

DOCKETED

Docket Number:	25-BUSMTG-01
Project Title:	2025 Business Meeting Agendas, Transcripts, and Public Comments
TN #:	265926
Document Title:	Request to remove item “6 Electrochemistry Foundry, Inc” from the September 10, 2025 meeting agenda and delay grant award
Description:	N/A
Filer:	System
Organization:	Barry Broome
Submitter Role:	Intervenor
Submission Date:	9/9/2025 10:38:12 AM
Docketed Date:	9/9/2025

Comment Received From: Barry Broome

Submitted On: 9/9/2025

Docket Number: 25-BUSMTG-01

Request to remove item 6 Electrochemistry Foundry, Inc. from the September 10, 2025 meeting agenda and delay grant award

Dear Commissioners,

I am writing to request the removal of item 6. Electrochemistry Foundry, Inc. from the upcoming September 10, 2025 California Energy Commission Business Meeting agenda.

As a leader of the Greater Sacramento region's preeminent economic development organization, my staff and I supported Cal EPIC, a Sacramento-based nonprofit, in its pursuit of the Battery Pilot Manufacturing Line grant funding that would be awarded as part of this agenda item. We have concerns regarding the grant solicitation development and award process and have requested an independent investigation into the process by the California State Auditor. As such, we also request that the Commission delay approval of the grant award until that investigation is complete.

For more details on our concerns, please see the attached letter that our counsel sent to the state auditor.

Thank you,
Barry Broome
President & CEO
Greater Sacramento Economic Council

Additional submitted attachment is included below.



Gale R. Monahan
Partner

gale.monahan@dentons.com
D +1 214 259 0951

Paul Charlton
Partner

paul.charlton@dentons.com
D +1 602 508 3961

Dentons US LLP
100 Crescent Court
Suite 900
Dallas, TX 75201

Dentons US LLP
2398 East Camelback, Suite 850
Phoenix, AZ 85016
United States

dentons.com

September 9, 2025

VIA U.S. MAIL AND ONLINE SUBMISSION

VIA EMAIL: Chair.Hochschild@energy.ca.gov

Mr. Grant Parks
California State Auditor
Investigations
P.O. Box 1019
Sacramento, CA 95812

Chair David Hochschild
Chair.Hochschild@energy.ca.gov
California Energy Commission
715 P Street
Sacramento, CA 95814

**Re: California Energy Commission's Battery Pilot Manufacturing Line Grant Award;
Confidential Request for Investigation Under Cal. Gov't Code § 8547, et seq.**

Dear Mr. Parks,

On behalf of our client, the Greater Sacramento Economic Council ("GSEC"), Dentons US LLP writes to communicate GSEC's concerns regarding the California Energy Commission's ("CEC") Battery Pilot Manufacturing Line grant (the "Grant") solicitation development and award process. As a leader of the Greater Sacramento region's preeminent economic development organization, GSEC's President and Chief Executive Officer and staff supported Cal EPIC, a Sacramento-based nonprofit, in its pursuit of this Grant funding.

During the Grant solicitation process, CEC personnel, specifically CEC Chair David Hochschild, introduced an individual named Richard Wang to GSEC and CAL EPIC. Through this introduction, GSEC and Cal EPIC were led to believe that Mr. Wang was a consultant or advisor to the CEC in connection with the Grant and that he would be a champion of Cal EPIC's proposal.

Based on this understanding, Cal EPIC engaged with Mr. Wang multiple times over the past year regarding the Grant opportunity, going as far as to tour him through Cal EPIC's facility and share its confidential pre-development findings. At the same time, and without disclosing this information to GSEC or Cal EPIC, it appears that Mr. Wang expedited the formation of his own non-profit company (Electrochemistry Foundry, Inc.) to compete for the Grant award, saying in his letter to the Internal Revenue Service ("IRS") that the "primary funding source" for Electrochemistry Foundry, Inc. would be "approximately \$20,000,000 released by the California Energy Commission (CEC) focused on building out a pilot manufacturing facility for batteries in California" and that the "CEC will likely award this funding" to his organization if it received expedited tax-exempt status. Ex. 1, December 29, 2024 Letter from Richard Wang to the IRS.

Cal EPIC and GSEC's engagements with the CEC and Mr. Wang regarding the Grant are detailed below and raise serious concerns as to the fairness of the Grant solicitation development and award

decision and transparency of the communications and processes surrounding the Grant. GSEC's understanding of the relevant events are described below:

March 15, 2024: CEC invited Cal EPIC to private industry roundtable. CEC Chair told GSEC CEO that Richard Wang's opinion of Cal EPIC would weigh heavily on whether he would support a Sacramento proposal.

September 9, 2024: CEC announced a Grant workshop. Mr. Wang provided comments during and after workshop that directly influenced final Grant solicitation.

September 12, 2024: During a visit to Cal EPIC with UC Berkeley, Mr. Wang was provided a tour of Cal EPIC's facilities and confidential information about its pre-development findings. Mr. Wang also expressed alignment and support for Cal EPIC's proposal stating, "I am fully behind this vision of building out battery manufacturing and test infrastructure in Sacramento." Ex. 2, September 14, 2024 email from Richard Wang to Orville Thomas (Cal EPIC CEO).

October 30, 2024: Mr. Wang filed the articles of incorporation for Electrochemistry Foundry, Inc. as a nonprofit public benefit corporation.

December 29, 2024: Electrochemistry Foundry, Inc. requested expedited processing of tax-exempt status stating, "The CEC will likely award this funding opportunity to Electrochemistry Foundry, Inc. if it receives recognition of its Section 501(c)(3) status." Ex. 1.

January - April 2025: CEC issued Grant solicitation on January 28, 2025; proposal period lasted through April 4, 2025.

June 12, 2025: Electrochemistry Foundry, Inc. won the Grant award by 1.47 points, even though 3 out of 5 scorers chose the Cal EPIC proposal as the best. Electrochemistry Foundry, Inc. scored higher than Cal EPIC on cost effectiveness even though Cal EPIC's operating costs will be 30% lower.

California Government Code restricts city officers or employees from being financially interested in any contract which they make. Cal. Gov't Code § 1090. This restriction extends to independent contractors whose "duties include engaging in or advising on public contracting. Such a person would therefore be expected to subordinate his or her personal financial interests to those of the public." *People v. Superior Ct. (Sahlolbei)*, 3 Cal. 5th 230, 240, 396 P.3d 568, 576 (2017); see also *Hub City Solid Waste Servs., Inc. v. City of Compton*, 186 Cal. App. 4th 1114, 1119-20, 112 Cal. Rptr. 3d 647, 647 (2010) (finding that contractor who helped develop contract solicitation for project had improper conflict of interest).

GSEC asks the Auditor to consider whether Mr. Wang may have violated California law by failing to subordinate his own personal financial interests to those of the public, and that he instead financially benefitted from his relationship with the CEC. Under the auspices of acting as a consultant or advisor to the CEC, he gained confidential information about Cal EPIC's capabilities, which he likely used to benefit his own proposal for the Grant. GSEC also believes that Mr. Wang likely played a direct role in developing the Grant's solicitation, which would have provided him the ability to shape the solicitation to benefit his company.

Pursuant to Cal. Gov't Code § 8547, *et seq.*, GSEC requests that the California State Auditor undertake an independent investigation into the Grant solicitation development and award process, including reviewing Mr. Wang's communications with the CEC, Cal EPIC and GSEC. Additionally, because the CEC introduced GSEC and Cal EPIC to Mr. Wang, GSEC believes it is incumbent upon the California State Auditor to validate the fairness and transparency of the events surrounding the CEC's Grant award to Mr. Wang's company.

GSEC also requests that the CEC remove item "6. Electrochemistry Foundry, Inc." from the upcoming September 10, 2025 CEC Business Meeting agenda and delay approval of the Grant award until the California State Auditor's investigation is complete. Please contact the undersigned if you have any immediate questions or would like to discuss. You are assured of GSEC's full cooperation during your investigation.

Sincerely,

Gale R. Monahan

Digitally signed by: Gale R. Monahan
DN: CN = Gale R. Monahan email =
gale.monahan@dentons.com C = US O =
Dentons US LLP
Date: 2025.09.09 10:01:00 -06'00'

Gale R. Monahan

Enc.

cc: Barry Broome
Chief Performance Officer, Greater Sacramento Economic Council
bbroome@greatersacramento.com
Work: (916) 287-9082
Cell: (602) 300-5630

California Energy Commission Vice Chair Siva Gunda
CommissionerGunda@energy.ca.gov

Commissioner Noemi Otilia Osuna Gallardo
CommissionerGallardo@energy.ca.gov

Commissioner J. Andrew McAllister
CommissionerMcAllister@energy.ca.gov

Commissioner Nancy Skinner
CommissionerSkinner@energy.ca.gov

131177038\V-1

EXHIBIT 1

December 29, 2024

Internal Revenue Service
550 Main Street
Room 6403
Cincinnati, OH 45202

Re: Electrochemistry Foundry, Inc. (EIN: 33-1527614) – Application for Recognition
of Tax Exemption – Request for Expedited Processing (Pending Grant)

Ladies and Gentlemen:

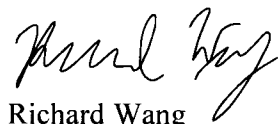
Electrochemistry Foundry, Inc. requests expedited processing of its Application for Recognition of Exemption under Section 501(c)(3) of the Internal Revenue Code ("Form 1023"). The Form 1023 application was submitted to the IRS for review on December 29, 2024.

The Form 1023 instructions indicate that expedited processing is appropriate when a grant to the applicant is pending and the failure to secure these funds may have an adverse impact on the organization's ability to continue operations.

Electrochemistry Foundry, Inc. was formed to foster an innovation ecosystem to support electrochemistry technology development and deployment. The organization will build an open-access prototyping and pilot electrochemical manufacturing facility to facilitate collaboration between academia and industry, lower barriers to entry for innovators, support the launch of electrochemical technology startups, and facilitate manufacturing workforce development (together with community colleges and labor unions). To achieve this goal, the organization needs to spend approximately \$20,000,000 over the next few years to purchase pilot manufacturing equipment, outfit its facilities, and cover ongoing operating expenses.

The primary funding source planned for Electrochemistry Foundry, Inc. is a competitive grant funding solicitation for approximately \$20,000,000 released by the California Energy Commission (CEC) focused on building out a pilot manufacturing facility for batteries in California. The CEC will likely award this funding opportunity to Electrochemistry Foundry, Inc. if it receives recognition of its Section 501(c)(3) status from the IRS prior to March 31, 2025, the approximate date at which the offer expires. This funding opportunity would be critical in allowing Electrochemistry Foundry, Inc. to continue conducting its charitable purposes. In light of these circumstances, we believe that a compelling reason exists to expedite the processing of Electrochemistry Foundry, Inc.'s Form 1023 application.

Very truly yours,



Richard Wang
CEO of Electrochemistry Foundry, Inc.

EXHIBIT 2

From: Richard Wang <ricang@gmail.com>
Sent: Monday, September 16, 2024 1:02 PM
To: Hayden Kandul <hkandul@greatersacramento.com>
Cc: Alecia Ward <award@lbl.gov>; Purabi Thakre <purabithakre@lbl.gov>; Orville Thomas <orville.thomas@camobilitycenter.org>; Shannon Boettcher <sboettcher@lbl.gov>
Subject: RE: Notice of Scoping Workshop: California Battery Pilot Manufacturing Line Funding Concept

Perfect, thank you, that is helpful to know!

On Mon, Sep 16, 2024 at 11:07 AM, Hayden Kandul <hkandul@greatersacramento.com> wrote:

Hello Richard (and all),

Thank you for sharing the bullets below – excellent summary of the discussion last week. I have 2 additional bullets below that I think would be relevant to add to the Sacramento specific points, are below:

- Approximately 40% of the GSEC business development pipeline falls in the cleantech sector (businesses that are moving to or expanding within the region) – about half of that is battery specific technologies.
- SMUD (and Roseville Electric) utilities offer rates of about 45% less than rest of California (50%+ less than PG&E) – SMUD industrial rate is about \$0.11-\$0.14 cents on average, and they can provide full renewable sourcing.

Please let me know if there is any other specific data we can provide on our projects or ecosystem that would be helpful.

Thank you,
Hayden

Hayden Kandul | Sr. Business Development Project Manager
| Greater Sacramento Economic Council
| o. +1 916 441 2144 | m. +1 916 890 8262
| d. +1 916 287 9075 | e. hkandul@greatersacramento.com
| w. greatersacramento.com | a. 400 Capitol Mall, Suite 2520; Sacramento, CA 95814

<image002.jpg> <image003.png> <image004.png> <image005.png> Subscribe to our [e-newsletter](#).

From: Richard Wang <ricang@gmail.com>
Sent: Saturday, September 14, 2024 7:53 PM
To: Alecia Ward <award@lbl.gov>

Cc: Purabi Thakre <purabithakre@lbl.gov>; Orville Thomas <orville.thomas@camobilitycenter.org>; Shannon Boettcher <sboettcher@lbl.gov>; Hayden Kandul <hkandul@greatersacramento.com>

Subject: Re: Notice of Scoping Workshop: California Battery Pilot Manufacturing Line Funding Concept

Thanks, Alecia, I think that's exactly right! We will maximize our impact when we can all support each other towards one common goal and vision.

Orville, thank you for taking the time to meet with me and Shannon and show us around your facilities. Things are becoming much clearer in my head, and I am fully behind this vision of building out battery manufacturing and test infrastructure in Sacramento. I have attached my updated pitch deck around the Electrochemistry Foundry for reference (including slide 12, which we reviewed together on site). Please let me know how my team and I can be supportive as we navigate upcoming proposals (e.g. the NSF Engine full proposal) and opportunities.

We also discussed preparing a shared set of talking points that we can all reference and speak from both at the conference next week and on the CEC scoping workshop on Friday. I have taken a first stab at drafting these and would welcome thoughts and input from the team.

- The battery industry within California and the U.S. is facing a particularly difficult time right now. Both startups and large-scale manufacturing efforts are getting hit by historically poor investor and market sentiment driven by high interest rates, cooling EV demand, and incredibly stiff competition from China. China, in particular, has played its industrial policy cards effectively over the past twenty years and has built a formidable lead in virtually all areas of the industry. In the midst of this pressure, support from the California government is more critical than ever before.
- The Bay Area and Sacramento together present a unique opportunity to support and mature the battery and broader electrochemical industries through both innovation and manufacturing scale-up in California.
- The Bay Area represents the leading region for academic and startup efforts, and building a device prototyping center here (i.e. the Electrochemistry Foundry) will greatly accelerate early-stage commercialization and build more resilient and impactful companies. This support comes at a crucial time for the industry, as startups navigate incredibly choppy waters when it comes to fundraising.
- Sacramento, less than two hours drive from the Bay Area, brings a highly attractive ecosystem to support startups as they scale towards first-of-a-kind manufacturing. Its proximity to the Bay Area, strong workforce, efficient permitting (through CMC's campus), supportive utility (through SMUD), and more affordable operating environment make it a valuable proposition for retaining manufacturing scale-up efforts within California. In addition, Sacramento is uniquely suited to support large-scale testbed infrastructure for energy systems, which is another critical and underserved need within California.
- The CEC pilot line solicitation presents a unique opportunity to catalyze the creation of shared infrastructure in both the Bay Area (device prototyping) and Sacramento (energy systems testbed) to support startups. However, to support both efforts effectively, the solicitation will likely need to increase in size to \$25m

at a minimum. Both of these projects are shovel-ready and will make immediate positive impact on the industry.

- Contra Costa County presents a compelling locale to support the vision of a materials hub that supports both innovation and manufacturing scale-up (leveraging the existing oil and gas infrastructure). This is a longer-term vision that is not shovel-ready yet but will become so in the coming few years. As this gets built out, it will complete the northern California ecosystem to support technologies at both materials and device level through their entire lifecycle.

Thanks for reviewing these points!

Richard

On Thu, Sep 12, 2024 at 12:51 PM, Alecia Ward <award@lbl.gov> wrote:

This will be a great opp to scope out the larger vision so they can reference it in their EPIC5 funding plan.

Bridge center from early R&D to bench-scale prototyping perhaps in east bay
Separation science in Salton Sea
Matls synth in CC
Fab lab in Sacto
Full scale mfging in central valley

Think big! EPIC has \$380M to plan for in their next investment plan.

Alecia Ward

Program and Business Development

Direct: (510) 486-4540

Cell: (312) 550-8460

On Thu, Sep 12, 2024 at 12:44 PM Purabi Thakre <purabithakre@lbl.gov> wrote:

ABBA solicitation is coming!

----- Forwarded message -----

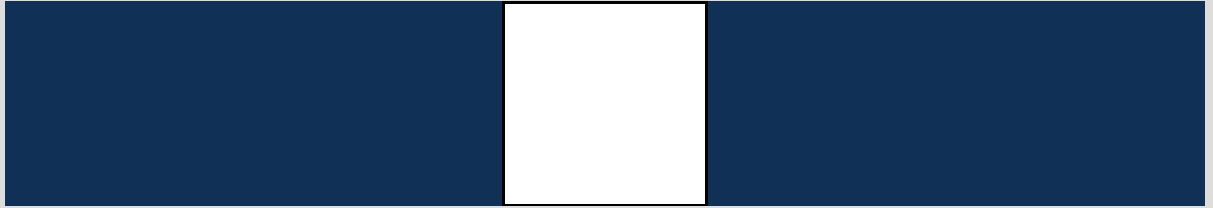
From: **California Energy Commission** <CEC@public.govdelivery.com>

Date: Tue, Sep 10, 2024 at 3:20 PM

Subject: Notice of Scoping Workshop: California Battery Pilot Manufacturing Line

Funding Concept

To: <purabithakre@lbl.gov>



Notice of Workshop

Scoping Workshop: California Battery Pilot Manufacturing Line Funding Concept

The California Energy Commission (CEC) staff will host a remote-access workshop to share staff's proposed concept for funding the establishment of a battery pilot manufacturing line in California, gather further information, and receive stakeholder and public input on this topic. The workshop will discuss research needs in this area that could be supported by future grant funding opportunities under the Electric Program Investment Charge (EPIC) research program. CEC staff will incorporate public comments received at the workshop into a forthcoming competitive solicitation to select an entity to help establish a future battery pilot manufacturing line.

The purpose of the pilot manufacturing line would be to provide battery technology innovators with access to key services, expertise, equipment, and facilities to accelerate the development and adoption of new advanced battery technologies into electric transportation and other battery-powered clean energy applications.

The public can participate in the workshop consistent with the attendance instructions below. The CEC aims to begin promptly at the start time posted, and the end time is an estimate based on the proposed agenda. The workshop may end sooner or later than the posted end time.

Friday, September 20, 2024
09:00 AM - 11:00 AM

Remote Access Only

Notice & Agenda

- [Notice of Scoping Workshop: California Battery Pilot Manufacturing Line Funding Concept](#)

Remote Attendance

Participants may join via Zoom by internet or phone.

- **[Join the Workshop via Zoom](#)**, or login in at <https://join.zoom.us/> and enter the **Webinar ID** 815 0077 3280 and **passcode** 267847 and follow all prompts.
- **To join by telephone.** Call toll-free at (888) 475-4499 or toll at (669) 219-2599. When prompted, enter the **Webinar ID** 815 0077 3280 and press “#” twice. No passcode is required when joining by telephone.

"Add to Calendar," is available on the [event page](#).

Stay Connected with the [California Energy Commission](#)
[715 P Street](#)
[Sacramento, CA 95814](#)

<~WRD0002.jpg>

<~WRD0002.jpg>

<~WRD0002.jpg>

<~WRD0002.jpg>

<~WRD0002.jpg>

<~WRD0002.jpg>

SUBSCRIBER SERVICES:
[Manage Subscriptions](#) | [Help](#)

This email was sent to purabithakre@lbl.gov from the California Natural Resources Agency utilizing govDelivery.
California Natural Resources Agency, [715 P Street, Sacramento, CA 95814](#)

--

Purabi Thakre
Program & Business Development

Energy Technologies Area, Lawrence Berkeley National Laboratory
[1 Cyclotron Road](#), M/S 90R3028
Berkeley, CA 94720
510-486-5693 (O)
650-919-4431 (C)
<https://eta.lbl.gov>