonstrating low global warming potential heat pump and distribution systems that will involve installation of small new equipment at



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existing multifamily and/or small commercial facilities that will not result in serious or major disturbance to an environmental resource.

- b) Agreement **IS NOT** exempt. (consult with the legal office to determine next steps)

Check all that apply

- ☐ Initial Study
☐ Negative Declaration
☐ Mitigated Negative Declaration
☐ Environmental Impact Report
☐ Statement of Overriding Considerations

H) List all subcontractors (major and minor) and equipment vendors: (attach additional sheets as necessary)

Legal Company Name:	Budget
Optimized Thermal Systems, Inc.	\$ 0
San Diego Gas & Electric Company	\$ 0

I) List all key partners: (attach additional sheets as necessary)

Legal Company Name:
San Diego Gas & Electric Company
Optimized Thermal Systems, Inc.

J) Budget Information

Funding Source	Funding Year of Appropriation	Budget List Number	Amount
EPIC	18-19	301.001F	\$2,498,557
			\$

R&D Program Area: EERO: Buildings

TOTAL: \$ 2,498,557

Explanation for "Other" selection

Reimbursement Contract #: Federal Agreement #:

K) Recipient's Contact Information**1. Recipient's Administrator/Officer**

Name: Cynthia Toth
 Address: 942 Corridor Park Blvd
 City, State, Zip: Knoxville, TN
 37932-3723
 Phone: 865.218.8106
 E-Mail: ctoth@epri.com

2. Recipient's Project Manager

Name: Andrea Mammoli
 Address: 3420 Hillview Ave
 City, State, Zip: Palo Alto, CA
 94304-1355
 Phone: 650-855-7971
 E-Mail: amammoli@epri.com



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L) Selection Process Used

- ☒ Competitive Solicitation
- Solicitation #: GFO-19-301
- ☐ First Come First Served Solicitation
- Solicitation #:

M) The following items should be attached to this GRF

1. Exhibit A, Scope of Work

☒ Attached
2. Exhibit B, Budget Detail

☒ Attached
3. CEC 105, Questionnaire for Identifying Conflicts

☒ Attached
4. Recipient Resolution

☒ N/A

☐ Attached
5. CEQA Documentation

☐ N/A

☒ Attached

_____ Agreement Manager	_____ Date
_____ Office Manager	_____ Date
_____ Deputy Director	_____ Date

Exhibit A
Scope of Work
Electric Power Research Institute, Inc.

I. TASK ACRONYM/TERM LISTS

A. Task List

Task #	CPR¹	Task Name
1		General Project Tasks
2		Laboratory Optimization and Evaluation
3	X	Field Installation and Deployment
4	X	Field Performance: Measurement and Verification
5		Evaluation of Project Benefits
6		Technology/Knowledge Transfer Activities
7		Production Readiness Plan

B. Acronym/Term List

Acronym/Term	Meaning
CAM	Commission Agreement Manager
CAO	Commission Agreement Officer
CO ₂	Carbon Dioxide
CPR	Critical Project Review
NH ₃	Ammonia
TAC	Technical Advisory Committee

II. PURPOSE OF AGREEMENT, PROBLEM/SOLUTION STATEMENT, AND GOALS AND OBJECTIVES

A. Purpose of Agreement

The purpose of this Agreement is to optimize, test, and demonstrate an advanced zero-GWP heat pump and distribution system for space electric cooling and develop, test, and demonstrate the same technology for heating in California. The innovative system is a reversible heat pump that uses ammonia (NH₃) and carbon dioxide (CO₂) as a unique cascading thermal cycle and distribution system. This system will thereby extend the use of zero-GWP refrigerants to electric space heating and optimize both the heating and cooling cycles.

B. Problem/ Solution Statement

Problem

Heat pumps in the California climate are ideal for decarbonization of space heating. Unfortunately, heat pumps available today use high GWP refrigerants whose leakage into the atmosphere has the potential to offset any gains made by decarbonization of space heating. Currently, there is no

¹ Please see subtask 1.3 in Part III of the Scope of Work (General Project Tasks) for a description of Critical Project Review (CPR) Meetings.

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commercially available technology that combines a reversible heat pump with near-zero GWP at costs competitive with conventional refrigerants.

Solution

The Recipient and its teaming partners will develop, test and demonstrate an advanced system for multi-family (MF) and/or small commercial (SMC) applications, in the range of 10 to 20 tons of refrigerating capacity, based on a reversible heat pump that uses ammonia (NH₃) and carbon dioxide (CO₂) in a unique way: NH₃ is the primary refrigerant, while CO₂ is used both as a refrigerant and as a distribution fluid, depending on operating mode.

Due to its toxicity, ammonia cannot be used directly as a distribution fluid in commercial or residential systems, so a secondary fluid must be used instead. The fundamental idea is to exploit the ability of CO₂ to transfer more heat per unit mass, reducing piping sizes and pumping costs, and consequently reducing installation and operating costs. Thus, the proposed innovative reversible heat pump would provide both heating and cooling in a more efficient and is a less costly alternative to conventional systems.

C. Goals and Objectives of the Agreement

Agreement Goals

The goals of this Agreement are to:

- Extend an NH₃ chiller with CO₂ distribution system prototype demonstrated for cooling to also provide heating for small commercial and/or multi-family applications.
- Demonstrate the improved energy efficiency performance of a reversible heat pump and distribution system using a zero- GWP refrigerant for space conditioning and heating when compared to conventional equipment.
- Demonstrate that the innovative reversible heat pump thermal cycle and distribution system is less costly in installed system, operation, and maintenance costs compared to similar commercial HVAC systems.
- Enable decarbonization of space heating using a reversible heat pump with near-zero GWP at costs competitive with conventional refrigerants.
- Impart the findings of the project to building decarbonization stakeholders and to the public to stimulate the adoption of the reversible heat pump technology
- Move the technology readiness level of the demonstrated technology to level 7.
- Achieve the target metrics identified in the Recipient's proposal in response to GFO-19-301, Attachment 4, Table 2.
 - 45 percent improvement in heating seasonal performance factor
 - 35 percent improvement in seasonal energy efficiency rating
 - 10 percent improvement in installed cost
 - 25 percent improvement in operation and maintenance costs.

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Ratepayer Benefits:² This Agreement will result in the ratepayer benefits of greater electricity reliability, lower costs, increased safety by providing a zero GWP more efficient combined heating and cooling system that can reduce the peak cooling load. Additionally, the use of CO₂ offers an advantage of smaller pipe size and, in turn, lower installation cost compared to conventional chiller water-based HVAC systems. Increased safety is provided by (a) using ammonia as a refrigerant, which is more readily detectable for leaks due to its pungent odor, and (b) due to the high-pressure CO₂ distribution loop, so ammonia will not be leaked into the occupied space.

Technological Advancement and Breakthroughs:³ This Agreement will lead to technological advancement and breakthroughs to overcome barriers to the achievement of the State of California's statutory energy goals by enabling the decarbonization of space heating using zero GWP reversible heat pump system. The proposed low GWP reversible heat pump would provide an alternative for commercial buildings' space conditioning needs due to anticipated phase out of high and moderate GWP refrigerants.

The first prototype of an ammonia/carbon dioxide chiller system was successfully demonstrated, and the proposed project intends to extend, optimize and evaluate a reversible heat pump system design. Additionally, providing a more efficient and cost effective low GWP heat pump system solution would reduce the cooling load on a capacity-constrained system, addressing system resiliency concerns and needs given recent shutdowns of major transmission corridors due to fires.

Agreement Objectives

The objectives of this Agreement are to:

- Optimize, test, and demonstrate an advanced reversible heat pump that extends a cascading ammonia/carbon dioxide integrated refrigeration cycle and distribution system for cooling and develop, test, and demonstrate the same technology to include heating;
- Conduct laboratory optimization and evaluation of the developed advanced reversible heat pump prototype;
- Deploy five production units of the advanced reversible heat pump in three distinct California climate zones in multifamily/small commercial buildings;
- Conduct measurement and verification of the field deployed units.

III. TASK 1 GENERAL PROJECT TASKS

PRODUCTS

Subtask 1.1 Products

² California Public Resources Code, Section 25711.5(a) requires projects funded by the Electric Program Investment Charge (EPIC) to result in ratepayer benefits. The California Public Utilities Commission, which established the EPIC in 2011, defines ratepayer benefits as greater reliability, lower costs, and increased safety (See CPUC "Phase 2" Decision 12-05-037 at page 19, May 24, 2012, http://docs.cpuc.ca.gov/PublishedDocs/WORD_PDF/FINAL_DECISION/167664.PDF).

³ California Public Resources Code, Section 25711.5(a) also requires EPIC-funded projects to lead to technological advancement and breakthroughs to overcome barriers that prevent the achievement of the state's statutory and energy goals.

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The goal of this subtask is to establish the requirements for submitting project products (e.g., reports, summaries, plans, and presentation materials). Unless otherwise specified by the Commission Agreement Manager (CAM), the Recipient must deliver products as required below by the dates listed in the **Project Schedule (Part V)**. Products that require a draft version are indicated by marking “**(draft and final)**” after the product name in the “Products” section of the task/subtask. If “(draft and final)” does not appear after the product name, only a final version of the product is required. With respect to due dates within this Scope of Work, “**days**” means working days.

The Recipient shall:

For products that require a draft version, including the Final Report Outline and Final Report

- Submit all draft products to the CAM for review and comment in accordance with the Project Schedule (Part V). The CAM will provide written comments to the Recipient on the draft product within 15 days of receipt, unless otherwise specified in the task/subtask for which the product is required.
- Consider incorporating all CAM comments into the final product. If the Recipient disagrees with any comment, provide a written response explaining why the comment was not incorporated into the final product.
- Submit the revised product and responses to comments within 10 days of notice by the CAM, unless the CAM specifies a longer time period, or approves a request for additional time.

For products that require a final version only

- Submit the product to the CAM for acceptance. The CAM may request minor revisions or explanations prior to acceptance.

For all products

- Submit all data and documents required as products in accordance with the following Instructions for Submitting Electronic Files and Developing Software:
 - **Electronic File Format**
 - Submit all data and documents required as products under this Agreement in an electronic file format that is fully editable and compatible with the Energy Commission’s software and Microsoft (MS)-operating computing platforms, or with any other format approved by the CAM. Deliver an electronic copy of the full text of any Agreement data and documents in a format specified by the CAM, such as memory stick or CD-ROM.

The following describes the accepted formats for electronic data and documents provided to the Energy Commission as products under this Agreement, and establishes the software versions that will be required to review and approve all software products:

- Data sets will be in MS Access or MS Excel file format (version 2007 or later), or any other format approved by the CAM.
- Text documents will be in MS Word file format, version 2007 or later.
- Documents intended for public distribution will be in PDF file format.
- The Recipient must also provide the native Microsoft file format.

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- Project management documents will be in Microsoft Project file format, version 2007 or later.
- **Software Application Development**

Use the following standard Application Architecture components in compatible versions for any software application development required by this Agreement (e.g., databases, models, modeling tools), unless the CAM approves other software applications such as open source programs:

 - Microsoft ASP.NET framework (version 3.5 and up). Recommend 4.0.
 - Microsoft Internet Information Services (IIS), (version 6 and up)
Recommend 7.5.
 - Visual Studio.NET (version 2008 and up). Recommend 2010.
 - C# Programming Language with Presentation (UI), Business Object and Data Layers.
 - SQL (Structured Query Language).
 - Microsoft SQL Server 2008, Stored Procedures. Recommend 2008 R2.
 - Microsoft SQL Reporting Services. Recommend 2008 R2.
 - XML (external interfaces).

Any exceptions to the Electronic File Format requirements above must be approved in writing by the CAM. The CAM will consult with the Energy Commission's Information Technology Services Branch to determine whether the exceptions are allowable.

MEETINGS

Subtask 1.2 Kick-off Meeting

The goal of this subtask is to establish the lines of communication and procedures for implementing this Agreement.

The Recipient shall:

- Attend a "Kick-off" meeting with the CAM, the Commission Agreement Officer (CAO), and any other Energy Commission staff relevant to the Agreement. The Recipient will bring its Project Manager and any other individuals designated by the CAM to this meeting. The administrative and technical aspects of the Agreement will be discussed at the meeting. Prior to the meeting, the CAM will provide an agenda to all potential meeting participants. The meeting may take place in person or by electronic conferencing (e.g., WebEx), with approval of the CAM.

The administrative portion of the meeting will include discussion of the following:

- Terms and conditions of the Agreement;
- Administrative products (subtask 1.1);
- CPR meetings (subtask 1.3);
- Match fund documentation (subtask 1.7);
- Permit documentation (subtask 1.8);
- Subcontracts (subtask 1.9); and
- Any other relevant topics.

The technical portion of the meeting will include discussion of the following:

- The CAM's expectations for accomplishing tasks described in the Scope of Work;

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- An updated Project Schedule;
 - Technical products (subtask 1.1);
 - Progress reports and invoices (subtask 1.5);
 - Final Report (subtask 1.6);
 - Technical Advisory Committee meetings (subtasks 1.10 and 1.11); and
 - Any other relevant topics.
- Provide an *Updated Project Schedule*, *List of Match Funds*, and *List of Permits*, as needed to reflect any changes in the documents.

The CAM shall:

- Designate the date and location of the meeting.
- Send the Recipient a *Kick-off Meeting Agenda*.

Recipient Products:

- Updated Project Schedule (*if applicable*)
- Updated List of Match Funds (*if applicable*)
- Updated List of Permits (*if applicable*)

CAM Product:

- Kick-off Meeting Agenda

Subtask 1.3 Critical Project Review (CPR) Meetings

The goal of this subtask is to determine if the project should continue to receive Energy Commission funding, and if so whether any modifications must be made to the tasks, products, schedule, or budget. CPR meetings provide the opportunity for frank discussions between the Energy Commission and the Recipient. As determined by the CAM, discussions may include project status, challenges, successes, advisory group findings and recommendations, final report preparation, and progress on technical transfer and production readiness activities (if applicable). Participants will include the CAM and the Recipient, and may include the CAO and any other individuals selected by the CAM to provide support to the Energy Commission.

CPR meetings generally take place at key, predetermined points in the Agreement, as determined by the CAM and as shown in the Task List on page 1 of this Exhibit. However, the CAM may schedule additional CPR meetings as necessary. The budget will be reallocated to cover the additional costs borne by the Recipient, but the overall Agreement amount will not increase. CPR meetings generally take place at the Energy Commission, but they may take place at another location, or may be conducted via electronic conferencing (e.g., WebEx) as determined by the CAM.

The Recipient shall:

- Prepare a *CPR Report* for each CPR meeting that: (1) discusses the progress of the Agreement toward achieving its goals and objectives; and (2) includes recommendations and conclusions regarding continued work on the project.
- Submit the CPR Report along with any other *Task Products* that correspond to the technical task for which the CPR meeting is required (i.e., if a CPR meeting is required for Task 2, submit the Task 2 products along with the CPR Report).
- Attend the CPR meeting.
- Present the CPR Report and any other required information at each CPR meeting.

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The CAM shall:

- Determine the location, date, and time of each CPR meeting with the Recipient's input.
- Send the Recipient a *CPR Agenda* and a *List of Expected CPR Participants* in advance of the CPR meeting. If applicable, the agenda will include a discussion of match funding and permits.
- Conduct and make a record of each CPR meeting. Provide the Recipient with a *Schedule for Providing a Progress Determination* on continuation of the project.
- Determine whether to continue the project, and if so whether modifications are needed to the tasks, schedule, products, or budget for the remainder of the Agreement. If the CAM concludes that satisfactory progress is not being made, this conclusion will be referred to the Deputy Director of the Energy Research and Development Division.
- Provide the Recipient with a *Progress Determination* on continuation of the project, in accordance with the schedule. The Progress Determination may include a requirement that the Recipient revise one or more products.

Recipient Products:

- CPR Report(s)
- Task Products (draft and/or final as specified in the task)

CAM Products:

- CPR Agenda
- List of Expected CPR Participants
- Schedule for Providing a Progress Determination
- Progress Determination

Subtask 1.4 Final Meeting

The goal of this subtask is to complete the closeout of this Agreement.

The Recipient shall:

- Meet with Energy Commission staff to present project findings, conclusions, and recommendations. The final meeting must be completed during the closeout of this Agreement. This meeting will be attended by the Recipient and CAM, at a minimum. The meeting may occur in person or by electronic conferencing (e.g., WebEx), with approval of the CAM.

The technical and administrative aspects of Agreement closeout will be discussed at the meeting, which may be divided into two separate meetings at the CAM's discretion.

- The technical portion of the meeting will involve the presentation of findings, conclusions, and recommended next steps (if any) for the Agreement. The CAM will determine the appropriate meeting participants.
- The administrative portion of the meeting will involve a discussion with the CAM and the CAO of the following Agreement closeout items:
 - Disposition of any state-owned equipment.
 - Need to file a Uniform Commercial Code Financing Statement (Form UCC-1) regarding the Energy Commission's interest in patented technology.

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- The Energy Commission's request for specific "generated" data (not already provided in Agreement products).
- Need to document the Recipient's disclosure of "subject inventions" developed under the Agreement.
- "Surviving" Agreement provisions such as repayment provisions and confidential products.
- Final invoicing and release of retention.
- Prepare a *Final Meeting Agreement Summary* that documents any agreement made between the Recipient and Commission staff during the meeting.
- Prepare a *Schedule for Completing Agreement Closeout Activities*.
- Provide *All Draft and Final Written Products* on a CD-ROM or USB memory stick, organized by the tasks in the Agreement.

Products:

- Final Meeting Agreement Summary (*if applicable*)
- Schedule for Completing Agreement Closeout Activities
- All Draft and Final Written Products

REPORTS AND INVOICES

Subtask 1.5 Progress Reports and Invoices

The goals of this subtask are to: (1) periodically verify that satisfactory and continued progress is made towards achieving the project objectives of this Agreement; and (2) ensure that invoices contain all required information and are submitted in the appropriate format.

The Recipient shall:

- Submit a monthly *Progress Report* to the CAM. Each progress report must:
 - Summarize progress made on all Agreement activities as specified in the scope of work for the preceding month, including accomplishments, problems, milestones, products, schedule, fiscal status, and an assessment of the ability to complete the Agreement within the current budget and any anticipated cost overruns. See the Progress Report Format Attachment for the recommended specifications.
- Submit a monthly or quarterly *Invoice* that follows the instructions in the "Payment of Funds" section of the terms and conditions, including a financial report on Match Fund and in-state expenditures.

Products:

- Progress Reports
- Invoices

Subtask 1.6 Final Report

The goal of this subtask is to prepare a comprehensive Final Report that describes the original purpose, approach, results, and conclusions of the work performed under this Agreement. The CAM will review the Final Report, which will be due at least **two months** before the Agreement

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end date. When creating the Final Report Outline and the Final Report, the Recipient must use the Style Manual provided by the CAM.

Subtask 1.6.1 Final Report Outline

The Recipient shall:

- Prepare a *Final Report Outline* in accordance with the *Style Manual* provided by the CAM. (See Task 1.1 for requirements for draft and final products.)

Recipient Products:

- Final Report Outline (draft and final)

CAM Product:

- Style Manual
- Comments on Draft Final Report Outline
- Acceptance of Final Report Outline

Subtask 1.6.2 Final Report

The Recipient shall:

- Prepare a *Final Report* for this Agreement in accordance with the approved Final Report Outline, Style Manual, and Final Report Template provided by the CAM with the following considerations:
 - Ensure that the report includes the following items, in the following order:
 - Cover page (**required**)
 - Credits page on the reverse side of cover with legal disclaimer (**required**)
 - Acknowledgements page (optional)
 - Preface (**required**)
 - Abstract, keywords, and citation page (**required**)
 - Table of Contents (**required**, followed by List of Figures and List of Tables, if needed)
 - Executive summary (**required**)
 - Body of the report (**required**)
 - References (if applicable)
 - Glossary/Acronyms (If more than 10 acronyms or abbreviations are used, it is required.)
 - Bibliography (if applicable)
 - Appendices (if applicable) (Create a separate volume if very large.)
 - Attachments (if applicable)
 - Ensure that the document is written in the third person.
 - Ensure that the Executive Summary is understandable to the lay public.
 - Briefly summarize the completed work. Succinctly describe the project results and whether or not the project goals were accomplished.
 - Identify which specific ratepayers can benefit from the project results and how they can achieve the benefits.
 - If it's necessary to use a technical term in the Executive Summary, provide a brief definition or explanation when the technical term is first used.

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- Follow the Style Guide format requirements for headings, figures/tables, citations, and acronyms/abbreviations.
- Ensure that the document omits subjective comments and opinions. However, recommendations in the conclusion of the report are allowed.
- Include a brief description of the project results in the Abstract.
- Submit a draft of the report to the CAM for review and comment. The CAM will provide written comments to the Recipient on the draft product within 15 days of receipt
- Consider incorporating all CAM comments into the Final Report. If the Recipient disagrees with any comment, provide a written response explaining why the comment was not incorporated into the final product
- Submit the revised Final Report and responses to comments within 10 days of notice by the CAM, unless the CAM specifies a longer time period or approves a request for additional time.
- Submit one bound copy of the *Final Report* to the CAM along with *Written Responses to Comments on the Draft Final Report*.

Products:

- Final Report (draft and final)
- Written Responses to Comments on the Draft Final Report

CAM Product:

- Written Comments on the Draft Final Report

MATCH FUNDS, PERMITS, AND SUBCONTRACTS

Subtask 1.7 Match Funds

The goal of this subtask is to ensure that the Recipient obtains any match funds planned for this Agreement and applies them to the Agreement during the Agreement term.

While the costs to obtain and document match funds are not reimbursable under this Agreement, the Recipient may spend match funds for this task. The Recipient may only spend match funds during the Agreement term, either concurrently or prior to the use of Energy Commission funds. Match funds must be identified in writing, and the Recipient must obtain any associated commitments before incurring any costs for which the Recipient will request reimbursement.

The Recipient shall:

- Prepare a *Match Funds Status Letter* that documents the match funds committed to this Agreement. If no match funds were part of the proposal that led to the Energy Commission awarding this Agreement and none have been identified at the time this Agreement starts, then state this in the letter.
If match funds were a part of the proposal that led to the Energy Commission awarding this Agreement, then provide in the letter:
 - A list of the match funds that identifies:
 - The amount of cash match funds, their source(s) (including a contact name, address, and telephone number), and the task(s) to which the match funds will be applied.
 - The amount of each in-kind contribution, a description of the contribution type (e.g., property, services), the documented market or book value, the source (including a contact name, address, and telephone number), and the task(s) to which the match

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funds will be applied. If the in-kind contribution is equipment or other tangible or real property, the Recipient must identify its owner and provide a contact name, address, telephone number, and the address where the property is located.

- If different from the solicitation application, provide a letter of commitment from an authorized representative of each source of match funding that the funds or contributions have been secured.
- At the Kick-off meeting, discuss match funds and the impact on the project if they are significantly reduced or not obtained as committed. If applicable, match funds will be included as a line item in the progress reports and will be a topic at CPR meetings.
- Provide a *Supplemental Match Funds Notification Letter* to the CAM of receipt of additional match funds.
- Provide a *Match Funds Reduction Notification Letter* to the CAM if existing match funds are reduced during the course of the Agreement. Reduction of match funds may trigger a CPR meeting.

Products:

- Match Funds Status Letter
- Supplemental Match Funds Notification Letter (*if applicable*)
- Match Funds Reduction Notification Letter (*if applicable*)

Subtask 1.8 Permits

The goal of this subtask is to obtain all permits required for work completed under this Agreement in advance of the date they are needed to keep the Agreement schedule on track. Permit costs and the expenses associated with obtaining permits are not reimbursable under this Agreement, with the exception of costs incurred by University of California recipients. Permits must be identified and obtained before the Recipient may incur any costs related to the use of the permit(s) for which the Recipient will request reimbursement.

The Recipient shall:

- Prepare a *Permit Status Letter* that documents the permits required to conduct this Agreement. If no permits are required at the start of this Agreement, then state this in the letter. If permits will be required during the course of the Agreement, provide in the letter:
 - A list of the permits that identifies: (1) the type of permit; and (2) the name, address, and telephone number of the permitting jurisdictions or lead agencies.
 - The schedule the Recipient will follow in applying for and obtaining the permits.

The list of permits and the schedule for obtaining them will be discussed at the Kick-off meeting (subtask 1.2), and a timetable for submitting the updated list, schedule, and copies of the permits will be developed. The impact on the project if the permits are not obtained in a timely fashion or are denied will also be discussed. If applicable, permits will be included as a line item in progress reports and will be a topic at CPR meetings.

- If during the course of the Agreement additional permits become necessary, then provide the CAM with an *Updated List of Permits* (including the appropriate information on each permit) and an *Updated Schedule for Acquiring Permits*.
- Send the CAM a *Copy of Each Approved Permit*.
- If during the course of the Agreement permits are not obtained on time or are denied, notify the CAM within 5 days. Either of these events may trigger a CPR meeting.

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Products:

- Permit Status Letter
- Updated List of Permits *(if applicable)*
- Updated Schedule for Acquiring Permits *(if applicable)*
- Copy of Each Approved Permit *(if applicable)*

Subtask 1.9 Subcontracts

The goals of this subtask are to: (1) procure subcontracts required to carry out the tasks under this Agreement; and (2) ensure that the subcontracts are consistent with the terms and conditions of this Agreement.

The Recipient shall:

- Manage and coordinate subcontractor activities in accordance with the requirements of this Agreement.
- Incorporate this Agreement by reference into each subcontract.
- Include any required Energy Commission flow-down provisions in each subcontract, in addition to a statement that the terms of this Agreement will prevail if they conflict with the subcontract terms.
- If required by the CAM, submit a draft of each *Subcontract* required to conduct the work under this Agreement.
- Submit a final copy of the executed subcontract.
- Notify and receive written approval from the CAM prior to adding any new subcontractors (see the discussion of subcontractor additions in the terms and conditions).

Products:

- Subcontracts *(draft if required by the CAM)*

TECHNICAL ADVISORY COMMITTEE

Subtask 1.10 Technical Advisory Committee (TAC)

The goal of this subtask is to create an advisory committee for this Agreement. The TAC should be composed of diverse professionals. The composition will vary depending on interest, availability, and need. TAC members will serve at the CAM's discretion. The purpose of the TAC is to:

- Provide guidance in project direction. The guidance may include scope and methodologies, timing, and coordination with other projects. The guidance may be based on:
 - Technical area expertise;
 - Knowledge of market applications; or
 - Linkages between the agreement work and other past, present, or future projects (both public and private sectors) that TAC members are aware of in a particular area.
- Review products and provide recommendations for needed product adjustments, refinements, or enhancements.
- Evaluate the tangible benefits of the project to the state of California, and provide recommendations as needed to enhance the benefits.
- Provide recommendations regarding information dissemination, market pathways, or commercialization strategies relevant to the project products.

The TAC may be composed of qualified professionals spanning the following types of disciplines:

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Electric Power Research Institute, Inc.

- Researchers knowledgeable about the project subject matter;
- Members of trades that will apply the results of the project (e.g., designers, engineers, architects, contractors, and trade representatives);
- Public interest market transformation implementers;
- Product developers relevant to the project;
- U.S. Department of Energy research managers, or experts from other federal or state agencies relevant to the project;
- Public interest environmental groups;
- Utility representatives;
- Air district staff; and
- Members of relevant technical society committees.

The Recipient shall:

- Prepare a *List of Potential TAC Members* that includes the names, companies, physical and electronic addresses, and phone numbers of potential members. The list will be discussed at the Kick-off meeting, and a schedule for recruiting members and holding the first TAC meeting will be developed.
- Recruit TAC members. Ensure that each individual understands member obligations and the TAC meeting schedule developed in subtask 1.11.
- Prepare a *List of TAC Members* once all TAC members have committed to serving on the TAC.
- Submit *Documentation of TAC Member Commitment* (such as Letters of Acceptance) from each TAC member.

Products:

- List of Potential TAC Members
- List of TAC Members
- Documentation of TAC Member Commitment

Subtask 1.11 TAC Meetings

The goal of this subtask is for the TAC to provide strategic guidance for the project by participating in regular meetings, which may be held via teleconference.

The Recipient shall:

- Discuss the TAC meeting schedule with the CAM at the Kick-off meeting. Determine the number and location of meetings (in-person and via teleconference) in consultation with the CAM.
- Prepare a *TAC Meeting Schedule* that will be presented to the TAC members during recruiting. Revise the schedule after the first TAC meeting to incorporate meeting comments.
- Prepare a *TAC Meeting Agenda* and *TAC Meeting Back-up Materials* for each TAC meeting.
- Organize and lead TAC meetings in accordance with the TAC Meeting Schedule. Changes to the schedule must be pre-approved in writing by the CAM.

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- Prepare *TAC Meeting Summaries* that include any recommended resolutions of major TAC issues.

The TAC shall:

- Help set the project team's goals and contribute to the development and evaluation of its statement of proposed objectives as the project evolves.
- Provide a credible and objective sounding board on the wide range of technical and financial barriers and opportunities.
- Help identify key areas where the project has a competitive advantage, value proposition, or strength upon which to build.
- Advocate on behalf of the project in its effort to build partnerships, governmental support and relationships with a national spectrum of influential leaders.
- Ask probing questions that insure a long-term perspective on decision-making and progress toward the project's strategic goals.

Products:

- TAC Meeting Schedule (draft and final)
- TAC Meeting Agendas (draft and final)
- TAC Meeting Back-up Materials
- TAC Meeting Summaries

IV. TECHNICAL TASKS

TASK 2: LABORATORY OPTIMIZATION AND EVALUATION

The goals of this task are to design, develop, and conduct laboratory testing of an optimized prototype for the zero-GWP advanced reversible heat pump that is a cascading ammonia/carbon dioxide refrigeration cycle integrated for distribution for both heating and cooling. Technology must utilize low- or zero-GWP refrigerants (based on 100-year time horizon global warming potentials⁴) that meet the requirements of the California Cooling Act (SB1013⁵). (Not applicable for NVC systems.)

The Recipient shall:

- Prepare *Report on Engineering Design of Optimized Laboratory Prototype* for multi-family (MF) and/or small commercial buildings that has 10-20 ton refrigeration capacity that includes, but not limited to, the following:
 - Discussion of range of operating conditions and design constraints
 - Description of the developed engineering design of the reversible heat pump that uses ammonia (NH₃) and carbon dioxide (CO₂) with optimized design parameters
 - Diagram of the system design and instrumentation
 - Discussion and list of selected and procured system components and instrumentation

⁴ https://ww2.arb.ca.gov/sites/default/files/2018-06/Global-Warming-Potential-Values%20%28Feb%2016%202016%29_1.pdf

⁵ http://hydrocarbons21.com/articles/9034/california_allocates_1_million_in_incentives_for_green_refrigeration In addition to supporting low-GWP refrigeration alternatives to HFCS, the program would also mandate consideration of other co-benefits such as energy efficiency and opportunities for increasing recovery, reclamation, and destruction of refrigerants at end-of-life.

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- Engineering Drawings and schematics
- Prepare *Updated System Design for Field Deployment Report* based on laboratory testing and system optimization that includes, but not limited to, the following:
 - Results from system assembly and troubleshooting (shakeout testing)
 - Discussion of the established testing matrix that spans operating conditions
 - Results and summary of laboratory performance testing and identification of system optimization needs

Products:

- Report on Engineering Design of Optimized Laboratory Prototype (Draft)
- Report on Engineering Design of Optimized Laboratory Prototype (Final)
- Updated System Design for Field Deployment Report (Draft)
- Updated System Design for Field Deployment Report (Final)

TASK 3: FIELD INSTALLATION AND DEPLOYMENT

The goals of this task are to deploy five production units of the zero-GFP advanced reversible heat pump in multifamily or small – medium commercial buildings with central systems (10 tons ≤ Capacity ≤ 20 tons) located in three distinct California climate zones and install the measurement and verification instrumentation. Deployments shall be in an IOU service territory.

The Recipient shall:

- Develop a *Field Site Drawings and Installations Report* that includes, but is not limited to, the following:
 - A detailed survey and results of the selected field host sites and interviews with, but not limited to, the following stakeholders: equipment installers, equipment manufacturers, and site host maintenance staff
 - Design drawings for each of the host sites
 - Planned mitigation measures for post-project impacts on test sites. Can include, but is not limited to: replacement of tested technologies with a permitted system at the end of the agreement demonstration or compensating test sites for lost revenue.
 - Summary of the procurement and assembly process of the five advanced heat pumps for the field deployment and evaluation
 - Summary of the installation and commissioning of each advanced heat pump at the designated field host site
 - Summary of training sessions for operators
- Conduct CPR #1 meeting and prepare a *CPR Report #1* in accordance with subtask 1.3

Products:

- Field Site Drawings and Installation Report (Draft)
- Field Site Drawings and Installation Report (Final)
- CPR Report #1

TASK 4: FIELD PERFORMANCE: MEASUREMENT AND VERIFICATION

The goal of this task is to conduct measurement and verification of the performance for each of the field deployed systems.

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The Recipient shall:

- Prepare *Field Performance Measurement and Verification (M&V) Plan* for each of the host sites. At a minimum, the M&V Plan must include the approach for evaluating system performance under real world conditions, the instrumentation, measurements and data to be collected to determine efficiency performance and operational costs, evaluation of the technology's ability to achieve higher performance and energy savings over current conventional equipment, how the baseline will be determined and the duration of the pre and post data collection.
- Develop *System Operation and Maintenance Manuals* that include, but not limited to the following:
 - Operations and maintenance standard procedures based on HVAC equipment manufacturer recommendations, field testing and interview results with maintenance staff that assess performance and operation perception and benefits.
- Prepare *Field Performance Measurement and Verification Report* that includes, but not limited to, the following:
 - Procurement of M&V instrumentation and installation at each host site.
 - Set up of remote monitoring and data collection, connected to the Recipient secure database.
 - Collection of field performance data for at least nine months of operation and include *summer, winter, and spring/fall under real-world operating conditions*. Analysis of field performance data and summary of results, including interview results with space occupants that assess comfort perception
 - Discussion of whether the performance metrics identified in the Recipient's proposal (Attachment 4) and GFO-19-301 for Group 1 were achieved.
 - Discussion of lessons learned and potential improvements needed to improve performance and meet the stated performance metrics.
 - Evaluate and estimate the system cost when commercially-available with the cost-reduction measure researched (e.g., reduced equipment cost of heat exchangers or compressors, reduced installation costs, reduced cost of manufacturing approaches);
 - Address further research needs for economically feasibility for the demonstrated technology
 - Identify the limiting factors influencing the cost of the demonstrated technology and make technological recommendations for overcoming these factors with the potential to minimize costs.
- *Conduct CPR #2 meeting* and prepare a *CPR Report #2* in accordance with subtask 1.3.

Product:

- Field Performance Measurement and Verification Plan
- System Operation and Maintenance Manuals
- Field Performance Measurement and Verification Report (Draft)
- Field Performance Measurement and Verification Report (Final)
- CPR Report #2

TASK 5 EVALUATION OF PROJECT BENEFITS

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The goal of this task is to report the benefits resulting from this project.

The Recipient shall:

- Complete three Project Benefits Questionnaires that correspond to three main intervals in the Agreement: (1) *Kick-off Meeting Benefits Questionnaire*; (2) *Mid-term Benefits Questionnaire*; and (3) *Final Meeting Benefits Questionnaire*.
- Provide all key assumptions used to estimate projected benefits, including targeted market sector (e.g., population and geographic location), projected market penetration, baseline and projected energy use and cost, operating conditions, and emission reduction calculations. Examples of information that may be requested in the questionnaires include:
 - For Product Development Projects and Project Demonstrations:
 - Published documents, including date, title, and periodical name.
 - Estimated or actual energy and cost savings, and estimated statewide energy savings once market potential has been realized. Identify all assumptions used in the estimates.
 - Greenhouse gas and criteria emissions reductions.
 - Other non-energy benefits such as reliability, public safety, lower operational cost, environmental improvement, indoor environmental quality, and societal benefits.
 - Data on potential job creation, market potential, economic development, and increased state revenue as a result of the project.
 - A discussion of project product downloads from websites, and publications in technical journals.
 - A comparison of project expectations and performance. Discuss whether the goals and objectives of the Agreement have been met and what improvements are needed, if any.
 - Additional Information for Product Development Projects:
 - ✓ Outcome of product development efforts, such copyrights and license agreements.
 - ✓ Units sold or projected to be sold in California and outside of California.
 - ✓ Total annual sales or projected annual sales (in dollars) of products developed under the Agreement.
 - ✓ Investment dollars/follow-on private funding as a result of Energy Commission funding.
 - ✓ Patent numbers and applications, along with dates and brief descriptions.
 - Additional Information for Product Demonstrations:
 - ✓ Outcome of demonstrations and status of technology.
 - ✓ Number of similar installations.
 - ✓ Jobs created/retained as a result of the Agreement.
 - For Information/Tools and Other Research Studies:
 - Outcome of project.
 - Published documents, including date, title, and periodical name.
 - A discussion of policy development. State if the project has been cited in government policy publications or technical journals, or has been used to inform regulatory bodies.
 - The number of website downloads.

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- An estimate of how the project information has affected energy use and cost, or have resulted in other non-energy benefits.
- An estimate of energy and non-energy benefits.
- Data on potential job creation, market potential, economic development, and increased state revenue as a result of project.
- A discussion of project product downloads from websites, and publications in technical journals.
- A comparison of project expectations and performance. Discuss whether the goals and objectives of the Agreement have been met and what improvements are needed, if any.
- Respond to CAM questions regarding responses to the questionnaires.

The Energy Commission may send the Recipient similar questionnaires after the Agreement term ends. Responses to these questionnaires will be voluntary.

Products:

- Kick-off Meeting Benefits Questionnaire
- Mid-term Benefits Questionnaire
- Final Meeting Benefits Questionnaire

TASK 6 TECHNOLOGY/KNOWLEDGE TRANSFER ACTIVITIES

The goal of this task is to develop a plan to make the knowledge gained, experimental results, and lessons learned available to the public and key decision makers.

The Recipient shall:

- Prepare an *Initial Fact Sheet* at start of the project that describes the project. Use the format provided by the CAM.
- Prepare a *Final Project Fact Sheet* at the project's conclusion that discusses results. Use the format provided by the CAM.
- Prepare a *Technology/Knowledge Transfer Plan* that includes:
 - An explanation of how the knowledge gained from the project will be made available to the public, including the targeted market sector and potential outreach to end users, utilities, regulatory agencies, and others.
 - A description of the intended use(s) for and users of the project results.
 - Published documents, including date, title, and periodical name.
 - Copies of documents, fact sheets, journal articles, press releases, and other documents prepared for public dissemination. These documents must include the Legal Notice required in the terms and conditions. Indicate where and when the documents were disseminated.
 - A discussion of policy development. State if project has been or will be cited in government policy publications, or used to inform regulatory bodies.
 - The number of website downloads or public requests for project results.
 - Additional areas as determined by the CAM.
- Conduct technology transfer activities in accordance with the Technology/Knowledge Transfer Plan. These activities will be reported in the Progress Reports.
- When directed by the CAM, develop *Presentation Materials* for an Energy Commission-sponsored conference/workshop(s) on the project.

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- When directed by the CAM, participate in annual EPIC symposium(s) sponsored by the California Energy Commission.
- Provide at least (6) six *High Quality Digital Photographs* (minimum resolution of 1300x500 pixels in landscape ratio) of pre and post technology installation at the project sites or related project photographs.
- Prepare a *Technology/Knowledge Transfer Report* on technology transfer activities conducted during the project.

Products:

- Initial Fact Sheet (draft and final)
- Final Project Fact Sheet (draft and final)
- Presentation Materials (draft and final)
- High Quality Digital Photographs
- Technology/Knowledge Transfer Plan (draft and final)
- Technology/Knowledge Transfer Report (draft and final)

TASK 7 Production Readiness Plan

The goal of this task is to determine the steps that will lead to the manufacturing of technologies developed in this project or to the commercialization of the project's results.

The Recipient shall:

- Prepare a *Production Readiness Plan*. The degree of detail in the plan should be proportional to the complexity of producing or commercializing the proposed product, and to its state of development. As appropriate, the plan will discuss the following:
 - Critical production processes, equipment, facilities, personnel resources, and support systems needed to produce a commercially viable product.
 - Internal manufacturing facilities, supplier technologies, capacity constraints imposed by the design under consideration, design-critical elements, and the use of hazardous or non-recyclable materials. The product manufacturing effort may include "proof of production processes."
 - The estimated cost of production.
 - The expected investment threshold needed to launch the commercial product.
 - An implementation plan to ramp up to full production.
 - The outcome of product development efforts, such as copyrights and license agreements.
 - Patent numbers and applications, along with dates and brief descriptions.
 - Other areas as determined by the CAM.

Products:

- Production Readiness Plan (draft and final)

V. PROJECT SCHEDULE

Please see the attached Excel spreadsheet.

STATE OF CALIFORNIA

STATE ENERGY RESOURCES
CONSERVATION AND DEVELOPMENT COMMISSION

RESOLUTION - RE: ELECTRIC POWER RESEARCH INSTITUTE, INC.

RESOLVED, that the State Energy Resources Conservation and Development Commission (CEC) adopts the staff CEQA findings contained in the Agreement or Amendment Request Form (as applicable); and

RESOLVED, that the CEC approves Agreement EPC-19-014 with Electric Power Research Institute, Inc. for a \$2,498,557 grant to develop, test, and demonstrate ammonia- and carbon dioxide-based heat pumps in multifamily and small commercial applications to improve heating and cooling efficiencies while advancing a low global warming potential refrigerant solution, and adopting staff's determination that this action is exempt from CEQA; and

FURTHER BE IT RESOLVED, that the Executive Director or his/her designee shall execute the same on behalf of the CEC.

CERTIFICATION

The undersigned Secretariat to the Commission does hereby certify that the foregoing is a full, true, and correct copy of a Resolution duly and regularly adopted at a meeting of the CEC held on May 13, 2020.

AYE:

NAY:

ABSENT:

ABSTAIN:

Cody Goldthrite
Secretariat