











OCED 101 & Liftoff Pathways Overview

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Background

- The International Energy Agency says we need global public investments of at least \$90 billion this decade for large-scale clean energy demonstration projects to achieve net zero emissions by 2050
- Two recent historical climate laws enacted—the Bipartisan Infrastructure Law and Inflation Reduction Act—appropriated \$25+ billion to the Office of Clean Energy Demonstrations (OCED) to deliver large-scale clean energy demonstration projects
- OCED will accelerate clean energy technologies from the lab to market and fill a critical innovation gap on the path to achieving our nation's climate goals while mitigating risks that allow private sector investors and developers to act



OCED Mission

"Deliver clean energy technology demonstration projects at scale in partnership with the private sector to accelerate deployment, market adoption, and the equitable transition to a decarbonized energy system."



OCED Mandate



CENTER OF EXCELLENCE

Serve as primary DOE office to deliver full scale clean energy demonstration projects and project management oversight excellence





Help enable 100% clean electricity by 2035 and net zero emissions by 2050 through an equitable energy transition





Unlock and scale trilliondollar clean energy follow on investment from the private sector and other sources of capital





Maintain risk-based, balanced, and defensible portfolio of investments

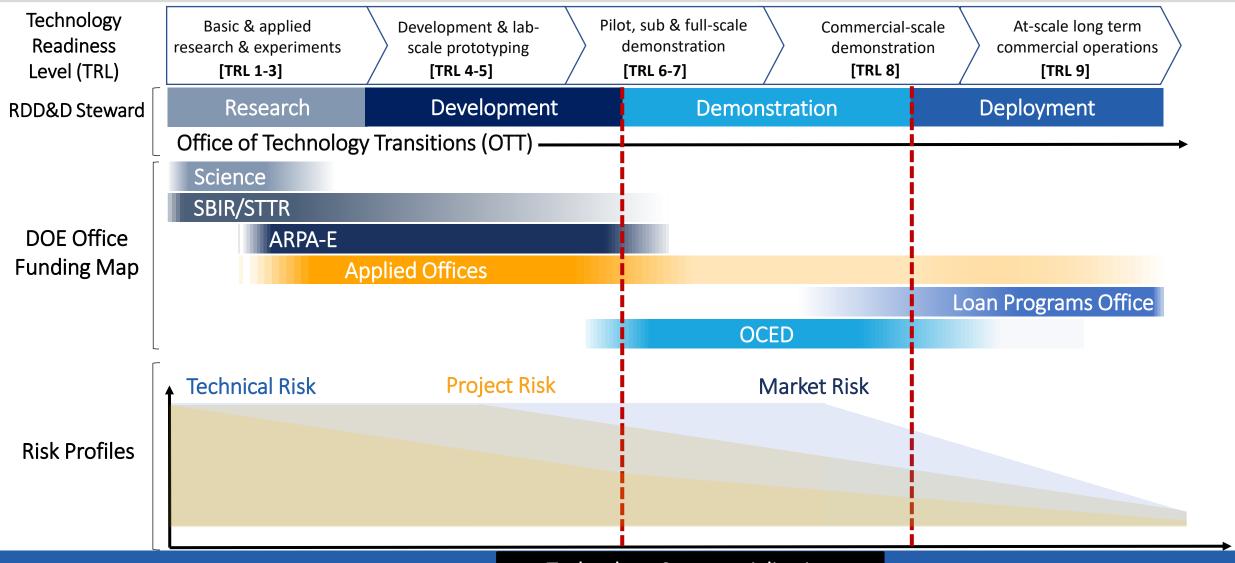




Leverage private sector and broader energy ecosystem to inform OCED and DOE technology commercialization efforts

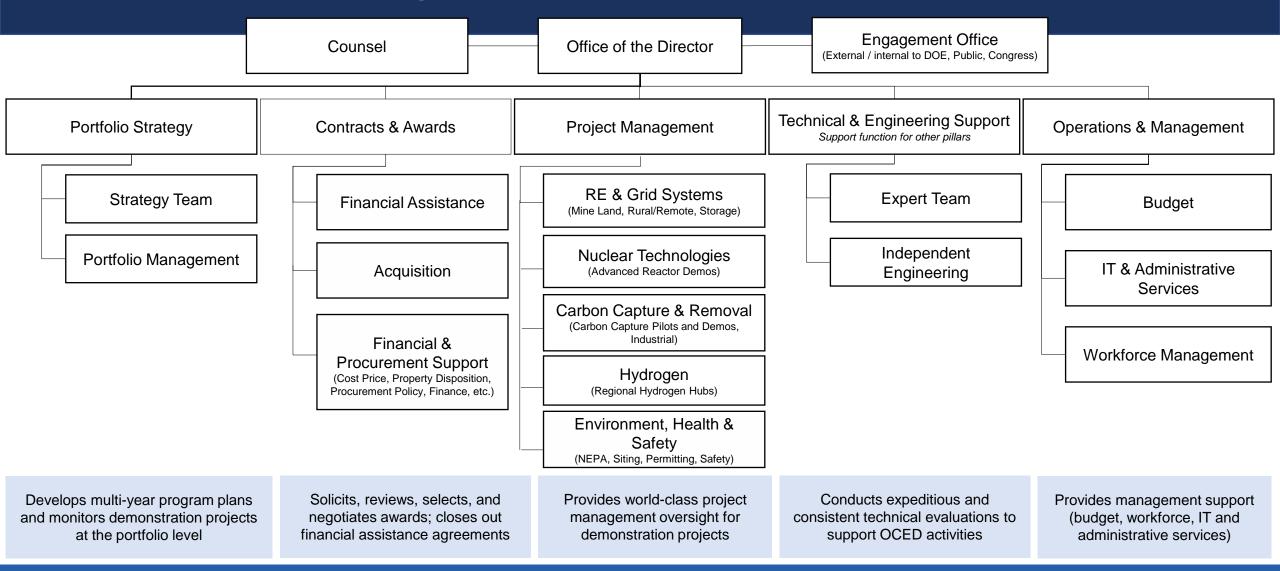


Role Across Research, Development, Demonstration & Deployment (RDD&D) Continuum





OCED Programs Advance Demonstration Goals





OCED Scope

- Regional Clean Hydrogen Hubs (\$8 billion)
- Advanced Reactor Demonstrations (\$2.5 billion)
- Carbon Management (\$7 billion)
- Industrial Demonstrations Program (\$6.3 billion)
- Long-Duration Energy Storage Demonstrations (\$505 million)
- Energy Improvements in Rural or Remote Areas (\$1 billion)
- Clean Energy Demonstrations on Mine Land (\$500 million)



Major 2023 Activities in OCED

- Releasing remaining funding opportunity announcements tied to BIL and IRA funding. Develop funding opportunity related to FY23 base appropriations.
- Conduct independent merit reviews on FOAs to inform selections by Summer/Fall.
- Conduct robust independent reviews on two ARDP Projects.
- Releasing Risk Posture Plan and Multi-Year Program Plan.
- Initiate several Technology Commercialization Funded programs, in collaboration with OTT
- Develop a modeling/analysis framework for project and portfolio analysis needs.
- Release and continue to develop "Pathway to Commercial Liftoff" reports.





Thank You!

For more information, please visit: energy.gov/OCED

Email: <u>DL-OCED-Engagement@hq.doe.gov</u>



BACK UP SLIDES





Application Phase



Phase 1: Detailed Project Plan



Phase 2: Project Development



Phase 3: Construct & Integrate

Phase 4: Ramp-Up & Operate

| | Pre-DOE funding | \$[TBD] Funding, Up to 50% DOE Share, 12-18 Months | \$[TBD] Funding, Up to 50% DOE Share, 2-3 Years | \$[TBD] Funding, Up to 50% DOE Share, 3-4 Years | \$[TBD] Funding, Up to 50% DOE Share, 2-4 Years |
|--|--|---|---|---|---|
| Engineering, Procurement, Construction | Conceptual DesignTechnical ReadinessProject ScheduleTotal Project Cost Estimate | Engineering & Design Documents Technical Maturation Plans Integrated Project Schedules | Mature Engineering & Design Technical Risk Management Execution ready schedule & cost estimate, PM Tools | Ongoing Execution Reporting Interim Go/No-Go reviews | Ongoing performance ReportingTech Risk Updates, TrackingFinal TPC accounting |
| Business Development & Management | Business StrategyTeam DescriptionWorkforce PlanFinance PlanMarket potential analysis | Project Management PlanRisk Management PlanFinancial ModellingSite Selection | Finalized Project Structure, Management, Financing Ongoing Risk Management Final legal, workforce, procurement agreements | Ongoing Execution ReportingOngoing Risk Management | Updated financial analyses Revised growth plans Updated Risk Management |
| Permitting & Safety | Safety Plan(s)Regulatory Overview | Safety Plan Physical, Information, Cyber Security Plans Environmental & Regulatory preparations | Execution ready safety and security plans Permits & Approvals in place for Construction | Ongoing Permit and Environmental Reporting Permits & Approvals in place for Operations | Ongoing permit, safety, and security reporting |
| Community Engagement & Impacts | Stakeholder Identification,Communities Impact Analysis | Community Development AnalysisStakeholder Engagement | Finalized DEI, EEJ, J40 Plans Community Impact targets identified, tracking plans | Ongoing reporting on community engagement activities | Revised community engagement plans for operations Ongoing impacts analysis |
| Technical Data & Analysis | Lifecycle Emissions AnalysisTechno-economic Analyses | Project Production Model Updated Lifecycle Emissions and Technoeconomic Analysis | Final Lifecycle Emissions & Technoeconomic Analyses V&V and Project Completion Testing Plans | Periodic analyses updates V&V data collection Project completion testing and performance ramp V&V | Validated performance model Finalize lifecycle and technoeconomic analyses Dissemination of analyses, Lessons Learned |



Build America, Buy America (BABA)

- The BIL's BABA provisions provide a new Made in America requirement for financial assistance awards, whether funded through the BIL or appropriations:
 - "None of the funds made available for a Federal financial assistance program for infrastructure may be obligated for a project unless all of the iron, steel, manufactured products, and construction materials used in the project are produced in the United States"
- DOE may waive the application of a Buy America preference on a project if:
 - It is in the public interest
 - Items are not available in sufficient quantities or satisfactory quality
 - Costs are unreasonable (>25%)
 - An urgent need in an unforeseen and exigent circumstance (waiver of public notice and the OMB review process)

