



Programme Area: Carbon Capture and Storage

Project: DECC Storage Appraisal

Title: Strategic UK CCS Storage Appraisal – Request for Proposal

Context:

This project, funded with up to £2.5m from the UK Department of Energy and Climate Change (DECC - now the Department of Business, Energy and Industrial Strategy), was led by Aberdeen-based consultancy Pale Blue Dot Energy supported by Axis Well Technology and Costain. The project appraised five selected CO₂ storage sites towards readiness for Final Investment Decisions. The sites were selected from a short-list of 20 (drawn from a long-list of 579 potential sites), representing the tip of a very large strategic national CO₂ storage resource potential (estimated as 78,000 million tonnes). The sites were selected based on their potential to mobilise commercial-scale carbon, capture and storage projects for the UK. Outline development plans and budgets were prepared, confirming no major technical hurdles to storing industrial scale CO₂ offshore in the UK with sites able to service both mainland Europe and the UK. The project built on data from CO₂ Stored - the UK's CO₂ storage atlas - a database which was created from the ETI's UK Storage Appraisal Project. This is now publically available and being further developed by The Crown Estate and the British Geological Survey. Information on CO₂Stored is available at www.co2stored.com.

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Request for Proposal (RfP)



Department
of Energy &
Climate Change

Title of Services for which Proposals are Requested

Strategic UK CCS Storage Appraisal

Request Issue Date

17th December 2014

Deadline for Notification of Intention to Submit a Proposal

29th January 2015

Closing Date

Proposals must be received before 12 noon on 5th February 2015

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Summary of Key Project Information

One of the main challenges to the roll-out of CCS is the risk element involved in CO₂ storage, and in particular the effect this has in deterring investment. Appraisal projects potentially exceed £80M and 7 years in length, and few companies relish having these costs on their balance sheets, especially considering the uncertainty and cost of proceeding to a full CCS project. Ideally the appraisal effort is carried out before the larger onshore investment is progressed, greatly shortening and reducing the complexity and financial risk of the larger, onshore investment.

Development of the two stores identified in the DECC Commercialisation 'Phase 1' projects (Peterhead and White Rose) will initially secure around 140 million tonnes (Mt) of storage, but to reach a target of having 10GWe of power production fitted with CCS by 2030 some 1500MT will have to be appraised by the late 2020s, i.e. an appraisal effort investment many times our current resource allocation. With such long lead times, work on this appraisal needs to be accelerated now.

As set out in its Policy Scoping Document, the Government's position is that investment in transport and storage infrastructure should be private-sector led. DECC has secured funding for strategic CCS Storage R&D in FY15/16, and has tasked the ETI with commissioning and delivering a project which will bring together existing storage appraisal initiatives, accelerate the development of strategically important storage capacity and leverage further investment in the building this capacity to meet UK needs.

The primary objective of this Project is to progress the appraisal of five stores, downselected as part of the Project, towards readiness for FID so that prospective capture projects will see an abundance of storage options 30 years into the future. The work will add significantly to the de-risking of these stores and be transferable to storage developers to complete the more capital intensive parts of storage development.

DECC is making available a maximum level of funding of £2.5million to commission and deliver the Project, including all data licensing fees and external support to the ETI. All Project activities must be completed within the Financial Year 2015/16. Because of this constraint the ETI will be following an accelerated commissioning process to ensure that the Project can start as early as possible: to achieve this will require a high level of commitment from Respondents (technical, financial and legal), particularly any selected to enter contract negotiation. The ETI anticipates that it will only provide funding to a single project which comprehensively covers the required scope.

It is anticipated that the Project will leverage and build on previous work. Hence it is expected that existing third party data and software models, potentially from several sources, will be required to undertake the Project effectively. Furthermore a key objective of the Project is that it will provide deliverables (reports, database and software models) which the ETI can then make publically available. Hence ensuring that the right data and models are brought to the Project under terms which enable this key objective to be met, and the subsequent management of IP within the Project, will be critical to Project success. These aspects will be central to any bids made, contract negotiation and project delivery.

A workshop will be held on 14th January 2015 for potential Respondents.

A glossary of terms used in this RfP is provided at Appendix E.

Please note that the ETI closes for the Christmas and New Year holiday on 24th December 2014 and re-opens on Monday 5th January 2015. The mailbox ccs@eti.co.uk will be monitored over this period, although an immediate response cannot be guaranteed.

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1. ETI Introduction

1.1 Introduction to the Energy Technologies Institute

The Energy Technologies Institute (ETI) is a public-private partnership between global energy and engineering companies – BP, Caterpillar, EDF, Rolls-Royce and Shell – and the UK Government. Public sector representation is through the Department for Business, Innovation and Skills, with funding channelled through Innovate UK and the Engineering and Physical Sciences Research Council. The Department of Energy and Climate Change are observers on the Board. The ETI brings together strategic analysis and engineering projects that accelerate the development of affordable, secure and sustainable technologies that help the UK address its long term emissions reductions targets as well as delivering nearer term benefits.

The ETI makes targeted investments in technology projects, which can involve the ETI funding entire projects or working with third parties to co-fund project activity.

Further information can be found on our website at www.eti.co.uk.

1.2 Department of Energy and Climate Change

The Department of Energy & Climate Change (DECC) works to make sure the UK has secure, clean, affordable energy supplies and promote international action to mitigate climate change. DECC is responsible for:

- Energy security – making sure UK businesses and households have secure supplies of energy for light and power, heat and transport;
- Action on climate change – leading government efforts to mitigate climate change, both through international action and cutting UK greenhouse gas emissions by at least 80% by 2050 (including by sourcing at least 15% of our energy from renewable sources by 2020);
- Renewable energy – sourcing at least 15% of our energy from renewable sources by 2020;
- Affordability – delivering secure, low-carbon energy at the least cost to consumers, taxpayers and the economy;
- Fairness – making sure the costs and benefits of our policies are distributed fairly so that we protect the most vulnerable and fuel poor households and address competitiveness problems faced by energy intensive industries;
- Supporting growth – delivering our policies in a way that maximises the benefits to the economy in terms of jobs, growth and investment, including by making the most of our existing oil and gas reserves and seizing the opportunities presented by the rise of the global green economy;
- Managing the UK's energy legacy safely, securely and cost effectively.

DECC created the Office of Carbon Capture and Storage to set the strategic path for the development and wide-scale deployment of CCS in the UK. It creates the policy and supports arrangements to:

- Stimulate private sector investment in CCS;
- Work to maximise the global opportunities for UK businesses and the economy to benefit in the form of jobs and wealth creation;
- Collaborate with stakeholders to remove barriers to investment and development in the UK and globally.

1.3 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 are of paramount importance to the ETI and its Members. The ETI therefore expects those who receive ETI funding to demonstrate a commitment to delivering excellence in health, safety and environmental management as well as demonstrating that all applicable legal requirements are met.

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CCS Programme: Strategic UK CCS Storage Appraisal

2. Programme Introduction

2.1 Background to the Carbon Capture and Storage Programme

The ETI's energy system modelling work has shown that Carbon Capture and Storage (CCS) is one of the most potent levers to help the UK meet its 2050 CO₂ reduction targets: without CCS the energy system cost in 2050 could be £30bn per annum higher. One of the ETI's aims is to reduce the risks and costs of storage projects by advancing knowledge of UK storage assets, improve monitoring and efficiency of use of the UK's storage resource. Its other objectives in CCS are to accelerate the implementation of CCS technology on fossil-fuel fired power stations and other major stationary CO₂ sources in the UK, by demonstrating innovative technology which reduces the capital costs of capture plants and reduces the energy needed to capture and pressurise CO₂ for transport and storage, and to improve the reliability, flexibility and operability of a fully developed chain of CCS assets.

2.2 Programme Structure

The ETI CCS Programme comprises a portfolio of projects across the CCS chain:

- **Capture.** Projects for innovative capture technologies for both coal- and gas-fired power generation;
- **Storage.** Overall assessment of UK Storage capacity, the results of which are now available through The Crown Estate and British Geological Survey, www.CO2Stored.com; supporting strategic saline aquifer appraisal; measurement, monitoring and verification of storage;
- **Hydrogen.** Flexible power through hydrogen generation, storage and generation; safe use of high hydrogen fuels in turbines;
- **Whole System.** Development of a whole-system modelling toolkit for system design and operational appraisal

The Programme is supported by world-class energy system modelling, strategic analysis and in-depth understanding of the economic and regulatory barriers to widespread implementation of CCS in the UK.

Full information can be found on the ETI website at:

<http://www.eti.co.uk/programme/carbon/>

2.3 Context for this Project

One of the main challenges to roll-out of CCS is the risk element involved in CO₂ storage, and in particular the effect this has in deterring investment. Final Investment Decisions (FID) on projects, which are whole chain projects early in CCS development, are not taken until the store has been substantially de-risked by a full appraisal activity. These appraisal projects are projects in their own right, potentially exceeding £80M and 7 years in length, and few companies relish having these on their balance books, considering the uncertainty and cost of proceeding to the main project. Ideally the appraisal effort is carried out before the larger onshore investment is progressed, greatly shortening and reducing the complexity and financial risk of the larger, onshore investment.

Development of the two stores identified in the DECC Commercialisation 'Phase 1' projects (Peterhead and White Rose) will initially secure around 140 million tonnes (Mt) of storage, but to reach the expectation of having 10GWe of power production fitted with CCS by 2030 some 1500MT will have to be appraised by the late 2020s, i.e. an appraisal effort investment many times our current resource allocation. With such long lead times, work on this appraisal needs to be accelerated now.

It is widely recognised that, to achieve the ambitions for roll out of CCS over the next 15 years and beyond, a wave of further projects will need to follow the Phase 1 projects, with the earliest of such 'Phase 2' projects taking Final Investment Decisions (FID) later this decade. DECC published its "Next Steps in CCS: Policy Scoping Document" in August 2014 to summarise its current position and widely consult on the requirements for a policy framework which will bring private sector investment into Phase 2 and beyond.

Both Phase 1 projects plan provision of oversized offshore infrastructure. This will offer the Phase 2 projects the opportunity to reduce project scope and so reduce the financial requirement, and reduce the risk premium loaded onto the project by extending assets that will already be operational.

Several organisations have progressed valuable appraisal work on formations or individual stores, either as planning exercises or to progress entries to national and international funding competitions. This is potentially a valuable resource to augment data available in the UK's national database "CO2Stored", which offers screening level information on potential stores within the UK Continental Shelf.

As set out in the Policy Scoping Document (paragraphs 6.9 and 6.10), the Government's position is that investment in transport and storage infrastructure should be private-sector led. The Scoping Document also set out that Government was considering further funding for CCS R&D in FY15/16. DECC has now secured up to £2.5m in funding for this, and has tasked the ETI with commissioning and delivering a project which will bring together existing storage appraisal initiatives, accelerate the development of strategically important storage capacity and leverage further investment in the building of this capacity to meet UK needs.

The primary objective of this Project is to progress the appraisal of five stores, down-selected as part of the Project, towards readiness for FID so that prospective capture projects will see an abundance of storage options ~30 years into the future. The work will add significantly to the de-risking of these stores and be transferable to storage developers to complete the more capital intensive parts of storage development.

3. The Strategic Storage Appraisal Project

3.1 Project Introduction

There are several consecutive stages within a full appraisal project, distinguishable by the quality of the information in use, the type of activity tackled and the resource expended in its scope. The terminology and numbers in the table below is taken from:

“Delivering CO2 storage at the lowest cost in time to meet the UK decarbonisation goals” - CCS CRTF – UK Transport and Storage Development Group.

<http://www.thecrownestate.co.uk/media/389719/ei-delivering-co2-storage-to-support-decarbonisation-goals-tsdg.pdf>

This terminology will be used throughout the contracting process by the ETI.

Stage	Duration (years)	Cost (£million)
(i) Identify Leads	0.3 to 2	3
(ii) Prospect	1 to 5	7 to 20
(iii) Discovery	1 to 2	15 to 50
(iv) Appraisal	1 to 4	2 to 50
Total Finding Cost	3.3 to 13	27 to 123 [£0.27 - £1.23 / tonne]

The identification of leads is the result of screening exercises over a large area, using data from, for example, CO2Stored and supplemented by other purchasable information. Containment risks, capacity, injectivity and costs are among those aspects investigated. Prospecting deepens knowledge about these down-selected leads, often involving use of new seismic data to get more definition of structural details and making a decision on where to drill a well to obtain more information about the cap rock and reservoir if insufficient information is available. An exploration licence may be needed. Discovery involves drilling and analysis and requires both a licence and an Agreement for Lease. Broader analysis of how the extent of the reservoir and its connectivity to other structures afield are covered in Appraisal.

Future steps involve de-risking and developing and exploring offshore facilities concepts (e.g. platform and well layouts) in advance of FEED (front end engineering and design)

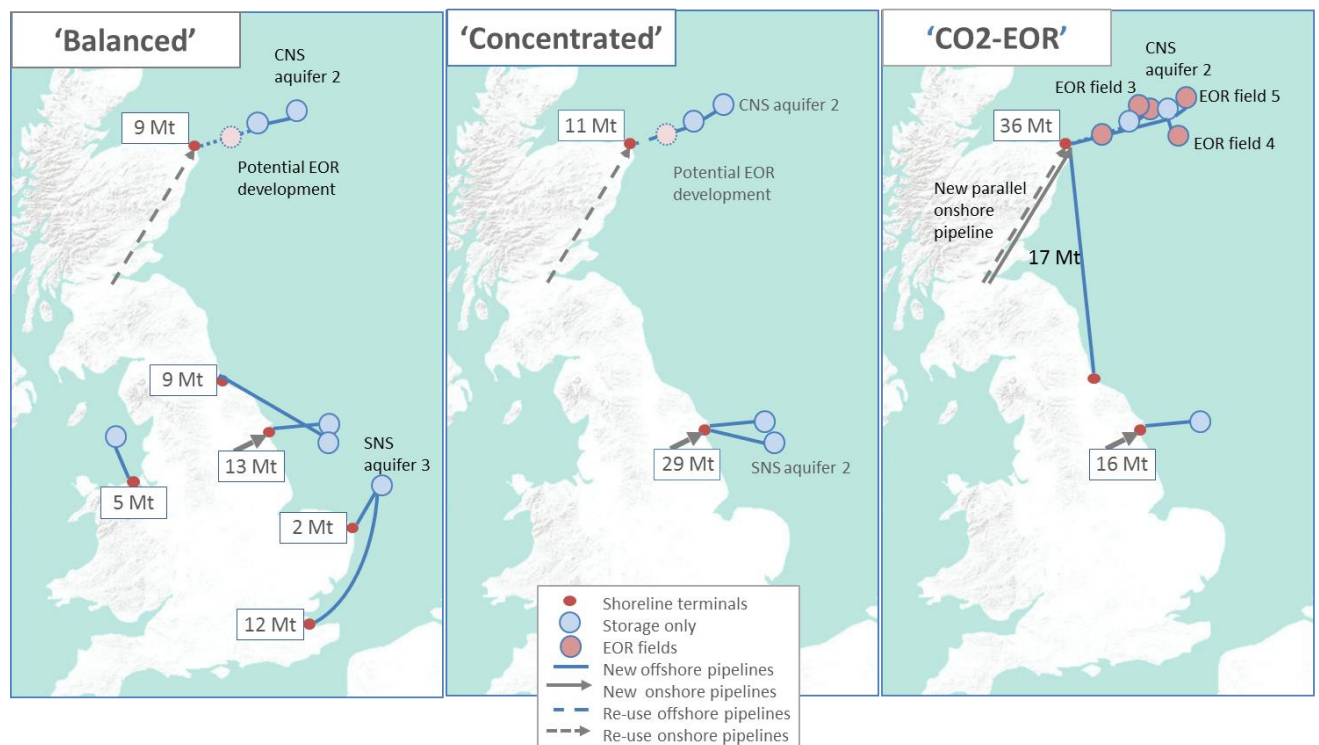
This project is focussed on progressing a small portfolio of commercially attractive storage options as far as resources permit towards or potentially through to Appraisal. For some stores, depending on their maturity, the amount of information available and the ease of its procurement, could complete Appraisal in this exercise, whereas most will not, but will nevertheless be matured sufficiently to be able to complete Appraisal by the mid-2020s.

If progressed, the Peterhead Project will provide North East Scotland with an oversized pipeline to the Central North Sea, capable of accommodating several capture projects. Additional storage potential (to Goldeneye) will be needed in the region as soon as additional capture projects emerge. These new stores and their infrastructure may additionally enhance opportunities for EOR projects in the future. Lead identification, Prospect and some Appraisal work in the Captain aquifer has been carried out by the Multistore JIP, and other projects are being progressed by potential Phase 2 bidders in the region.

If progressed, the White Rose Project will provide Yorkshire with an oversized pipeline to the Southern North Sea. Capable of supporting several additional projects. With further development, the store is expected to accommodate additional projects from a capacity/injectivity perspective. The region has a very large emission base from power and industrial sources and follow on projects may happen reasonably quickly and at scale.

Future development of storage capacity may involve extensions of infrastructure, but regardless of the potential capacities of the first stores, developing multiple store options will open up commercial opportunities and de-risk projects for developers and financiers alike. As CCS enters a commercial phase, stores will have to be of a commercial size, offering decades of capacity and injectivity for full sized power capture investments at low cost.

Matching capture prospects with storage development is fundamental to the effective roll out of CCS in the UK. The ETI has identified a number of potential CCS scenarios between now and 2030 (see figure below). All start with 'step outs' from the two Phase 1 projects, but then move in different directions dependent on economic and policy drivers in the future. From a storage perspective, it is important to both ensure 'step out' storage is available and that options are created for a range of potential future scenarios.



Different CCS growth scenarios to 2030

3.2 Project Objectives and Desired Outcome

The aim of the Project is to sustain storage development on a trajectory that supports the capture of CO2 from 10 GWe of power stations - about 50Mt/a by 2030, requiring about 1500Mt of storage at pre-FID status by 2026 for operation in 2030. Full Appraisal for this quantity of storage is a ten year, £200M+ activity of which this Project should make a significant contribution. It should include:

- Bringing some further storage to end of Appraisal status by selection of a small number of short lead time stores, typically ones already de-risked by others or depleted oil and gas fields with extensive existing well data. These will further de-risk Phase 1 and service early Phase 2 projects;
- Development of commercial-scale, low cost and risk options towards full Appraisal by 2020 - 2026, to service the rapid roll out required in the mid to late 2020s to meet 2030 targets.

An example of possible Project activity is given below. Using data from the CRTF report, the schedule shows down selection of two depleted fields, two extensions of Phase 1 assets (one needing a new well) and a new major play. These are progressed at various levels of development. Assuming new stores average about 100Mt, about 750Mt is at FID status by 2026. The balance to the target of 1500Mt is addressed later.

	DECC Phase 1	Extension (no well)	Extension (with well)	2 Depleted fields	New Play	Storage at FID, Mt	Appraisal cost, £M	Later appraisal	This Project, £M
2015		Appraisal	Prospect	Lead	Lead	0	1		2.5
2016	FID	Appraisal	Discovery	Appraise	Lead	c.200	6		
2017	Build	Feed	Discovery	Feed	Prospect		30		
2018		Feed	Appraise	Feed	Prospect		35	⋮	
2019		FID	Appraise	FID	Prospect	500			
2020	Operate		Feed		Discovery				
2021			Feed		Discovery				
2022			FID		Appraisal	650			
2023					Appraisal				
2024					Appraisal				
2025					Feed				
2026					Feed	750MT	£150M+		750MT

Table: An example headline plan for 5 additional stores

To ensure that the work carried out in this Project will have enduring value, the outputs and Deliverables must be provided to the ETI in a form capable of being made freely available to prospective storage companies and other stakeholders in the UK CCS community. The ETI plans to license key Deliverables in a way that maximises user access and dissemination. Engagement of the private sector who will lead the capital-intensive future phases will be critical for Project success.

The specific objectives for the Project are that it should:

- Develop storage options which contribute to an extendable storage scheme for 1500MT of storage, injecting 50Mt/a, by 2030, incorporating storage previously de-risked by other initiatives. This will include expansion from both Phase 1 projects;
- Screen and de-risk commercially attractive options for storage for Phase 2 projects, derisking onshore investments by 2026;
- Estimate and schedule the resources needed to get down-selected stores fully appraised and then operational;
- Facilitate the future commercial development of UK storage capacity by accelerating development of capacity and making the results of the Project available to all current and potential future stakeholders.

3.3 Project Scope

It is anticipated that the Project will be split into 7 Work Packages whose format will depend on the appraisal methodology used.

WP1: Development and Documentation of a Screening, Selection and Appraisal Methodology

The Project will develop a framework and process for store screening, selection and appraisal. It is anticipated that this will be based on current published methodologies and/or those already developed and used by Project Participants. The selection parameters are expected to include:

- Containment/security of storage
- Capacity/dynamic capacity
- Injectivity
- Intra-store risks (containment and operational)

- Inter-store risks and opportunities (e.g. pressure interactions, providing optionality for a storage operator)
- Location (with respect to existing and potential future capture, transport and EOR infrastructure)
- Economics (the ETI will, on request, make available its techno-economic model “CO2Nomica”, which takes data from CO2Stored, to assist in this aspect)
- Availability
- Current status of appraisal/ level of available information

The methodology will be ‘market-tested’ with key UK and international stakeholders (including industrial and regulatory bodies).

WP2 Identification of Information Requirements, Sources and Collation of Data

This Work Package is expected to start in parallel with WP1 and will support WP3 – 5.

It is expected that the CO2Stored database will form the starting point for this: Participants will be granted a licence to use CO2Stored for the purposes of the Project. It is expected that Participants will access further data and outputs from other studies undertaken by them and others. Some screening data in CO2Stored may have to be confirmed if the original estimates are based on scarce data.

For later stages (i.e. WP3 and 4) this is expected to include procuring (or obtaining access to) data and analysis where required to assist in building models or increasing knowledge of (for example) depositional history or lateral continuity of the reservoir or cap rock.

Before accessing or using any data, Participants will be required to secure appropriate rights to any Data or Software Models, as set out in Section 5.3. It is expected that arrangements with critical data providers will be agreed prior to entering contract.

WP3 Initial Screening and Down-Select

Using the outputs of Work Packages 1 and 2, the Project will undertake an initial down-select to confirm the key regions, formations and priority structures/stores which will form the focus of the Project. It is expected that these will include the regions around the two Phase 1 projects, but may include one or more other. For example, screening by the ETI suggests the East Irish Sea offers low cost, low risk storage options.

Within these regions it is anticipated that the Project will carry ~ 20 stores at the end of this Work Package. A major Project Review will be held at this point with the ETI, DECC and other stakeholders to agree the stores to be taken through to WP4.

WP4 Final Down-Select

This Work Package is expected to involve additional analysis and modelling at regional/formation and store level to assess performance, identify priority stores and understand issues around interaction of stores. It is anticipated that this works will draw learnings (and preferably use outputs from) the CO2 Multistore JIP and any other similar studies available. It is anticipated that the Project will carry 5 stores at the end of this Work Package. As a guideline, the ETI expects that at least one of these would be capable of taking through to the end of Appraisal by the end of the Project or shortly after (100Mt +), suitable for early Phase 2 Project(s), and at least one of which is a substantial new play aimed at FID ~ 2026. A major Project Review will be held at this point with the ETI, DECC and other stakeholders to agree the 5 stores to be taken through to WP4, plus reserves.

WP5 Maturing of Selected Stores

Stores rich in data can be de-risked and developed by this Project through Project processes - Prospect, Discovery to Appraise. It is expected that this Work Package will be individually tailored to the current status and requirements of each down-selected store, but may involve detailed geological, geochemical, flow and geomechanical modelling and other analysis to assess the expected performance of each store (including interactions with nearby stores) to address the risks carried in each store. Should any stores prove to be unsuitable in this part of the analysis, attention will move to one of the reserve stores so the overall results cover 5 viable stores.

WP6 Options for UK Strategic Storage Development

In this Work Package the Project will develop potential spatial storage plans through to 2030, incorporating the results of this work, other stores considered (which may not have been selected at this stage, but are credible candidates for the future) and other developments in the UK sector. Such plan will reflect options to meet different potential CCS roll out scenarios. The options will include estimates of storage costs and schedule for the stores and plans e.g. in £/Tc over the store life, splitting pre- and post-FID activities.

WP7 Project Management and Stakeholder Engagement

It is expected that the Project will be industrially led and will adopt best-practice Project Management techniques to assure effective delivery within the strict time and budgetary constraints.

A critical part of this task will be engaging fellow stakeholders, including owners, licensors and regulators in specific maturing assets to obtain data, permissions and promote store development.

Approach to Risk

The Project will take a rigorous risk-based approach to the development of identified stores. It will capture risk factors associated with individual stores in a methodical way, including use of tools such as TESLA (Quintessa) or equivalents. These should address all potential commercial, operational and containment risks and should specifically address the issue of wells (fully abandoned and accessible).

3.4 Constraints

DECC is making available a maximum level of funding of £2.5million, to include all data licensing fees and external support to the ETI to commission and deliver the Project.

All Project activities (including final reporting) must be completed and costs defrayed within the Financial Year 2015/16: the ETI will make no commitments to meet any costs incurred before 5th April 2015 or beyond 4th April 2016.

The ETI anticipates that it will only provide funding to a single project which comprehensively covers the required scope. The ETI is unlikely to consider any proposals which do not cover the whole scope.

4. Project Delivery Requirements

4.1 Project Deliverables

The deliverables are expected to include, as a minimum, the following.

Technical

- A methodology for store screening and, selection and appraisal, including treatments for risk and cost.
- A Database containing the results from Project which can be readily licenced onward by the ETI to a third party (e.g. as an extension to CO2Stored) containing all the key containment, capacity, risk and economic outputs from the Project. Project Participants should secure all necessary licences so the content of the Database can be made publically available without any further charges.
- Geological/geomechanical and other models and assessments arising from Work Packages 4 and 5. Project Participants should secure all necessary licences so the models can be made publically available without any further charges (apart from licences for underlying platforms, e.g. Eclipse).
- A comprehensive report describing the results of the Project, of a quality fit for widespread dissemination, including:
 - A full description of the de-risking exercise ending in 5 commercially attractive stores, with a range of Appraisal completion targets in the period 2016-2025;
 - A graded, spatial plan (with options) to reach 1500Mt of storage capacity at FID or beyond by 2026, incorporating Phase 1 infrastructure and the stores developed in the Project;
 - Cost and schedule estimates for such stores, both for pre-FID and post-FID activities.
- A publishable summary report (maximum 50 pages), describing the key outcomes of the project, aimed at stakeholders with a broad knowledge of CCS, but only basic knowledge of the subsurface and associated language.

Commercial

- Updates on IP management activities to be provided including any relevant to use of Third Party Data in the Project and (if required) progress on licences to enable the ETI to use the Project Deliverables.

Project Management

- Pro-forma reports of monthly progress with supporting financial data.
- Brief reports to substantiate completion of each milestone.
- Stage Gate Reports, summarising progress at Stage Gates (if appropriate).
- Reviews as called for in the Methodologies adopted.

4.2 Critical Roles

The ETI places great emphasis on two critical roles in the delivery of major projects – the Project Manager and the Chief Technologist.

The Project Manager is responsible for managing and progressing the Project 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 Project Manager's 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.

The Chief Technologist is responsible for the technical quality and content of the work, ensuring the competence of key technical staff allocated to individual work packages, the effective review of key outputs and the effectiveness of detailed technical planning to ensure that the emerging results of work are fed back into the forward plan. In essence this position has the responsibility to assure the technical quality of the Project and its outcomes. **For this Project the ETI expects that the Chief Technologist will have a strong industrial (rather than academic) focus.**

Respondents are required in their Proposals to nominate individuals for each role. The ETI will assess the competence, experience and authority of these two people and their ability to work together as critical to project success. The Project Manager and Chief Technologist do not need to be from the same Participant organisation although the Project Manager should be employed or directly contracted by the prospective Prime Contractor or Lead Coordinator, as appropriate.

4.3 Project Meetings

Throughout the Project the ETI expects to hold review meetings with the Project Manager and Chief Technologist, which may be at the ETI or a Participant's premises, as appropriate. Typically these are held monthly or at such other times as may be agreed between the ETI and the Participant(s). The ETI may involve advisors, external consultants, key industrial stakeholders, or representatives from the Members as appropriate.

The timing and scope of review meetings will be confirmed in discussions once the Participants' plans have been reviewed. It is expected that these will include the following.

- a) **Project Kick Off Meeting.** This will be held within two weeks of the Project start date. The purpose of the meeting between the ETI and the Participants is to review the scope of the project, planned timescales, deliverables, and the Participants' way of working and interfacing with the ETI to ensure a common understanding of how the Project will be delivered in accordance with the Project Contract. It is anticipated that this review will be held at the Participants' premises and take no longer than one day.
- b) **Mobilisation Review Meeting.** This will be held within two months of the Project start date. The purpose of the meeting is to ensure that all residual actions are completed and that each Participant and any Subcontractor(s) are fully mobilised. It is anticipated that this review will be held at a Participant's premises and take no longer than one day.
- c) **Project and Stage Gate Reviews.** These will be agreed by the Participant(s) and the ETI at key points during the Project. It is anticipated that these reviews will be held at the ETI's premises and take no longer than one day each.

5. Commercial and Legal Requirements

5.1 Project Contract

The Project will be governed by a Project Contract. A draft Project Contract will be made available to Respondents following receipt by the ETI of a signed NDA in accordance with Section 0 and Appendix C.

The Project Contract will be negotiated following selection of the preferred Respondent(s), during the Project Shaping, Due Diligence and Contract Negotiation Stage of the Project Commissioning Process (see Section 6).

Any issues that any Respondent has with the terms of the Project Contract must be set out in the Statement of Compliance to be provided as part of the Proposal/Submission (see Section 7 (Statement of Compliance) and Annex A3).

Specific areas of the Project Contract have been highlighted by the ETI in Appendix D of this RfP.

5.2 Participant Contracting Structure

It is expected that more than one organisation will be required to deliver the Project. Respondents may propose either of the following contracting structures.

- a) **Prime Contractor** – a single Respondent will enter into the Project Contract with the ETI and act as primary interface with the ETI. Specified parts of the Project will be performed by Subcontractors (including, as appropriate, companies within the same group as the Respondent). The ETI will require that there are Sub-contracts in place between the Prime Contractor and its Subcontractors that are consistent in all material respects with the Project Contract. The appointment and use of Subcontractors by the Prime Contractor will be subject to prior ETI approval and the ETI reserves the right to approve the terms of Sub-contracts.
- b) **Consortium** – Respondents form a Consortium to undertake the Project. All Consortium Members enter into the Project Contract with the ETI, although the Consortium will be required to enter into its own Consortium Agreement for internal governance purposes. A Lead Coordinator (a Respondent nominated by other Consortium Members) manages the Project and acts as primary interface with the ETI. The Consortium Agreement will require approval by the ETI before execution of the Project Contract. Consortium Members may choose to sub-contract part of their work.

Either of these contracting structures may be acceptable to the ETI, provided that the Respondent(s) can demonstrate that the most effective approach has been followed.

Whatever the contracting structure, there must be a single organisation (Prime Contractor or Lead Coordinator) leading and acting as the primary interface with the ETI.

Under the chosen contracting structure, it is critical that the Prime Contractor or Lead Coordinator, as appropriate, is sufficiently empowered to lead the Project and accept accountability for delivery of the Project to the ETI. It is also important that the chosen contracting structure enables sufficient flexibility to achieve the Project objectives (Section 3.2 and Section 2 of Appendix A).

The ETI will only select Respondents who have the required skills, experience and capability (either themselves or within their Subcontractors/Consortium) to complete all parts of the Project.

5.3 Third Party Data and Third Party Software Models

Given that the Project aims to leverage and build on previous work, it is expected that existing third party data and software models, potentially from several sources, will be required to undertake the Project effectively. Furthermore a critical objective of the Project is that it will provide Deliverables (Reports, Database and Software Models) which the ETI can then make publically available.

The ETI expects to license the Database (and possibly the other Deliverables) to a third party to manage and make available. This will be under licensed terms. The terms and costs of such licensing

must be sufficiently attractive to encourage widespread use. In particular, it is likely there are appropriate terms to encourage usage in the academic and research community.

The ETI wishes to ensure that any IP (including Background IP or Third Party IP) is only included in the Database, Software Models or other Deliverables if (and only if) the ETI is able to onward licence the Deliverables with clear rights to do so and has certainty (so far as is reasonably possible) of this at contract signature.

The Respondents will need to identify prior to submission any key Third Party Data and have initial discussions about how Third Party Data will need to be used in their proposed Project with the owners of the Third Party Data and whether it can be used in the way proposed in this RfP.

Parallel with the RfP process, the ETI will also be initiating discussions with known Third Party Data owners. Following selection, the ETI will support and work with any down-selected Respondents to facilitate those discussions.

It is possible to meet these objectives by either the Participants or the ETI entering into the requisite licences for the Third Party Data although the Participants will need to identify what Third Party Data is required and how they will use it. Third Party Data owners may also have a preference. The ETI is willing to consider either strategy or a combined strategy: however the key is that the Respondents have carefully thought this through and created a credible plan for management.

It is possible that existing software models may be used in the Project. If such models, whether Background or Third Party, are used in the production of Software Models which are delivered to the ETI, Participants will have to ensure that they are able to provide the ETI with the rights to use on onward license these Software Models.

Respondents will need to consider and propose its Third Party IP management strategy in their Proposal. Respondents are encouraged to talk to the ETI prior to submission of their Proposal on this aspect.

5.4 Project Funding

The ETI has assigned a maximum of £2,500,000 (two million, five hundred thousand pounds sterling) for the Project. This includes purchase of Third Party Data and external support to the ETI to assist in commissioning and delivering the Project. In general, ETI funding can be provided according to one of two mechanisms.

- c) **Capped Cost.** Payment will only be made in respect of Eligible Costs actually incurred by a Participant in the performance of the Project, up to a contractually agreed cap for each accepted Milestone (see Section 5.5); or
- d) **Fixed Price.** Agreed fixed payments will be made against each accepted Milestone.

In order for the ETI to maintain accountability for its funding it is expected that the Capped Cost mechanism will be used for the Project. The ETI may, under certain limited circumstances, consider a Fixed Price mechanism. These circumstances include where it is considered by the ETI and Participants as an appropriate mechanism to allocate risk in the Project and it is confident that appropriate records will be kept by the Participants. Any Respondents considering using the Fixed Price mechanism should contact the ETI before submitting on this basis. Whichever mechanism is proposed, risks associated with any cost over-run will lie with the Project Participants and the ETI will not be liable for any payment over and above the agreed cap or fixed price. For either mechanism, the ETI will require transparency of cashflow and cost breakdown to ensure value for money, to fully understand financial risks to the Project and to comply with state aid requirements.

Note: In this Project, all expenditure related to the Project Funding must be incurred in the financial year 5th April 2015 to 4th April 2016. The Project Contract will expressly set out that the ETI will not make any payments for work carried out outside these dates.

5.5 Project Payment Structure

Payments will be made by the ETI against agreed Milestones. Payment for a Milestone will be subject to the Deliverables within the Milestone meeting agreed acceptance criteria and to the Participants complying with the ETI's reporting requirements in relation to the Milestone.

For the Capped Cost mechanism, payment will only be made in respect of Eligible Costs actually incurred by a Participant in the performance of the Project. One or more accountant's reports will be required to support selected financial reports and invoiced amounts, dependent upon the amount of the Project Funding to be paid to each Participant.

Details of the Project payment structure and related requirements will be set out in the draft Project Contract and agreed during negotiation of the Project Contract (Section □, Project Shaping, Due Diligence and Contract Negotiation).

5.6 State Aid

A proportion of the Project Funding 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. Respondents should note:

- a) Respondents may be required to provide further information during the Project Commissioning Process to support any specific state aid requirements of the Project;
- b) Participants are required to provide full transparency of costs throughout the Project to ensure both the Participant(s) and the ETI comply with EU state aid law;
- c) Participants are required to agree to certain obligations in the Project Contract related to the state aid requirements including the duration of the retention of records, and obligations to return Project Funding monies in certain exceptional circumstances (including in the event the European Commission adopts a decision that there has been a grant of illegal state aid or misuse of state aid); and
- d) Respondents are required to confirm in their Proposals that there are no potential, threatened, pending or outstanding recovery orders by the European Commission in respect of any funding received by any proposed Participant (Appendix A, Annex A1, Section 1.1).

5.7 Intellectual Property

Respondents are referred to Appendix E (Glossary) for further definition of the terms contained in this Section.

Arising IP

The ETI will own all Arising IP generated in the Project. Participants should not fetter the ETI's rights in the Arising IP in any way (for example, by through inappropriate use of Third Party Data – see below).

The ETI will be making the Project Results publically available on licensed terms, most likely through a third party. All Deliverables will be made available to the ETI, DECC and ETI Members.

As the primary route for dissemination of the Project Results will be through the ETI, if any Respondents consider it appropriate that they obtain non-academic licences of Arising IP, early discussion with the ETI is strongly recommended.

Background IP

Where a Participant has Background IP that is required to carry out the Project or for the subsequent exploitation of any Project Results including the Database and Software Models, the Participant is expected to make this Background IP available on a non-exclusive basis; typically, this licence will be royalty-free where the Background IP is required for the Project. Given that the ETI expects to make the Project Results publically available and will make them available to its Members, including DECC, Participants are expected to make any Background IP required for exploitation of Project Results available royalty-free. If Participants (or their proposed Subcontractors) fail to meet this expectation,

the Proposal is unlikely to be acceptable to the ETI. The Respondents are to outline their IP proposals to the ETI as part of their submissions.

The Respondents will be required to provide warranties and indemnities that they own their Background IP.

Third Party IP

Respondents should describe any Third Party IP:

- Which is or may be needed (whether by the ETI, or to be licensed between the Participant and/ or Subcontractors or otherwise) to carry out the Project or which may be used during the Project, including Third Party Data; or
- Which may be needed by the ETI to exploit the Arising IP (this must explicitly set out the planned Third Party Data which will be incorporated into the Database and any Third Party Software) and to licence the Deliverables to ETI Members (including DECC) and other third parties.

It is expected that any licences entered into between Participants and Third Party data providers will include provisions to ensure that any data derived from Third Party Data ('Derived Data') will be owned (or can be assigned to) the ETI.

The Respondents should identify any Third Party Software required to interrogate or extend the Database or run any Software Models, including both commercial software and 'freeware'.

The Respondents will be required to provide warranties, undertakings and indemnities that they have or will obtain the requisite licences and will only onwards supply that Third Party IP in accordance with those licences and in a way that will enable the ETI to freely use, exploit and license the Arising IP and particularly the Database and Software Models.

Due diligence on Third Party IP (including Third Party Data) Background IP will be required both in the Proposal (as requested Appendix A of this RfP) and during the Shaping and Contract Negotiation Stage.

Summary – IP in Deliverables

The table below summarises the expected Deliverables and treatment of IP in them

Deliverable Type	Arising IP	Background IP	Third Party IP
Written Reports	ETI will own the copyright in the reports	If any Report includes any figures (e.g. photographs, diagrams, maps, graphs) with copyright owned by a Participant, it shall be clearly marked and the Participant will provide the ETI with an unrestricted licence to use the figure (including the ability to sublicense).	If any Report includes any figures (e.g. photographs, diagrams, maps, graphs) with copyright owned by a Third Party, it shall be clearly marked and the Participant will secure an unrestricted licence for the ETI to use the figure, and with the ability to sublicense, without any further cost to the ETI.

Deliverable Type	Arising IP	Background IP	Third Party IP
Data/Database	ETI will have ownership of (or analogous rights and freedom) for: a) the Database b) any included data c) any Derived Data	Participants will provide the ETI with free licences to enable the ETI to freely use any Background Data incorporated in the Deliverable	Participants will procure a licence from the Third Party Data provider to enable the ETI to freely use any Third Party Data incorporated in the Deliverable
Software Models	The ETI will own Software Models produced in the Project, including any Derived Data incorporated in the Model	Where any Software Model has been based on an existing model owned by the Participant ('Background Software Model') and/or incorporates any Background Data, the Participant will provide the ETI with free licences to enable the ETI to freely use and license onward the Model	Where any Software Model has been based on an existing model owned by the a third party ('Third Party Software Model') and/or incorporates any Third Party Data, the Participant will procure a licence from the Third Party Data provider to enable the ETI to freely use and license onward the Model

Academic Organisations

Generally, if requested, the ETI will grant rights to Participants who are academic institutions for the purposes of academic research and teaching. We would expect that licences or access to the Database will be through a third party who will be responsible for licensing out the Database.

Publication of appropriate parts of the Project results, particularly around methodology and headline findings will generally be encouraged subject to an approval process.

5.8 Due Diligence

The ETI requires Respondents to provide due diligence information at two stages of the Project Commissioning Process: (i) as part of a Proposal and (ii) during the Project Shaping, Due Diligence and Contract Negotiation Stage of the Project Commissioning Process (Section 6.3).

Further details of the ETI's due diligence requirements are set out in Appendix A / Annex A1.

Please note that successful completion of all elements of the required due diligence is a pre-requisite for selection of a Proposal. Failure to meet due diligence requirements at any stage may result in exclusion of a Proposal from the ETI's Project Commissioning Process.

6. Project Commissioning Process and Estimated Time Scales

6.1 Overall Commissioning Process

The ETI is using a two-stage approach to commission the Project:

Stage 1 - RfP issue and selection of preferred Respondent(s); and

Stage 2 - Project Shaping, Due Diligence and Contract Negotiation.

6.2 Stage 1: RfP Issue and Respondent Selection

6.2.1. Briefing Sessions, Questions and Clarification

Following the release of this RfP, potential Respondents may apply to attend a briefing workshop. The objective of this workshop is to further describe the requirements for the Project and to provide an opportunity for Respondents to ask clarifying questions prior to making a Submission in response to the RfP. The ETI anticipates that valuable networking opportunities will be available throughout the day.

The briefing workshop will be held on 14th January 2015 at a venue to be confirmed (expected to be Loughborough or Central London).

Interested Participants are to notify the ETI with their request to attend the briefing workshop no later than 9th January 2015. Upon notification, a briefing workshop package, including agenda, will be distributed. All discussions at the briefing workshop will be considered non-confidential.

6.2.2. Notification of Intention to Submit and Issue of Draft Project Contract

Prior to making a Submission in response to this RfP, Respondents are required to provide to the ETI (i) a formal notification of their intention to submit a Proposal, in the form set out at Appendix B and (ii) a non-disclosure agreement in the form provided at Appendix C, signed by all Respondents involved in the Proposal and returned to the ETI in accordance with the instructions at Appendix C. Both documents must be received by the ETI no later than the date specified on the front page and at Section 6.4 of the RfP. The ETI will make available a draft Project Contract to all Respondents who have submitted a Notification of Intention to Submit a Proposal. Respondents are required to provide feedback on the draft Project Contract as part of the submission requirements set out in Section 7.

6.2.3. Submissions in Response to the RfP

Respondents are required to provide Submissions, as set out in Section 7, in response to the RfP to the ETI no later than the Closing Date specified on the front page and at Section 6.4 of the RfP. Submissions shall comprise a Proposal, the form and contents of which are set out at Appendix A, and supporting documentation set out at Section 7.

6.2.4. Selection Process – Stage 1

Following the closing date for Submissions, the ETI will convene a Selection Panel as part of its evaluation process to recommend which Respondent(s) should proceed to the Project Shaping, Due Diligence and Contract Negotiation Stage, based on the Selection Criteria (Section 6.2.5). In addition to ETI staff, this panel may include 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 Submission.

Respondents may be requested to make a presentation to the Selection Panel to support information provided in their submission. The Selection Panel may also request further clarifications following the meeting of the Selection Panel and as part of the Project Shaping, Due Diligence and Contract Negotiation Stage.

In the event that the ETI receives a large number of Submissions, the ETI may make an assessment to select a manageable shortlist of Respondents / Submissions for consideration by the Selection Panel.

Following advice from the Selection Panel, the ETI may, at its discretion, decide that no Respondent, one Respondent or more than one Respondent or group of Respondents (as appropriate) will move into the Project Shaping, Due Diligence and Contract Negotiation Stage.

6.2.5. Selection Criteria

All proposals will be evaluated by the ETI against the Selection Criteria below.

Respondents should note that specific, independent and objective evidence of performance, capabilities and experience will carry greater weight than general statements about and organisational capabilities and experience.

S1 Ability of the Participants to deliver the Project, based on evidence provided and presented at the Selection Panel(s). It should be noted that the performance of the Respondents and quality of information provided to the ETI during the commissioning process will be considered by the ETI as an indicator of likely performance during the Project:

S1A Technical

- Experience and availability of the proposed Chief Technologist;
- Level of experience and completeness of the technical skills amongst the consortium to deliver the Project, including experience in CO2 storage appraisal, and more specifically:
 - Management of the development and sharing of technical documentation across many parties;
 - Interpretation of geological data to give an overview of reservoir attractiveness – depositional history, vertical and lateral homogeneity within a boundary, connectivity with more remote parts of the structure, or other structures, cap rock strength
 - Static, dynamic and reservoir simulation modelling on commercial platforms;
 - Geomechanics, geochemistry;
 - Interpretation of data from seismic, wellbore, etc. data sources;
 - Judgement of the need for and value of additional information;
 - Assessment of specific risks – integrity of abandoned and accessible wells, faults;
 - Offshore Facility conceptual design options;
 - Cost estimation of offshore installations;
- Experience of managing IP, particularly with relation to data and software;
- Availability and stability of deployable resources with the above skills to mobilise sufficiently rapidly and for sufficient durations;

S1B Delivery

- Experience and availability of the proposed Project Manager;
- Record and ability in quality, timely and on-budget delivery of projects (of the type requested in this RfP) to the full satisfaction of the main stakeholders;
- Project management systems and expertise appropriate for this sort of project;
- Ability and experience in collaborative working;
- Appropriate health, safety and environmental management systems and experience;
- Effectiveness of the contracting, organisational, governance and control structures and processes proposed for the participating entities / organisations, including interfacing with ETI as it requires, etc;
- Project approach and plan, including Gantt chart, suitable Stage Gates & Payment Milestones;

- Risk Management. Respondents will need to demonstrate clear evidence of a rigorous, risk-based approach to management of the Project. A register identifying the key risks and how they will be managed is required.

S2 Value for money with respect to Project Funding:

- Contributions from Participants and third parties (including funding, in-kind support and making their own IP available to the project, e.g. data, models, previous analysis);
- Competitiveness of costs;
- Willingness and capacity to accept the financial risk profile for the Project.

S3 Licensing Strategy for Third Party Data and Background IP:

- Evidence of a robust strategy and management plan for identifying and obtaining licences to enable the Participants to carry out the Project and the ETI to use and license the Database, Software Models and other Deliverables from the Project;
- Evidence of initial discussions and buy-in from the owners of any Third Party Data identified as critical for the Project at proposal stage;
- Evidence of a credible management plan to minimise risk of infringement of third party Intellectual Property Rights.

S4 Risks associated with reaching acceptable agreement with the ETI within the timescales set out in this RfP:

- Credible evidence that the Project Contract has been fully reviewed within Respondent organisations;
- Respondents' willingness to materially comply with the terms and conditions of the proposed Project Contract, including the ETI's IP position and the requirements on Third Party IP;
- Availability and commitment of the necessary technical, legal and financial resources to meet the requirements of ETI's commissioning process.

6.3 Stage 2 - Project Shaping, Due Diligence and Contract Negotiation

Following selection, the ETI will invite the preferred Respondent(s) to enter into negotiations with the ETI to shape the Project and develop the terms of the Project Contract. Such invitation may be conditional upon the Respondent(s) providing additional information within a timescale specified by the ETI. A fixed period of 8 weeks has been allowed for this Project Shaping, Due Diligence and Contract Negotiation Stage. See Section 6.4 for further details relating to anticipated dates. The ETI may decide to invite more than one Respondent or group of Respondents (as appropriate) to enter this stage and may decide to hold a second Selection Panel at an appropriate time during this stage.

The Project Shaping, Due Diligence and Contract Negotiation Stage will include the following activities (as required and dependent on the level of detail provided in the Respondents' Proposal).

- a) Detailing of the proposed technical programme, including definition of deliverables and acceptance criteria;
- b) Detailing and agreement of Stage Gates (if appropriate), where Project performance and the business case are critically reviewed and decisions taken on whether to proceed with the Project;
- c) Negotiation and agreement of the Project Contract;
- d) Detailed due diligence, as set out Annex A1 Section 2;
- e) Agreement (and approval as required by the ETI) to terms of other key contractual arrangements (e.g. Sub-contracts (including any relating to Third Party Data), Consortium Agreement);
- f) Gaining all necessary Respondent and ETI approvals to undertake the Project; and
- g) Any further information or assessment that may be necessary to meet state aid requirements.

Respondents are required to identify and provide a plan to address the issues for Stage 2 (see Appendix A Section 0) and confirm that they will be able to make available the key technical, commercial and legal resources to meet the deadline.

Detailed procedures for Project Detailing, Due Diligence and Contract Negotiation will be made available to preferred Respondents at the commencement of the process.

Within the Project Shaping, Due Diligence and Contract Negotiation period, dates have been set for technical meetings and legal/commercial negotiation meetings (see Section 6.4). In their proposals, Respondents will be required to confirm their availability for these dates and their commitment to providing the required legal, technical, commercial and managerial resources to complete this Stage.

6.4 Estimated Project Commissioning Timeframes

The following tables outline the anticipated schedule for the Project Commissioning Process. They also include anticipated dates when Respondents' resources will be required to attend Project Shaping, Due Diligence and Contract Negotiation meetings with the ETI.

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

Request for Proposal and Selection	Dates
Issue of RfP	17 th December 2014
Project Workshop	14 th January 2015
Deadline for (i) notifying the ETI of an intent to submit a proposal (Appendix B); and (ii) return of signed Non-Disclosure Agreement (Appendix C)	29 th January 2015
Closing date for submission of Proposals/Submissions in electronic format (PDF and Word)	5 th February 2015 (12 noon)
ETI Selection Panel (Respondents may be required to make a presentation)	19 th February 2015
Preferred Respondent(s) notified, including requests for clarifications and additional information (technical, legal and/or finance)	Anticipated Date: 3 rd March 2015

Project Shaping, Due Diligence and Contract Negotiations	Anticipated Dates
Total duration for Project shaping, due diligence and contract negotiations	8 weeks
Project shaping, due diligence and contract negotiation kick off meeting (technical, legal and finance representatives of all participants required)	5 th March 2015
Deadline for responses to requests for clarifications and additional information (technical, legal and/or finance)	13 th March 2015
Legal/Finance meeting 1	W/C 16 th March 2015
Technical meeting 1	W/C 23 rd March 2015
Legal/Finance meeting 2 & Technical meeting 2	W/C 13 th April 2015
Final project shaping, due diligence and contract negotiation meeting (technical, legal and finance representatives of all participants required)	W/C 20 th April 2015

Project Delivery	Anticipated Dates
Project Contract signature target date	27 th April 2015
Project start	1 st May 2015
Project completion (fixed date, even if slippage occurs)	31 st March 2016

7. Contents and Format of Submission

Respondents are required to make a Submission comprising the following components.

- a) Detailed Proposal, arranged according to the structure set out in Appendix A. The content must clearly demonstrate how the proposed Prime Contractor or Consortium, as appropriate, will meet the requirements and criteria set out in Sections 3 to 6 of this RfP. 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), margin widths, and **shall not exceed a maximum of 30 pages, plus supporting information.**
- b) Any supporting information as specifically set out in Appendix A.
- c) Risk Register, as described in Appendix A, Section 5 (Risk Management).
- d) Initial due-diligence information, as set out in Section 1 of Annex A1 (including in relation to State aid, insurance, intellectual property, health, safety and the environment and general due diligence, Annex A2).
- e) Statement of Compliance, with supporting information, confirming compliance with or identifying exceptions to the requirements of this RfP and/or the draft Project Contract, as set out in Annex A3. This must be signed by each Respondent; if a Consortium structure is proposed, every member organisation of the Consortium must provide a separate Statement of Compliance.

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 be provided in electronic format, in both PDF and Microsoft Word formats, with each component as a separate file. Additionally three (3) hard copies will be provided, with each component separately bound. Submissions must be provided in electronic format (both PDF and Word) by the Closing Date. Hard copies must be delivered to the ETI within three working days of the Closing Date.

8. Important Notices

- 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 Project Commissioning 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 issue of the RfP is not an agreement or offer 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 (Appendix C). No part of a Proposal, or other documents provided by Respondents, shall be returned.
- e) The ETI reserves the right to (i) withdraw the RfP at any time; (ii) change the basis and / or requirements of, or the procedures for, the Project Commissioning Process, including the timetable or closing date for receipt by the ETI of Proposals/Submissions, (iii) make modifications to, or alter any of the information within, the RfP at any time until the execution of the Project Contract, (iv) reject any or all of the Proposals received, and (v) not invite any Respondent(s) to proceed further.
- 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 RfP or of any other information made available during the Project Commissioning 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 RfP independently, having taken professional advice if necessary. Each 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 RfP. Each 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 RfP. 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 Project Commissioning Process, including but not limited to any costs or expenses incurred up to and including the execution of the Project Contract. For the avoidance of doubt, this includes all costs of negotiations, costs of providing information for ETI's due diligence requirements.
- i) The ETI may, at its discretion, shortlist Respondents for the next stage (Project Shaping, Due Diligence and Contract Negotiation Stage). 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 (and / or any invitation to any Respondent(s) to proceed to the next stage) shall not constitute any actual or implied agreement between the ETI and the Respondent.
- j) The copyright in the documentation and any other materials supplied by the ETI and/or its advisers in this Project Commissioning 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 Project Commissioning Process. All documentation supplied by the ETI in relation to this Project Commissioning Process must be returned on demand, without any copies being retained by the Respondent.
- k) In this RfP, any phrase introduced by the term "include", "including", "in particular", "for example" or similar expression shall be construed as illustrative and shall not limit the sense of the words preceding that term.

- l) This RfP, 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).
- m) 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 Section 8 (Important Notices), either expressly or impliedly, may result in a Respondent being disqualified.

Appendix A - Proposal Content and Format

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 30 pages.** Appendices are in addition to this but may not be reviewed by the Selection Panel. Annexes A1 and A2 of this Appendix A set out due diligence requirements and Annex A3 the requirements for the Statement of Compliance. Responses to these should be provided as separate documents according to the Submission requirements (Section 7 of the RfP).

1. Executive Summary [maximum 2 pages including work flow diagram]

A summary of the Proposal, describing briefly:

- The organisation(s) undertaking the work and the Project organisation structure (including identification of the Prime Contractor or Lead Coordinator, as appropriate any key subcontractors);
- The technical approach and key Deliverables, Milestones and Stage Gates, including a work flow diagram (see Section 0);
- Confirmation of compliance with the RfP and brief summary of key exceptions/deviations;
- Total Project Cost and requested Project Funding;
- Proposed Project duration.

2. Project Objectives [maximum 1 page]

The overall Project objectives are as specified in Section 3.2 of this Request for Proposal. Respondents should provide subsidiary objectives if they think these are appropriate, and how these link to the desired Project outcome. Respondents should also describe any critical success factors which characterise a successful Project outcome or which are required to facilitate a successful Project outcome.

3. Project Participants and Structure [approximately 8 - 10 pages, plus CVs]

3.1 Project Participants [maximum 1 page per Participant]

Respondents should provide a brief description of each of the proposed Participant organisations, including any key Subcontractors including:

- Key skills, knowledge, experience and previous track record in the area (technical, commercial and project management);
- Relevant quality, health, safety and environment management experience and systems.

A summary table should be provided identifying which Participant(s) are contributing to which part of the Project. Respondents need to demonstrate that their collective skills/knowledge is sufficient to deliver the whole Project.

3.2 Key Individuals and Critical Roles [maximum 2 pages plus summary CVs]

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 Project Manager and Chief Technologist. See Section 4.2 of the RfP main body.

The proportion of each individual's time dedicated to the Project should be identified and their expertise briefly summarised. CVs, of no more than 2 pages each, should be included as part of the supporting information submitted, see Section 7 of the RfP.

3.3 Participant Contracting Structure [maximum 3 pages including organisation chart]

This section should briefly explain the intended contracting/project organisational structure, either a Prime Contractor, or a Consortium with a Lead Coordinator (see Section 5.2 of the RfP), including justification of why this structure has been adopted. In the case of Consortium this section should explain how the Consortium will operate, and specifically how agreement will be achieved with all Consortium Members during negotiation. In the case of any alternative structures, details of the plan to co-ordinate the negotiations of all agreements should be set out.

In the case of a Prime Contractor structure, the Prime Contractor should be clearly identified along with any additional Subcontractors who are expected to be involved in the Project.

Respondents should provide Project organisational, project management, governance and control structures and processes (particularly for a Consortium).

Respondents should indicate in the structure each Participant and the position of the key individuals identified in Section 4.2 of the RfP (including proposed Project Manager and Chief Technologist).

Respondents should identify in their Proposal any known issues or outstanding risks in executing any part of the contractual structure, including Consortium Agreement and/or Subcontracts (as appropriate).

3.4 Collaborative Working [maximum 1½ pages]

If Respondents propose that the Project is to be undertaken by a group of organisations (whether as a Consortium or as Prime Contractor/Subcontractors), a table should also be provided to identify (if appropriate) which Participant(s) is/are proposed to satisfy each of the Project delivery requirements listed in Section 3 of the RfP.

Also, if the Project is to be undertaken by a group of organisations (whether as a Consortium or as Prime Contractor/Subcontractors), evidence of previous collaborative working (including Subcontract management, as appropriate) should be provided, both within and outside the proposed Participant group.

4. Programme of Work [approximately 5 – 10 pages]

4.1 Project Approach

Respondents should provide a summary of the overall approach to the Project, including a work flow description which clearly identifies the key Work Packages, their interdependencies and how they contribute to the overall Project outcome. This work flow should identify Stage Gates and other key Review Points where overall progress on the Project will be critically reviewed.

As a minimum the work scope should include the key activities set out in Section 3.3 of the RfP.

Each Work Package should be broken down into Tasks and a Task-by-Task description of the proposed work provided, identifying for each Task:

- The Task leader and others participants involved;
- The Task objectives;
- Key dependencies / interdependencies between tasks;
- The technical approach (e.g. methodologies, tools, techniques);
- Deliverables produced (labelled D1, D2 to Dn, where n = the total number of deliverables);
- Issues or assumptions;
- Key resources (e.g. specialist staff, specific software tools, data etc).

As far as possible, Respondents should be specific about the activities within the Task, e.g. including test/simulation matrices or stating a number of tests/simulations.

Any issues or assumptions in defining the schedule (e.g. inputs required from the ETI or other projects) should be explicitly stated.

A specific Project management Task (or Tasks) should be identified describing all the activities in this area (e.g. regular meetings, reporting, Stage Gates etc). Note that throughout the Project delivery the ETI will require reports of monthly progress with supporting financial data, reports to substantiate completion of each milestone, etc.

Respondents should describe any relevant activities related to, but not included within, this Project, which may have an impact on the Project (positively or negatively), and the relationships with these activities.

4.2 Deliverables and Milestones

Payments from the Project Funding are made only following successful completion of Project Milestones. Milestones are points in the Project where significant value has been delivered to the ETI, typically by submission of deliverables representing the completion of major project Tasks/Work Packages/reports. Payment of Project Funding monies in respect of a Milestone is subject to acceptance by the ETI of the Milestone deliverables against agreed acceptance criteria (terms and conditions of payment will be included in the draft Project Contract (see also Section 5.5 of the RfP).

Following the detailed specifications of each deliverable in accordance with Section 4.1 of the RfP, a summary table should be provided detailing the proposed Milestones and their constituent deliverables together with the proposed costs and delivery dates for each Milestone and constituent deliverable.

See also Section 6 of this Appendix A (Project Finances).

4.3 Project Schedule

Respondents should provide a summary time schedule (preferably in the form of a Gantt chart) for the Project, highlighting:

- Work Packages and Tasks (including duration, inputs required from the ETI or other parties, other external dependencies, timing for required permissions and consents);
- Project Deliverables;
- Project Milestones;
- Stage Gates;
- contingencies and critical path.

Detailed Project schedules should also be provided and placed in an appendix.

5. Risk Management [maximum 2 pages, plus Risk Register]

The Respondent should describe in full the proposed risk management strategy (i.e. how risks to the successful delivery of the Project will be identified and managed throughout the Project). They should also separately provide a Risk Register as an appendix, identifying the key challenges, risks (including any assumptions or dependencies identified earlier), issues and opportunities which may affect the successful delivery of the Project outcomes and identifying planned activities to address / mitigate each item.

Whilst not being prescriptive about the style and format of the Risk Register, it is expected that it will:

- show clear evidence of triage into: those risks which are so serious in terms of frequency and impact that they need to be kept under review by the Project leadership (and regularly shared with the ETI); those risks that are sufficiently serious that they need to be managed within the project team; and those risks which have been recognised but which are not judged as material;

- identify the causes of the risk and the likelihood of them occurring during the Project;
- identify the consequences of the risk and the scale of impact on the Project delivery and key stakeholders;
- identify the degree of knowledge or uncertainty about the risk;
- identify who is the risk (or issue) manager;
- identify key HSE risks and constraints (note however that the Risk Register shall not replace specific HSE legal requirements for risk assessment for Project tasks and activities);
- show what actions are in place to reduce the likelihood of the risk materialising (controls);
- show what precautions or provisions will be implemented to reduce the impact of the risk, should it occur (mitigation);
- identify any actions in place to investigate or increase knowledge of poorly understood risks; and
- identify any systems or actions that will be implemented to detect that a specific risk is developing, has started to occur or its likelihood or impact has increased (monitoring).

It is expected that no more than ten risks would be managed by the top team, rather more at the next level and many more that have been recognised with no further action planned. The ETI will only consider the top two categories, but Respondents may provide the complete register.

A summary of key risks should be included in the Proposal, with a complete Risk Register as described above provided as a separate document.

6. Project Finances [maximum 2 pages]

Respondents should provide:

- a statement whether the proposal is made on a Capped Cost or Fixed Price basis (see Section 5.4 of the RfP);
- a figure for the proposed Total Project Cost;
- a figure for the proposed Maximum Project Funding;
- figures for any proposed Participant Funding and/or Third Party Funding (as appropriate);
- a breakdown of Total Project Cost (a) between Milestones and, in the case of a Consortium Contracting Structure, between Participants against each Milestone, and (b) between Participants and cost categories in the form shown in the tables below.

If there are any assumptions or limitations to this cost, these should be clearly stated. Note that this information is required by the ETI whether the proposal is on a Capped Cost or Fixed Price basis to enable the ETI to undertake a value for money assessment.

	Finish Date	Participant 1 (Lead Coordinator or Prime Contractor)	Participant 2	Participant 3	Participant 4 etc	Total
Milestone 1						
Milestone 2						
Milestone 3						
Milestone n						
TOTALS						

	Participant 1 (Lead Coordinator or Prime Contractor)	Participant/ Major Subcontractor 2	Participant/ Major Subcontractor 3	Participant/ Major Subcontractor 4 etc	Total
Number of Person-days					
Base Labour					
Materials					
Subcontractors (minor) (see note b below)					
Travel & Subsistence					
Overheads					
Profit					
Other					
TOTAL PROJECT COSTS (ELIGIBLE COSTS)					
Project Funding					
Project Funding (%)					
Own Funds (Participant Funding)					
Third Party Funding (Private Funding)					
Third Party Funding (Public Funding)					

Notes on Category Breakdown table.

- a) Base Labour should include direct add-ons (e.g. NI, pension etc).
- b) If a Prime Contractor/Subcontractor project structure is proposed, major Subcontractors should be considered as Participants and fill in a column in the table.
- c) Participants will be required to provide justification of overhead calculations during the Project Shaping, Due Diligence and Contract Negotiation Stage. The ETI can provide a spreadsheet to calculate overheads on request.
- d) Participants should note that under state aid rules profit cannot be paid to Participants if they wish to receive a licence for Arising IP.
- e) Academic Consortium Members should determine their costs using the JeS system. Note that ETI funds academic Consortium Members at 100% Full Economic Cost.
- f) Details of other funding should be provided separately in the Proposal.

Please note that during the Project Shaping, Due Diligence and Contract Negotiation Stage (prior to Project Contract signature) the ETI will require a more detailed cost breakdown including a schedule of payments against identified Milestones. This will require completion of the ETI's financial monitoring forms. Whilst not compulsory, it is strongly recommended that Participants use these forms to produce the Project costings at proposal stage: these forms are available on request from the ETI.

7. Intellectual Property [maximum 3 pages]

Respondents should fully familiarise themselves with Section 5.7 (Intellectual Property) of the RfP before completing this section.

7.1 Background IP and Third Party IP

Respondents should describe any Background IP (e.g. patents, proprietary data, computer algorithms, know how or other IP) and Third Party IP (including specifically Third Party Data or Third Party Software Models) which is:

- needed or may be needed (whether by the ETI, or to be licensed from one Participant to another Participant or a Subcontractor, or to be licensed by a Subcontractor to a Participant or to another Subcontractor, or otherwise) to carry out the Project or which may be used during the Project; or
- needed or may be needed by a Participant, the ETI or its licensees (including of the Database and Software Models) to use Project Results including the Database and Software Models.

The description of any such Background IP or Third Party IP should detail:

- the nature of the IP (including the legal nature of the IP right);
- rights to that IP;
- ownership and control, whether this is by any of the Project Participants or by any third parties; and
- whether there is any reason that such Background IP will not be made available as and for the extent needed to carry out the Project and/or exploit the Arising IP.

In relation to the Database and any Software Models which form part of the Deliverables, Respondents should specifically identify any Third Party Data or Third Party Software Models which may be used in producing such Deliverables, how they anticipate the requirements set out in Section 5.7 of this RfP will be met and the status of discussions with the providers.

7.2 Arising IP

Respondents should confirm that they accept the key concept that the ETI should own the Arising IP. If any other proposal is to be made, early discussion with the ETI should be held to see whether any alternative proposal is capable of meeting the Project objectives.

It is expected that the primary route for dissemination of the Project Results will be through the ETI. If any Respondents consider it appropriate that they obtain non-academic licences of Arising IP early discussion with the ETI is strongly recommended.

7.3 Academic Institutions

Participants who are Academic Institutions should include details of their desired requirements in relation to academic research, teaching and publication in their Proposal.

8. Plan for Project Shaping, Due Diligence and Contract Negotiation [approximately 1 page]

Respondents should identify key issues to resolve during the Project Shaping, Due Diligence and Contract Negotiation Stage, before Project Contract execution, for example:

- detailing of the technical proposal: what further actions are needed;
- Project Contract – key provisions to resolve (based on draft Project Contract; see Section 5 of RfP main body);
- the strategy for identifying and agreeing licences of Third Party Data.
- timing sequences for the setting up of the selected Project organisational structure (e.g. subcontracts, Consortium Agreement etc), including any dependencies or other factors which could impact or delay the Project;
- internal approvals - confirm what internal approvals will be required for all Participants in the bid in order to enter into contract.

The Plan for Contract should be structured and link clearly back to the previous sections set out in this RfP and the proposed timings for meetings set out in Section 6.4 of the RfP.

Respondents should explicitly confirm that all key technical, commercial and legal resources, across the Participants and owners of Third Party Data, required to meet the Project Contract signature target date (see Section 6.4 of the RfP), will be available to achieve a signed contract by that date. A table should be included providing names and contact details (phone and email addresses) of key contacts for Project Detailing and Contract Negotiation. This should include, for each Participant, the main technical, legal/commercial and finance contacts. In particular the Respondents should confirm the availability of all contacts for all Participants for the kick off meeting for the Project Shaping, Due Diligence and Contract Negotiation Stage set out in Section 6.4 of the RfP.

Any key risks or issues which may impact on meeting the Project Contract signature target date should be identified.

Please note: this Project is subject to a specific funding window and so commitment and a credible plan to ensure the negotiations for the Project Contract and Third Party Data licensing is critical.

Annex A1 – Due Diligence Information Requirements

The ETI requires due diligence information during two stages of the Project Commissioning Process:

- a) Submission of the Proposal. Certain information is required with the Proposal as part of the first stage of the Project Commissioning Process; and
- b) Project Shaping, Due Diligence and Contract Negotiation. Further information will be required if any Proposal is selected to proceed to the Project Shaping, Due Diligence and Contract Negotiation Stage.

Please note that successful completion of all elements of the ETI's required due diligence is a pre-requisite to any contract award: failure to meet any due diligence requirements may result in the exclusion of the Respondent(s) and/or the Proposal from the Project Commissioning Process.

1. Submission of the Proposal

1.1 State Aid

All Respondents shall confirm that there are no potential, threatened, pending or outstanding recovery orders by the European Commission in respect of any funding received by any Respondent (all proposed Participants).

1.2 General Due Diligence

All Respondents (except ETI Members, 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 Annex A2.

1.3 Insurance

Respondents should confirm that insurance cover for the following risks is held by all proposed Project Participants, and should confirm levels of cover and expiry for each. The ETI will require evidence of these during the Project Shaping, Due Diligence and Contract Negotiation Stage (see Section 2(d) of this Annex A1).

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

Additionally, each Respondent should identify:

- if it or any other proposed Participant(s) self-insures or intends to self-insure for any of these risks;
- if it or any other proposed Participant(s) is intending to take out any project-specific insurance for the Project and the scope and intended beneficiaries of such insurance; and
- how (to the extent not already identified) each proposed Participant intends to insure against risks in the Project.

In relation to professional indemnity insurance, Respondents should note that the ETI has the following requirements.

- Each Participant is required to have in place at the start of the Project a professional indemnity insurance policy (with at least a 6 month unexpired term).
- Each policy should have a limit of indemnity of not less than £1,000,000 each and every loss (although this should be noted as the minimum for ANY ETI project and a higher requirement will be required for the Project).
- Each 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).
- Each Participant will need to agree to maintain a professional indemnity insurance policy in force for 6 years from the date of completion of the Project.
- **Note: before entering contract, the ETI will require sight of the insurance policy provided by the Participant or a copy of a letter of confirmation from the Participant's insurance company or broker summarising the detailed policy coverage and exclusions, and cannot proceed without this.**

1.4 Intellectual Property

Completion of the Background IP and Third Party IP section of the proposal is required.

2. Project Shaping, Due Diligence and Contract Negotiation Stage – Further Due Diligence Requirements

These are only required if a Proposal is selected to proceed to the Project Shaping, Due Diligence and Contract Negotiation Stage, and will include:

- a) Further detailed due diligence to identify the required Background IP and Third Party IP (including Third Party Data), existing rights to such IP and whether proposed licences for Third Party IP will meet the Project objectives;
- b) Financial due diligence on the breakdown of costs for the Project to (i) enable the ETI to assess value for money, (ii) assess financial risks associated with the project (although the ETI will not be liable for any cost overrun, we recognise that any overrun would put financial pressure on other funders which may jeopardise successful completion of the project) and (iii) ensure that it meets state aid requirements;
- c) Copies of insurance policies; and
- d) Any other information that the ETI reasonably requires in order to invest in the proposed Project including any information necessary to meet State aid requirements.

Annex A2 – General Due Diligence Requirements

A standalone copy of this form is available to download from the ETI website.

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 in the last 3 years (including any which are outstanding) and/or any anticipated claims.

Annex A3 – Statement of Compliance

Each Respondent shall provide a Statement of Compliance as detailed below. In the case of Respondents proposing to deliver the Project as a Consortium, a separate Statement of Compliance must be signed by an authorised signatory of each proposed Consortium Member.

Each Statement of Compliance shall confirm:

- that the Respondent has full authority to submit a Proposal on the basis of this Request for Proposal;
- that the Submission has been appropriately reviewed by the Respondent's technical, commercial, financial and legal representatives; and
- the level of internal approval obtained by key Subcontractors in order to make the Proposal (letters of support from each key Subcontractor should be included).

Where a Respondent wishes to use any Third Party Data to undertake the Project, the Statement of Compliance should append letter(s) of support from the owner(s) of such Third Party Data that have been identified at this stage as being required to produce the Database and Software Models, clearly stating their willingness to supply such Third Party Data on terms which will enable the Database and Software Models to be made publically available and licensed by the ETI as set out in this RfP.

Each Statement of Compliance shall confirm the Proposal is fully compliant with all aspects of the RfP and also the terms and conditions of the draft Project Contract (Section 5), or shall state clearly any exceptions, deviations, alternative approaches or additions to the requirements of the Request for Proposal and/or draft Project Contract (as appropriate), with justification. 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 (etc.) above. With respect to the terms and conditions of the draft Project Contract, each Respondent must either:

- expressly confirm that the Proposal is made on the basis of the terms and conditions of the draft Project Contract; or
- expressly confirm that the Proposal is made on the basis of the terms and conditions of the draft Project Contract subject to clarifications and exceptions. In these circumstances, the Respondent must include in their Submission:
 - a copy of the draft Project Contract, marked up with the Respondent's proposed clarifications and exceptions; and
 - a separate commentary against the clarifications and exceptions setting out the reason for those clarifications and exceptions. This should specifically include an initial detailed view on those areas of the Project Contract set out in Appendix D of this RfP.

As a preference, in the case a Consortium, the ETI would welcome a consolidated response from the Lead Coordinator on clarifications and exceptions from all Respondents. Each Respondent should, in their own Statement of Compliance, confirm their comments have been included in the consolidated response.

Please note that the ETI may reject a Proposal if a material issue (including a non-compliance with the terms and conditions of the draft Project Contract) is identified by a Respondent at any stage during the Project Commissioning Process. Any exception in relation to those matters set out in Appendix D of this RfP is considered a material issue.

Each Statement of Compliance will also confirm that, if the Respondents' proposal is selected to enter the Project Shaping, Due Diligence and Contract Negotiation Stage:

- they will provide the necessary technical, legal/commercial and finance resources with the aim of meeting the ETI's contract negotiation timescales set out in Section 6.4 of the RfP;
- they will provide other information reasonably requested by the ETI for its due diligence activities, as set out in Appendix A1 of the RfP.

Appendix B - 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 6.4 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 "Strategic UK CCS Storage Appraisal", issued on 17th December 2014.

The Respondent submits this notification on its own behalf and on behalf of the following proposed [Consortium Members][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]
8. [Enter Name]
9. [Enter Name]
10. [Enter Name]

Signed: _____

For and on behalf of the Respondent(s).

Name: _____

Date: _____

Appendix C - Non Disclosure Agreement

The Non-Disclosure Agreement (NDA) protects the confidential information of the Respondents and the ETI during the period of the Project Commissioning Process. For the successful Respondent(s), the confidentiality provisions in the Project Contract will supersede this NDA.

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

NDA Execution Process / Instructions

A separate electronic version of the NDA is available on the ETI Website:

<http://www.eti.co.uk/category/proposals/>

for completion and signature by Respondents in accordance with the following instructions:

In the case of a Prime Contractor as Respondent:

- The Prime Contractor should complete Schedule 1 of a single electronic NDA with its company (legal) details and a postal address for return by the ETI of a fully executed NDA.
- The Prime Contractor should print and sign **TWO** paper copies of the NDA. **The NDA must not be dated on the front page.**
- The Prime Contractor should scan a copy of a signed and undated NDA and email it to the ETI at the address on the front of the RfP.
- The Prime Contractor should post both original signed and undated copies to the ETI.
- On receipt, the ETI will countersign and date the two original copies of the NDA. The ETI will retain one of these copies and post the other to the Prime Contractor at the address provided by the Prime Contractor at Schedule 1 of the completed NDA.

In the case of Respondents intending to submit a Proposal as a Consortium, the ETI intends to execute the NDA in counterparts as follows:

- The proposed Lead Coordinator should complete Schedule 1 of a single electronic NDA with the legal company details of all Respondents (the Lead Coordinator and each of the other proposed Consortium Members), together with a **single** postal address for return by the ETI of fully executed NDAs.
- The Lead Coordinator should circulate electronically the NDA with the fully completed Schedule 1 to all Respondents **and to the ETI** (at the email address on the front page of this RfP).
- Each of the Respondents (all proposed Consortium Members including the Lead Coordinator) should print and sign **TWO** paper copies of the NDA. **The NDA must not be dated on the front page.**
- For each Respondent, one of the signed undated counterpart NDAs should be scanned and sent by email to the ETI at the address on the front of this RfP.
- For each Respondent, **ONE** original undated counterpart signed NDA should be sent to the ETI by post. The ETI recommends that the other original undated signed NDA is sent by the Respondents to the Lead Coordinator so that the Lead Coordinator may hold a complete set of original counterpart NDAs, one signed by each Respondent, on behalf of the Respondents.
- On receipt of a complete set of original counterpart NDAs (one signed by each Respondent), the ETI will sign and date two further counterpart copies of the NDA. The ETI will notify the Lead Coordinator of the date of the NDA (i.e. the date of the ETI's signature) so that the original Respondent counterparts held by the Lead Coordinator may be dated on the front page.

- The ETI will retain one of the original counterpart NDAs signed and dated by the ETI; the ETI will return the other original ETI counterpart NDA to the Lead Coordinator to hold on behalf of the Respondents.
- The ETI and the Lead Coordinator should each then have a complete set of original, dated, counterpart NDAs.

MULTI-PARTY CONFIDENTIALITY

AGREEMENT

THIS AGREEMENT is made on of 2015

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 Carbon Capture and Storage Programme entitled the “DECC Storage Appraisal Project”;

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

“**Project Contract**” means a Project Contract as such term is defined in the RFP;

“**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;

“RFP” means the request for proposals relating to the Project, issued by the ETI on 17th December 2014; and

“Third Party IP” means any intellectual property rights that are not licensed or owned by a Respondent and identified by a Respondent as relevant to its Proposal.

- 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
 - c 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 the Department for Energy and Climate Change, and either the ETI's or the ETI Affiliates' and Department for Energy and Climate Change's 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 ETI shall be entitled to disclose or make available any Information it receives from a Respondent to any other Respondent where it is necessary for the Purpose.
- 7 Each Respondent shall be entitled to disclose or make available any Information it receives from the ETI or any other Respondent to such of its employees, officers, consultants, sub-contractors, proposed sub-contractors, owners or licensors of Third Party IP 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.
- 8 Each Respondent shall be entitled to disclose or make available any Information it receives from the ETI to any other Respondent where it is necessary for the Purpose.
- 9 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.
- 10 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.
- 11 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
 - c 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.
- 12 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.
- 13 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 trade marks of any other Party in any way without that Party's prior written consent.

- 14 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.
- 15 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.
- 16 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.
- 17 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.
- 18 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.
- 19 Except as provided otherwise, no person may assign any of its rights under this Agreement or any document referred to in it.
- 20 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.
- 21 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

By: _____

Name: _____

Title: _____

Date: _____

Schedule 1

Respondent	Signature
<p>Company Name:</p> <p>Company No:</p> <p>Address of Company:</p>	<p>By:</p> <p>Name:</p> <p>Title:</p>
<p>Company Name:</p> <p>Company No:</p> <p>Address of Company:</p>	<p>By:</p> <p>Name:</p> <p>Title:</p>
<p>Company Name:</p> <p>Company No:</p> <p>Address of Company:</p>	<p>By:</p> <p>Name:</p> <p>Title:</p>

Respondent	Signature
<p>Company Name:</p> <p>Company No:</p> <p>Address of Company:</p>	<p>By:</p> <p>Name:</p> <p>Title:</p>
<p>Company Name:</p> <p>Company No:</p> <p>Address of Company:</p>	<p>By:</p> <p>Name:</p> <p>Title:</p>

The ETI will return a copy of the executed Non Disclosure Agreement to the Sole/Prime Contractor or Lead Coordinator of a Consortium (whichever appropriate). Please provide the relevant name and address for this correspondence below.

<p>Contact for return of executed Non Disclosure Agreement</p>	<p>Send to [name]:</p> <p>At postal address:</p>
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Appendix D – Terms and Conditions of the Contract

There is a general requirement that Respondents provide in their Statements of Compliance information on any proposed clarifications and exceptions to the terms and conditions of the draft Project Contract. Each Respondent should mark-up and comment upon any areas of the draft Project Contract that the Respondent considers to be problematic.

In addition to this general requirement, there are aspects of the Project Contract that are of particular importance to the ETI and that the ETI wishes to highlight in this Appendix D. The ETI expects that each of the Respondents will provide an initial detailed view on these aspects in their Proposal, as part of the Statements of Compliance.

1. INTELLECTUAL PROPERTY

The ETI expects to own all Arising IP and to have rights to Background IP and Third Party IP such that it can use and onward license the Arising IP as set out in Section 5 of the main body of this RfP and specifically to make the Database publically available.

2. IP WARRANTIES AND DUE DILIGENCE

The Project 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 IP due diligence performed and information disclosed.

3. INDEMNITIES

The ETI will invest funds in this Project but has no control over any risks and associated liabilities that may arise from the Project. Therefore the Project Contract contains a number of indemnities in favour of the ETI, including for third party claims and for IP infringement, including in relation to Third Party Data included in the Database and Deliverables. Respondents should review and comment on the indemnity position in their Submission.

The ETI requires that the IP indemnity is uncapped.

4. STATE AID REQUIREMENTS

The Technology Contract has requirements that relate to State aid (through the provision of public monies to the ETI and therefore to the Project). Please see Section 5.6 of the RfP (State Aid). This includes requirements to return ETI funds in certain exceptional circumstances and record keeping requirements. Please note, the ETI cannot award a contract to any organisation unwilling to accept these requirements.

5. PAYMENTS

The Project Funding is only available for costs incurred in the financial year 2015-2016. The Project Contract will relieve the ETI of any obligations to be make payments for costs incurred after 4th April 2016.

6. REPORTING

The ETI requires regular reporting on the progress of the Project and in relation to financial expenditure. Details can be provided from the ETI ahead of the submission of the Proposal but the Respondents must accept the requirements and demonstrate that this has been costed into the Proposal.

Appendix E – Glossary

Term	Definition
Appraisal	Stage of CO2 storage appraisal process as set out in Section 3.1 of this RfP
Arising IP	Any intellectual property which is created by or for any Participant during the Project or for the purposes of the Project.
Background IP	Any intellectual property which existed prior to any Participant's commencement of the Project, or developed subsequently independent of the Project, which is owned by, controlled by or licensed to the Participant.
Background Software Model	A Software Model comprising Background IP.
CCS	Carbon Capture and Storage.
Chief Technologist	The individual as described in Section 4.2.
Consortium	The group of organisations described in Section 5.2 which contract with the ETI to perform the Project. This will not include the ETI itself or any Subcontractors or any other third parties.
Consortium Member	An organisation which forms part of the Consortium.
Consortium Agreement	The agreement to be entered into between the organisations together forming a Consortium, as described in Section 5.2, which governs the execution of the Project within the Consortium.
Database	A database containing the results from Project, as described in Section 4.1 of this RfP.
DECC	Department of Energy and Climate Change
Deliverable	Any deliverable supplied to the ETI on the Project
Derived Data	Data derived during the Project (or through other use of the Software Models or Database) by performing a calculation or calculations on existing data comprising more than one datum point.

Discovery	Stage of CO2 storage appraisal process as set out in Section 3.1 of this RfP
Eligible Costs	Those categories of costs incurred in the performance of the Project that are eligible for payment from the Project Funding (to be set out in the Project Contract).
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.
FEED (or Feed)	Front end engineering design.
Financial Year or FY	A year running from 5 th April of one year to 4 th April the next.
Her Majesty's Government / UK Government	Her Majesty's Government, including but not limited to all of its departments and executive agencies and the devolved administrations of Scotland, Wales and Northern Ireland.
HSE	Health, Safety and Environment.
Identify Leads	Stage of CO2 storage appraisal process as set out in Section 3.1 of this RfP
Lead Coordinator	The organisation which is a Consortium Member, and which manages and coordinates the activities of all the Consortium Members, and which acts as the primary interface between the Consortium and the ETI, as described in Section 5.2.
Maximum Project Funding	The anticipated maximum amount of Project Funding to be made available for the Project.
Member	The ETI's industry members (as identified on the ETI's website from time to time - http://www.eti.co.uk/about-us/), 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).
Milestone	A project milestone with defined constituent deliverables, associated deliverable acceptance criteria, deliverable value and milestone value (all to be proposed in the Respondent's Proposal and subsequently negotiated/agreed in the Project Contract) which should be completed in order to reach the said milestone, and upon successful completion of which, subject to acceptance by the ETI that the milestone has in fact been reached, payment may be claimed from the ETI.

Non-Disclosure Agreement (or NDA)	A non-disclosure agreement in the form provided at Appendix C.
Participant	Either the Prime Contractor or a Consortium Member.
Participant Data	Data owned by a Participant.
Prime Contractor	A sole organisation which contracts with the ETI to perform the Project, together with (subject to ETI approval) Subcontractors.
Programme	The ETI Carbon Capture and Storage Programme that includes the Project.
Programme Manager	The individual appointed by the ETI to manage the Programme and to whom the Project Manager is accountable.
Project	Project activities governed by any contract(s) arising from this RfP.
Project Commissioning Process	The ETI's process for commissioning the Project, including as described at Section 6.
Project Contract	The contract, as described in Section 5, to be entered into between the ETI and the Participants (Consortium Members or Prime Contractor, as appropriate).
Project Funding	The amount to be made available by the ETI on behalf of DECC to the Project, up to the amount of the Maximum Project Funding.
Project Manager	The individual as described in Section 4.2.
Project Results	Any or all Deliverables provided to the ETI.
Project Shaping, Due Diligence and Contract Negotiation Stage	The Project Contract negotiation stage of the Project Commissioning Process, as described at Section 6.3.
Proposal	The proposal for the Project submitted to the ETI, in response to this Request for Proposals.
Prospect	Stage of CO2 storage appraisal process as set out in Section 3.1 of this RfP.

RfP	This Request for Proposals.
Respondent	The organisation(s) submitting a Proposal to the ETI (i.e. a proposed Prime Contractor or a proposed Consortium Member).
Review Point	A project review involving Project Participants 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.
Selection Panel	The selection panel described at Section 6.2.4 (first selection panel) or Section 6.3 (second selection panel).
Stage Gate	A major project Review Point involving Project Participants 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.
Statement of Compliance	The statement of compliance required by the ETI, as described at Section 7 and at Appendix A, Annex A3.
Software Model	A software model produced during the Project which can be run and/or further modified by a future user. The model may be stand-alone (e.g. a .exe file) or may require a commercially available software platform to operate (e.g. Excel, Eclipse, Petrel).
Subcontract	A contractual arrangement between a Participant (described in Section 5.2) 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 Section 7 of the RfP, including the Proposal, submitted by the Respondent(s) 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	A party other than a Participant or the ETI
Third Party Data	Third Party IP in the form of data or databases.

Third Party IP	Intellectual property rights owned by a Third Party.
Third Party Software	A software platform which may be required to run a Software Model (e.g. Excel, Eclipse, Petrel) or enable a database to operate or be interrogated
Third Party Software Model	A Software Model comprising Third Party IP.
Total Project Cost	The amount proposed by Respondents as the total cost of the Project.
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.