California Energy Commission
March 12, 2026 Business Meeting
Backup Materials for Electric Power Research Institute, Inc.

The following backup materials for the above-referenced agenda item are available in this PDF packet as listed below:

1. Proposed Resolution
2. Grant Request Form
3. Scope of Work

CALIFORNIA ENERGY COMMISSION

PROPOSED RESOLUTION: Electric Power Research Institute, Inc.

RESOLUTION NO: 26-0312-XX

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-25-050 with Electric Power Research Institute, Inc. for a $1,199,004 grant. This agreement will fund the development and demonstration of a 120V electric heat pump water heater system using refrigerants with ultra-low global warming potential, in Irwindale; and

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

APPROVED AND ADOPTED this 12th day of March 2026, by the following vote:

AYE:
NAY:
ABSENT:
ABSTAIN:

CERTIFICATION

The undersigned Secretariat to the CEC does hereby certify that the foregoing is a full, true, and correct copy of a resolution duly and regularly approved and adopted by affirmative vote of the CEC at a meeting held on March 12, 2026.

Kim Todd
Secretariat

STATE OF CALIFORNIA
CALIFORNIA ENERGY COMMISSION

CEC-270 (Revised 01/2026)

GRANT REQUEST FORM (GRF)

A. New Agreement Number

IMPORTANT: New Agreement # to be completed by Contracts, Grants, and Loans Office.

New Agreement Number: EPC-25-050

B. Division Information

1. Division Name: ERDD
2. Agreement Manager: Amir Ehyai
3. MS-:None
4. Phone Number: 916-776-0752

C. Recipient's Information

1. Recipient's Legal Name: Electric Power Research Institute, Inc.

D. Title of Project

Title of project: Efficient and Flexible Natural Refrigerant based 120V HPWH with Immersed Condenser

E. Term and Amount

1. Start Date: 4/15/2026
2. End Date: 12/31/2030
3. Amount: $1,199,004.00

F. Business Meeting Information

1. Are the ARFVTP agreements $75K and under delegated to Executive Director? No
2. The Proposed Business Meeting Date: 3/12/2026 .
3. Consent or Discussion? Discussion
4. Business Meeting Presenter Name: Harrison Reynolds
5. Time Needed for Business Meeting: 5 minutes.
6. The email subscription topic is: EPIC

Project Description:

Electric Power Research Institute, Inc. Proposed resolution approving agreement EPC-25-050 with Electric Power Research Institute, Inc. for a $1,199,004 grant, and adopting staff's recommendation that this action is exempt from CEQA. This agreement will fund the development and demonstration of a 120V electric heat pump water heater system using refrigerants with ultra-low global warming potential, in Irwindale and possibly Fresno and/or San Bernardino. This project will develop, test and demonstrate use of R-290 as an ultra-low GWP refrigerant in a heat pump water heater system with an immersed condenser operating on a 120V circuit that incorporates demand flexibility capabilities via communication standard such as CTA-2045 B. The innovation in heat exchanger design should provide a technological solution for maximizing capacity for the limited 120V electrical input.

G. California Environmental Quality Act (CEQA) Compliance

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

If yes, skip to question 2.

If no, complete the following (PRC 21065 and 14 CCR 15378) and explain why Agreement is not considered a "Project":

2. If Agreement is considered a "Project" under CEQA answer the following questions.

a) Agreement **IS** exempt?

Yes

Statutory Exemption?
No

If yes, list PRC and/or CCR section number(s) and separate each with a comma. If no, enter "None" and go to the next question.

PRC section number: None

CCR section number: None

Categorical Exemption?
Yes

If yes, list CCR section number(s) and separate each with a comma. If no, enter "None" and go to the next question.

CCR section number: Cal. Code Regs., tit. 14, § 15301 ; § 15306

Common Sense Exemption? 14 CCR 15061 (b) (3)
No

If yes, explain reason why Agreement is exempt under the above section. If no, enter "Not applicable" and go to the next section.

This project involves development of a prototype 120V heat pump water heater system using R-290 as its primary refrigerant with immersed condenser in a laboratory setting. The prototype water heater will then be installed in a residential demonstration site for field testing. The prototype water heater will be decommissioned and a conventional water heater reinstalled after research testing and data collection is completed.

For the residential demonstration, the local government Agency Having Jurisdiction, may apply requirements (e.g., Building Code, Fire Code) to the demonstration heat pump water heater equipment. Although propane refrigerant is hazardous, current regulations for its use in heat pumps mean that the grant pilot heat pump can only have 114 grams of propane refrigerant charge per device. To explain further UL Solutions (Underwriters Laboratories) standard 60335-2-40 lists several safety requirements applicable to various electrical appliances, including air conditioners and heat pumps. In particular, the standard outlines requirements for protection against hazards of various types (fire, electrical, mechanical), refrigerant leak detection, ignition source mitigation, and charge limits. All heat pumps installed in the U.S. must comply with this standard per mechanical codes, making it a de facto federal standard. For propane (R-290), UL 60335-2-40 sets a charge limit of 114 grams. This limit is based on propane's lower flammability limit and its classification. Based on this small amount, the demonstrations in residential buildings will be a less-than-significant health, safety, and environmental hazard under CEQA.

Cal. Code Regs., tit. 14, 15301, Existing Facilities, provides an exemption from CEQA for the operation, repair, maintenance, permitting, leasing, licensing, or minor alteration of existing structures, facilities, mechanical equipment or topographical features involving negligible or no expansion of use beyond that existing. This project will conduct research, development, and manufacturing within already existing facilities with only minor interior alterations through the addition of small-scale fabrication equipment. There will be negligible or no expansion of existing use. Therefore, the project falls within section 15301 and will not have a significant effect on the environment.

Cal. Code Regs., tit. 14, Section 15306, Information Collection, exempts from CEQA projects that consist of basic data collection, research, experimental management, and resource evaluation activities which do not result in a serious or major disturbance to an environmental resource. The proposed project activities fall within these categories. For these reasons, the proposed project will have no significant effect on the environment and is categorically exempt under section 15306.

This project does not involve impacts on any particularly sensitive environment; any cumulative impacts of successive projects of the same type in the same place that might be considered significant; does not involve unusual circumstances that might have a significant effect on the environment; will not result in damage to scenic resources within a highway officially designated as a state scenic highway; the project sites are not included on any list compiled pursuant to Government Code section 65962.5, and the project will not cause a substantial adverse change in the significance of a historical resource. Therefore, none of the exceptions to categorical exemptions listed in CEQA Guidelines section 15300.2 apply to this project, and this project will not have a significant effect on the environment.

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

No

If yes, answer yes or no to all that applies. If no, list all as “no” and “None” as “yes”.

Additional Documents	Applies
Initial Study	No
Negative Declaration	No
Mitigated Negative Declaration	No
Environmental Impact Report	No
Statement of Overriding Considerations	No
None	Yes

H. Is this project considered “Infrastructure”?

No

I. Subcontractors

List all Subcontractors listed in the Budget (s) (major and minor). Insert additional rows if needed. If no subcontractors to report, enter "No subcontractors to report" and "0" to funds. **Delete** any unused rows from the table.

Subcontractor Legal Company Name	CEC Funds	Match Funds
Southern California Edison Company	$ 0	**$**100,000
Southern Company Services, Inc.	$ 0	**$**100,000
Pacific Gas and Electric Company (PG&E)	$ 0	**$**100,000

J. Vendors and Sellers for Equipment and Materials/Miscellaneous

List all Vendors and Sellers listed in Budget(s) for Equipment and Materials/Miscellaneous. Insert additional rows if needed. If no vendors or sellers to report, enter "No vendors or sellers to report" and "0" to funds. **Delete** any unused rows from the table.

Vendor/Seller Legal Company Name	CEC Funds	Match Funds
Kliewer and Associates, LLC	**$150,000**	**$0**
TBD Vendor (Plumbing Supplies)	**$10,000**	**$0**

K. Key Partners

List all key partner(s). Insert additional rows if needed. If no key partners to report, enter "No key partners to report." **Delete** any unused rows from the table.

Key Partner Legal Company Name
Lowell Community Development Corporation
Mary's Mercy Center

L. Budget Information

Include all budget information. Insert additional rows if needed. If no budget information to report, enter "N/A" for "Not Applicable" and "0" to Amount. **Delete** any unused rows from the table.

Funding Source	Funding Year of Appropriation	Budget List Number	Amount
EPIC	24-25	301.001L	$ 1,199,004

TOTAL Amount: $ 1,199,004

R&D Program Area: ICMB: Buildings

Explanation for “Other” selection Not applicable

Reimbursement Contract #: Not applicable

Federal Agreement #: Not applicable

M. Recipient’s Contact Information

1. Recipient’s Administrator/Officer

Name: Trenton Huntley

Address: 942 Corridor Park Blvd

City, State, Zip: Knoxville, TN 37932-3723

Phone: 704-595-2439

E-Mail: thuntley@epri.com

2. Recipient’s Project Manager

Name: Edwin Hornquist

Address: 3420 Hillview Ave

City, State, Zip: Palo Alto, CA 94304-1355

Phone: 650-855-1033

E-Mail: ehornquist@epri.com

N. Selection Process Used

There are three types of selection process. List the one used for this GRF.

Selection Process	Additional Information
Competitive Solicitation #	GFO-24-305
First Come First Served Solicitation #	Not applicable
Other	Not applicable

O. Attached Items

1. List all items that should be attached to this GRF by entering “Yes” or “No”.

Item Number	Item Name	Attached
1	Exhibit A, Scope of Work/Schedule	Yes
2	Exhibit B, Budget Detail	Yes
3	CEC 105, Questionnaire for Identifying Conflicts	Yes
4	Recipient Resolution	No

Item Number	Item Name	Attached
5	Awardee CEQA Documentation	No

Approved By

Individuals who approve this form must enter their full name and approval date in the MS Word version.

Agreement Manager: Amir Ehyai

Approval Date: 1/29/26

Branch Manager: Anthony Ng

Approval Date: 1/29/26

Director: Jonah Steinbuck delegated to the Branch Manager

Approval Date: 1/29/26

Scope of Work
Electric Power Research Institute, Inc.

Efficient and Flexible Natural Refrigerant based 120v HPWH with Immersed Condenser

I. TASK AND ACRONYM/TERM LISTS

A. Task List

Task #	CPR[1]	Task Name
1		General Project Tasks
2		Component Design and Fabrication
3	X	Laboratory Evaluation
4		Field Demonstration
5		Evaluation of Project Benefits
6		Technology Transfer Activities

B. Acronym/Term List

Acronym/Term	Meaning
ANSI	American National Standards Institute
ASHRAE	American Society of Heating, Refrigerating, and Air Conditioning Engineers
CAM	Commission Agreement Manager
CAO	Commission Agreement Officer
CEC	California Energy Commission
CPR	Critical Project Review
GWP	Global Warming Potential
HPWH	Heat Pump Water Heater
M&V	Measurement and Verification
PFAS	Per- and Polyfluoroalkyl Substances
R-290	Propane Refrigerant
TAC	Technical Advisory Committee

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

A. Purpose of Agreement

The purpose of this Agreement is to fund the development and demonstration of a 120V electric heat pump water heater (HWPH) system using refrigerants with global warming potential (GWP) below 150. The innovative system utilizes advanced immersed heat exchangers to achieve superior heat transfer and overcome deficient capacities of 120V HPWHs.

[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.

B. Problem/ Solution Statement

Problem

Heat pump water heaters are promising technologies that can efficiently decarbonize water heating in the residential building sector. While these technologies have been available in the U.S. market for over a decade, they have only seen modest adoption. The latest estimation from the Environmental Protection Agency places market penetration at just 3 percent for the residential market segment. Physical size, initial costs, and the need for a dedicated circuit have all been critical barriers that have hampered the adoption rate. Recent 120V products have made significant progress in making HPWH easier to adopt, however, they still struggle to provide adequate hot water in many cases due to the limited compressor capacity from a 120V/15A circuit. Additionally, most available HPWHs utilize high GWP refrigerants such as R-134a and R-513a, which can offset the environmental benefits of operating efficient technologies. While carbon dioxide HPWHs are available, they are often cost prohibitive because components must meet high pressure requirements.

Solution

The recipient proposes to develop, test, and demonstrate a propane (R-290) based ultra-low GWP refrigerant heat pump water heater system with an immersed condenser (IC-HPWH) operating on a 120V circuit that incorporates demand flexibility capabilities via communication standard such as ANSI CTA-2045 B. The key technological innovation in heat exchanger design provides a unique solution for maximizing capacity for the limited electrical input, which is a major hurdle for HPWH technologies. In conventional HPWHs, the heat exchanger is wrapped around the storage tank, thus heat loss to the tank structure is inevitable. This exacerbates the problems due to low capacity from compressors and results in slow recovery rates. In contrast, the immersed condenser offers superior heat transfer because it maximizes heat transfer surface area and the heat rejection from the condenser is entirely transferred to the surrounding water. The condenser can be configured such that buoyancy driven convection water flow reduces stratification during heat pump operation and provides further opportunities to reduce condensing pressure and realize energy savings. This design also substantially simplifies the assembly process.

C. Goals and Objectives of the Agreement

Agreement Goals

The goals of this Agreement are to:

- Develop a 120V IC-HPWH prototype utilizing R-290 as the primary refrigerant with an immersed condenser for residential applications.
- Develop prototype with innovative immersed heat exchanger that can fit within a space that is no larger than 24” x 26” x 72”
- Demonstrate a safe and effective method of utilizing ASHRAE classified A3 (low toxicity, high flammability) refrigerants for domestic water heating
- Demonstrate advanced controls to enable energy flexibility and grid resiliency with the IC-HPWH technology and minimize electric load during net peaks.

Ratepayer Benefits:[2] This Agreement will result in the ratepayer benefits of greater electricity reliability, lower costs, and increased safety by providing a natural refrigerant based low-GWP heat pump system. Propane is a natural refrigerant that is widely available that is less costly than synthetic refrigerants. Heat pump water heaters also provide inherent thermal storage capacity due to the inclusion of storage tanks, which can help realize demand flexibility capabilities, without significant impact to the customer, via communication standard such as CTA-2045 B.

Technological Advancement and Breakthroughs:[3] This Agreement will lead to technological advancement and breakthroughs to overcome barriers to the achievement of the State of California's statutory energy goals by enabling the decarbonization of water heating using natural refrigerant based low GWP heat pump water heaters. This proposed system leverages existing research and provides additional enhancements through the use of efficient refrigerants and heat exchangers. The unique design also allows for higher tank temperatures and enhances the capacity of the system compared to typical HPWHs with similar storage tank sizes. The proposed low GWP heat pump water heater would provide a ready alternative for residential buildings given the anticipated phase out of high- and moderate-GWP refrigerants. Many other synthetic refrigerant options in this low-GWP range are considered per- and polyfluoroalkyl substances (PFAS) and are already facing bans in Europe.

Agreement Objectives

The objectives of this Agreement are to:

- Design and construct a system based on available products and perform optimization on the component level.
- Document performance through lab and field evaluation.
- Recruit field demonstration site within Disadvantaged Communities identified using CalEnviroScreen
- Integrate and test advanced controls to enable energy flexibility and grid resiliency.
- Field demonstrate a heat pump water heater with refrigerant GWP less than 150, on a 120V circuit, with a minimum storage capacity of 40 gallons
- Validate that the R-290 based heat pump water heater can achieve energy and cost savings comparable to 120V HPWHs that use higher GWP refrigerants.
- Achieve comparable first-hour ratings for this new heat pump water heater that is comparable to heat pump water heaters with higher GWP refrigerants.
- Identify regulatory and safety barriers in full scale deployment and commercialization, and collaboration opportunities with industry partners
- Conduct technology transfer activities.

III. TASK 1 GENERAL PROJECT TASKS

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

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

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).** All products submitted which will be viewed by the public, must comply with the accessibility requirements of Section 508 of the federal Rehabilitation Act of 1973, as amended (29 U.S.C. Sec. 794d), and regulations implementing that act as set forth in Part 1194 of Title 36 of the Federal Code of Regulations**.** All technical tasks should include product(s). Products that require a draft version are indicated by marking **"(draft and final)"** after the product name in the "Products" section of the task/subtask. If "(draft and final)" does not appear after the product name, only a final version of the product is required. With respect to due dates within this Scope of Work, **"days"** means working days.

The Recipient shall:

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

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

For products that require a final version only

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

For all products

- Submit all data and documents required as products in accordance with the following:

Instructions for Submitting Electronic Files and Developing Software:

- **Electronic File Format**
  - Submit all data and documents required as products under this Agreement in an electronic file format that is fully editable and compatible with the California Energy Commission's (CEC) 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.

  The following describes the accepted formats for electronic data and documents provided to the CEC 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.
- Project management documents will be in Microsoft Project file format, version 2007 or later.

- **Software Application Development**
  Use the following standard Application Architecture components in compatible versions for any software application development required by this Agreement (e.g., databases, models, modeling tools), unless the CAM approves other software applications such as open source programs:
  - Microsoft ASP.NET framework (version 3.5 and up). Recommend 4.0.
  - Microsoft Internet Information Services (IIS), (version 6 and up) Recommend 7.5.
  - Visual Studio.NET (version 2008 and up). Recommend 2010.
  - C# Programming Language with Presentation (UI), Business Object and Data Layers.
  - SQL (Structured Query Language).
  - Microsoft SQL Server 2008, Stored Procedures. Recommend 2008 R2.
  - Microsoft SQL Reporting Services. Recommend 2008 R2.
  - XML (external interfaces).

  Any exceptions to the Electronic File Format requirements above must be approved in writing by the CAM. The CAM will consult with the CEC'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, and other CEC staff relevant to the Agreement. The Recipient's Project Manager and any other individuals deemed necessary by the CAM or the Project Manager shall participate in 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., Teams, Zoom), with approval of the CAM.

  The Kick-off meeting will include discussion of the following:
  - The CAM's expectations for accomplishing tasks described in the Scope of Work;
  - An updated Project Schedule;
  - Terms and conditions of the Agreement;
  - Invoicing and auditing procedures;
  - Travel;
  - Equipment purchases;
  - Administrative and Technical products (subtask 1.1);
  - CPR meetings (subtask 1.3);
  - Monthly Calls (subtask 1.5)

- Quarterly Progress reports (subtask 1.6)
- Final Report (subtask 1.7)
- Match funds (subtask 1.8);
- Permit documentation (subtask 1.9);
- **Obtain and Execute Subawards and Agreements with Site Hosts**
- (subtask 1.10);
- Technical Advisory Committee meetings (subtasks 1.11 and 1.12);
- Agreement changes;
- Performance Evaluations; and
- Any other relevant topics.

- Provide *Kick-off Meeting Presentation* to include but not limited to:
  - Project overview (i.e. project description, goals and objectives, technical tasks, expected benefits, etc.)
  - Project schedule that identifies milestones
  - List of potential risk factors and hurdles, and mitigation strategy

- Provide an *Updated Project Schedule, Match Funds Status Letter,* and *Permit Status Letter*, 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:
- Kick-off Meeting Presentation
- Updated Project Schedule *(if applicable)*
- Match Funds Status Letter (subtask 1.7) *(if applicable)*
- Permit Status Letter (subtask 1.8) *(if applicable)*

CAM Product:
- Kick-off Meeting Agenda

Subtask 1.3 Critical Project Review (CPR) Meetings
The goal of this subtask is to determine if the project should continue to receive CEC 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 CEC 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 CEC.

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 may 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 CEC, 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 and submit 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.
- 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* with a list of expected CPR participants in advance of the CPR meeting. If applicable, the agenda may 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. A determination of unsatisfactory progress This may result in project delays, including a potential Stop Work Order, while the CEC determines whether the project should continue.
- Provide the Recipient with a *Progress Determination* on continuation of the project, in accordance with the schedule. The Progress Determination may include a requirement that the Recipient revise one or more products.

Recipient Products:

- CPR Report(s)

CAM Products:

- CPR Agenda(s)
- 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 CEC 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 of the following Agreement closeout items:

  - Disposition of any procured equipment.
  - The CEC'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 copies of *All Final Products* organized by the tasks in the Agreement.

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

MONTHLY CALLS, REPORTS AND INVOICES

Subtask 1.5 Monthly Calls

The goal of this task is to have calls at least monthly between the CAM and Recipient to verify that satisfactory and continued progress is made towards achieving the objectives of this Agreement on time and within budget.

The objectives of this task are to verbally summarize activities performed during the reporting period, to identify activities planned for the next reporting period, to identify issues that may affect performance and expenditures, to verify match funds are being proportionally spent concurrently or in advance of CEC funds or are being spent in accordance with an approved Match Funding Spending Plan, to form the basis for determining whether invoices are consistent with work performed, and to answer any other questions from the CAM. Monthly calls might not be held on those months when a quarterly progress report is submitted or the CAM determines that a monthly call is unnecessary.

The CAM shall:

- Schedule monthly calls.
- Provide questions to the Recipient prior to the monthly call.
- Provide call summary notes to Recipient of items discussed during call.

The Recipient shall:
- Review the questions provided by CAM prior to the monthly call
- Provide verbal answers to the CAM during the call.

Product:
- Email to CAM concurring with call summary notes.

Subtask 1.6 Quarterly 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 *Quarterly 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 reporting period, 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. Progress reports are due to the CAM the 10th day of each January, April, July, and October. The Quarterly Progress Report template can be found on the ECAMS Resources webpage available at: https://www.energy.ca.gov/media/4691
- Submit a monthly or quarterly *Invoice* on the invoice template(s) provided by the CAM.

Recipient Products:
- Quarterly Progress Reports
- Invoices

CAM Product:
- Invoice template

Subtask 1.7 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. When creating the Final Report Outline and the Final Report, the Recipient must use the CEC Style Manual provided by the CAM.

Subtask 1.7.1 Final Report Outline

The Recipient shall:
- Prepare a *Final Report Outline* in accordance with the *Energy Commission Style Manual* provided by the CAM.

Recipient Products:
- Final Report Outline (draft and final)

CAM Products:
- Energy Commission Style Manual
- Comments on Draft Final Report Outline
- Acceptance of Final Report Outline

Subtask 1.7.2 Final Report

The Recipient shall:
- Prepare a *Final Report* for this Agreement in accordance with the approved Final Report Outline, Energy Commission Style Manual, and Final Report Template provided by the CAM with the following considerations:
  - Ensure that the report includes the following items, in the following order:
    - Cover page (**required**)
    - Credits page on the reverse side of cover with legal disclaimer (**required**)
    - Acknowledgements page (optional)
    - Preface (**required**)
    - Abstract, keywords, and citation page (**required**)

  - Table of Contents (**required**, followed by List of Figures and List of Tables, if needed)
  - Executive summary (**required**)
  - Body of the report (**required**)
  - References (if applicable)
  - Glossary/Acronyms (If more than 10 acronyms or abbreviations are used, it is required.)
  - Bibliography (if applicable)
  - Appendices (if applicable) (Create a separate volume if very large.)
  - Attachments (if applicable)
- Submit a draft of the Executive Summary to the TAC for review and comment.
- Develop and submit a *Summary of TAC Comments on Draft Final Report* received on the Executive Summary. For each comment received, the Recipient will identify in the summary the following:
  - Comments the Recipient proposes to incorporate.
  - Comments the Recipient does propose to incorporate and an explanation for why.
- 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.
- Incorporate all CAM comments into the *Final Report*. If the Recipient disagrees with any comment, provide a *Written Responses to Comments* explaining why the comments were not incorporated into the final product.
- Submit the revised *Final Report* electronically with any Written Responses to Comments within 10 days of receipt of CAM's Written Comments on the Draft Final Report, unless the CAM specifies a longer time period or approves a request for additional time.

Products:
- Summary of TAC Comments on Draft Final Report
- Draft Final Report
- Written Responses to Comments *(if applicable)*
- Final Report

CAM Product:
- Written Comments on the Draft Final Report

MATCH FUNDS, PERMITS, AND SUBAWARDS

Subtask 1.8 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. 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 application that led to the CEC 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 application that led to the CEC 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 1.9 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 1.10 Obtain and Execute Subawards and Agreements with Site Hosts

The goal of this task is to ensure quality products and to execute subrecipients and site host agreements, as applicable, required to carry out the tasks under this Agreement consistent with the Agreement Terms and Conditions and the Recipient's own procurement and contracting policies and procedures.

The Recipient shall:
- Execute and manage subawards and coordinate subrecipients activities in accordance with the requirements of this Agreement.
- Execute and manage site host agreements, and ensure the right to use the project site throughout the term of the Agreement, as applicable. A site host agreement is not required if the Recipient is the site host.
- Notify the CEC in writing immediately, but no later than five calendar days, if there is a reasonable likelihood the project site cannot be acquired or can no longer be used for the project.
- Incorporate this Agreement by reference into each subaward.
- Include any required Energy Commission flow-down provisions in each subaward, in addition to a statement that the terms of this Agreement will prevail if they conflict with the subaward terms.
- Submit a *Subaward and Site Letter* to the CAM describing the subawards and any site host agreement needed or stating that no subawards or site host agreements are required.
- If requested by the CAM, submit a draft of each *Subaward* and any *Site Host Agreement* required to conduct the work under this Agreement.
- If requested by the CAM, submit a final copy of each executed *Subaward* and any *Site Host Agreement*.
- Notify and receive written approval from the CAM prior to adding any new subrecipient (see the terms regarding subrecipient additions in the terms and conditions).

Products:
- Subaward and Site Letter
- Draft Subawards *(if requested by the CAM)*
- Draft Site Host Agreement *(if requested by the CAM)*

- Final Subawards *(if requested by the CAM)*
- Final Site Host Agreement *(if requested by the CAM)*

TECHNICAL ADVISORY COMMITTEE

Subtask 1.11 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.
- 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, to the extent the TAC members feel is appropriate, 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 ensure a long-term perspective on decision-making and progress toward the project's strategic goals.

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 1.12.
- 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 1.12 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* for each TAC Meeting 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 ensure a long-term perspective on decision-making and progress toward the project’s strategic goals.
- Review and provide comments to proposed project performance metrics.
- Review and provide comments to proposed project Draft Technology Transfer Plan.

Products:
- TAC Meeting Schedule (draft and final)
- TAC Meeting Agendas (draft and final)

- TAC Meeting Back-up Materials
- TAC Meeting Summaries

Subtask 1.13 Project Performance Metrics
The goal of this subtask is to finalize key performance targets for the project based on feedback from the TAC and report on final results in achieving those targets. The performance targets should be a combination of scientific, engineering, techno-economic, and/or programmatic metrics that provide the most significant indicator of the research or technology's potential success.

The Recipient shall:
- Complete and submit the project performance metrics section of the *Initial Project Benefits Questionnaire*, developed in the Evaluation of Project Benefits task, to the CAM.
- Present the draft project performance metrics at the first TAC meeting to solicit input and comments from the TAC members.
- Develop and submit a *TAC Performance Metrics Summary* that summarizes comments received from the TAC members on the proposed project performance metrics. The *TAC Performance Metrics Summary* will identify:
  - TAC comments the Recipient proposes to incorporate into the *Initial Project Benefits Questionnaire*, developed in the Evaluation of Project Benefits task.
  - TAC comments the Recipient does not propose to incorporate with and explanation why.
- Develop and submit a *Project Performance Metrics Results* document describing the extent to which the Recipient met each of the performance metrics in the *Final Project Benefits Questionnaire*, developed in the Evaluation of Project Benefits task.
- Discuss the *Project Performance Metrics Results* at the Final Meeting.

Products:
- TAC Performance Metrics Summary
- Project Performance Metrics Results

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: COMPONENT DESIGN AND FABRICATION

The goal of this task is to design the immersed compressor heat pump water heater (IC-HPWH) system with immersed condenser and ultra-low GWP R-290 refrigerant.

The Recipient shall:

- Conduct design meetings, consult with stakeholders and determine the range of operating conditions and design constraints for an advanced HPWH for residential applications
- Complete conceptual design of the IC-HPWH with R-290 refrigerant and immersed condenser, which may include the following criteria:
  - Review commercially available products and explore modifications to allow for the integration of a new immersed heat exchanger
  - Review typical heat exchanger manufacturing processes to determine optimal production process for the proposed immersed heat exchanger
  - Component selection of the vapor compression cycle in collaboration with manufacturers of R-290 ready components
  - Review control sequences necessary for demand flexibility capabilities via communication standard such as CTA-2045 B
- Produce a *Laboratory Prototype Design Plan* that will show how the specific components will function and be controlled. Prototype system design can be further optimized in a laboratory setting.

Products:

- Laboratory Prototype Design Plan

TASK 3: LABORATORY EVALUATION[4]

The goal of this task is to fabricate IC-HPWH system as designed in Task 2 and complete comprehensive laboratory evaluation.

The Recipient shall:

- Produce a *Laboratory Measurement and Verification (M&V) Plan* for evaluating the prototype unit:
  - Instrumentation required to verify system capacity and efficiency, including air side temperature and humidity, water side temperatures and flow rates, and power consumption
  - Methodology for assessing the prototype's performance based on thermodynamic principles
  - Necessary refrigerant leakage detection practices for R-290 refrigerant
  - Testing matrix of operating conditions that is representative of California climate zones, referencing industry standards such as the Uniform Test Method for

[4] In the event the system is not suitable for installation at SCE's Technology Test Center, EPRI's Thermal Lab in Knoxville, Tennessee can be an alternative testing facility.

Measuring the Energy Consumption of Water Heaters from the code of federal regulations
- Assemble the prototype as designed in Task 2 and install instrumentation detailed in the Lab M&V plan
- Commission the prototype system and verify the functionality of the instrumentation
- Preform necessary shakedown testing of the prototype system and verify system operation in all operating modes
- Verify data transmission from instrumentation through the data acquisition system
- Perform laboratory performance testing as outlined in the Lab M&V Plan and determine additional system needs for field trials
- Prepare a *Laboratory Performance Test Report* documenting the findings of this task
  - Domestic hot water performance, including recovery rate, first-hour-rating, and storage tank stratification
  - Load shedding/shifting capabilities during the specified operating conditions
  - Energy consumption as affected by operating conditions, such as hot water draw patterns, outdoor air temperatures, and tank stratification temperatures
- Prepare *CPR Repor*t and participate in CPR meeting in accordance with subtask 1.3

Products:
- Laboratory M&V Plan
- Laboratory Performance Test Report (draft and final)
- CPR Report

TASK 4: FIELD DEMONSTRATION
The goal of this task is to demonstrate the advanced IC-HPWH with immersed heat exchanger and document performance in the field.

The Recipient shall:
- Develop *Field Data Collection Plan*
  - Instrumentation required to verify system capacity and efficiency, similar to instruments used in laboratory but without creating burden for host participants
    - Data transfer protocol to a database without personally identifiable information
- Preform necessary shakedown testing of the prototype system and verify system operation in all operating modes
- Recruit site participants with a partnership of investor-owned utilities, contractors, and installers to target homes in disadvantaged and/or low-income communities
- Prepare and document site participation agreements
- Reach out to potential participants and assess suitability and select participants
  - Document existing baseline system on site
  - Perform preliminary baseline M&V using similar instrumentation as the field system
  - Identify any modifications that may be required for safe and effective deployment of prototype IC-HPWH
- Construct field system with potential modifications based on recommendations in Task 3 and findings from participant scouting effort
  - Collaborate with contractors local to the DAC/LMI communities to source and install units and build up local workforce availability
- Install field systems along with M&V install instrumentation as identified in the field data collection plan
  - Commission field systems to verify performance

  - Verify data transmission from instrumentation through the data acquisition system
- Collect operations data of the field units under typical operating conditions and representative California climate and perform data analysis
- Conduct surveys of equipment operators to solicit feedback of the prototype systems
- Decommission the field units and instrumentation
  - Restore participant building with baseline system or alternate Title 24 compliant system
  - Prepare *Field Performance Report*

Products:

- Field Data Collection Plan
- Field Performance Report (draft and final)

TASK 5: EVALUATION OF PROJECT BENEFITS

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

The Recipient shall:

- Complete *the Initial Project Benefits Questionnaire*. The Initial Project Benefits Questionnaire shall be initially completed by the Recipient with 'Kick-off' selected for the 'Relevant data collection period' and submitted to the CAM for review and approval.
- Complete the *Annual Survey* by January 31st of each year. The Annual Survey includes but is not limited to the following information:
  - Technology commercialization progress
  - New media and publications
  - Company growth
  - Follow-on funding and awards received
- Complete the *Final Project Benefits Questionnaire*. The Final Project Benefits Questionnaire shall be completed by the Recipient with 'Final' selected for the 'Relevant data collection period' and submitted to the CAM for review and approval.
- Respond to CAM questions regarding the questionnaire drafts.
- Complete and update the project profile on the CEC's public online project and recipient directory on the Energize Innovation website (www.energizeinnovation.fund), and provide *Documentation of Project Profile on EnergizeInnovation.fund*, including the profile link.
- If the Prime Recipient is an Innovation Partner on the project, complete and update the organizational profile on the CEC's public online project and recipient directory on the Energize Innovation website (www.energizeinnovation.fund), and provide *Documentation of Organization Profile on EnergizeInnovation.fund*, including the profile link.

Products:

- Initial Project Benefits Questionnaire
- Annual Survey(s)
- Final Project Benefits Questionnaire
- Documentation of Project Profile on EnergizeInnovation.fund
- Documentation of Organization Profile on EnergizeInnovation.fund

TASK 6: TECHNOLOGY TRANSFER ACTIVITIES

The goal of this task is to conduct activities that will accelerate the commercial adoption of the technology being supported under this agreement. Eligible activities include, but are not limited to, the following:

- Scale-up analysis including manufacturing analysis, independent design verification, and process improvement efforts.
- Technology verification testing, or application to a test bed program located in California.
- Legal services or licensing to secure necessary intellectual property to further develop the technology
- Market research, business plan development, and cost-performance modeling.
- Entry into an incubator or accelerator program located in California.

The Recipient Shall:

- Develop and submit a *Technology Transfer Plan* that identifies the proposed activities the recipient will conduct to accelerate the successful commercial adoption of the technology.
- Present the draft *Technology Transfer Plan* to the TAC for feedback and comments.
- Develop and submit a *Summary of TAC Comments* that summarizes comments received from the TAC members on the Draft Technology Transfer Plan. This document will identify:
  - TAC comments the Recipient proposes to incorporate into the final *Technology Transfer Plan*.
  - TAC comments the Recipient does not propose to incorporate with and explanation why.
- Submit the final *Technology Transfer Plan* to the CAM for approval.
- Implement activities identified in final *Technology Transfer Plan*.
- Develop and submit a *Technology Transfer Summary Report* that includes high level summaries of the activities, results, and lessons learned of tasks performed relating to implementing the Final Technology Transfer Plan. This report should not include any proprietary information.
- When directed by the CAM, develop presentation materials for an CEC- sponsored conference/workshop(s) on the project.
- When directed by the CAM, participate in annual EPIC symposium(s) sponsored by the CEC.
- 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.

Products:

- Technology Transfer Plan (draft and final)
- Summary of TAC Comments
- Technology Transfer Summary Report (draft and final)
- High Quality Digital Photographs

V. PROJECT SCHEDULE

Please see the attached Excel spreadsheet.