



STATE OF CALIFORNIA

GRANT REQUEST FORM (GRF)

CEC-270 (Revised 12/2019)

CALIFORNIA ENERGY COMMISSION

A) New Agreement # EPC-19-042 (to be completed by CGL office)

B) Division	Agreement Manager:	MS-	Phone
ERDD	Bryan Lee	43	916-327-1414

C) Recipient's Legal Name	Federal ID Number
Anzode Inc.	42-1602043

D) Title of Project
Anzode: Zinc Batteries for California Electrical Customer Power Backup

E) Term and Amount

Start Date	End Date	Amount
6/30/2020	3/29/2024	\$ 1,747,721

F) Business Meeting Information ARFVTP agreements \$75K and under delegated to Executive DirectorProposed Business Meeting Date 6/10/2020 Consent Discussion

Business Meeting Presenter Robin Goodhand Time Needed: 5 minutes

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

Agenda Item Subject and Description:

Anzode: Zinc Batteries for California Electrical Customer Power Backup Proposed resolution approving Agreement EPC-19-042 with Anzode Inc. for a \$1,747,721 grant to fund prototyping efforts to add a novel stabilizing compound to zinc-based battery electrodes which reduces electrode degradation. This stabilizer can be easily integrated into existing manufacturing processes and is expected to double battery life. The system will be tested to demonstrate performance in residential and commercial applications. Staff also request 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, § 15301 ; Cal. Code Regs., tit. 14, § 15306 Common Sense Exemption. 14 CCR 15061 (b) (3)Explain reason why Agreement is exempt under the above section: The project involves development, testing, validation, and scale-up of a rechargeable zinc - manganese dioxide (Zn-MnO₂) battery technology. The development and



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assembly will take place at Anzode's existing laboratory in San Leandro, California. The project consists of the operation of these existing private facilities, involving negligible or no expansion of existing or former use. Therefore, this project is exempt under California Code of Regulations, title 14, section 15301, Existing Facilities. In addition, the project involves data collection and research, which would not result in a serious or major disturbance to an environmental resource. Therefore, this project is exempt under California Code of Regulations, title 14, section 15306, Information Collection.

- 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
The University of Newcastle	\$ (\$15,000 match only)
AA Portable Power Corporation	\$ 19,680
Lithiumion Expert Services LLC	\$ 40,000
TBD Analytical services	\$ 2,000
TBD Auditor services	(\$ 10,000 match only)
TBD Recyclability and life cycle analysis	\$ 24,000
TBD Market research in California	\$ 32,000

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

Legal Company Name:

J) Budget Information

Funding Source	Funding Year of Appropriation	Budget List Number	Amount
EPIC	18-19	301.001F	\$1,747,721

R&D Program Area: ESRO: ETSI

TOTAL: \$ 1,747,721

Explanation for "Other" selection

Reimbursement Contract #: Federal Agreement #:

K) Recipient's Contact Information



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1. Recipient's Administrator/Officer

Name: Sasha Gorer
Address: 1933 Davis St Ste 297
City, State, Zip: San Leandro, CA 94577-1264
Phone: 510-379-4606
E-Mail: sasha@anzode.com

2. Recipient's Project Manager

Name: Sasha Gorer
Address: 1933 Davis St Ste 297
City, State, Zip: San Leandro, CA 94577-1264
Phone: 510-379-4606
E-Mail: sasha@anzode.com

L) Selection Process Used

- Competitive Solicitation Solicitation #: GFO-19-305
 First Come First Served Solicitation Solicitation #:

M) The following items should be attached to this GRF

- | | |
|---|---|
| 1. Exhibit A, Scope of Work | <input checked="" type="checkbox"/> Attached |
| 2. Exhibit B, Budget Detail | <input type="checkbox"/> Attached |
| 3. CEC 105, Questionnaire for Identifying Conflicts | <input checked="" type="checkbox"/> Attached |
| 4. Recipient Resolution | <input checked="" type="checkbox"/> N/A <input type="checkbox"/> Attached |
| 5. CEQA Documentation | <input type="checkbox"/> N/A <input checked="" type="checkbox"/> Attached |

Agreement Manager

Date

Office Manager

Date

Deputy Director

Date

Exhibit A
Scope of Work
Anzode Inc.

I. TASK ACRONYM/TERM LISTS

A. Task List

Task #	CPR¹	Task Name
1		General Project Tasks
2		Cell Prototyping, Testing, and Optimization
3	x	Battery Prototype Demonstration
4		Safety Testing
5		Application Development and Market Research
6	x	Scale-up Prototyping
7		Product Design
8		Environmental Impact and Product Life-cycle Analysis and Recyclability Assessment
9		Evaluation of Project Benefits
10		Technology/knowledge Transfer Activities
11		Production Readiness Plan

B. Acronym/Term List

Acronym/Term	Meaning
CAM	Commission Agreement Manager
CAO	Commission Agreement Officer
CPR	Critical Project Review
TAC	Technical Advisory Committee
BMS	Battery Management System
kWh	Kilowatt-hour
mAh	Milliamp-hour
Ah	Amp-hour
8S1P	Battery configuration with 1 parallel string of 8 cells

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

C. Purpose of Agreement

The purpose of this Agreement is to fund prototyping efforts of a novel rechargeable alkaline battery technology enabling economical, reliable, safe, and environmentally friendly energy storage solutions for different applications, including storage for renewable energy generation, long-term backup power, and microgrid and off-grid applications.

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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D. Problem/ Solution Statement

Problem

Backup energy storage, with market growth of 500% per year, is an increasing necessity for the 2.7 million Californians in fire safety power shutoff risk areas, for essentials such as charging electronic and medical devices, and storing and preparing food during power outages. The sector is now dominated by lithium-ion (Li-ion) batteries and fossil-fuel-based (diesel or gasoline) generators. Li-ion batteries have safety issues, resulting in about 600 overheating and fire incidents each year in California, and more than 250 incidents on aircraft since the mid-2000s in the U.S. Consumer gasoline generators need about 18 gallons of fuel per day. If 100,000 such generators are in use, our state will emit 18,000 tons of carbon dioxide in 24 hours. Gasoline generators also caused about 100 deaths in California from 2005 to 2017 due to carbon monoxide poisoning. There is a need for cost-effective, reliable, safe, and environmentally-sound energy storage.

Solution

According to the Recipient, Anzode has developed a technology that brings long-life rechargeability to alkaline battery chemistry, and is environmentally benign, low-cost, and safe. According to the Recipient, the battery is built using water-based, non-flammable electrolytes and non-toxic earth-abundant electrode materials such as zinc (Zn) and manganese dioxide (MnO_2). Further, all materials are highly energy dense and low cost.

According to the Recipient, the technology has been demonstrated in a lab on small-scale test cells, showing stable cycling over 600 cycles with projected energy system costs of \$80/kWh (about 55% lower than today's Li-ion batteries and about 65% less than gasoline generators). Further development of Anzode's technology toward application-relevant scale could enable environmentally friendly, safe, low-cost, high-performance energy storage products to California's ratepayers, including the 9 million in SB 535 disadvantaged communities.

Goals and Objectives of the Agreement

Agreement Goals

The goal of this Agreement is to:

- Achieve the anticipated performance level through prototype design, fabrication, validation, and testing.
- Demonstrate operational battery prototypes and manufacturability on an application-relevant scale

Ratepayer Benefits:² This Agreement is intended to result in ratepayer benefits including greater electricity reliability with the proposed alkaline battery technology as backup power – especially among the 2.7 million Californians in fire safety electrical outage risk areas and the 9 million in disadvantaged communities, 55 to 65 percent lower costs, and increased safety. The

² California Public Resources Code (PRC), 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).

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Recipient's technology uses materials such as Zn and Mn, which, according to the Recipient, are abundant and safer than lithium-ion batteries, and the batteries can last ten years or longer with intermittent use.

Technological Advancement and Breakthroughs:³ This Agreement intended lead to technological advancement and breakthroughs to overcome barriers to the achievement of the State of California's statutory energy goals, through engineering design and extensive performance and safety testing of alkaline battery prototypes on an application-relevant scale. Demonstration of operational battery prototypes and manufacturability should enable commercialization of the technology, and facilitate mass adoption of renewable power options such as solar and wind, helping achieve 100 percent renewable energy use by 2045.

Agreement Objectives

The objectives of this Agreement are to:

- Test and parameterize chemistry performance in battery cell prototypes.
- Demonstrate a functional prototype of a rechargeable battery with nominal voltage of 12V, energy density of more than 70 Wh/kg, and cycle life of more than 500 cycles.
- Identify key specifications for a product prototype for a residential energy storage unit.

III. TASK 1 GENERAL PROJECT TASKS

PRODUCTS

Subtask 1.1 Products

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.

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California PRC, 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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- 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.
- 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).

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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;
 - 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*)

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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.

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.

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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.
 - 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

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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 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:

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- 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.
- 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

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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 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*)

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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.

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.

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- 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:

- 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.

Exhibit A

Scope of Work

Anzode Inc.

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.
- 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.

Exhibit A
Scope of Work
Anzode Inc.

Products:

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

Exhibit A
Scope of Work
Anzode Inc.

IV. TECHNICAL TASKS

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. **Subtask 1.1 (Products)** describes the procedure for submitting products to the CAM.

TASK 2: CELL PROTOTYPING, TESTING, AND OPTIMIZATION

The goals of this task are to build and validate the performance of battery cell prototypes of different scales (100 mAh single-layer cells and 5 Ah multilayer cells); and demonstrate improvement in cell performance by optimizing electrode characteristics (such as loading, porosity, composition) and overall cell design and assembly procedure.

The Recipient shall:

- Establish prototype designs for the following cases:
 - single-layer 100 mAh cell
 - multilayer 5 Ah prismatic cell.
- Prepare a *Cell Test Plan* that describes test objectives, procedures, test schedules, conditions, facilities, and equipment used to test. The tests will include:
 - Capacity tests
 - Test energy efficiency and coulombic efficiency
 - Discharge rate tests
 - Different charging rates and profiles
 - Cycle life tests
 - Shelf life tests
 - Self-discharge tests
 - Thermal characteristics at different discharge rates
 - Rate performance, self-discharge, and cycle life at different temperatures.
- Fabricate electrodes and build cell prototypes.
- Carry out the tests according to the *Cell Test Plan*.
- Prepare a *Cell Prototyping Report* that includes:
 - Detailed prototype design and photos of five cell prototypes (5 Ah each)
 - Present prototypes over a video web meeting.
 - Test results
 - Cell design recommendations.

Products:

- Cell Test Plan
- Cell Prototyping Report (draft and final)

TASK 3: BATTERY PROTOTYPE DEMONSTRATION

The goal of this task is to build and validate performance of battery prototypes using cell design developed in Task 2.

The Recipient shall:

- Use cell test results from Task 2 to design battery pack prototypes with the 8S1P (12V 5 Ah) pack configuration.

Exhibit A
Scope of Work
Anzode Inc.

- Design and build cell voltage and temperature monitoring system for battery prototypes monitoring using commercial off-the-shelf components or products. Data from the monitoring system will be logged using personal computer.
- Prepare a *Battery Test Plan* that describes test objectives, procedures, test schedules, conditions, facilities, and equipment used to test. The tests will include:
 - Capacity tests
 - Test energy efficiency and coulombic efficiency
 - Discharge rate tests
 - Different charging rates and profiles
 - Cycle life tests
 - Self-discharge tests
 - Thermal characteristics at different discharge rates.
- Fabricate electrodes and cells and build battery prototypes.
- Carry out the tests according to the *Battery Test Plan*.
- Analyze test results and outline requirements for battery management system and charger requirements.
- Prepare a *Battery Prototyping Report* that includes:
 - Detailed prototype design
 - Test results
 - Battery design recommendations
 - BMS requirements
 - Battery charger requirements.
- Prepare *CPR Report #1* and participate in a CPR meeting, in accordance with subtask 1.3 (CPR Meetings)

Products:

- Battery Test Plan
- Battery Prototyping Report (draft and final)
- CPR Report #1

TASK 4: SAFETY TESTING

The goal of this task is to demonstrate a safety level of the battery prototypes superior to those of a commercial Li-ion battery with a similar energy level. The safety tests will be conducted in accordance with applicable current test standards for batteries.

The Recipient shall:

- Prepare a *Safety Test Plan* that describes test objectives, procedures, test schedules, conditions, facilities, and equipment used to test.
- Procure required number of commercial Li-ion cells with energy similar to 5 Ah prototypes for the tests according to the *Safety Test Plan*.
- Assemble required number of 5 Ah prototypes according to the *Safety Test Plan*.
- Deliver the cells to the safety test facility.
- Conduct safety tests according to the *Safety Test Plan*.
- Prepare a *Safety Report* that describes the results of the safety tests, including a discussion on issues encountered and steps taken to address them.

Exhibit A
Scope of Work
Anzode Inc.

Products:

- Safety Test Plan
- Safety Report (draft and final)

TASK 5: APPLICATION DEVELOPMENT AND MARKET RESEARCH

The goals of this task are to define target application parameters, identify typical use cases, and determine target specifications for energy storage products, including market research with attention to SB 535 areas.

The Recipient shall:

- Engage with potential partners and customers to discuss different use cases, performance expectations, and requirements and customer needs.
- Perform market research to establish baseline performance requirements based on existing products (e.g., gas generators, lead-acid and Li-ion).
- Conduct market research and interview focus groups that may include homeowners in areas where blackouts have been severe, electricians (regarding install requirements, weight, etc.), target homeowners (including those with solar systems and gas generators), solar systems installers, generator installers, generator users, and utilities.
- Develop a set of target product specifications.
- Establish economic models for each of the identified applications and understand product price constraints.
- Identify target application.
- Develop test schedule for product prototype demonstration to showcase product performance for the target application and specify expected performance levels in each test.
- Prepare an *Applications Development Report* that should include:
 - Description of each identified application and use case
 - Market size analysis for each application
 - Target product specifications for each application
 - Letters from prospective customers confirming interest
 - Product design recommendations
 - Economic models covering different use cases
 - Demo tests recommendations.
- Research and reporting will include engagement with SB 535 low-income and disadvantaged communities.

Products:

- Applications Development Report

TASK 6: SCALE-UP PROTOTYPING

The goal of this task is to demonstrate a working 12V 40 Ah battery that can be a building block for future stationary storage products.

The Recipient shall:

- Establish cell design for 40 Ah multilayer cells.
- Design a battery pack for 8S1P configuration (12V 40Ah).

Exhibit A

Scope of Work

Anzode Inc.

- Procure required materials and tooling. Place orders for custom parts (if applicable).
- Prepare required number of electrodes and electrolyte.
- Establish engineering control of prototype assembly and required safety measures.
- Build prototypes.
- Perform demo testing.
- Prepare a *Scale-up Prototyping Report* that should include:
 - Documented build process
 - Test results of the demo testing
 - Product design recommendations.
- Prepare *CPR Report #2* and participate in a CPR meeting, in accordance with subtask 1.3 (CPR Meetings).

Products:

- Scale-up Prototyping Report (draft and final)
- CPR Report #2

TASK 7: PRODUCT DESIGN

The goal of this task is to develop an energy storage product prototype that will be able to deliver performance at a level required by target application (as determined in Task 4).

The Recipient shall:

- Design a prototype of the energy storage product based on the defined specifications.
- Prepare a *Product Design Report*. The report will include but is not limited to:
 - BOM for the product prototype
 - Battery pack configuration
 - Enclosure design
 - BMS schematics, PCB layout, and firmware (if applicable)
 - Relevant design renderings and files (CAD and STEP)
 - Assembly documentation
 - Product target specifications

Products:

- Product Design Report (draft and final)

TASK 8: ENVIRONMENTAL IMPACT AND PRODUCT LIFE-CYCLE ANALYSIS AND RECYCLABILITY ASSESSMENT

The goal of this task is to establish quantitative measures for environmental impact of the technology by analyzing product life cycle, starting from mining raw materials all the way to disposal at the end of the product life; and analyzing possible benefits of different recycling scenarios. This effort will include attention to SB 535 communities.

The Recipient shall:

- Conduct a comprehensive analysis of the product life cycle that should include:
 - Mining, extraction, and processing of raw materials
 - Components manufacturing
 - Transportation and storage of raw materials and product components

Exhibit A
Scope of Work
Anzode Inc.

- Manufacturing processes
- Distribution to customers
- Installation, use, and maintenance
- End of life (disposal, reuse, or recycling).
- Assess environmental impacts of the proposed technology based on the life-cycle analysis.
- Propose and analyze possible recycling scenarios.
- Conduct comparative analysis for the environmental impact of Anzode's technology and existing technical solutions.
- Propose approaches to further reduce the overall environmental impact.
- Prepare a *Product Life Cycle and Environmental Impact Report*. The report will include:
 - Detailed description of the product life cycle with several possible scenarios.
 - Quantitative assessment of environmental impacts for each identified life-cycle scenario. The assessment should include estimates of greenhouse gas emissions, pollutants, and impacts on human health at each stage of the product life cycle.
 - List of different recycling approaches and their effect on economics and environmental impact of the product.
 - Comparative table of the environmental impact with existing technical solutions including Li-ion batteries.
 - Description of possible approaches to further reduce environmental impact of the technology.
- Assessment and reporting will include attention to potential impacts on SB 535 low-income and disadvantaged communities.

Products:

- Product Life-Cycle and Environmental Impact Report. (draft and final)

TASK 9: EVALUATION OF PROJECT BENEFITS

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.

Exhibit A
Scope of Work
Anzode Inc.

- 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.
 - 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.

Exhibit A
Scope of Work
Anzode Inc.

Products:

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

TASK 10: 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.
- 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)

Exhibit A
Scope of Work
Anzode Inc.

TASK 11: 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: ANZODE, 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-19-042 with Anzode Inc. for a \$1,747,721 grant to fund prototyping efforts to add a novel stabilizing compound to zinc-based battery electrodes which reduces electrode degradation. This stabilizer can be easily integrated into existing manufacturing processes and is expected to double battery life. The system will be tested to demonstrate performance in residential and commercial applications; 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 June 10, 2020.

AYE:

NAY:

ABSENT:

ABSTAIN:

Cody Goldthrite
Secretariat