



Climate Change and Emissions Management
(CCEMC) Corporation

2009 Call for Proposals:
Initial Full Project Proposal Stage

November 20, 2009

On-line Submission: www.ccemc.ca

Deadline for Submission: February 26, 2010
4:30 pm MST

CCEMC is a TM of Climate Change and Emissions Management (CCEMC) Corporation.

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2009 Call for Proposals: Initial Full Project Proposal Stage

IMPORTANT: Read ALL the following information, the instructions, and the ProGrid Criteria Descriptions BEFORE completing this on-line application. You will be required to confirm that you have read the terms, conditions and information in Section 1 before you may proceed to subsequent sections.

General Instructions

To ensure the consistent evaluation of proposals, information required must be contained in the prescribed format of the 2009 Call for Proposals: Initial Full Project Proposal Stage ("FPP Stage"). This consists of several sections:

- Section 1 describes the CCEMC and its funding, and provides an outline of the Full Project Proposal ("FPP" or "Proposal") process.
- Section 2 is the Project Overview; it consists of a summary of your project and the personnel involved.
- Section 3 contains the Financial Plan for your project.
- Section 4 is the ProGrid section, where you will give details of your proposal.
- Section 5 is where any addition information may be attached.

All sections (apart from Section 5) are to be filled out on-line, using the ID number previously assigned to your Expression of Interest under the 2009 Call for Proposals: Initial Expression of Interest Stage.

Section 1 – The CCEMC

The Climate Change and Emissions Management Fund (the “Fund”) was established under the *Climate Change and Emissions Management Act* (the “Act”). Persons responsible for facilities regulated under the Act must report annually on their compliance with the Act and with the supporting *Specified Gas Emitters Regulation*.

There are three options for addressing a regulated facility’s compliance requirements:

- A reduction in the release of greenhouse gases;
- The application of emissions offsets in the Alberta-based offset system; or
- Payment of specified amounts to the Fund.

The CCEMC has been delegated with the powers, duties and functions of the Minister of Environment (Alberta) with respect to the Fund pursuant to the *Climate Change and Emissions Management Fund Administration Regulation*. The CCEMC is granted monies to be used for the purposes of the Fund set forth in the Act.

Mission

The CCEMC is an independent, arm’s-length, not-for-profit organization whose mission is to achieve actual and sustainable reductions in greenhouse gas (“GHG”) emissions, and facilitate climate change adaptation, by stimulating transformative change through investments in climate change knowledge, technology development, and operational deployment.

Strategic Investment Areas – 2009 Call for Proposals

Projects must fall into at least one of the three areas below:

- i. *Conserving and Using Energy Efficiently* – Projects in this area transform how we use energy, apply energy-efficient solutions, and conserve energy. Energy efficiency means doing more with the same amount of energy; energy conservation means reducing the amount of energy used.

Funding Target – 20% of funding available allocated to this area in the 2009 Call for Proposals.

- ii. *Carbon Capture and Storage (“CCS”)* – These Projects may relate to either geological or biological sequestration of carbon, and may include the demonstration and use of specified-gas capture, storage technology, the development of opportunities for removing greenhouse gases from the atmosphere through sequestration in sinks, and measurement of natural mechanisms for the removal and storage of carbon. These projects may be complementary to the commercial-scale CCS demonstration projects supported through the Government of Alberta’s \$2 billion CCS initiative.

Funding Target – 30% of funding available allocated to this area in the 2009 Call for Proposals.

- iii. *Greening Energy Production* – Projects in this area relate to the introduction of more sustainable approaches to energy production, including, without limitation, fuel switching, and the implementation of renewable and alternative energy technologies.

Funding Target – 50% of funding available allocated to this area in the 2009 Call for Proposals.

Terms of Funding

Your Project and Proposal must conform to the CCEMC cost guidelines (see www.ccemc.ca for details).

A) REQUIRED FUNDING TERMS

Projects must meet the following two criteria to be considered:

1. *Maximum Contribution*: The maximum amount the CCEMC will fund in any one Project is \$25 million over a maximum 5-year period.
2. *Cost-sharing*: CCEMC will fund up to one-half (1/2) of the cost of the Project. If government funding is to be used for the Project, the Project proponent (“Proponent”) must provide at least one-third (1/3) of the total budget; the total of CCEMC plus government funds must not exceed two-thirds (2/3) of the total Project cost.

B) OTHER FUNDING TERMS:

1. *Principal Proponents* may come from any sector, however, preference is given to Projects in which the lead Proponent is from an industry accountable or responsible for GHG emissions. Proponents may submit more than one application.
2. *Projects* should involve at least one Proponent accountable or responsible for GHG emissions reductions.
3. *Project Initiation*: CCEMC contributions to the Project will commence only after funding has been formally approved and a Contribution Agreement is in place between the CCEMC and the Project Proponent.
Note: CCEMC funds may not be used to reimburse the Project or Proponents for funds expended before the Contribution Agreement is signed.
4. *Project Location*: The CCEMC prefers that Project activities take place largely in Alberta. In particular, any market demonstration steps **must** be carried out in Alberta. However, if necessary, some activities may occur in other jurisdictions.
5. *Project Goals*: The goal of the Project **must** be directly related to the reduction or avoidance of GHG emissions in Alberta. Projects must also be implementable in Alberta.

Financial Information and Financial Due Diligence

The CCEMC will be performing financial due diligence on all Proponents who complete a FPP, together with that Proponent's partners, co-applicants, joint-venturers and any other organizations, excepting government, listed in a Proponent's FPP (collectively "Project Partners"). Proponents are required to provide financial information for their organization, and for all Project Partners to the CCEMC no later than 4:30 p.m. MST on **February 26, 2010**. Financial information includes, without limitation, audited financial statements for the previous 3 fiscal years, financial statements for the current year to date, details and copies of any financing arrangements or agreements, letters of reference from financial institutions, and any other information that the CCEMC deems, in the exercise of its sole discretion, necessary to complete the financial due diligence process on a project.

CCEMC Project Monitoring

Projects ("Projects") selected under the FPP process will be required to report on their performance in relation to the CCEMC's overall goals, as well as on Project-specific indicators established as a part of individual Projects' contribution agreement ("Contribution Agreement") with the CCEMC.

Full Project Proposal Process

Submission: Proposals are accepted by invitation only; the CCEMC will not accept a FPP from a Proponent who has not been invited to submit one after the 2009 Call for Proposals: Initial Expression of Interest Stage.

Project Advisor: A CCEMC project advisor ("Project Advisor") will be assigned to each FPP in order to provide a point of contact between the CCEMC and the Proponent.

Schedule: Full project proposals must be submitted to the CCEMC, via the Climate Change Information Management System (CCIMS), by **4:30 PM MST, February 26, 2010**. Proponents will be informed of the decision on their Project during the month of **June, 2010**.

Contribution Agreement: Successful Proponents will have six (6) months to enter into a Contribution Agreement with the CCEMC. The Contribution Agreement will address, without limitation, the following terms: the Project's work scope, payment schedule, targets and metrics, reporting requirements, milestones, deliverables, budget and schedule, as well as any other appropriate aspects of the Project and otherwise on the terms and conditions required by the CCEMC in its sole discretion.

Proposal Format:

1. Length of the FPP is restricted by the on-line software and must conform to the requirements of the FPP.
2. If necessary, some additional information may be uploaded to the application as an attachment (in Excel, Word, or PDF formats). This information may consist of team members' resumes, process flow diagram, graphs, or other illustrations required to describe the project.
3. The table found in Section 4 outlines the topics which must be addressed in the full Project Proposal. These topics must be addressed in terms of the ProGrid Language Ladders (details of this process are found in the introduction to Part B of the full project proposal in the one line system).
4. In addition, in Part A applicants will be required to provide the following information:
 - Project title
 - Abstract
 - Summary suitable for public release (for example, on the CCEMC's website)
 - Expected benefits of the project
 - Key words
 - Total project cost
 - Amount requested from CCEMC
 - Start Date
 - Projected completion date
 - Other agencies from which funding has been or will be provided
 - Information on the project leader and team
 - Project schedule, milestones, and deliverables

Evaluation: Proposals will be assessed on several factors, both independently and in comparison with other Proposals. The CCEMC's evaluation will be done using the ProGrid® ("Progrid") methodology. Progrid is a standard proposal evaluation process that has been extensively used by major funding organizations over the past twenty years. It has been customized to meet the needs of the CCEMC.

In addition to the ProGrid process, Proposals will be assessed in terms of the following factors:

Portfolio Assessment: Projects will be evaluated on their potential to contribute to the strategic funding area in which they fit, relative to other Projects in that area. This will take into account the potential magnitude of the Project's contribution, its stage of implementation, and the efficiency with which it can be implemented. The portfolio assessment also takes into consideration the uniqueness and innovation of the Project.

Project Assessment: The Project assessment is based on the need for the technology being proposed, its potential contribution to the strategic area targets and to GHG reduction, the risks associated with it (both financial and technological), and its potential for application across a broad range of industries and industrial processes.

Project Presentations: It is likely that Proponents will be asked to make a presentation on their Project to the CCEMC review committee.

Quality of Project: Only high-quality Projects will be considered for funding. Funds will not be disbursed in a specific strategic area if no Proposals of sufficient quality are received.

Intellectual Property

Intellectual property (“IP”) will be addressed through the Contribution Agreement made with each Proponent, and will reflect the individual circumstances of the Project.

- The CCEMC retains unlimited rights to the *project research results*, that is, to the technical data, reports, analyses, and dissemination and analysis of reports. The intent of the CCEMC is to make the project results publicly available after an appropriate period of confidentiality (typically two years following the end of the Project);
- *Project technology* developed during the course of the Project will normally be owned by the Proponent who will have an obligation to protect this technology within a period to be specified in the Contribution Agreement. If the Project technology is not protected within the specified time, the CCEMC may make it available to other Alberta users.

Confidentiality

The CCEMC must comply with the *Freedom of Information and Protection of Privacy Act*, RSA 2000, c. F-25 in the course of performing duties and functions and exercising powers delegated to it. All Data and records in the custody or under the control of the CCEMC that are required in the performance of duties or functions or the exercise of powers delegated to the CCEMC are subject to the *Records Management Regulation*, Alta Reg. 244/2001.

Subject to the requirements described above the CCEMC is governed by a comprehensive Privacy, Data Security and Confidentiality Policy (the “Policy”). The Policy requires that any and all information concerning the business affairs of the CCEMC and its directors, officers, employees and Proponents is to be kept private, secure and confidential. Confidential Information that is collected, used or disclosed by the CCEMC will be handled in a manner that recognizes both the right of the individual to have his or her Confidential Information protected and the need of the CCEMC to collect, use and disclose such information for purposes that are reasonable.

To read the entire Policy, visit www.ccemc.ca.

Legal Notice

By submitting a full Project Proposal, you confirm that you have read, understand and accept the information contained in Section 1 of the FPP process and, you, the Proponent and its Project Partners, also agree as follows:

- a) CCEMC may at any time withdraw, amend or alter any portion of this FPP Stage or cancel this FPP Stage in its entirety.
- b) No act of CCEMC, or its directors, officers, consultants, Project Advisors, agents and their respective successors and assigns (collectively the “CCEMC Parties”) other than a notice in writing signed by CCEMC, will constitute an acceptance of an FPP.
- c) Proposals that do not comply with the requirements described in the FPP Stage may be rejected or not considered.
- d) As between the parties, the FPP Stage and all intellectual property in it are the property of CCEMC.
- e) You, the Proponent and the Project Partners will keep the FPP Stage confidential and will not use, reproduce or distribute it, any portion of it, or any data, information, drawings, or specifications included in or provided with it except as necessary to preparing a Proposal in response to it.
- f) You, the Proponent and the Project Partners will not make a claim against CCEMC or the CCEMC Parties for any reason relating to the 2009 Call for Proposals, and you waive and hereby release CCEMC and the CCEMC Parties from any claim or recovery for costs, expenses, or damages incurred by either or both of us in connection with the FPP Stage or any FPP prepared in response to it.
- g) Neither CCEMC nor any of the CCEMC Parties will have any liability whatsoever to you, the Proponent and its Project Partners, or any of them, in connection with the FPP Stage or any FPP prepared in response to it.

Section 2 – Project Overview

Confidentiality: The project title, non-confidential short description, Proponent’s name, including Project Partner’s name(s), and amount of the Project, if funding is awarded, will be public information.

Note that each section contains a maximum number of characters (including spaces and punctuation marks). You will not be able to exceed the maximum number of characters in any section.

Step 1: Project Information

PROJECT TITLE:	
NON-CONFIDENTIAL SHORT DESCRIPTION OF PROPOSED PROJECT: (maximum 500 characters) <i>(Information supplied on this page may be used in public summaries and abstracts of CCEMC’s sponsored activities. Do not provide confidential information here.)</i>	
This Summary should be concise, and should contain the following information:	
<ul style="list-style-type: none">• The proposed technology (i.e. the discovery, invention, new knowledge, etc.) on which the project is based• The problem it seeks to solve or the opportunity it seeks to develop• The project’s objectives and deliverables• The expected GHG reductions to be achieved• The current state of development on the innovation continuum• The advantages that will be valued by the user• The expected commercial applications• The capacity of the commercializing organization to successfully commercialize the concept	
CONFIDENTIAL DESCRIPTION OF THE PROPOSED PROJECT: (maximum 3000 characters)	
EXPECTED BENEFITS AS THEY RELATE TO THE CCEMC’S MISSION:	
KEY WORDS:	
PROJECT START DATE: (year/month/day)	PROJECT COMPLETION DATE: (year/month/day)
LINKAGES TO OTHER PROJECTS:	
ADDRESS THE FOLLOWING POINTS: (maximum 3500 characters)	
<ul style="list-style-type: none">• Indicate whether this Proposal has been submitted to other funding organizations. If yes, please list their names and contact information. In the interest of a consistent funding approach, CCEMC may contact the other funders listed. If you do not want CCEMC to contact these other organizations, please include your reasoning in this section.• Is this a continuation of a project funded by provincial, federal or other funding entities? If yes, please explain.• Please indicate all past and present research or development work that you have completed, or that is in progress, that relates to this Proposal.	

Step 2: Project Team

PROJECT TEAM LEADER:

TITLE:

ORGANIZATION:

ADDRESS:

POSTAL CODE:

E-MAIL:

PHONE:

FAX:

KEY RESEARCH TEAM MEMBERS

NAME

INSTITUTION

E-MAIL ADDRESS

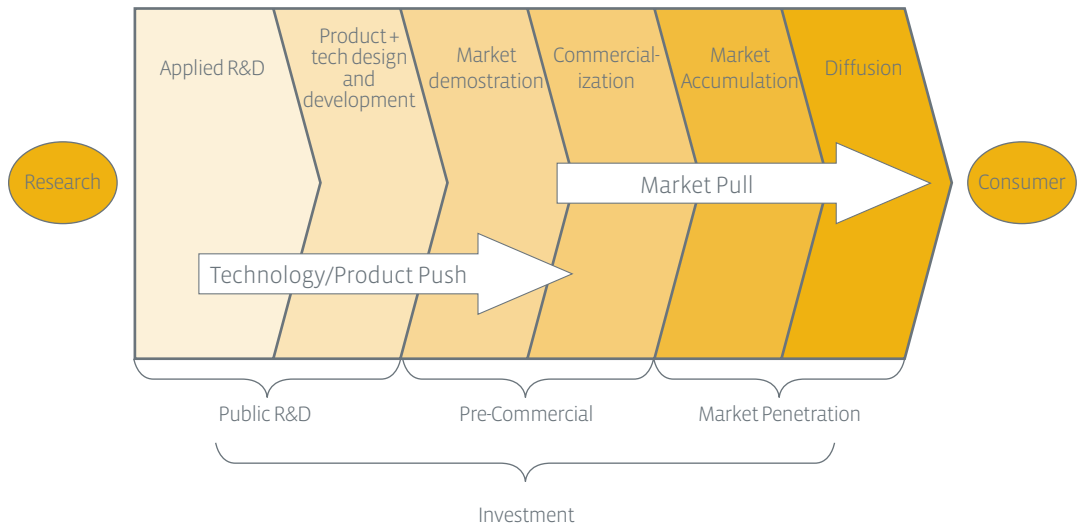
EXPERTISE ADDED

1.

2.

3.

Step 3: Innovation Chain Continuum



Please select where your project best fits on the Innovation Chain Continuum.

- | | |
|---|--|
| <input type="checkbox"/> Applied R&D | <input type="checkbox"/> Product and technology design and development |
| <input type="checkbox"/> Market demonstration | <input type="checkbox"/> Commercialization |
| <input type="checkbox"/> Market accumulation | <input type="checkbox"/> Diffusion |

Step 4: Project Governance, Milestones and Deliverables:

Provide an overview of the governance and accountability structure as well as the schedule in phases.

PROJECT GOVERNANCE

KEY MILESTONES

DELIVERABLES

Section 3 – Financial Plan

The Financial Plan must contain all eligible costs relevant to the Project. Please identify all potential and confirmed sources of funding from all sources including government and industry. Contributions by the Proponent and Project Partners should be included in the sources of funding. The start date for an approved Project to incur eligible expenses is the date the Contribution Agreement becomes effective.

Table 1: Actual Project Costs

EXPENSE CATEGORY	TOTAL	YEAR 1	YEAR 2	YEAR 3	YEAR 4	YEAR 5
Salaries and Benefits						
Supplies						
Travel						
Capital						
Sub-contracts						
Other (please describe)						
5% Delivery Allowance						
TOTAL						

Table 2: Actual Project Costs by Task

TASK NUMBER/DESCRIPTION	ESTIMATED COST	TIMELINE

Table 3: Sources of Funding (Cash)

SOURCE	PLEASE CHECK ONE		TOTAL	YEAR 1	YEAR 2	YEAR 3	YEAR 4	YEAR 5
	APPLIED FOR	CONFIRMED						
Proponent Applicant								
Government <i>Federal and Provincial, please give agency name and program</i>								
Project Partners and Other Organizations <i>please list</i>								
Amount requested from CCEMC								
TOTAL								

Table 4: In-Kind Contributions (will not be counted towards cost-sharing criterion)

SOURCE	BRIEF DESCRIPTION	VALUE
Principal Applicant		
Other Organizations (Please list)		
Total Value		

Section 4 – ProGrid® Application & Evaluation

Step 1: Overview and Instructions

A key feature of any ProGrid evaluation system is the Language Ladder™ (the “Language Ladder”) which establishes performance levels in each cell of this matrix. The Language Ladder assists reviewers in reaching a consensus on the merits of a Proposal in comparison to other Proposals being considered for funding support. The Proponent is asked to assess the proposed Project against these performance criteria using the Language Ladders provided, and to justify why a particular performance level was chosen.

PROJECT MERITS	ENABLERS	SUSTAINABLE GHG REDUCTIONS
Technology Opportunity	Project Financing	GHG Reduction ¹
Competitive Analysis	Leverage and Partnerships	Non-GHG Impacts
Project Plan	Project Team	Capacity Building
Costs and Facilities	Implementation Potential	
Risk Mitigation		

¹ GHG Reduction is the most important criterion and is given twice the weight of the other criteria.

INSTRUCTIONS:

- Review the definition and the A to D statements for each performance criterion. Level A represents the minimum and level D the maximum level attainable.
- Starting with level A, determine if your FPP meets all the aspects of that level. If it does, then review level B, and so on until you reach a level where not all the aspects of that statement can be met.
- The level that applies to your FPP is the highest level where all aspects of the Language Ladder are met. For example, if all aspects of a C statement have not been met, then select the B statement.
- Please record your assessment in the small box below the A to D statements. Note that an A rating does not mean automatic rejection, nor does a D rating mean automatic acceptance.
- After you have completed your assessment, describe why you have selected that assessment rating and include relevant FPP information that addresses that criterion. Use the larger text box to provide this justification.
- Assess each performance criterion independently.
- If a particular criterion is not applicable to your project, please assess yourself with an **N**, and use the text box below the Language Ladder to explain your choice.

Section 5 – Project Attachments

Only the following may be attached:

1. Team member CVs or resumes (maximum of 4 pages per team member). These must include the following information:
 - Position/organization/department
 - Address, email, phone, fax
 - Degrees/certificates/diplomas, institutions
 - Past experience relevant to the project
 - Publications and patents (during the past 6 years)
 - Other evidence of productivity during the past 6 years
2. Signed letters of support
3. MS Word or Excel documents containing tables or figures providing information that is additional to the information provided in the FPP
4. A list of references or literature cited in the FPP

*Note that the maximum size of an individual attachment is **4 MB**.*