

GRANT REQUEST FORM (GRF)CEC-270 (Revised 10/2015)
COMMISSION

CALIFORNIA ENERGY

New Agreement EPC-18-014 (To be completed by CGL Office)

Division	Agreement Manager:	MS-	Phone
ERDD	Eleanor Oliver	51	916-445-5377

Recipient's Legal Name	Federal ID Number
Spark Thermionics, Inc.	47-5365196

Title of Project
Production Scale-Up of Thermionic Energy Harvesters

Term and Amount	Start Date	End Date	Amount
	6/28/2019	3/29/2024	\$ 1,349,933

Business Meeting Information

<input type="checkbox"/> ARFVTP agreements under \$75K delegated to Executive Director.			
Proposed Business Meeting Date	6/12/2019	<input type="checkbox"/> Consent	<input checked="" type="checkbox"/> Discussion
Business Meeting Presenter	Benson Gilbert	Time Needed:	10 minutes
Please select one list serve. EPIC (Electric Program Investment Charge)			

Agenda Item Subject and Description

SPARK THERMIONICS, INC. Proposed resolution approving Agreement EPC-18-014 with Spark Thermionics, Inc. for a \$1,349,933 grant to scale-up production and validation of a thermionic energy harvester, which converts heat directly to electricity, and adopting staff's determination that this action is exempt from CEQA. This technology, combined with next-generation concentrating solar power (CSP) plants, has the potential to drive down the cost of CSP plants to 5.6 cents/kWh. (EPIC Funding) Contact: Benson Gilbert (Staff presentation: 5 minutes)

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. (Attach draft NOE)
☐ Statutory Exemption. List PRC and/or CCR section number: _____
☒ Categorical Exemption. List CCR section number: Cal. Code Regs., tit 14, § 15301
☐ Common Sense Exemption. 14 CCR 15061 (b) (3)
 Explain reason why Agreement is exempt under the above section:
 For Cal. Code Regs. (CCR), Title 14, Section 15301: This project will involve manufacturing and product testing to be performed at existing laboratory and manufacturing facilities. This project intends to install small-scaled equipment into an existing facility and will involve operation, maintenance, and minor alterations to the facility. Work under this project will result in negligible or no expansion of the existing use. This project will result in no significant impact to the environment and is exempt pursuant to CCR, 14 § 15301.
☐ b) Agreement **IS NOT** exempt. (Consult with the legal office to determine next steps.)
 Check all that apply
☐ Initial Study ☐ Environmental Impact Report
☐ Negative Declaration ☐ Statement of Overriding Considerations
☐ Mitigated Negative Declaration

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

Legal Company Name:	Budget
Adam Lorimer	\$ 72,000

GRANT REQUEST FORM (GRF)**List all key partners:** (attach additional sheets as necessary)

Legal Company Name:

Budget Information

Funding Source	Funding Year of Appropriation	Budget List No.	Amount
EPIC	18-19	301.001F	\$1,349,933
			\$
R&D Program Area: EDMFO: EDMF		TOTAL:	\$1,349,933
Explanation for "Other" selection			
Reimbursement Contract #:		Federal Agreement #:	

Recipient's Administrator/ Officer

Name: Jared Schwede
 Address: 2342 Shattuck Ave # 525
 City, State, Zip: Berkeley, CA 94704-1517
 Phone: 360-389-6882 / Fax: - -
 E-Mail: jared.schwede@sparkthermionics.com

Recipient's Project Manager

Name: Jared Schwede
 Address: 2342 Shattuck Ave # 525
 City, State, Zip: Berkeley, CA 94704-1517
 Phone: 360-389-6882 / Fax: - -
 E-Mail: jared.schwede@sparkthermionics.com

Selection Process Used

- ☒ Competitive Solicitation
☐ First Come First Served Solicitation

Solicitation #: GFO-18-302

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 checked="" 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

I. TASK ACRONYM/TERM LISTS

A. Task List

Task #	CPR ¹	Task Name
1		General Project Tasks
2		Cost Model Development
3	X	Component Production Capabilities
4		Component Testing Capabilities
5	X	Capabilities for Device Assembly
6		Characterization & Testing of Devices
7		Evaluation of Project Benefits
8		Technology/Knowledge Transfer Activities
9		Production Readiness Plan

B. Acronym/Term List

Acronym/Term	Meaning
CAM	Commission Agreement Manager
CAO	Commission Agreement Officer
CPR	Critical Project Review
CSP	Concentrating Solar Power
LRIP	Low-Rate Initial Production
MTTF	Mean Time To Failure
PV	Photovoltaic
TAC	Technical Advisory Committee
TES	Thermal Energy Storage

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

A. Purpose of Agreement

The purpose of this Agreement is to fund development of testing and production capabilities for Low-Rate Initial Production (LRIP) of Recipient's thermionic energy harvesters. These capabilities will enable Recipient to advance towards the goal of integrating with concentrated solar power (CSP) and thermal energy storage (TES).

B. Problem/ Solution Statement

Problem

California is relying heavily on solar photovoltaic (PV) and wind for generation, however, these generation techniques cannot always meet peak demands and therefore need to be supplemented with energy generation coupled with storage. Such storage can be provided by

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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Scope of Work

the combination of CSP + TES, which resolves issues such as lifetime and reliability that plague battery storage. This would enable greater penetration of solar PV and wind, moving California towards its aggressive renewable portfolio standards. However, currently CSP's adoption is limited by its cost, which is more expensive than PV despite being comparable in price several years ago.

Solution

This project intends to reduce capital costs of CSP to be significantly cheaper, which will improve the overall efficiency of the power generating system. As opposed to solar PV, which converts sunlight directly to electricity, CSP captures the heat from focused sunlight and uses that energy to heat a working fluid. Efficiency could therefore be boosted by inserting a thermionic energy harvester as a topping cycle which is heated to very high temperatures, and extracts additional energy while dropping the temperature down to what is required to heat the working fluid. Thermionic energy harvesters are an ideal match for such a "piggy-back" device, since they well match the required input and output temperatures.

The Electric Program Investment Charge (EPIC) funding will support production scale-up market facilitation enabling Recipient's prototype thermionic energy harvester from one-off prototyping production to a successful LRIP.

C. Goals and Objectives of the Agreement

Agreement Goals

The goals of this Agreement are to:

- Advance Recipient's thermionic energy harvester technology to LRIP readiness to produce first runs,
- Increase market penetration of CSP + TES through increasing product visibility by demonstrating performance of initial production runs of thermionic energy harvester, and
- Reduce maintenance costs due to heat-to-electricity conversion without moving parts and high mean time to failure (MTTF).

Ratepayer Benefits:² This Agreement will result in the ratepayer benefits of greater electricity reliability and lower electrical cost. CSP + TES in combination with a thermionic topping cycle can substantially lower cost resulting in lower costs for electricity ratepayers compared to competing dispatchable generation. The financially viable CSP + TES will provide flexible generation needed to support variable renewables, and generate economic and job creation opportunities. A high penetration of intermittent renewables to achieve this target could jeopardize grid reliability without a source of flexible generation. CSP +TES can not only provide renewable generation, but also flexible generation. Thermionic topping cycles will enable lower costs to drive the adoption of low-cost CSP with the added benefit of reliable, dispatchable generation.

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).

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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 making energy generation with CSP + TES cheaper, through employing thermionic energy harvesters on the solar receptors as a topping. Reducing the capital expense of CSP + TES is critical in meeting peak power demands while switching over to more and more renewable energy generation, since renewable energy sources such as solar or wind do not have energy storage by themselves.

Recipient is committed to developing technologies and facilities for mass production of Recipient's thermionic energy harvesters in order to make them available for integration into CSP + TES for a reliable boost in plant efficiency and therefore overall electricity cost reduction.

Agreement Objectives

The objectives of this Agreement are to:

- Scale up production of initial prototype of thermionic energy harvesters to LRIP stage,
- Reduce production time and cost of thermionic energy harvesters , and
- Conduct market facilitation activities addressing supply chain, workforce needs, and other deployment challenges to confirm high volume production readiness.

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.

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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- 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).

Exhibit A Scope of Work

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
- Approval 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:

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- 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

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

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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)*

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.

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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.
- 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).

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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.

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.

Exhibit A

Scope of Work

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.

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

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: COST MODEL DEVELOPMENT

The goal of this task is to develop a cost model with yield and rate analysis to understand and minimize costs of production of thermionic energy harvesters at the LRIP stage. The price model will capture high fidelity at the LRIP stage to guide decisions throughout the remaining tasks.

The Recipient shall:

- Recipient will refer cost models from previous project which showed thermionic energy harvesters can achieve disruptively low cost at scale.
This design is not considered data, a product, intellectual property, or anything else under this Agreement to which the Energy Commission has any rights (e.g., access, possession, a license, etc.). This design is included in this Scope of Work to ensure the Recipient conducts this work, but the Commission does not have any rights to the design in order to ensure that third-parties, such as competitors, cannot use this Agreement to gain access to it, such as through the Public Records Act, and potentially harm Recipient's ability to commercialize the technology described in this Agreement.
- Estimate current costs based on current prototype, and associated manufacturing techniques and vendors, and project these costs to LRIP
- Determine and address with solutions the most costly and most time-consuming processes in manufacturing.
- Determine most capable routes for manufacturing speed-up and cost reduction of manufacturing.
- Prepare a *Cost Projection and Optimization Report* that includes, but is not limited to,
 - possible cost-reducing manufacturing processes identified,
 - possible barriers or restraints in the manufacturing process, and
 - list of potential manufacturing solutions that indicate efficiency, reduce capital cost, and quality of product.

Products:

- Cost Projection and Optimization Report

TASK 3: COMPONENT PRODUCTION CAPABILITIES

The goal of this task is to build equipment and establish contacts with contract manufacturers that will allow the Recipient to cost-effectively manufacture thermionic energy harvesters components in California.

The Recipient shall:

- Establish contacts with contract manufacturers and foundries who have the ability to manufacture thermionic energy harvester components that will not be manufactured in-house, including high temperature cathode components, parts of the anode, parts of the encapsulation, and microfabricated components.
- Develop a de-risking plan to validate and formalize suppliers for commercialization.
- Develop production techniques for those components to be manufactured in-house.

Exhibit A

Scope of Work

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- Demonstrate manufacturing of components.
- Complete necessary post-production processes (e.g. coatings or finishing)
- Prepare *Component Manufacturing Assessment Report* to include, but not limited to, outcomes from test trials in off-site and on-site manufacturing, best practices and lessons learned.
- Prepare a *CPR Report #1* and participate in a CPR meeting in accordance with subtask 1.3.

Products:

- Component Manufacturing Assessment Report (draft and final)
- CPR Report #1

TASK 4: COMPONENT TESTING CAPABILITIES

The goal of this task is to build the capacity for quality assurance of the individual thermionic energy harvester components and subassemblies compatible with LRIP.

Subtask 4.1 Establishing Capabilities for Characterization & Testing of Encapsulation Components

The goal of this subtask is to establish the capability to characterize and test the encapsulation components of the thermionic energy harvester that are produced from the LRIP process to ensure that components and subassemblies are robust enough for further integration, and identify downstream failures.

The Recipient shall:

- Develop testing capabilities for materials properties, such as composition, density, and/or surface finish, expected to screen for known integration challenges.
- Develop testing processes and capabilities to simulate device operation for individual components that could include, but not limited to, behavior in expected operating environment (temperature, life cycle, energy output etc.)
- Prepare *Capabilities for Testing of Encapsulation Components Report* which summarizes the key performance metrics and capabilities of the encapsulation component testing with the data and knowledge found.

Products:

- Capabilities for Testing of Encapsulation Components Report

Subtask 4.2 Establishing Capabilities for Characterization & Testing of Core Components

The goal of this subtask is to characterize and test the "core components" of the thermionic energy harvester that are produced in the LRIP process. These components have unique requirements for proper operation that should be screened independently of the encapsulation components in Task 4.1.

Exhibit A

Scope of Work

The Recipient shall:

- Develop testing process and capabilities for screening the success of the manufacturing processes to determine if core thermionic energy harvester components are within specification including:
 - Establishing dimensions and tolerances of core components.
- Develop testing process and capabilities for proper function of core components under normal operating conditions including, but not limited to:
 - Electrical and thermal conductivity of microfabricated components
 - Mechanical robustness of microfabricated components
 - Work function and/or related properties of electrode materials.
- Prepare *Capabilities for Testing of Core Components Report* which summarizes the key performance metrics and capabilities of the core component testing with the data and knowledge found.

Products:

- Capabilities for Testing of Core Components Report

TASK 5: CAPABILITIES FOR DEVICE ASSEMBLY

The goal of this task is to create processes for performing final assembly of the individual components into standalone thermionic energy harvester devices that are compatible with LRIP. Recipient will develop more in-house capabilities than component manufacturing, so the sealing process can optionally be conducted in-house rather than off-site.

The Recipient shall:

- Determine successful bonding processes to create an electrically insulating seal. While existing relationships from previous prototypes can be leveraged, and new potential vendors can be discovered, if needed, this process can be brought in-house. This design is not considered data, a product, intellectual property, or anything else under this Agreement to which the Energy Commission has any rights (e.g., access, possession, a license, etc.). This design is included in this Scope of Work to ensure the Recipient conducts this work, but the Commission does not have any rights to the design in order to ensure that third-parties, such as competitors, cannot use this Agreement to gain access to it, such as through the Public Records Act, and potentially harm Recipient's ability to commercialize the technology described in this Agreement.
- If bonding process brought in house, Recipient will:
 - Establish any required preparation steps for the bonding process, for instance mechanical or chemical cleaning or etching
 - Commission equipment for electrically insulating seal
- Determine if additional sealing will be needed in the LRIP assembly process, for instance for final pump-down of the device, and if so, implement using steps similar to those outlined for the electrically insulating seal above.
- Prepare a *Sealing Process Report* which will include possible steps for bonding process, key equipment required, alternative plans for bonding process, and risk analysis.
- Prepare a *CPR Report #2* and participate in a CPR meeting (subtask 1.3).

Products:

- Sealing Process Report
- CPR Report #2

Exhibit A

Scope of Work

TASK 6: CHARACTERIZATION & TESTING OF DEVICES

The goal of this task is to create the capability to characterize and run performance tests on the completed thermionic energy harvester devices.

The Recipient shall:

- Establish nominal performance criteria of device, with respect to lifetime, number of thermal cycles, power output, and power degradation.
- Develop device test setup for testing, including fixturing, heating and cooling, hardware instrumentation, and data collection.
- Construct monitoring system to measure device performance, such as power output, including automatic data logging capabilities.
- Prepare *Validation Testing Memo* that summarizes testing capabilities from results of testing.
- Demonstrate testing on multiple devices, expected to include multiple thermal cycles and extended lifetime tests as informed by the nominal performance criteria, in order to determine overall yield of manufacturing.
- Prepare a *Performance Cost Model* updated with yield and rate analyses based on device testing results.

Products:

- Validation Testing Memo
- Performance Cost Model

TASK 7: 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.
 - 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.

Exhibit A

Scope of Work

- 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.

Products:

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

TASK 8: 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.

Exhibit A

Scope of Work

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)

TASK 9: 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:

Exhibit A

Scope of Work

- 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: SPARK THERMIONICS, INC.

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

RESOLVED, that the Energy Commission approves Agreement EPC-18-014 Spark Thermionics, Inc. for a \$1,349,933 grant to scale-up production and validation of a thermionic energy harvester, which converts heat directly to electricity, and adopting staff's determination that this action is exempt from CEQA. This technology, combined with next-generation concentrating solar power (CSP) plants, has the potential to drive down the cost of CSP plants to 5.6 cents/kWh; and

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

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 California Energy Commission held on June 12, 2019.

AYE: [List of Commissioners]

NAY: [List of Commissioners]

ABSENT: [List of Commissioners]

ABSTAIN: [List of Commissioners]

Cody Goldthrite,
Secretariat