



Programme Area: Smart Systems and Heat

Project: WP3 Market Structures

Title: Request for proposals

Abstract:

A request for proposals to deliver the quantifying the future market opportunities for a home energy management system

Context:

The project covers a number of activities planned around developing potential market frameworks and business models.

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Request for Proposal (RfP)

Title of Services for which Proposals are Requested

Home Energy Management Systems (HEMS) and ICT - Quantifying the Future Market Opportunity

Request Issue Date

10th December 2013

Request for Proposals Submission Date

22nd January 2014

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CONTENTS

1. ETI INTRODUCTION	1
1.1. Introduction to the Energy Technologies Institute	1
1.2. ETI Approach to Health, Safety and Environment (HSE).....	1
2. PROJECT OVERVIEW	2
2.1. Background to the SSH Programme	2
2.2. Home Energy Management Systems (HEMS) and Information Communications Technology (ICT) in an SSH Context	2
2.3. Commissioning Approach	3
3. QUANTIFYING THE FUTURE MARKET OPPORTUNITY – OUTCOMES AIM AND SCOPE	4
3.1. Project Outcomes	4
3.2. Project Aim and Scope.....	4
4. QUANTIFYING THE FUTURE MARKET OPPORTUNITY - PROJECT DETAIL	5
4.1. Project Work Packages	5
4.2. Formal Deliverables from the Project.....	7
4.3. Project Timescales	8
4.4. Project Organisation Structure	8
4.5. Project Governance	9
4.6. Project Funding and Payment Structure.....	9
4.7. State Aid	9
4.8. Terms and Conditions for the Contract.....	9
5. COMMERCIAL AND LEGAL REQUIREMENTS	10
5.1. Insurance	10
5.2. Intellectual Property (IP)	10
5.3. Statement of Compliance.....	10
5.4. Non-Disclosure Agreement	10
5.5. General Due Diligence.....	10
5.6. Warranties	11
5.7. Indemnities	11
6. DISCLAIMERS	12
7. PROJECT PROCUREMENT AND SELECTION	14
7.1. Estimated Procurement and Project Timeframes	14
7.2. Questions and Clarifications	14
7.3. Submission Content and Format	14
7.4. Selection Criteria	15
7.5. Selection Process	15
8. POST-SELECTION PROCUREMENT PROCESS	16
8.1. Project Shaping and Contract Negotiation	16
8.2. Contract Detailing & Negotiation Requirements	16
APPENDIX A - DUE DILIGENCE TABLE	17
APPENDIX B - INSURANCE REQUIREMENTS	18

APPENDIX C - CONTENT AND FORMAT OF PROPOSALS	19
APPENDIX D - TERMS AND CONDITIONS OF THE CONTRACT	22
APPENDIX E - NOTIFICATION OF INTENTION TO SUBMIT A PROPOSAL	24
APPENDIX F - NON-DISCLOSURE AGREEMENT	25
APPENDIX G - GLOSSARY	32

1. ETI INTRODUCTION

1.1. Introduction to the Energy Technologies Institute

The Energy Technologies Institute (ETI) is a public-private partnership between global industries – BP, Caterpillar, EDF, E.ON, Rolls-Royce and Shell – and the UK Government. Hitachi has joined the ETI as a Programme Associate for the SSH Programme.

Public sector representation is through the Department for Business, Innovation and Skills, with funding channelled through the Technology Strategy Board and the Engineering and Physical Sciences Research Council. The Department of Energy and Climate Change are observers on the Board.

The ETI is focused on accelerating the deployment of affordable, secure low-carbon energy systems for 2020 to 2050 by demonstrating technologies, developing knowledge, skills and supply-chains and informing the development of regulation, standards and policy.

Further information can be found on our web-site at www.eti.co.uk.

1.2. ETI Approach to Health, Safety and Environment (HSE)

The Health and Safety of those who may be affected by ETI projects and the protection of the environment that may be impacted by ETI projects is of paramount importance to the ETI and its Members. It is ETI policy to pursue best practice in the health, safety and environmental management of its projects. The ETI therefore expects those who receive ETI funding to demonstrate a commitment to best practice in health, safety and environmental management as well as demonstrating that all applicable legal requirements are met.

2. PROJECT OVERVIEW

2.1. Background to the SSH Programme

The UK government has set a legally binding target of an 80% reduction in greenhouse gas emissions by 2050, with interim targets through the major transition that this implies. Over 40% of the UK's energy demand currently is for heat, with approximately half that amount arising from heat demand in domestic properties. The vast majority of domestic heat demand results from comfort requirements in the form of space heating and hot water. Mitigating emissions from domestic heat is a key component therefore of a future affordable, secure and sustainable national energy system.

The predominant issues include the relatively low thermal performance of the current building stock (much of which will still be in use over the coming decades), finding the economic balance in any one area between effective demand reduction and switching to a lower carbon energy supply (including distribution network reinforcement costs), the scale and highly variable nature of heat demand, the significant upfront capital costs inherent with any new solution coupled with policy/regulatory uncertainty and unclear return in investment, the capacity and capability of the UK supply-chain to support the transition and consumers experience and general satisfaction with the high performance and low cost of the incumbent gas solution. These issues are further exacerbated by lack of certainty about the nature of the rest of the energy system. The reduction of emissions required from the domestic building stock will depend significantly on what is achieved elsewhere.

The ETI commissioned a major two-phase Smart Systems and Heat (SSH) programme in 2012. The SSH programme was established with a remit to take a holistic or system-wide approach to the challenge. The Programme will integrate technology, software tools and business model development, together with policy analysis and supply-chain development to create and validate propositions that consumers find attractive, thereby helping to catalyse the future market transition. The goal of the Programme therefore is to create and demonstrate the capability to provide practical, cost-effective local solutions for energy efficient heat and comfort in homes and business, for the UK to exploit from 2020.

The two distinct phases of the programme are:

- **Phase 1:** Creation of the tools, technologies, delivery capability, consumer value propositions and business models needed to implement a future affordable, secure and sustainable energy system;
- **Phase 2:** The second phase will validate the solution(s) developed in Phase 1 with a significant system level demonstration. The validation will seek to create favourable market conditions for the subsequent natural deployment.

2.2. Home Energy Management Systems (HEMS) and Information Communications Technology (ICT) in an SSH Context

Domestic heating accounts for ~15% of the UK's CO₂ emissions (~70Mt)¹. Using energy more efficiently and reducing energy wastage through HEMS on a national scale could contribute to reductions in CO₂. For many households CO₂ reductions are not however the main driver for reducing energy demand. The average cost of a year's gas and electricity has reached over £1200² per household in the UK. This represents an approx. 50% increase against 2007 costs. As prices are predicted to rise, consumers are likely to look at ways to save costs without unacceptably reducing comfort. Manufacturers claim that by setting up a HEMS which is programmed to know the households schedule and their preferred settings as well as monitoring the temperature, users can achieve bill reductions of up to 20%. This would generate savings of up to £240 per year against an average gas and electric bill with payback periods of <3 years. HEMS systems could therefore provide consumers a less intrusive, more cost-effective option for more comfort for less energy than other fabric-related building retrofit interventions and could form an important part of wider energy and smart living solutions enabling energy efficient heat and comfort in homes.

The current approach within the SSH Programme is that HEMS can be a discrete standalone system

¹https://www.gov.uk/government/uploads/system/uploads/attachment_data/file/193414/280313_ghg_national_statistics_release_2012_provisional.pdf. ² <https://www.gov.uk/government/statistical-data-sets/annual-domestic-energy-price-statistics>

within a home (cannot be controlled externally and is used by the resident to control comfort / energy saving), or alternatively the HEMS system can interface or work in parallel with smart meters and the local telecommunications or broadband network defined further in this document as “ICT” to allow greater functionality such as system diagnostics and efficiency and other value added services. The choice for either should be taken by the consumer.

Therefore ICT in this context is as seen as a mechanism for interfacing with HEMS and potentially offering/delivering other commercial functionality and or services. This perspective needs to be fully considered by the successful respondent in their final report. For the purposes of the research report ICT should be considered as smart meters and its wireless backbone, domestic broadband delivered via private and public networks, fixed landline telecommunications, wireless broadband, mobile networks (GPRS/3G/4G) and any other telecommunications networks which could be suited as an interface which may be used to interface with HEMS.

2.3. Commissioning Approach

The ETI plans to procure this project via open tender and is now seeking responses from interested parties. A Prime Contractor will be appointed and the project is expected to commence early February 2014 with a project duration of around 2-3 months.

3. QUANTIFYING THE FUTURE MARKET OPPORTUNITY – OUTCOMES AIM AND SCOPE

3.1. Project Outcomes

HEMS and ICT capabilities could act as important enablers as part of the future energy system contributing to meeting future energy efficiency targets. The outcome of this project will be an in depth study and assessment of HEMS along with what data, processes and controls and potential additional services enabled via a linked ICT system. The project will deliver key insights and findings in terms of potential future offerings and capabilities of these products along with market assessment information.

3.2. Project Aim and Scope

The aim of this project is to characterise the existing market for HEMS and ICT systems (the ICT system interfacing with HEMS) and to quantify the market/commercial opportunities for future HEMS and ICT propositions for both consumer and business. The scope of the Project is defined as follows:

Scope of HEMS

- Packaged hardware & software technologies, products, and solutions.
- Data security.
- Complementing services such as home security, health monitoring, Multimedia and retail, utility services etc.
- Enabling services, such as installation.

Scope of ICT

- Broadband hubs, fixed and wireless.
- Smart meters in accordance with smart meter UK rollout.
- Mobile networks (GPRS/3G/4G).
- Fixed landline.
- Cloud application.
- Interconnection and interoperability of devices.
- Data security.

The two key study elements further defined in section 4.1 are as follows:

- Conduct research on and characterise the existing HEMS and ICT markets; and
- Analyse, research and quantify the market/commercial opportunities.

Respondents will be required to base all outputs on domestic homes, the UK and European markets (global where relevant and will add value) and up to date and relevant data.

4. QUANTIFYING THE FUTURE MARKET OPPORTUNITY - PROJECT DETAIL

An outline statement of work has been included in this RfP. Respondents should treat this as a guide from which to construct their own proposals and/or suggest alternative approaches or work package suggestions which may add value to the Project.

Respondents should expand on their proposed work elements and outline their approach to completing the statement of work within their proposals and provide a Gantt chart of activities highlighting key milestones for the duration of the project.

4.1. Project Work Packages

It is intended that the project will be comprised of two Work Packages (WP) as described below. Respondents are required to note the delivery timescales for this project and ensure sufficient time is allowed for a comprehensive delivery of each WP.

4.1.1 WP1: Conduct research on and characterise the Existing HEMS and ICT markets.

Respondents are required to conduct research on and characterise the existing HEMS and ICT markets by analysing the following areas:

Markets

- HEMS market segments based on the scope defined under section 3.2, including:
 - End users (B2C)
 - businesses (B2B)
 - others.
- ICT market segments based on the scope defined under section 3.2.
- HEMS and ICT market size in volume, revenue and growth rates (historic, current and future 2015 to 2025) for UK, Europe and Global.
- HEMS and ICT market profitability based on net profit and reflecting a Five Forces framework for analysis, including:
 - Manufacturers.
 - Service providers.
- Critical success factors for market segments.
- HEMS and ICT technology issues and barriers to uptake.
- Evolution of HEMS and ICT technologies in the short to medium term (e.g. next 5 - 10 years).
- HEMS and ICT sales channels, including:
 - Manufacturer to installer to consumer etc.
 - Business to business.
- Characterisation and mapping of the existing value chain for HEMS and ICT, both B2B and B2C.

Industry

- PESTLE analysis for HEMS and ICT industry.
- Competitive intensity and attractiveness through the Five Forces framework.

- Industry cost structure including breakdown and approximate size of costs by HEMS and ICT sectors.

Customer segments

- Markets broken down into customer segments.
- Profit potential, revenue and cost by customer segments.
- Highlight target segments.

Competitor analysis in relation to existing market participants and potential new market entrants

- Company information on existing market participants across existing supply/value chain together with their relationship and role within HEMS and ICT market.
- Company information and profile including high level financial details.
- Competitor objectives, strategies and evaluation of their success.
- For each HEMS and ICT market identified under 4.1.1. conduct detailed competitor analysis of:
 - Technology being deployed to include hardware and software specifications.
 - The B2C and B2B service offerings, including:
 - Product / end to end service pricing throughout the value chain.
 - Operating models (e.g. structure of how BT lease fixed landlines etc.).
 - Brief structure of value chain end to end.
 - Known details of agreements, and contractual arrangements and costs and prices across supply chain i.e. an example would be one operator utilising the infrastructure owners existing telecommunication network and datacentre to provide services.
- Applications and enabling services such as remote access, security and health.
- Scope of use e.g. electricity, heat, water.
- Ease of installation.
- Current market differentiation and unique selling points.

Respondents are encouraged to submit alternative/complementary proposals on the structure of WP1 as part of their RfP submission which they believe will provide a more detailed and objective outcome that will enable realisation of the overall Project outcome.

Final reports should be written in Microsoft Word format for WP1 and may also include Microsoft Excel for supporting data only. Respondents will also be required to summarise the report in Microsoft PowerPoint format.

4.1.2. WP2: Analyse WP1 output and quantify the market/commercial opportunities.

Respondents are required to analyse the output of WP1 and quantify the market opportunity. In particular the successful respondent will be expected to quantify the following, as a minimum:

- For the customer segments identified in section 4.1.1 set out prioritised segments based on greatest opportunity.
- Detail and size of market potential today and out into the future (2015 to 2025).

- Based on analysis and information to hand, propose the needs / requirements of customers with respect to HEMS and ICT.
- Describe how are these customer needs being addressed today, and identify any gaps.
- Identify the market gaps and key differentiators in existing product/service offerings (B2C and B2B), to include:
 - Define opportunities to fill current gaps.
 - Estimated costs of implementing the opportunity.
 - Identification of the most important costs inherent in each opportunity.
 - Identification of which key activities are most expensive – product development, marketing etc.
 - Timescales associated with implementing each opportunity.
 - Details of company partnerships which may assist ETI to develop the opportunity.
 - Risks associated with implementing the opportunity.
- Conclusions and Recommendations, including:
 - Summary of key insights and findings relating to HEMS/ICT markets and commercial opportunities.
 - Overall evaluation of opportunities, risks and feasibility.
 - Recommended options short (2013-2015) and medium (>2015) term and actions to take options forward.

Respondents are encouraged to submit alternative/complementary proposals on the structure of WP2 as part of their RfP submission which they believe will provide a more detailed and objective outcome that will enable realisation of the overall Project outcome.

Final reports should be written in Microsoft Word format and may also include Microsoft Excel for supporting data only. Respondents will also be required to summarise the report in Microsoft PowerPoint format.

4.2. Formal Deliverables from the Project

The five (5) formal deliverables required from the Project will be as follows. It is anticipated the project will feature two Payment Milestones, the first associated with WP1 and the second associated with WP2:

Work Package Reference	Deliverable(s)	Reference
WP1: Conduct research on and characterise the existing HEMS and ICT markets.	Define alternative/complimentary proposals on the structure for WP1	D1
	A detailed report which characterises the existing HEMS and ICT markets through an in depth analysis and study of the following: <ul style="list-style-type: none"> • Market • Industry • Customer • Competitor Respondents are required to set out answers in a meaningful context that will enable realisation of the	D2

	<p>overall Project outcome</p> <p>Final reports should be created in Microsoft Word format and may also include Microsoft Excel for supporting data only.</p> <p>Respondents will also be required to summarise the report in Microsoft PowerPoint format highlighting key insights and findings.</p> <p>Respondents will be required to base all outputs on domestic homes, the UK and European markets (global where relevant and will add value) and up to date and relevant data.</p> <p>Define alternative/complimentary proposals for the structure of WP2.</p> <p>Milestone Review</p> <p>A milestone review will be required for ETI to approve WP1 prior to commencing WP2.</p>	<p>D3</p>
<p>WP2: Analyse WP1 output and quantify the market/commercial opportunities.</p>	<p>A further section in the WP1 report that quantifies the market/commercial opportunities following the suggested structure set out under section 4.1.2 or as separately agreed.</p> <p>Respondents are required to set out answers in a meaningful context that will enable realisation of the overall Project outcome. It should also demonstrate a logical flow and connection from WP1.</p> <p>Final reports should be created in Microsoft Word format and may also include Microsoft Excel for supporting data only.</p> <p>Respondents will also be required to summarise the report in terms of key insights and findings in Microsoft PowerPoint format.</p> <p>Respondents will be required to base all outputs on domestic homes, the UK and European markets (global where relevant and will add value) and up to date and relevant data.</p> <p>Final Presentation</p> <p>Respondents will be required to present an overview of the final report to ETI at our Birmingham Offices</p>	<p>D4</p> <p>D5</p>

4.3. Project Timescales

The ETI anticipates that WP1 and WP2 will **commence the beginning of February 2014 and be completed by end-April 2014**. Respondents are requested to set out in their RfP submission their suggested date for WP1 review allowing sufficient time for completion of WP2.

4.4. Project Organisation Structure

The ETI places great emphasis on working through a Project Manager or primary point of contact in the

delivery of projects therefore would require the appointment of a Project Manager or project lead by the Contractor acting as the primary interface with the ETI Project Manager. The Project Manager or lead is responsible for managing and progressing the programme of work to time and cost, handling information flows and commercial issues, ensuring effective team-working and the continued engagement and support of key stakeholders. In essence the responsibility is to make sure that the ETI benefits from a result at the end of the programme of work that meets the agreed outcomes within time and cost.

4.5. Project Governance

Throughout the duration of the Project the ETI expects to hold review meetings with the Project Manager which may be at the ETI or Prime Contractor's premises as appropriate, typically monthly or at other points which may be agreed. The ETI may involve advisors, external consultants, key industrial stakeholders, or representatives from the ETI Members as appropriate.

The timing and scope will be confirmed in discussions after the Proposal has been reviewed. Preliminary arrangements are as follows:

- a) **Project Kick Off:** This will be held within one week of the Project start date. The purpose of the meeting is for the Prime Contractor and the ETI to review the scope of the Project, planned timescales, deliverables, and the way of working and interfacing with the ETI to ensure a common understanding of how the Project will be delivered in accordance with the contract. It is anticipated that this review will be held at ETI offices in Birmingham and will take no longer than one day.
- b) **Project Reviews:** These will be at key agreed points during Project delivery. It is anticipated that these reviews will be held alternatively at the Prime Contractor and ETI's premises and take no longer than half a day each.

4.6. Project Funding and Payment Structure

This Project will be paid on a fixed cost basis. The Contract structure will include defined deliverables, with acceptance criteria and Payment Milestones by which one or more deliverables will have been completed (as to be defined and agreed in the Contract).

4.7. State Aid

Funding from the ETI for this Project will constitute state aid. The ETI has a specific state aid clearance from the European Commission. A copy is available on request. In relation to their Proposals, Respondents should note:

- a) Further information may be required to support the specific state aid requirements of any Proposal during the procurement process;
- b) Successful Respondents will be required to provide full transparency of costs throughout the Project to ensure both the Contractor and the ETI comply with EU state aid law; and
- c) The Contractor will need to agree to certain contractual obligations related to the state aid requirements including the duration of the retention of records, and obligations to return ETI funding in certain exceptional circumstances.

Each Respondent must confirm that there are no potential, threatened, pending or outstanding recovery orders by the European Commission in respect of any funding received (either by the Respondent or any proposed Subcontractor).

4.8. Terms and Conditions for the Contract

The Project will be governed by a Contract, a draft of which will be made available to Respondents on signature of a non-disclosure agreement (Appendix F). The final Contract will incorporate appropriate information from the ETI's RfP, the Respondent's Proposal and information drawn up and agreed during the Project shaping and contract negotiation.

5. COMMERCIAL AND LEGAL REQUIREMENTS

The most important issues that the ETI would like to highlight for initial consideration are as follows:

5.1. Insurance

The Respondent should confirm that liability and indemnity insurance cover is held and should confirm levels of cover and expiry for each. See Appendix C for further detail.

5.2. Intellectual Property (IP)

The ETI will own all Arising IP from the Project. The Contract will include a warranty that no Background IP or Third Party IP shall be included in any deliverable without the prior consent of the ETI or that such Background IP or Third Party IP included is automatically licensed to the ETI. Respondents should note that this applies to any copyright diagrams/images and must ensure appropriate permissions are obtained and evidence of permission provided to the ETI.

5.3. Statement of Compliance

The Respondents shall provide a statement that the Proposal is fully compliant with the Request for Proposals, or shall state clearly any exceptions, deviations, alternative approaches or additions, with justification. Note that in the absence of any specifically-stated deviation in this section of the Proposal, in the case of any subsequent dispute, the ETI's Request for Proposals will take precedence over the Proposal. Additional comments and clarifications should also be listed where appropriate (for example to clarify interpretation of requirements), but these must be differentiated from any deviations / exceptions above.

In relation to the Contract, the statement should set out as a minimum:

- a) The acceptance by each Respondent of the terms and conditions of the Contract.
- b) Any exceptions to the terms and conditions of the Contract issued by the ETI.

The exceptions set out will both be considered as part of the selection process to determine whether there is material compliance of the terms and conditions. Respondents should note that compliance with ETI terms and conditions is one of the selection criteria for this Request for Proposal. The ETI will not consider any further exceptions post selection which has not been identified in the statement.

5.4. Non-Disclosure Agreement

Respondents are required to enter into a Non-Disclosure Agreement with the ETI before submitting their Proposal. Submission of a signed NDA will be viewed by the ETI as the Respondent's formal intent to submit a Proposal. NDAs should be returned by the deadline outlined in Section 7.1.

A draft Contract shall be made available upon the successful execution and submission of an NDA. Signed NDAs should be returned to the ETI following the instructions provided in Appendix G.

For further information on the release of the draft Contract and other information, please refer to the Terms and Conditions in Appendix E.

5.5. General Due Diligence

All Respondents (except ETI Members, Programme Associates, universities / higher education institutions and UK/EU government laboratories / agencies) which provide more than 20% of the resources for the Project or which provide an input which is critical to the Project's success, shall provide due diligence Information to the ETI according to the table in Appendix A.

Please note that successful completion of all elements of the due diligence is a pre-requisite to any contract award: Failure to meet due diligence requirements at any stage may result in the exclusion of that Respondent or the Proposal from the ETI's selection process.

5.6. Warranties

The Contract contains a number of warranties and undertakings related to IP. The ETI will conduct an appropriate level of due diligence before the start of the Project which relates to IP and the IP warranties. The wording of any warranties may be amended to reflect due diligence performed.

5.7. Indemnities

The ETI will contribute funding to this Project but has no control over any risks and associated liabilities that may arise from the Project. Therefore the Contract contains a number of indemnities for the ETI including for third party claims and for IP infringement. Respondents should review and comment on the indemnity position in the Submission.

6. DISCLAIMERS

- a) The ETI at its discretion may request clarification of a Proposal, and may reject any Proposal which is unclear.
- b) Neither the issue of any documentation in the Request for Proposals process nor any of the information presented in it should be regarded as a commitment or representation on the part of the ETI or any other person to enter into a contractual arrangement. The Request for Proposals is not an agreement to purchase goods or services, and the ETI is not bound to enter into any contract with the Respondent. By responding to this Request for Proposals, the Respondent does not commit itself to entering into a contract with the ETI.
- c) All decisions made by the ETI relating to the acceptance, review and selection or otherwise of Proposals are final.
- d) All documents, including Proposals, submitted to the ETI become the property of the ETI. They will be received and held in confidence by the ETI, subject to the terms of the Non-Disclosure Agreement. No part of a Proposal, or documents provided by Respondents, shall be returned.
- e) The ETI reserves the right to (i) change the basis of, or the procedures for, the Request for Proposals process, including the timetable or closing date, (ii) make modifications to, or alter any of the information within, the Request for Proposals at any time until the execution of the Contract, (iii) reject any or all of the Proposal received, and (iv) not invite any Respondent to proceed further. In cases (i) and (ii) the ETI shall provide a minimum of five working days written notice.
- f) Neither the ETI nor any of its agents or advisers accepts any liability or responsibility for the accuracy, adequacy or completeness of any of the information provided or any opinions contained in this Request for Proposals or of any other information made available during the Request for Proposals process. No representation or warranty, express or implied, is or will be given by the ETI or any of its agents or advisers with respect to such information provided or opinion given therein. Any liability is thereby expressly disclaimed.
- g) Respondents must assess the information and terms contained in this Request for Proposals independently, having taken professional advice if necessary. The Respondent will be deemed to have examined all the documents enclosed with this Request for Proposals and by its own independent observations and enquiries will be held to have fully informed itself as to the nature and extent of the requirements of the Request for Proposals. The Respondent must rely on its own enquiries and on the terms and conditions contained in any agreement, when and if finally executed, subject to such limitations and restrictions as may be specified therein.
- h) Respondents shall be wholly responsible for the costs they incur in the preparation and submission of their responses to the Request for Proposals. The ETI shall not be responsible for, and shall not pay, any costs and expenses which may be incurred by the Respondent in connection with its participation in the Request for Proposals process, including but not limited to any costs or expenses incurred up to the execution of the Contract.
- i) The ETI may, at its discretion, shortlist Respondents for the next phase. The ETI does not undertake to accept the lowest bid or to accept part or all of any Proposal and the acknowledgement of receipt of any Proposal shall not constitute any actual or implied agreement between the ETI and the Respondent.
- j) The submission of a Proposal will confirm acceptance of the foregoing provisions by the Respondent without qualification. Any attempt to qualify any of the foregoing provisions in this Disclaimer Notice, either expressly or impliedly, may result in a Respondent being disqualified.
- k) The copyright in the documentation and any other materials supplied by the ETI and/or its advisers in this Request for Proposals process, in whatever format, belongs to the ETI or its appointed advisers. Such documentation and materials may not, either in whole or in part, be copied, reproduced, distributed or otherwise made available to any other third party or used

without the prior written consent of the ETI, except in relation to the preparation of the Proposal in the course of the Request for Proposals process. All documentation supplied by the ETI in relation to this Request for Proposals process must be returned on demand, without any copies being retained by the Respondent.

- l) This Request for Proposals, and any dispute or claim arising out of or in connection with it (including any dispute or claim relating to non-contractual obligations), shall be governed by and construed in all respects in accordance with the laws of England and Wales and the parties agree that the Courts of England and Wales shall have exclusive jurisdiction to settle any dispute or claim arising out of or in connection with this document (including any non-contractual disputes or claims).

7. PROJECT PROCUREMENT AND SELECTION

7.1. Estimated Procurement and Project Timeframes

The following tables outline the anticipated schedule for the procurement process.

The timing and the sequence of events resulting from this Request for Proposals may vary and shall ultimately be determined by the ETI.

Request for Proposal and Selection	Anticipated Dates
Issue of Request for Proposal	10 th December 2013
Submission of NDA to ETI	20 th December 2013
Closing date for submission of proposal	22 nd January 2014
Preferred Respondents Notified	03 th February 2014

Project Start	Anticipated Dates
Contract signature target date (Note: this is dependent on the ETI selection process and an agreement on contractual terms and conditions being in place)	20 th February 2014
Project Completion	30 th April 2014*

* Respondents are requested to provide a Gantt Chart with project timescales and delivery points of deliverables D1-D5

7.2. Questions and Clarifications

The ETI will endeavour to answer any questions or provide clarifications for potential Respondents before the Proposal deadline.

Any advice or clarifications of ETI requirements requested by and provided to any Respondent may (at the ETI's discretion) be made available to all Respondents to ensure parity of information. Respondents should therefore consider presenting requests for advice and clarifications in a way that the ETI can respond to all Respondents without revealing confidential information.

7.3. Submission Content and Format

The Submission shall comprise five components:

- a) Detailed Proposal, arranged according to the structure set out in Appendix C. The content must demonstrate how the bidding organisation will meet the requirements set out in this Request for Proposal. The Proposal must be written in a succinct manner and must not include imprecise statements, generalities or repetition. The Proposal must be easily readable with appropriate font sizes (10pt or larger), margins, and shall not exceed a maximum of 15 pages (excluding appendices).
- b) Supporting information as specifically set out in Appendix C.
- c) Risk register, as described in Appendix C, part 3.4.
- d) Due-diligence information (as set out in Section 5.5).
- e) Statement of compliance and, if appropriate, supporting information, confirming compliance with or identifying exceptions to the specification or contractual requirements (as set out in Section 5.3). This must be signed by the Respondent.

Additional information (such as organisational brochures, etc.) may be provided to accompany the Submission, but such additional information will not be taken into account when reviewing Proposals.

The Submission shall consist of one (1) electronic copy which shall be provided in both PDF and Microsoft Word formats.

7.4. Selection Criteria

Proposals will be reviewed and judged primarily against the criteria listed below and the supporting evidence supplied.

Knowledge, skills and experience to deliver the Project:

- Specific knowledge and skills relating to the subject area and delivering the work packages of this RfP.
- Experience and capability of key staff involved in Project, including the Project Manager/Lead for both WP1 and WP2.
- Availability and stability of deployable resources to mobilise sufficiently rapidly and for sufficient durations.

Quality and credibility of proposal:

- Demonstration of understanding of the ETI's requirements.
- Clarity of the proposed work programme; including provision of a Gantt chart with milestones and review points.
- Credibility of the proposed project plan to deliver within the ETI's required timescales.

Value for Money:

- Total fixed price for the whole project.

Compliance with ETI technical and contractual requirements:

- Compliance with statement of work requirements.
- Compliance with contractual requirements.

The ETI at its discretion may request further clarification of a Proposal, and may reject any Proposal which is unclear.

7.5. Selection Process

Following the closing date, the ETI will convene a Selection Panel as part of its evaluation process to recommend which Respondent(s) should proceed to project shaping and contract. In addition to ETI staff, this panel may comprise of experts selected by the ETI (typically including individuals drawn from ETI Member organisations and third parties) to provide the necessary expertise to consider the technical, commercial, legal and financial aspects of each bid.

The ETI may hold initial discussions with more than one Respondent, to ensure that all key issues are resolved fully and promptly, before making / confirming a final selection decision.

Respondents may, at the ETI's discretion be invited to attend the Selection Panel in order to provide further information. Respondents will be notified if this is required although this is not anticipated for this Proposal.

8. POST-SELECTION PROCUREMENT PROCESS

8.1. Project Shaping and Contract Negotiation

Following selection, the ETI will invite a preferred Respondent (or Respondents) to enter into a phase of Project shaping, which includes due diligence and contract negotiations. An overall period of 3 weeks has been allowed for this phase.

The Project shaping and contract negotiation phase will include the following activities (as required and dependent on the level of detail provided in the Respondent's proposal):

- a) Detailing of the proposed programme of work, including definition of deliverables and acceptance criteria.
- b) Detailing and agreement of Payment Milestones.
- c) Other due diligence activities if required.
- d) Agreement of any identified contractual issues (note that compliance with the ETI's contractual conditions is a key selection criterion and the ETI does not anticipate that any significant exceptions to its contractual conditions will be agreed).
- e) Agreement (and approval by the ETI) to terms of other key contractual arrangements (e.g. Subcontracts).
- f) Gaining all necessary Respondent and ETI approvals to undertake the Project.
- g) Any further information or assessment that may be necessary to meet state aid requirements.

8.2. Contract Detailing & Negotiation Requirements

These are only required if a Proposal is selected to proceed to the Project shaping and contract negotiations phase, and will include:

- a) Health, Safety and Environmental management approach. It is anticipated that this Project will be desk-based only, however, the ETI may ask for evidence of the organisation's health, safety and environmental management systems and specific technical competence to manage the risks in this Project.
- b) Further intellectual property due diligence: This will primarily comprise detailed Background IP questionnaire.
- c) Copies of insurance policies.
- d) Any other information that the ETI reasonably requires in order to fund the proposed Project including any information necessary to meet state aid requirements.

APPENDIX A - DUE DILIGENCE TABLE

A stand-alone copy of this form is attached.

Details of Organisation	
Full name:	
Registered Office:	
Type of Business: <input type="checkbox"/> Sole Trader <input type="checkbox"/> Limited Company <input type="checkbox"/> Partnership <input type="checkbox"/> Other – please describe:	
Names of Directors/Partners/Owner:	
VAT Number:	
Details of Directors, Partners or Associates	
Have any directors, partners or associates of the organisation been involved in any organisation which has been liquidated or gone into receivership? <input type="checkbox"/> Yes <input type="checkbox"/> No	
Have any directors, partners or associates of the organisation been convicted of a criminal offence relevant to the business or profession? <input type="checkbox"/> Yes <input type="checkbox"/> No	
Please give (and attach if necessary) full details if you have answered 'Yes' to either of the two previous questions.	
Audited Financial Accounts	
Please supply Audited Financial Accounts for the last 3 years for the organisation, or relevant part thereof.	
Claims of Litigation	
Please provide (and attach if necessary) details of any claims or litigation against the organisation, outstanding and/or anticipated.	
Insurance	
Please confirm that you have insurance cover for the following risks, and confirm levels of cover and expiry for each. ETI will require evidence of these during the Project Detailing phase.	
<input type="checkbox"/> Property damage	<input type="checkbox"/> Business interruption
<input type="checkbox"/> Employer's liability	<input type="checkbox"/> Public liability
<input type="checkbox"/> Product liability (or justify its exclusion if not appropriate)	<input type="checkbox"/> Professional Indemnity

APPENDIX B - INSURANCE REQUIREMENTS

The Respondent should confirm that insurance cover for the following risks is held, and should confirm levels of cover and expiry for each. The ETI will require evidence of these during the Project shaping phase:

- Property damage (both any Property occupied by the Prime Contractor, its Subcontractors and any third party properties).
- Business interruption.
- Employer's liability.
- Public liability.
- Product liability (or justify its exclusion if not appropriate).
- Professional Indemnity.

The Respondent should identify if it self-insures for any of these risks.

The Respondent should identify if it is intending to take out any Project-specific insurance for the Project and the scope and intended beneficiaries of such insurance.

In relation to the Professional Indemnity Insurance, Respondents should note that the ETI requires that the Contractor is required to have in place at the start of a Project a professional indemnity insurance policy (with at least a 6 month unexpired term):

- the policy should have a limit of indemnity of not less than £1,000,000 each and every loss;
- the policy should provide an indemnity at least as extensive as the ETI's policy (the ETI will make this assessment). For example, the cover needs to include cover for negligent acts or omissions, and dishonest or fraudulent acts or omissions by the insured);
- the Contractor will need to agree to maintain a professional indemnity insurance policy in force for 6 years from the date of completion of the Project;
- The ETI will require sight of the insurance policy provided by the Contractor or a copy of a letter of confirmation from the Contractor's insurance company or broker summarising the policy.

APPENDIX C - CONTENT AND FORMAT OF PROPOSALS

The Proposal shall be arranged according to the structure defined below and shall explicitly include all the information listed. Proposals should be a maximum of 15 pages. Appendices are in addition to this but these may not be reviewed by the selection panel.

1. EXECUTIVE SUMMARY [approximately 1 page]

A summary of the Proposal, describing briefly:

- The organisation(s) undertaking the work and the project organisation structure.
- Summary of the predicted cost of outcomes, approaches taken and key deliverables.
- Confirmation of compliance with the Request for Proposals and brief summary of key exceptions/deviations.

2. BACKGROUND TO PROPOSED PARTICIPANTS [approximately 3 pages, plus appendices if required]

2.1. Project Participants [approximately 1 page]

This section should identify all project participants to include all sub-contractors, partners and suppliers of services to the contractor as applicable.

2.2. Key Individuals and Roles [approximately 1 page]

This section should identify all key roles and all associated key individuals (including deputies and alternates where appropriate). As well as key technical and other specialists, this should specifically include, (in detail), the nominated Project Manager or nominated project lead.

The proportion of each individual's time dedicated to the Project should be identified and their skills and expertise in relation to delivering WP1 and 2 summarised; (CVs should be included in an appendix).

2.3. Project Organisation [approximately 1 page]

An organisation diagram showing the organisations and their roles (complete with key individuals) should be included.

3. PROJECT DESCRIPTION [approximately 8 pages, plus appendices if required]

3.1. Programme of Work [approximately 4 pages, plus appendices if required]

The programme of work to be undertaken in the Project should be described. The description should include a task by task breakdown of the proposed work aligned to the outline statement of work provided within this document, identifying for each Task:

- The Task leader and others involved.
- The Task objectives.
- Dependencies.
- The technical approach to delivering each WP (e.g. qualitative and quantitative research methodologies etc).
- Deliverables produced (see section 4.2).
- Any issues or assumptions.

The inter-dependencies between Tasks should also be identified.

3.2. Project Schedule [approximately 1 page]

A top level schedule should be submitted, along with a Gantt which includes the timeline of work packages, proposed milestone and review points.

3.3. Deliverables and Payment Milestones [approximately 1 page]

The Respondent should provide a summary of all deliverables and highlight the proposed timing of release of deliverables to ETI.

This section should also propose acceptance criteria, and desired payment plan linked to the proposed Project milestones.

3.4. Risk Management [approximately 1 page, plus risk register as an appendix]

The Respondent should describe the proposed risk management strategy (i.e. how risks to the successful delivery of the Project will be identified and managed throughout the Project). The Respondent should also separately provide a summary of key risks should be included in this section, with a risk register as described above provided as an appendix.

3.5. Health, Safety & Environment [approximately 1 page]

In this section Respondents should give evidence of their competence to undertake this Project, and to summarise their approach to manage and coordinate HSE in the Project.

The anticipated work required for this study is a desktop study using available information. It is not anticipated that any site visits, field trials, experimental or laboratory work will be required. Respondents should advise if any work which is not desk based is included in their Proposal and set out any key HSE risks in the risk register.

4. INTELLECTUAL PROPERTY [maximum 1 page] **Arising IP**

The Respondent should provide a brief overview of the nature of any anticipated Arising IP from each stage of the Project.

In this Project, the Arising IP will belong to the ETI. Any licensing of Arising IP from the ETI to the Prime Contractor may be discussed if appropriate. If Respondents wish to discuss any licence to use the Arising IP, Respondents should note that under state aid rules profit cannot be paid for the Project in addition to the grant of a licence of Arising IP.

Background IP

The Respondent should describe any Background IP (e.g. patents, proprietary data, computer algorithms, know how or other IP) only to the extent there is Background IP:

- Which is needed (whether by the ETI, or to be licensed from the Contractor or a Subcontractor, or to be licensed by a Subcontractor to the Contractor or to another Subcontractor, or otherwise) to carry out the Project or which may be used during the Project; or
- That which may be needed by the ETI to exploit the Arising IP.

The description of any such Background IP should detail:

- The nature of the IP (including the legal nature of the IP right);
- Rights to that IP; and
- Ownership and control, whether this is by the Contractor or Subcontractors or by any third parties.

5. PROJECT FINANCES [approximately 1 pages, plus appendices if required]

Project Costs

The Respondent should provide a breakdown of the total fixed price contract value as set out in the following table. If there are any assumptions or limitations to this price, these should be clearly stated.

Proposals should be based on **costs for the whole project (please delete columns as applicable)**.

	Date	Contractor 1	Subcontractor 1	Subcontractor 2	Total
Milestone 1					
Milestone 2					
TOTALS					

The Respondent should also provide a breakdown of the total fixed cost contract value as specified in the table below.

	Contractor 1	Subcontractor 1	Subcontractor 2	Total
Number of Person-days				
Total Labour				
Materials				
Subcontractors (minor)				
Travel & Subsistence				
Other				
TOTAL PRICE				

Significant Subcontractors (>20% costs) should be included.

6. INSURANCE [approximately ½ page]

The Respondent should confirm that insurance cover is held and should confirm levels of cover and expiry for each. The ETI will require evidence of these during the Project detailing phase. Refer to Appendix C for full requirement.

7. PLAN FOR PROJECT SHAPING AND CONTRACT FINALISATION [approximately ½ page]

Respondents must clearly confirm in the submission that their key technical, commercial and legal resources will be available to meet the Contract signature target date.

APPENDIX D - TERMS AND CONDITIONS OF THE CONTRACT

INTRODUCTION

The following represents a summary of the key contractual terms which the ETI would expect to be included in the Contract.

1. Structure

The Project is subject to state aid rules. Certain requirements relating to information on costs, IP and return of funding are a requirement of State Aid requirements. The ETI cannot fund a Project with a Respondent who is unable to agree to terms relating to state aid requirements.

2. Project Management

- 2.1. The Contractor will be required to appoint a project manager/Lead for the day-to-day management of the Project, acting as the prime point of contact with ETI. The ETI will appoint a project manager/lead to act on behalf of the ETI with regards to the Project.
- 2.2. The ETI, its Members and Programme Associates shall be entitled to attend meetings.
- 2.3. The Contractor must fulfil various reporting obligations which will a weekly update to the ETI by email or by phone. Each report must address a specified list of topics required by the ETI.

Note: Respondents should include costs to fulfil the reporting obligations in their proposal.

- 2.4. The ETI will require the right to carry out a stage gate review if required on completion of a "stage" in order to assess (a) overall performance in the Project; (b) whether the Project continues to deliver against ETI outcomes. The ETI may carry out stage gate reviews more frequently if the Project is in jeopardy.

3. Finance

- 3.1. The ETI will pay fixed sums.
- 3.2. Acceptance of Payment Milestones will be determined by the ETI against acceptance criteria agreed with the Prime Contractor. Any increase in costs in carrying out the Project over and above the agreed contractual amounts will only be payable by the ETI when such charges are agreed in accordance with the contractual variation control procedure.
- 3.3. Costs are payable in Sterling and the ETI will pay valid invoices within 30 days of receipt of an invoice and all supporting financial documentation following acceptance of a milestone.
- 3.4. The ETI reserves the right to require the return of funding in certain exceptional circumstances (such as in the event of corruption or fraud, overpayment, costs incurred in respect of unapproved project changes and failure to comply with state aid obligations).

4. Representatives, Warranties and Covenants

- 4.1. The Contract will contain representations and warranties in favour of the ETI as to the accuracy of information provided by the Prime Contractor to the ETI prior to entry of the Contract.
- 4.2. The Contract will contain on-going covenants from the Prime Contractor, including to meet certain ETI requirements, deliverables due dates, and environmental and health and safety requirements.
- 4.3. In certain rare circumstances, major subcontractors may need to enter into deeds of collateral warranty and representation in favour of any parties nominated by the ETI.

5. Key Personnel

The Contract will identify a limited number of key personnel involved in the Project, and the

Prime Contractor will be required to gain approval from the ETI for proposed replacement staff.

6. Confidentiality

Restrictions on disclosure of any other party's confidential information will apply. Any publication of results (if appropriate) will be subject to the confidentiality provisions in the Contract.

7. Audits and Records

- 7.1. ETI will require the right to audit the Project and Contractor during the Project and, in certain circumstances, up to 7 years from the end of the Project on financial or technical grounds.
- 7.2. The Contractor will be required to maintain the majority of Project records for a minimum of 10 years from the Project end date to comply with state aid rules.
- 7.3. The Contractor will be required to keep relevant Project records for more than 20 years where the records relate to registered intellectual property rights.

8. Sub-contracting and assignment

- 8.1. Sub-contracting or assignment (other than by the ETI) is not permitted without consent. However, details of known Subcontractors (and therefore the requisite consent) can be given in the Contract at signing.
- 8.2. The terms of any material Subcontract will be subject to the prior approval of the ETI. The ETI may impose conditions prior to consenting to any Subcontract.

9. Variation

Any variations to the Project must be made via the variation control procedure.

10. Liability

The ETI will require an indemnity in respect of (a) third party infringement claims (to be uncapped) (b) certain claims brought by any third parties against the ETI as a result of the acts or omissions of the Contractor under the Project (a cap may be accepted as long as this reflects a full allocation of the risk to the Contractor and must be proposed in the Proposal).

11. Insurance

The Contractor and Subcontractors will be obliged to carry appropriate insurance which will be tailored on a project by project basis.

12. Termination and Suspension

- 12.1. The ETI reserves the right to terminate the agreement in certain circumstances (such as breach by a participant, withdrawal of a participant, insolvency, change of control of a Prime Contractor without ETI consent etc.).
- 12.2. The ETI also reserves the right to terminate the agreement unilaterally upon giving a (to be agreed) period of notice to the Contractor. Upon unilateral termination, the ETI will pay the eligible costs (pre-approved by the ETI) incurred by the Project participant[s] up to the date of termination.
- 12.3. The ETI will reserve the right to suspend the Project in certain defined circumstances.

13. Governing Law

The Contract will be governed by English law and the parties will submit to the exclusive jurisdiction of the English Courts.

APPENDIX E - NOTIFICATION OF INTENTION TO SUBMIT A PROPOSAL

The following form is to be completed and received at the address (postal or email) on the front cover no later than the date defined on the front cover and in Section 7.1 of this RfP.

Notification of Intention to Submit a Proposal

Respondent Name: [Legal Name]

Address: [Registered Office Address]

Contact:

Email/telephone:

The above named Respondent hereby notifies the ETI of its intention to submit a Proposal in response to the ETI's Request for Proposal entitled "Home Energy Management Systems – quantifying the future market opportunity" issued on 10th December 2013.

The Respondent submits this notification on its own behalf [and on behalf of the following proposed Subcontractors]:

Please list below the legal names of the organisations / entities proposed to deliver the Project.

1. [Enter Name]
2. [Enter Name]
3. [Enter Name]
4. [Enter Name]
5. [Enter Name]
6. [Enter Name]
7. [Enter Name]

Signed: _____
For and on behalf of the Respondent(s)

Name: _____

Date: _____

APPENDIX F - NON-DISCLOSURE AGREEMENT

The Non-Disclosure Agreement protects the confidential information of the Respondents and the ETI during the bidding process through to the conclusion of contract negotiations. For the successful Respondents, the confidentiality provisions in the Project Contract will supersede this NDA.

In order to ensure parity across different groups of bidders, the ETI will not enter into negotiations on the terms of this NDA during the bidding process.

Instructions for completing the Non-Disclosure Agreement

1. The Respondent should arrange to complete a single electronic NDA with its company details in Schedule 1.
2. The Respondent should print and sign TWO copies of the NDA. The NDA **must not be dated**.
3. Both copies of the signed NDA are to be sent to the ETI by post and scanned by email to the address on the front of the RFP.
4. On receipt of the NDA fully signed by the Respondent, the ETI will execute and date both copies of the NDA. The ETI will then send a copy of the now fully executed NDA to the Respondent.
5. The Respondent should then arrange for non-disclosure agreements to be entered between it and any proposed Subcontractors in order to comply with the NDA.

A separate version of this NDA is available on the ETI website.

TWO WAY CONFIDENTIALITY AGREEMENT



THIS AGREEMENT is made on _____ of _____ 201

BETWEEN:

- (1) **ENERGY TECHNOLOGIES INSTITUTE LLP**, a limited liability partnership (company no. OC333553) whose registered office is at Holywell Building, Holywell Way, Loughborough, Leicestershire, LE11 3UZ (the “**ETI**”); and
- (2) **The parties named in Schedule 1 of this Agreement** (the “**Respondents**”),
(collectively the “**Parties**” and individually a “**Party**”)

BACKGROUND:

The Parties intend to exchange certain Information on or after the Effective Date for or in relation to the Purpose. The Parties agree to receive such Information, and to treat it as confidential information, on the following terms and conditions.

IT IS AGREED:

In consideration of the above and for other good and valuable consideration the receipt and sufficiency of which is hereby acknowledged, and intending to be legally bound, the Parties agree as follows:

- 1 In this Agreement, unless the context requires otherwise, the following words shall have the following meanings:

“**Disclosing Party**” means any Party that discloses Information pursuant to this Agreement;

“**Effective Date**” means the date of execution of this Agreement;

“**ETI Affiliates**” means the Secretary of State for Business, Innovation and Skills (and any successor governmental department or agency from time to time) and any other entity which is entitled to appoint the directors or otherwise having the ability to direct management policies of the ETI (together with any affiliates of those entities), together with their respective officers, employees, agents and consultants;

“**Information**” means any and all confidential information or data exchanged, submitted or otherwise disclosed in respect of or further to the Purpose or prepared for or in relation to the Purpose, including but not limited to written proposal documentation, due diligence materials, contractual documentation, reports, and the fact that the Parties have entered into this Agreement and are discussing and considering a business relationship;

“**Project**” means the proposed project under the ETI’s Smart Systems and Heat Programme entitled “Home Energy Management Systems (HEMS) and ICT - Quantifying the Future Market Opportunity”;

“**Project Commissioning Process**” means the ETI’s commissioning process for the Project as defined in the RfP and as set out at Section 7 of the RfP or as later may be notified or published by the ETI;

“**Proposal**” means a Proposal as such term is defined in the RfP;

“**Purpose**” means:

- a the preparation and/or submission of any Proposals and related documents in response

- to the RFP;
- b the Project Commissioning Process;
- c any activities related to the assessment of any Proposals for the Project; and
- d any related exchanges of Information, clarifications, clearances, discussions, due diligence, meetings, and/or negotiations in respect of the RFP, the Project Commissioning Process and/or the Project;

“Receiving Party” means any Party that receives Information pursuant to this Agreement; and

“RFP” means the request for proposals relating to the Project, issued by the ETI on 10th December, 2013.

2 The Receiving Party shall with regard to any Information disclosed pursuant to this Agreement by or on behalf of a Disclosing Party on or after the Effective Date:

- a. hold the Information in confidence and, except as is otherwise stated herein or agreed in writing by the Disclosing Party, shall not disclose or make available the Information by publication or otherwise to any third party (including for the avoidance of doubt, disclosure in any patent application or to any patent office) and shall use any Information disclosed to it pursuant to this Agreement only for carrying out the Purpose;
- b. make copies of the Information (or any further information derived from the Information) in whatever form or medium only to the extent that the copies are reasonably necessary for the Purpose and clearly mark all such copies as confidential;
- c. take all necessary and proper security precautions (and at least as great as those it takes to safeguard its own information) to safeguard every part of the Information to prevent it from being disclosed or otherwise made available to any third party except as permitted by this Agreement; and
- d. at the request and direction of the Disclosing Party, and without delay, return or destroy any Information provided to it pursuant to this Agreement and any copies of such Information, except that one copy may be kept by the Receiving Party for archival purposes and for the purpose of defending itself against any claims arising in connection with this Agreement.

3 The obligations set out in clause 2 shall not apply to Information that:

- a. the Receiving Party can prove (using written or electronic records), was lawfully known to the Receiving Party or in its possession prior to its communication by or at the direction of the Disclosing Party and was not communicated to the Receiving Party subject to any restrictions on disclosure or use; or
- b. is or becomes a part of the public domain through no wrongful act of the Receiving Party or any person on its behalf, provided that this clause 3(b) shall only apply from the date that the relevant Information so enters the public domain; or
- c. the Receiving Party receives from a third party without similar obligations of confidence in circumstances where the third party did not obtain that Information as a result of a breach of an obligation of confidence; or
- d. subject to clause 4, is required to be disclosed or made available by the Receiving Party pursuant to any applicable law, governmental regulation, or decision of any court or tribunal of competent jurisdiction or any government body, agency or regulatory body.

4 If a Receiving Party believes it is required by law to disclose any Information under clause 3(d) above, the Receiving Party shall (in each case and to the extent not prohibited in law):

- a. provide the Disclosing Party with prompt written notice of such requirement or obligation

(together with a copy of any relevant access request, court order or other evidence giving rise to such belief) in advance of the required disclosure, to enable the Disclosing Party to seek appropriate protective relief and/or to take other steps to resist or narrow the scope of any required disclosure;

- b. where it is not permitted in law to notify the requirement for disclosure in advance of the required disclosure, notify the Disclosing Party as soon as reasonably practicable after the disclosure confirming the nature of and extent of the disclosure; and co-operate with the Disclosing Party with respect to such matters, and in any event disclose only such Information as it has ascertained, after taking legal advice, it is legally compelled to disclose.
- 5 The ETI shall be entitled to disclose or make available any Information it receives from the Respondents (or any of them) to:
 - a. such of the ETI Affiliates, and either the ETI's or the ETI Affiliates' employees, officers, secondees, agents, consultants, Sub-contractors, proposed Sub-contractors, professional advisers and proposed professional advisers where such disclosure is necessary for the Purpose, provided that all such aforementioned persons to whom any Information is disclosed by the ETI are bound by obligations of confidentiality and the ETI shall be responsible for breaches of the obligations by such persons. Each ETI Affiliate may enforce this clause in accordance with the Contracts (Rights of Third Parties) Act 1999; and
 - b. the Department of Business, Innovation and Skills (or other relevant government department), the European Commission and such other bodies and/or individuals (including without limitation professional advisers) as may reasonably be required for the notification of, to seek advice in relation to, as part of an assessment of, or otherwise in relation to, State aid.
- 6 The Respondent shall be entitled to disclose or make available any Information it receives from the ETI to such of its employees, officers, consultants, sub-contractors, proposed subcontractors and professional advisers where such disclosure is necessary for the Purpose provided that all such persons to whom any Information is disclosed are bound by obligations that are no less restrictive than those in this Agreement. The Respondent disclosing Information shall be responsible for breaches of the obligations by such persons.
- 7 Each Party as Receiving Party expressly agrees and accepts that except in the case of fraud, no representation or warranty, express or implied, is made by the Disclosing Party as to the accuracy, completeness, reasonableness or otherwise in respect of the use of the Information, and that neither the Disclosing Party or any of its affiliates nor any of its or their respective employees, officers, secondees, agents, consultants, Sub-contractors and professional advisers (as applicable) shall have any liability to the Receiving Party as a result of the Receiving Party's possession or use of the Information.
- 8 The Parties agree that money damages would not be a sufficient remedy for any breach of this Agreement and that the Disclosing Party shall be entitled to specific performance and injunctive or other equitable relief as a remedy for any such breach. Such remedy shall not be deemed to be the exclusive remedy for breach of this Agreement, but shall be in addition to all other remedies available at law or equity.
- 9 No rights or obligations other than those expressly set out in this Agreement are to be implied and nothing contained in this Agreement:
 - a. constitutes an offer by or on behalf of the Disclosing Party; or b confers upon the Receiving Party a licence or other transfer of rights in respect of any Party's interest in any Information or in any present or future patent or patent application; or
 - b. affects the present or prospective rights of the Disclosing Party under the patent laws of any country or precludes the filing or prosecution of any patent applications by the Disclosing Party.

- 10 This Agreement represents the entire agreement between the Parties in relation to the subject matter contained herein and supersedes all other agreements and representations, whether oral or written, between the Parties relating to such subject matter. This Agreement may only be modified if such modification is in writing and signed by a duly authorised representative of each Party. Each Party also agrees that it shall have no remedies or claims under this Agreement for any innocent or negligent misrepresentation based on statements made prior to the Effective Date.
- 11 The Parties agree that the ETI may disclose that one or more of the Respondents are involved in discussions with the ETI and the subject matter of the discussions provided that the ETI will provide a copy of any press release or other announcement to the Respondents and seek the approval of the Respondents prior to its publication or release. Other than as set out in this clause, none of the Parties will make any public announcements, statements or otherwise publicise the subject matter of this Agreement (or its existence) without the prior written consent of the other Parties and no Party will use the business names or trademarks of any other Party in any way without that Party's prior written consent.
- 12 This Agreement shall come into force on the Effective Date and shall continue in full force and effect, notwithstanding the completion of the Purpose, for a period of seven years from the Effective Date unless extended, superseded or otherwise varied by a subsequent written agreement between the Parties.
- 13 It is not intended that a third party (other than an ETI Affiliate) should have the right to enforce a provision of this Agreement pursuant to the Contracts (Rights of Third Parties) Act 1999.
- 14 The rights of the Disclosing Party under this Agreement are in addition to and not exclusive of rights under the general law and may be waived only in writing and specifically. Delay in exercising or non-exercise of any right under this Agreement is not a waiver of that or any other right, partial exercise of any right under this Agreement shall not preclude any further or other exercise of that right or any other right under this Agreement and waiver of a breach of any term of this Agreement shall not operate as a waiver of breach of any other term or any subsequent breach of that term.
- 15 If any provision of this Agreement is or becomes illegal, invalid or unenforceable in any jurisdiction, that shall not affect:
- a. the legality, validity or enforceability in that jurisdiction of any other provision of this Agreement; or
 - b. the legality, validity or enforceability in any other jurisdiction of that or any other provision of this Agreement.
- 16 Nothing in this Agreement is intended to or shall operate to create a partnership or joint venture of any kind between the Parties (or any of them), or to authorise any Party to act as agent for another, and no Party shall have authority to act in the name or on behalf of or otherwise to bind any other in any way.
- 17 Except as provided otherwise, no person may assign any of its rights under this Agreement or any document referred to in it.
- 18 This Agreement may be executed in any number of counterparts, each of which when executed and delivered shall constitute an original of this Agreement, but all the counterparts shall together constitute the same agreement. No counterpart shall be effective until each Party has executed at least one counterpart.
- 19 This Agreement shall be construed in accordance with and governed by English law and the Parties hereby submit to the non-exclusive jurisdiction of the English Courts.

The Parties have caused this Agreement to be executed by their duly authorised representatives.

ENERGY TECHNOLOGIES INSTITUTE LLP

Signed By: _____

Name: _____

Title: _____

Date: _____

SCHEDULE 1

Respondent	Signature
Company Name: Company No: Address of Company:	By: Name: Title:

The ETI will return a copy of the executed Non-Disclosure Agreement to the Contractor. Please provide the relevant name and address for this correspondence below.

Contact for return of executed Non-Disclosure Agreement	Send to [name]: At postal address:
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APPENDIX G - GLOSSARY

Term	Definition
Arising IP	Any intellectual property which is created by or for any party during the Project or for the purposes of the Project.
Background IP	Any intellectual property which existed prior to any party's commencement of the Project and which was created by or for the party.
Company Registration Number	Company number as registered at Companies House. Universities should enter their Royal Charter (RC) number in place of the Company Registration Number requested.
Contract	The Contract, as described in Appendix E, to be entered into between the ETI and the Prime Contractor.
ETI	The Energy Technologies Institute LLP, a limited liability partnership (Company no. OC333553) whose registered office is at Holywell Building, Holywell Way, Loughborough, Leicestershire LE11 3UZ.
HEMS	Home Energy Management System(s).
HSE	Health, Safety and Environment.
ICT	Information and Communication Technologies.
Member	The ETI's industry members (as identified on the ETI's website from time to time - http://www.eti.co.uk/about/current_members), including affiliates of such members, and Her Majesty's Government (including but not limited to those public sector members identified on the ETI's website (above) from time to time and Associate Member(s)).
Non-Disclosure Agreement or NDA	A non-disclosure agreement in the form provided at Appendix G.
Payment Milestone	A contract milestone with defined constituent deliverables, associated deliverable acceptance criteria, and milestone value (all to be detailed in the Respondent's Proposal and agreed in the Contract) which should be completed in order to reach the said milestone, and at which, subject to acceptance by the ETI that the milestone has in fact been reached, payment may be claimed from the ETI.
Prime Contractor	A sole organisation which contracts with the ETI to manage the Project. It may have Subcontractors.
Programme Associate	Programme associates of the SSH Programme (as identified on the ETI's website from time to time https://www.eti.co.uk/technology_programmes/smart_systems_and_heat) including affiliates of such programme associates.
Programme or SSH Programme	The ETI Smart Systems and heat programme that includes the Project.
Project Manager/Lead	The individual who is appointed by the Contractor to carry out its responsibilities and act as the prime point of contact with ETI.
Proposal	The proposal for the Project submitted to the ETI, in response to this Request for Proposals.
Respondents	The organisations submitting a Proposal to the ETI.

Review Point	A Project review involving the Contractor and ETI representatives at which the overall progress in Project or a specific Work Package will be critically reviewed and following which a formal decision will be made on the future Project programme.
Stage Gate	A major Project Review Point involving the Contractor and ETI representatives at which the overall performance and business case for the Project will be critically reviewed and following which a formal decision will be made whether to continue with the Project, based on whether agreed Stage Gate Criteria have been met.
Subcontract	A contractual arrangement (described in Section 3.6) between the Contractor and another organisation to which work for the Project has been subcontracted.
Subcontractor	An organisation which has a Subcontract.
Submission	The components set out in Appendix D, including the Respondent's Proposal submitted by the Respondent in response to this Request for Proposals.
Task	A significant activity or group of activities (within a Work Package) which results in completion of a deliverable or a significant part of one, or which represents a significant step in the process towards one.
Third Party IP	Any intellectual property which is required for or used in the Project (other than Arising IP and Background IP) and which is owned by parties other than the ETI and the Participant.
Work Package (WP)	A major section of the Project scope of work, which may be identified in this Request for Proposals or in the Respondent's Proposal, in order to break up the scope of work into separate manageable parts. A Work Package will usually consist of a number of Tasks.