



Programme Area: Smart Systems and Heat

Project: Consumer Response and Behaviour

Title: Request for Proposals

Abstract:

A request for proposals for the Consumer Response and Behaviour project.

Context:

The delivery of consumer energy requirements is a key focus of the Smart Systems and Heat Programme. The Consumer Response and Behavior Project will identify consumer requirements and predict consumer response to Smart Energy System proposals, providing a consumer focus for the other Work Areas. This project involved thousands of respondents providing insight into consumer requirements for heat and energy services, both now and in the future. Particular focus was given to identifying the behaviour that leads people to consume energy - in particular heat and hot water. This £3m project was led by PRP Architects, experts in the built environment. It involved a consortium of academia and industry - UCL Energy Institute, Frontier Economics, The Technology Partnership, The Peabody Trust, National Centre for Social Research and Hitachi Europe.

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Request for Proposal (RfP)



Title of Services for which Proposals are Requested: Consumer Response and Behaviour
Request Issue Date: 29 March 2012
Deadline for Notification of Intention to Submit a Proposal: 3 May 2012
Closing Date: Proposals must be received before 4pm on 25 May 2012
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1. Introduction and Overview of ETI Requirements

1.1. Introduction to the Energy Technologies Institute

The Energy Technologies Institute (ETI) is a public-private partnership between global industries – BP, Caterpillar, EDF, E.ON, Rolls-Royce and Shell – and the UK Government

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

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

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

1.2. Background

Energy systems have developed to meet domestic and commercial consumer needs for energy services such as comfort, mobility, cleanliness, lighting, entertainment, manufacturing, sales etc. The requirements for space and water heating, along with mobility dominate the UK's current energy demand and associated contribution to greenhouse gas emissions.

The current UK energy system could be characterised as having:

- good reliability and availability;
- relatively good control over energy production profiles at the supply end;
- limited control over energy consumption profiles at the demand end;
- tolerance to large variations in demand through the day and year, with little supply / end-use utilisation at the overall energy system level;
- dependence on carbon intensive energy sources;
- housing stock with low thermal efficiency;
- mobility dominated by petrol/diesel fuelled internal combustion engines; and
- little opportunity for consumer-end participation.

Improving the management and optimisation of energy demand, generation and infrastructure is likely to be critical to delivering the UK's long-term energy targets in an affordable way. This is particularly relevant given the major changes that are expected to take place during the UK transition towards a low-carbon economy.

The potential implications of the transition include the decarbonisation of the electricity grid, increasing electrification of heat, greater diversity of energy sources, greater intermittency in electricity supply from renewable resources, and the diversification of transport fuel sources.

The challenge is to develop a system wide low-carbon solution that meets the requirements of future energy consumers in an affordable way, provides energy security and has an effective commercial foundation.

Smart Energy System

There is therefore a significant opportunity for the development of a 'smart energy system' which:

- is based upon consumer requirements for energy based services, and also meets UK climate change targets;
- incorporates power, heat, transport and the energy infrastructure;
- includes energy demand, supply, delivery and storage; and
- integrates energy control and management across the system.

However, the required functionality and shape of Smart Energy Systems relevant to the UK energy system is currently unclear and needs further investigation. Furthermore, the broad commercial viability of Smart Energy Systems in the UK context is yet to be demonstrated.

Based on prior work undertaken by the ETI it is expected that a UK smart energy system development would have four key themes:

- understanding real mass-market consumer behaviour, requirements and profiles in order to design and communicate effective service products;
- the provision of energy services and integrated products (i.e. the physical elements) to consumers in domestic and commercial buildings (primarily domestic & retrofit);
- key focus on space and water heating (comfort, cleanliness), but including other energy service needs in or connected to buildings (e.g. vehicle charging); and
- understanding the evolution of the whole energy system out to 2050, including buildings retrofits and energy distribution system choices.

1.3. Purpose of the Consumer Response and Behaviour Project

Future energy systems will deploy new technologies and business models, as well as potentially feature a much greater degree of consumer involvement in the provision and management of energy based services during the period to 2050. It is therefore important to understand the energy related lifestyle services that consumers require such as comfort, mobility, entertainment etc; the potential for changes to lifestyle; the preferred characteristics of their interactions with the energy system including control system ergonomics; the design features of successful consumer focused energy products; and the likely barriers to changes in technology and products.

The outputs of the project, in conjunction with existing and planned ETI projects will deliver the following:

- an optimum and flexible smart system design that is robust in future scenarios;

- an evidence base that will influence UK and European policy;
- innovations that are positively embraced by consumers;
- an assessment of the conditions under which a smart system will be favourable for or acceptable for consumers;
- an assessment of consumer response to various systems proposals; the identification of key consumer risks and barriers; and
- consumer learning and insights to participants progressively throughout the project.

Further information and context including the links to other ETI projects will be provided by the ETI at the bidders workshop.

1.4. ETI approach to Health & Safety

The health and safety of those who may be affected by ETI Projects is of paramount importance to the ETI. The ETI expects those who receive ETI funding to demonstrate a commitment to best practice in health, safety and environmental management as well as demonstrating that legal requirements are met.

The ETI expects that:

- all Respondents will demonstrate their approach to health, safety and environmental matters throughout any Proposal to the ETI;
- any successful Participant(s) to work with the ETI throughout any ETI Project to assure the ETI that health, safety and environmental risks are being managed appropriately.

1.5. Aim and Objectives

The aim and objectives of the project are detailed below. These form a core reference point against which the definition and outcomes of the project need to be referred to at key stages of development and delivery. The aim and objectives will be achieved through the delivery of the project Required Activities and Outcomes as detailed in Section 1.6.

Aim

To exploit current understanding and develop new knowledge of human behaviour in energy-use technology and system contexts in order to directly increase the likelihood that Smart Energy System designs are a success.

A successful design must meet the requirements set by climate change targets, energy security needs and cost constraints, whilst meeting consumer requirements and minimising the impact on consumers' lifestyle expectations.

This aim will be satisfied through the achievement of the following objectives:

- Understand consumer behaviour in a socio-technical energy system context and explain how consumer lifestyle requirements influence the optimal delivery of energy services, using primary and secondary data.

- Develop energy services solution scenarios that deliver consumer lifestyle requirements/reflect socio-technical evidence on behaviour and satisfy the requirements of a successful system design.
- Use the solution scenarios to explore varying consumer response to potential energy system solutions, effectively assessing the consumer response to these 'interventions'.
- Gain consumer insights that inform other ETI projects in the Smart Systems area; inform and evaluate proposals to be tested in potential future ETI work; and that can be used to develop effective Smart System propositions and policy.

Engagement with other proposed ETI projects to ensure that the findings of this project provide a consumer focused foundation for their activities is seen as essential.

Scope

The work is bounded by the future needs of energy security, affordability and the achievement of national climate change targets.

The scope of this work encompasses all domestic energy use within the confines of the property, including energy delivered to (and from) vehicles. It includes all customer classes and urban / rural situations, with particular emphasis on the upgrading of existing building stock.

Commercial consumer use incorporates consumers of the type typically found within largely residential communities. This excludes industrial production, but includes all commercial building services along with any energy delivered to vehicles within the site. (e.g. hotels, public houses, embedded retail, schools, offices typically with an electrical demand less than 500kW).

The solution scenarios will incorporate a range of interventions requiring assessment. The interventions of interest include the means of energy delivery, energy information system requirements (e.g. energy use data, billing etc), pricing structures, and local control systems (e.g. heating control etc).

1.6. Required Activities and Outcomes

Robust and innovative methods for delivering the stated aim and objectives are encouraged, however it is anticipated that the aims and objectives will be achieved through the completion of the following activities:

Review of Existing Literature and Studies

A review and synthesis of existing literature, data and studies in the field of consumer behaviour, including consumer attitudes, responses to initiatives, preferences and decision-making processes.

Sources of information should include but not be limited to - formal and informal literature, UK based and international studies, and consumer research. Importantly these sources must incorporate both non-energy and energy related behavioural environments.

The review should ascertain state of the art of research approaches in the field and inform the structured development of research approaches that can be used to build upon the current

understanding of consumer behaviour, requirements and response in the Smart Energy Systems context.

Furthering Understanding of Consumer Requirements

Building on the literature review, the structured identification of fundamental domestic and commercial consumer requirements that have resultant energy use behaviour. This activity should be informed by existing studies (as identified in the Literature Review activity). Any priority gaps in existing knowledge should be filled through primary research/field experimentation. The research approaches identified and developed in the review of theory and practice should be employed in the primary research. A range of approaches should be used to ensure scientific rigour, including observational approaches.

Consumers exhibit certain energy use behaviour to fulfill basic, lifestyle or business requirements (e.g. personal cleanliness – bath / shower time and duration, household ventilation – a range of individual preferences). This project should identify the fundamental consumer requirements that are being satisfied by exhibited behaviour. Where appropriate, the analysis will include the development of suitable metrics for the objective analysis of consumer requirements.

External Factors

The evaluation of different constraints and opportunities that the future external environment will place on consumers in several spheres (political, economic, social, technological, legal and environmental). These constraints and opportunities may change the consumer expectations such that their requirements are modified and they should be identified.

The analysis should use historic case studies and future projections (up to 2050) in understanding how external factors have modified consumer requirements in the past and might modify consumer requirements in the future. Engagement with existing and planned future ETI projects will inform the identification of relevant technological developments; existing futures work should be used as a basis for scenarios.

Note that this project does not call for the creation of projections concerning energy system developments, as the ETI will provide guidance on future energy system developments as required.

Consumer Grouping

It is envisaged that this project would take the form of the design of robust response-based consumer analysis that places consumers into different types groups to enable the proposal and implementation of pragmatic energy provision solutions that meet consumer and energy system requirements. Developed profiles will be useful for understanding effective ways of delivering solutions to different groups in different contexts and for large-scale projects that would require consumer sampling approaches.

Consumer profiling activity should be informed by the learning from the review, synthesis and analysis aspects of the project.

The profiling analysis should be revised to include learning from the development and testing during the 'Solution Scenarios' and 'Assessment and Evaluation of Scenarios' stages, the

development of consumer profiles is seen as an iterative and evolving process. Consumer profiling should ensure that proposed solution characteristics are pragmatic.

Solution Scenarios

The development of an appropriate number of Energy System solution scenarios that focus on the delivery of a particular consumer requirement (e.g. warmth, mobility) and are informed by the first four required outcomes (Review of Existing Literature and Studies, Furthering Understanding of Consumer Requirements, External Factors and Consumer Grouping).

The solution scenarios should be used to explore likely responses from consumers to a potential energy system design and to approaches employed in the implementation of such a system.

The understanding of the consumer-energy system relationship should be informed by the analysis of: consumer response to potential energy system solutions; consumer engagement strategies; implementation strategies of solutions; consumer-driven barriers to Smart System developments; consumer attitudes to drivers from the external environment.

The scenarios could be used in the development of a model of consumer response and therefore to inform the evaluation of proposed Smart Energy Systems solutions.

Assessment and Evaluation of Scenarios

A method for, and an assessment of the validity of the model developed from the Solution Scenarios analysis; validity derived from appropriately defined assessment criteria.

The evaluation process should consolidate the understanding of consumer requirements, activities and response for the iterative derivation and testing of Smart Energy Systems solutions. The design of the process should incorporate the application of all of the learning and concepts developed within the study.

The requirements and response model developed in the Solutions Scenarios should be validated through experimental consumer engagement (for example, using small group pilot testing or pilot groups).

The Solution Scenarios and Evaluation process should inform the definition of Solution Characteristics. The Evaluation process should be designed to be sufficiently flexible that it can be modified to reflect improved concepts and datasets (and should evolve with these improvements).

Solutions Characteristics

The application of the insight into consumer response to define key solutions characteristics of novel and plausible consumer offerings. Consumer offerings include technologies, products, services, communication strategies etc. that will deliver a successful Smart Energy System deployment (i.e. a deployment that meets the requirements set by climate change targets, energy security needs and cost constraints; while minimising the impact on consumers' lifestyle expectations). The discussion must include identification of risks and barriers to the implementation of such solutions. The characteristics (along with the other outputs of the Consumer Response and Behaviour project) should provide a consumer focus for a Smart

Energy Systems solution design. The description of solution characteristics should include analysis of how solutions would be most effectively implemented.

Characteristics should include a discussion of consumer aspects that would influence the selection of trial areas for a Smart Energy Systems demonstration.

Deliverables

The specific deliverables should be proposed by the Respondents and these will be finalised as part of the negotiation process. Reports should include a detailed technical report and a comprehensive executive summary that highlights key points. Note that the learning from the project will be used by other projects and will therefore be used by individuals that do not have a social science background. Communication of key results to these individuals is seen as crucial if the findings of the project are to be used effectively.

Elements of the energy landscape will continue to change rapidly throughout the course of the work, and it is important to ensure appropriate agility within the project in terms of the prompt release of outputs and appraisal of direction. It is expected that learning will accrue throughout the project, and a series of stage gates is envisaged to ensure the appropriate release of information, and to maintain project direction.

As a minimum, the deliverables are likely to include:

- A report detailing the results of the literature review.
- A report outlining the evidence based research approach methodology to be used in the identification of consumer requirements.
- A report detailing the work carried out identifying the external constraints that will most influence consumer behaviour and requirements.
- A report detailing the consumer grouping activity; include descriptions of consumer profiles, details of the process used for profiles creation and methodology for the use of consumer profiles as outlined in the technical requirements.
- A report detailing:
 - the solution scenarios generation process, including assumptions used and reasoning behind decisions; and
 - the understanding gained from the use of the solutions scenarios as described in the technical requirements.
- Models of consumer response in the solution scenarios; plans for the continuing use of the model including the inclusion of new data.
- A report assessing the validity of the findings from the solution scenarios analysis, the generalisation of response models and the predictive power of these models (including description of activities used in the validation process).

- A report detailing characteristics of Smart Energy solutions that enable the design and implementation of a successful Smart Energy System, from a consumer perspective and appropriate to the external constraints.
- Criteria for the identification of a suitable demonstration location for a subsequent large scale Smart Energy System demonstration project; such that the demonstration incorporates an appropriate cross-section of consumer profiles.

1.7. ETI and State Aid

Funding from the ETI for this project may constitute state aid. The ETI has a specific state aid clearance from the European Commission. In relation to their Proposals, Respondents should note:

- Further information may be required to support the specific state aid requirements of any Proposal during the procurement process.
- Successful Respondent(s) will be 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.
- Participants will need to agree to certain contractual obligations related to the state aid requirements including the duration of Project records and obligations to return ETI funding in certain exceptional circumstances.

1.8. Project Organisation Structure

It is anticipated that a number of participant organisations / entities will be required to work together in order to provide all the necessary knowledge, skills, experience and inputs to complete the Project.

Organisations may choose either of the following organisation structures:

Prime Contractor: a single organisation acting as ‘Prime Contractor’ who shall form a contract with the ETI, and shall manage the Project and act as primary interface with the ETI with other organisations (as appropriate) contracting as Subcontractors to the Prime Contractor;

Consortium: multiple organisations contracted with the ETI, governed by its own Consortium Agreement and led by a ‘Lead Coordinator’ to manage the Project and act as primary interface with the ETI (each Consortium Member may have Subcontractors).

The proposed Prime Contractor or Lead Coordinator shall also act as the Respondent for the purposes of this Request for Proposals. This organisation shall appoint a Project Manager to lead and coordinate all activities of the Participants, and to liaise regularly with the ETI’s Programme Manager to whom he/she is accountable on behalf of the Participants. The Consortium must also appoint a Chief Technologist (the responsibilities of these two key individuals are described in Section 3.2 of Appendix A).

The Consumer Response and Behaviour RfP is one of a number of other related projects which will be launched by the ETI. The ETI will provide further information on the arrangement of work

with these projects at the bidders workshop. This will include a cross-projects forum which will need to be attended by (but not limited to) the Chief Technologist and Project Manager from each project, together with representatives from the ETI and external technical advisors.

Under either contracting arrangement, it is critical that the Lead Coordinator or Prime Contractor is sufficiently empowered to lead the Project and accept accountability for delivery to the ETI. It is also important that the arrangements enable sufficient flexibility for ongoing delivery optimisation to maximise value for money and achieve the project aims and critical success factors. In the case of option (2), in which there is no natural contractual hierarchy, bidders are required to explain fully in their Proposal the agreed principles of their Consortium Agreement.

2. Procurement Process and Estimated Timeframes

2.1. Response to Request for Proposal

An 8 week period has been allowed for Respondents to provide a Proposal according to the structure set out in Appendix A and other components of the Submission set out in Section 3.1.

Respondents are required to enter into a Non Disclosure Agreement (NDA) with the ETI before submitting their Proposal. The form of NDA is provided in Appendix E. A clean copy is available on request from the ETI. Signed NDAs, which will be taken as formal notification of the intention to bid, should be returned to the ETI at latest by 3 May. On return of the signed NDA, the ETI will send out the full draft Project Contract (see also Appendix B for a summary of contract terms and Appendix D in relation to the Statement of Compliance).

Respondents are encouraged to seek advice from the ETI to ensure full understanding of ETI requirements. A compulsory project briefing and workshop will be held in week commencing 23rd April at Loughborough. This will include a briefing session on ETI requirements and the opportunity to network with other potential project participants. The discussions at the workshop will be on a non-confidential basis. The ETI is willing to offer subsequent meetings to discuss matters on a confidential basis following receipt of a signed NDA.

Any advice or clarifications of ETI requirements requested by and provided to any Respondent will be made available to all Respondents to ensure parity of information. Respondents should consider presenting requests for advice and clarifications in a way that the ETI can respond to all Respondents without comprising bidders confidential information.

Following the closing date, the ETI will convene a Selection Panel to recommend which Respondent(s) should proceed to project shaping and contract negotiations based on the Selection Criteria (see Section 3.2). Respondents may be requested to make a presentation to ETI and the Selection Panel to support information provided through this Request for Proposal.

2.2. Project Shaping and Contract Negotiation

Following selection, the ETI will invite at least one Respondent (or Respondents) to enter into a phase of project shaping, which includes due diligence and contract negotiations which may be on a competitive basis. An overall period of 8 weeks has been allowed for this phase. See the tables in 2.3 for further details relating to anticipated dates.

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

- negotiation and agreement of the detailed commercial offer;
- detailing of the proposed technical programme, including definition of deliverables and acceptance criteria;
- detailing and agreement of Project Stage Gates, where project performance, will be critically reviewed and decisions taken on whether to proceed with the Project;
- detailing and due diligence relating to the breakdown of costs of the Project;
- further intellectual property due diligence;
- other due diligence activities as required: refer to Appendix C for further details;
- negotiation and agreement of outstanding contractual issues;
- agreement (and approval by the ETI) to terms of other key contractual arrangements (eg Sub-contracts, Consortium Agreement);
- gaining all necessary Respondent and ETI approvals to undertake the project; and
- any further information or assessment that may be necessary to meet state aid requirements.

As part of the above process, if more than one set of Respondents is taken into contract negotiations, it is likely that the ETI will provide the remaining Respondents with an opportunity to present a Final Detailed Offer to the ETI, addressing all technical, commercial, legal and financial issues. Subject to acceptance by the ETI, that final Detailed Offer will form the basis of the Project Contract.

2.3. Procurement and Project Timeframes

The following tables outline the anticipated schedule for the procurement process. They also include anticipated dates when project resources will be required to attend shaping and contract negotiation meetings with the ETI.

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

Request for Proposal and Selection	Anticipated Date(s)
Issue of Request for Proposal	29 March 2012
Deadline for application to attend briefing session and workshop	16 April 2012
Project briefing session and workshop	w/c 23 April 2012
Deadline for submitting intention to submit a proposal (via return of signed Non-Disclosure Agreement)	3 May 2012
Closing date for submission of proposal	25 May 2012
Presentation of final detailed offer to ETI (if applicable)	26 June 2012
Preferred Respondent(s) Notified	29 June 2012

Project Shaping and Contract Negotiations	Anticipated Date(s)
Appropriate resources required at following meetings:	
Total duration for project shaping and contract negotiations	8 weeks
Technical meeting 1	10 July 2012
Technical meeting 2	24 July 2012
Technical Meeting 3	16 Aug 2012
Legal/finance/health & safety meeting 1	10 July 2012
Legal/finance/health & safety meeting 2	24 July 2012
Legal/finance/health & safety meeting 3	16 Aug 2012

Project Start	Anticipated Date(s)
Contract signature target date	w/c 8 October 2012
Project start	29 October 2012

3. Request for Proposals Process and Terms

3.1. Content and Format of Submissions

Interested organisations are required to make a collective Submission through their nominated Respondent as described in Section 1.7 above. The Submission shall comprise five components.

- Detailed Proposal, arranged according to the structure set out in Appendix A. The content must clearly demonstrate how the bidding organisation/Consortium will meet the requirements and criteria set out in Sections 1 to 4 of this Request for Proposal. The Proposal must be written in a succinct manner and must not include imprecise statements, generalities or repetition. The Proposal must be easily readable with appropriate font sizes (11pt or larger), margins, etc, and **shall not exceed a maximum of 40 pages**.
- Supporting information as specifically set out in Appendix A.
- Risk Register, as described in Appendix A, Section 10.
- Due-diligence information as set out in Appendix C;
- Statement of Compliance and, if appropriate, supporting information, confirming compliance with or identifying exceptions to the specification or contractual requirements, as set out in Appendix D. This must be signed by the 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 consist of **three (3) hard copies, with each component separately bound, and one (1) electronic copy**. The latter shall be provided in both PDF and Microsoft Word formats.

3.2. Acceptance, Review and Selection of Proposals

3.2.1 Selection Criteria

Proposals will be reviewed and judged primarily against the criteria listed below, and the supporting evidence supplied. Failure to meet minimum standards in any criterion may result in the ETI rejecting a Proposal.

- Compliance with terms and conditions, including any intellectual property issues (such as acceptance of ETI IP terms, or the existence of any IP issues which may affect the ability to carry out the project and exploit the results).
- Specific technical criteria:
 - Demonstrated knowledge and capability in the field of consumer and/or social science research in an energy context including quantitative and qualitative analytical and field (observational and experimental) methods.

- Experience of futures work in energy systems—in particular Smart Energy Systems.
- Record of successful research projects in a consumer-focussed energy system context.
- Demonstrated ability to deliver project outputs successfully in multi-disciplinary teams and across project boundaries within the energy system context.
- Generic criteria
 - Availability and stability of deployable resources to mobilise sufficiently rapidly and for sufficient durations
 - Record and ability in quality, timely and on-budget delivery (of technology programmes) to the full satisfaction of the main stakeholders
 - Knowledge and previous experience of industry, environment, technologies, and of this type of study, etc
 - Ability and experience in collaborative working
 - For the lead organisation particularly, project management expertise
 - Viability and strength of the project governance model
- Completeness of information content, structure and quality of the Proposal (against areas listed in appendix A).
- Robust project approach, organisation and plan to deliver the aim and objectives of the project. It is expected this will include as a minimum the proposed management of specific risks and issues and if relevant the strength of the Consortium or Subcontractor participants engaged in the Project. Note smaller consortia will be viewed more favourably at selection than large consortia, with the expectation that any organisation with less than 30% of the overall budget will be a sub-contractor to another participant.
- Gantt chart (including montecarlo analysis or other equivalent robust project risk analysis too) and suitable payment milestones (if appropriate).
- Record and ability in quality, timely and on-budget delivery.
- Value for money for the ETI and confidence in achieving outcomes versus price.

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

3.2.2 Selection Process

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

As part of its evaluation process, in addition to ETI staff, the ETI may convene a Selection Panel, comprising experts selected by the ETI to provide the necessary expertise to consider the technical, commercial, legal and financial aspects of each bid. This may include experts drawn from ETI Members, Programme Associates and third parties.

As part of Project Detailing and Contract Negotiation, Respondents may be required to provide a Final Detailed Offer. In such a case, the ETI may convene a second Selection Panel and the Final Detailed Offer(s) will be reviewed against the Selection Criteria.

3.3. Disclaimer Notice

- The ETI at its discretion may request clarification of a Proposal, and may reject any Proposal which is unclear.
- Neither the issue of any documentation in the Request for Proposals process nor any of the information presented in it should be regarded as a commitment or representation on the part of the ETI or any other person to enter into a contractual arrangement. The Request for Proposals is not an agreement to purchase goods or services, and the ETI is not bound to enter into any contract with the Respondent. By responding to this Request for Proposals, the Respondent does not commit itself to entering into a contract with the ETI.
- All decisions made by the ETI relating to the acceptance, review and selection or otherwise of Proposals are final.
- 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 E). No part of a Proposal, or documents provided by Respondents, shall be returned.
- The ETI reserves the right to:
 - (i) change the basis of, or the procedures for, the Request for Proposals process, including the timetable or Closing Date;
 - (ii) make modifications to, or alter any of the information within, the Request for Proposals at any time until the execution of the Project Contract;
 - (iii) reject any or all of the Proposal received; and
 - (iv) not invite any Respondent to proceed further.
- In cases (i) and (ii) the ETI shall provide a minimum of five working days written notice.
- Neither the ETI nor any of its agents or advisers accepts any liability or responsibility for the accuracy, adequacy or completeness of any of the information provided or any opinions contained in this Request for Proposals or of any other information made available during the Request for Proposals process. No representation or warranty, express or implied, is or will be given by the ETI or any of its agents or advisers with respect to such information provided or opinion given therein. Any liability is thereby expressly disclaimed.

- Respondents must assess the information and terms contained in this Request for Proposals independently, having taken professional advice if necessary. The Respondent will be deemed to have examined all the documents enclosed with this Request for Proposals and by its own independent observations and enquiries will be held to have fully informed itself as to the nature and extent of the requirements of the Request for Proposals. The Respondent must rely on its own enquiries and on the terms and conditions contained in any agreement, when and if finally executed, subject to such limitations and restrictions as may be specified therein.
- Respondents shall be wholly responsible for the costs they incur in the preparation and submission of their responses to the Request for Proposals. The ETI shall not be responsible for, and shall not pay, any costs and expenses which may be incurred by the Respondent in connection with its participation in the Request for Proposals process, including but not limited to any costs or expenses incurred up to the execution of the Project Contract.
- The ETI may, at its discretion, shortlist Respondents for the next phase. The ETI does not undertake to accept the lowest bid or to accept part or all of any Proposal and the acknowledgement of receipt of any Proposal shall not constitute any actual or implied agreement between the ETI and the Respondent.
- The submission of a Proposal will confirm acceptance of the foregoing provisions by the Respondent without qualification. Any attempt to qualify any of the foregoing provisions in this Disclaimer Notice, either expressly or impliedly, may result in a Respondent being disqualified.
- The copyright in the documentation and any other materials supplied by the ETI and/or its advisers in this Request for Proposals process, in whatever format, belongs to the ETI or its appointed advisers. Such documentation and materials may not, either in whole or in part, be copied, reproduced, distributed or otherwise made available to any other third party or used without the prior written consent of the ETI, except in relation to the preparation of the Proposal in the course of the Request for Proposals process. All documentation supplied by the ETI in relation to this Request for Proposals process must be returned on demand, without any copies being retained by the Respondent.
- This Request for Proposals, and any dispute or claim arising out of or in connection with it (including any dispute or claim relating to non-contractual obligations), shall be governed by and construed in all respects in accordance with the laws of England and Wales and the parties agree that the Courts of England and Wales shall have exclusive jurisdiction to settle any dispute or claim arising out of or in connection with this document (including any non-contractual disputes or claims).

4. Project Funding and Payment

Any funding to be paid by the ETI for this Project will be paid on a “**cost capped**” basis. The project Contract will include defined deliverables, with acceptance criteria, and defined Payment Milestones by which one or more deliverables will have been completed. Payments will be made against each defined Payment Milestone, subject to ETI acceptance of the Milestone Completion Report.

The ETI is willing to fund suitable bonus payments to participants for the on time delivery of key milestones which meet in full the acceptance criteria defined in the Project Contract. The Respondents should propose an approach which they deem to represent value for money to the ETI and note that this is likely to be in lieu of rights to the Arising IP.

Unless otherwise agreed as part of a formal contract variation process, the ETI shall not be liable for any payments above the maximum stated in the Project Contract.

Further information is contained in the Terms and Conditions contained in Appendix B.

5. Terms and Conditions for Project Contract

Terms and Conditions for Project Contract

The Project Contract shall incorporate appropriate information from the ETI's RfP, the Respondent's Proposal and information drawn up and agreed during the Project Detailing and Contract Negotiation Stage.

As indicated in Section 2.1, Respondents are invited to submit a notification of their intention to bid, together with a signed non-disclosure agreement in the form included at Appendix E of this RfP. On receipt of the properly executed non-disclosure agreement, the ETI will release the full terms and conditions of the draft Project Contract to the Respondent. The Respondents are required to confirm their acceptance of (or identify any exceptions to) the terms and conditions of the full Project Contract in the Statement of Compliance (see Appendix D).

Any third party funding agreements and, dependent on the selected Project structure, the Consortium Agreement between the Consortium Members and/or material subcontracts will require review and approval by the ETI prior to signature of the Project Contract with the ETI.

Commercial and Legal Requirements

There are aspects of the Project Contract that are of particular importance to the ETI. The ETI expects that the Respondents provide an initial detailed view on these issues in any proposal as part of the Statement of Compliance, particularly areas where the ETI's position is considered to be problematic for the Respondents. A summary of the ETI's draft contract and approach to Intellectual Property is given in Appendix B. Copies of the draft Project Contract are available to Respondents on execution of the ETI's Non Disclosure Agreement (see Section 2.1). The most important issues that the ETI would like to highlight for initial consideration are as follows.

Intellectual Property

This project will be critical to drive direction and input into the other projects that will be closely linked. In order to feed the outputs of this Project into the other linked ETI projects, the ETI requires that the Arising IP in this Project are owned by the ETI. The ETI will provide licences, for example for academic teaching and research, to Project Participants on request.

The Respondent should note that it is a standard requirement:

- that Project Participants are provided with a royalty free licence to Background IP required for the purposes of undertaking the project;
- that relevant Project Participants, ETI, ETI Members and ETI Programme Associates have licensed access to any Background IP or Third Party IP that ETI, its Members and Programme Associates will require solely in order to use the Arising IP in the later ETI projects;
- Where Respondents propose that Participants will have a licence to commercially exploit Arising IP a royalty would be expected as part of the commercial offer to the ETI, its Members and its Programme Associates.

In the event that a Respondent does make any Proposals to offer an alternative to these standard requirements, the Respondent must set out details of the exception together with:

- (i) reasons for the proposed exception; and
- (ii) how this will achieve ETI's wider programme objectives.

In these circumstances, the ETI requests that in addition, the Respondents set out the alternative value offered to the ETI Members and ETI Programme Associates in return for waiving these rights. In any such case, the ETI strongly recommends that proposed Respondents discuss any alternatives with the ETI ahead of submission of a Proposal to ensure that any material concerns the ETI may have which would impact on the success of a Proposal are considered.

Indemnities

The ETI will fund 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 for the ETI including for third party claims and for IP infringement. The ETI will consider caps on the third party claims indemnity that are proportionate to the risk and this is expected to be different to the contract value. The ETI will not accept a cap on the IP infringement indemnity.

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 due diligence performed as further set out in Appendix C of this Request for Proposal.

R&D Tax relief

The ETI's Industry Members (as partners in a limited liability partnership) and Programme Associates can claim R&D tax relief in return for funding provided to the ETI that is spent on research and development on ETI projects. Therefore the ETI requires that Project Participants provide details of the amount of funding that is spent on R&D.

State Aid Requirements

The Project Contract has requirements that relate to state aid (through the provision of public funding to the ETI and therefore to the Project). Please see Section 1.7 above. This includes the 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.

Appendix A Content and Format of Proposals

1. Executive Summary *[typically 1 pages]*

A summary of the Proposal, describing briefly

- the organisation(s) undertaking the work;
- summary of the technical approach and **key** deliverables;
- confirmation that the proposal will be able to deliver the Required Outcomes as described in section 1.4 of the Request for Proposals and / or brief summary of **key** exceptions / deletions;
- duration of the Project;
- total cost of the Project.

2. Project Objectives *[typically 0.5 pages]*

The overall Project objectives will be as specified in the Request for Proposals. The Respondent may provide subsidiary objectives if they think this is appropriate. The Respondent should also describe any Critical Success Factors which either characterise a successful Project outcome or which are required to facilitate a successful Project outcome.

3. Background to Proposed Participants

3.1 Project Participants

The Respondent should provide a brief description of each of the proposed Participant organisations, including any major Subcontractors, ***[maximum 1 page per Participant/Key Subcontractor]***, including:

- key skills, knowledge, experience and previous track record in the area (technical, commercial and project management, etc);
- key staff members involved (including a designated Project Manager), with the amount of each individual's time which will be dedicated to the Project, and detailing their experience – with CVs included in an Appendix (maximum 2 pages per individual);
- alternate resources available to be deployed in the event that the above key members become unavailable;
- relevant quality, health, safety and environment management systems.

3.2 Key Individuals and Roles *[maximum 1 page per key individual plus summary CVs as an appendix]*

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

The Project Manager is responsible for managing and progressing the project team and programme 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 this 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 responsibility is to assure the technical quality of the project and its outcomes.

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 ETI expects these two roles to be filled by the same people throughout the life of the project.

Respondents should identify specific individuals for these key positions, including deputies, and other key roles as appropriate. Respondents should state the amount of each individual's time which will be dedicated to the Project, and detail their experience – with CVs included in an Appendix (maximum 2 pages per individual).

3.3 Collaborative Working

If the Project is to be undertaken by a group of organisations (whether as a Consortium or where there are Subcontractors), a table **[typically ½ page]** should also be provided to identify which Participant(s) is/are proposed to satisfy each of the specific criteria (skills, experience, etc) listed in the 'Criteria for Review and Selection of Proposals' section of the Request for Proposals.

Also if the Project is to be undertaken by a group of organisations (whether as a Consortium or where there are Subcontractors), evidence of previous collaborative working (or subcontract management as appropriate) should be provided, both within and outside the Participant group **[typically ½ page]**.

4. Project Organisation [maximum 2 pages]

The Respondents should indicate their intended Project organisational structure (refer to Section 1.7 of the Request for Proposals) and set out, in detail, the governance and control structures and processes that will be put in place.

The Respondent should indicate in the structure each Participant (including the ETI) and the position of the key individuals identified in Section 3 (including the Project Manager and Chief Technologist).

The Respondent should identify in their Proposal any foreseen issues or difficulties in executing any part of the contractual structure (including funding agreements, subcontractors and/or the Consortium Agreement).

5. Programme of Work [maximum 5 pages]

The Respondent should provide a summary of the overall approach to delivery of the Project, and a Task-by-Task breakdown of the proposed work, identifying for each Task:

- the Task leader;

- other Participants involved;
- key dependencies;
- the technical approach (including use of any specific methodologies, techniques or tools);
- Task objectives;
- deliverables, including for each deliverable a specification (e.g. quality, appearance, scope, function and purpose as appropriate) and proposed Acceptance Criteria. Subject to agreement with the ETI these acceptance criteria will be the basis for payment to Participants for each Project milestone and deliverable.

The Respondent should be specific about the activities within the Task.

Any issues or assumptions in defining the programme or 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 Project delivery the ETI will require reports of monthly progress with supporting financial data, reports to substantiate completion of each milestone, etc.***

If appropriate, a work flow diagram should be provided to illustrate the relationships between Tasks.

Any relevant activities related to but not included within this Project, and the relationships with these activities, should also be described.

6. Deliverables and Payment Milestones *[typically 1 page]*

Following the detailed specifications of each deliverable in the previous section, a summary table should be provided here listing all the Project Payment Milestones (i.e. key points in the Project where one or more Deliverables will have been provided and payment is requested from the ETI), and their constituent deliverables, with due dates for each deliverable and Payment Milestone.

The ETI prefers that Participants aim to have no more than approximately four Payment Milestones a year but if more frequent Payment Milestones are proposed, the Respondents should provide reasons why.

Refer also to Section 13 of this Appendix A.

7. Project Schedule *[typically 2 pages]*

The Respondent should provide a time schedule for the Project (e.g. in the form of a Gantt chart) showing the main Work Packages, Project stages and main Tasks within each Work Package and stage. This should clearly identify:

- task durations and dependencies (including any inputs required from the ETI or other parties and any other external dependencies);

- project Deliverables;
- payment Milestones and other relevant milestones; and
- project Stage Gates, if appropriate (i.e. major review point(s) in the Project).

The confidence level in the plan shall be based on a montecarlo analysis or other equivalent robust project risk analysis tool, it is expected that any plan presented will have a P(70) level of confidence as a minimum.

8. Project Curtailment and Exit [*maximum/typically ½ page*]

The Respondents should propose Stage Gates at which it is appropriate to assess progress against the project objectives. In certain circumstances following such Stage Gates, the ETI reserves the right to look to vary the scope of the project, subject to the agreement of the Respondents or end part or all of the Project if the project is no longer able to achieve its objectives.

The Respondents should note that project participants will only be able to withdraw from the ETI project with the consent of the ETI and any remaining project participants in a consortium.

9. Risk Management [*typically 2 pages plus risk register*]

The Respondent should describe the proposed Risk Management Strategy (i.e. how risks to the successful delivery of the Project will be identified and managed throughout the Project). They should also separately provide a Risk Register, 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 project delivery and key stakeholders;
- identify the degree of knowledge or uncertainty about the risk;
- identify who is the risk (or issue) manager;
- 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 to the top two categories, but proposers 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.

10. Health, Safety & Environment (HSE) Management *[maximum 5 pages]*

ETI approach to health and safety in its Projects

The ETI has a framework for ensuring that health and safety is managed on ETI projects:

Prior to contract, the ETI will carry out a competency assessment on each proposed Participant once selected by the ETI, appropriate to their scope of work.

Prior to contract and in the early stages of the project, the ETI will then work with Participants to capture the Participants' proposed plan to manage health and safety on the ETI Project.

During the Project, the ETI will then monitor progress against that plan through the life of the ETI project through, for example, agreed reporting, provision of relevant documents to the ETI, health and safety review meetings and audits.

The ETI expects to see appropriate, proactive coordination between different organisations on its Projects (whether Participants or Subcontractors) and that there are clearly delineated roles and responsibilities and mechanisms for coordination throughout.

The approach is tailored according to the needs and risks in each ETI project.

Requirements for this Project

For this Project, the ETI anticipates that Respondents may include desk work, field work and field trials.

Respondents should demonstrate an integrated approach to managing HSE throughout their Proposal.

In this Section Respondents should summarise the following:-

- Key activities that involve hazards and risks in their Proposal.
- The key risks and hazards in those activities.

- The Respondents' approach to manage and coordinate HSE in the Project.
- Key roles and responsibilities of different Participants (and any Subcontractors).
- Experience of identifying and managing HSE issues in projects of equivalent complexity and scale, including:
 - coordination of HSE across multiple organisations (if applicable to the Proposal);
 - planning for managing any health and safety incidents.

In addition, Respondents should set out whether any part of the scope of work included in their proposal may fall under the CDM Regulations. The ETI expects that any field trials where equipment is installed in dwellings is likely to fall under the CDM Regulations. Respondents should identify their experience to manage work under the CDM Regulations.

The Respondents will be expected to set out any key HSE risks in the Risk Register in Section 9 of this Appendix A.

Note: to the extent that any work is carried outside of the UK, the Respondents should deal with the analogous issues as they apply in the local laws of the relevant country but also in order to meet ETI requirements.

11. Intellectual Property (IP) *[typically 2 pages plus Due Diligence information – Appendix C]*

Please refer to Section 1.7 and Appendix B of this RfP regarding the ETI's approach to IP

11.1 Background IP/Third Party IP

The Respondent should provide an overview of any Background IP or Third Party IP that either:-

- (a) Participants will need in order to carry out the Project; or
- (b) The ETI, Members and Programme Associates will need in order to use the outputs of the Project.

This should include a description of all Background IP or Third Party IP (e.g. patents, proprietary data, computer algorithms, knowhow or other IP).

Such overview should include:

- the nature of the IP;
- rights to that IP;
- ownership and control, whether this is by any of the Project Participants or by third parties;
- details of the relationship with the owner of any third party rights identified.

The ETI will carry out due diligence activities to understand the nature of and ownership/licence rights in relation to Background IP or Third Party IP needed.

If access to Third Party IP includes software, please identify whether this is bespoke or off the shelf and normal licence costs.

11.2 Arising IP

As well as Background IP, the Respondent should provide a brief overview of the nature of any anticipated IP arising from each stage of the Project (the Arising IP), in particular, in what areas of the project and what form of intellectual property rights.

- (a) The ETI expect to own the Arising IP to enable it to be used by the ETI, its Members and Programme Associates for other related projects.
- (b) The Respondent should provide details of the anticipated use or licences of Arising IP by the Participants:
 - for academic and research institutions, academic teaching and academic research;
 - any proposed publication approach (noting the ETI's process for publication);
 - any licensing proposed by Participants for commercial purposes (including any purposes other than academic purposes). In these circumstances, please identify whether any royalties for such use are proposed.

Please note that the ETI cannot provide payments to a project participant for profit if any license to Arising IP is taken.

12. Project Finances *[typically 1-2 pages]*

12.1 Project Costs

The Respondent should provide:

- (a) a figure for the maximum (capped) total contract value, and
- (b) a breakdown between Tasks and (for consortia or other Participant groups) between Participants ***against each Task***.

If there are any assumptions or limitations to these costs, these should be clearly stated.

The Respondent should also provide a **breakdown of the total project costs (only)**, as specified in the Table below.

	Participant 1 (Lead Coordinator or Prime Contractor)	Participant 2	Participant 3	Participant 4	Participant 5	Total
Number of Person-days						
Base Labour						
Materials						
Subcontractors (minor)						
Travel & Subsistence						
Overheads						
Profit						
Other						
TOTAL ELIGIBLE COSTS						
ETI Funding						
ETI Funding (%)						
Own Funds						
Third Party Funding (Private)						
Third Party Funding (Public)						

Notes on Category Breakdown table:

- Base Labour should include direct add-ons (eg NI, pension etc);
- If a Prime Contractor/Subcontractor project structure is proposed, major Subcontractors should be considered as Participants and fill in a column in the table
- Participants will be required to provide justification of overhead calculations during the project shaping and contract negotiations phase. ETI can provide a spreadsheet to calculate overheads on request

- Participants should note that under state aid rules profit cannot be paid to Participants if they wish to receive a licence for Arising IP
- Academic Consortium Members should determine their costs using the JeS system. Note that ETI funds Academic Consortium Members at 100% Full Economic Cost.

13. [Insurance *[typically 1 pages]*]

Respondents should identify how they intend to insure against risks in the Project. Please refer to the insurance requirements in the due diligence section in Appendix C

Appendix B Summary of Terms and Conditions for Project Contract

Introduction

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

Structure

1. The Project is subject to state aid rules. Certain requirements relating to information on costs, IP and return of funding are a requirement of State Aid requirements. The ETI cannot fund a Project with a Participant who is unable to agree to terms relating to state aid requirements.
2. If the Project is carried out by a multi-party consortium, the project participants shall be represented in dealings with the ETI by an organisation who will act as Lead Co-ordinator who will appoint an individual as a project manager. The Lead Coordinator shall, in the majority of instances, be the intermediary for any communication between the ET I and the project participants. This role includes providing notices of meetings and other activities to the ETI, reviewing and commenting on project reports (as required under the project) and administering payment of invoices for all Participants.

Project Management

3. The Participants will be required to appoint a project manager for the day-to-day management of the Project normally from the Lead Co-ordinator. The ETI will appoint a programme manager to act on behalf of the ETI with regards to the Project.
4. In the case of a consortium, the Participants shall form a steering committee to make decisions on day-to-day matters (excluding decisions affecting the overall scope structure and timing of the project). The frequency of meetings of the steering committee will be agreed. The ETI, its Members and Programme Associates shall be entitled to attend any meetings of the steering committee.
5. The Participants must fulfil various reporting obligations which will include monthly reports including on costs. Each report must address a specified list of topics required by the ETI.

Note: Project Participants should include costs to fulfil the reporting obligations in their Proposal.

6. The ETI will require the right to carry out a stage gate review on completion of a "stage" in order to assess (a) overall performance in the Project; (b) whether the project continues to deliver against ETI outcomes; and (c) also in order to carry out a validation exercise against the business case. The ETI may carry out stage gate reviews more frequently if the project is in jeopardy. The need for stage gate reviews and the definition of a stage will depend upon the exact nature of the Project.

Note: Please refer to Sections 8 of Appendix A.

Finance

7. In the event of any funding from the Participants, the Participant[s] will be obliged to fund their share of the project costs in accordance with agreed funding milestones. Before signing of the Project Contract, the Participant[s] will be required to provide appropriate evidence of their funding capability.
8. The ETI will pay sums (capped in aggregate in the sum agreed against milestones and only in respect of actual costs incurred (or at pre agreed profit margin, if appropriate) for the work done under the Project. Only eligible costs will be payable. Ineligible costs include interest charges, bad debts, advertising costs and legal costs incurred in finalising contracts and carrying on the Project.
9. Acceptance of milestones will be determined by the ETI against acceptance criteria agreed with the Participant[s]. Any increase in costs in carrying out the project over and above the agreed contractual amounts will only be payable by the ETI when such charges are agreed in accordance with the contractual variation control procedure.

Note: Please see Sections 8 and 12 of Appendix A. The Project Participants should propose the Payment Milestones, deliverables and acceptance criteria. The acceptance criteria should be objective.

10. Costs are payable in Sterling and the ETI will pay valid invoices within 30 days of receipt of an invoice and all supporting financial documentation following acceptance of a milestone. An accountant's report will be required to support selected financial reports and invoices, in accordance with a standard ETI matrix.
11. The ETI reserves the right to require the return of funding in certain exceptional circumstances (such as in the event of corruption or fraud, overpayment, costs incurred in respect of unapproved project changes and failure to comply with State Aid obligations).

Note: Please see Section 1.7 of this RFP in relation to State Aid.

Representatives, Warranties and Covenants

12. The Project Contract will contain representations and warranties in favour of the ETI as to the accuracy of information provided by the Participant[s] to the ETI prior to entry of the Contract.
13. The Project Contract will contain on-going covenants from the Participant[s], including to meet certain ETI requirements, deliverables due dates, and environmental and health and safety requirements.
14. In certain rare circumstances, major subcontractors may need to enter into deeds of collateral warranty and representation in favour of any parties nominated by the ETI.
15. The Project Contract will require the Participants to provide accurate information about the level of ETI Funding and Subcontractors.

Note: Please see Section 5 in relation to the R&D Tax Relief.

Key Personnel

16. The Contract will identify a limited number of key personnel involved in the project, and Participants will be required to gain approval from the ETI for proposed replacement staff.

Confidentiality

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

Audits and Records

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

Sub-contracting and assignment

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

Variation

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

Liability

24. The liability provisions relating to Participants[s] will be tailored on a case-by case basis. It is expected to be capped at the amount payable by the ETI to the Participants under the Project (except in relation to the agreed indemnities, return of funding or other liabilities which cannot be limited or certain excluded by law). For these claims, no cap will apply. Recovery of indirect, consequential etc. damages will usually be excluded.
25. The ETI will require an indemnity in respect of (a) third party infringement claims (b) certain claims brought by any third parties against the ETI as a result of the acts or omissions of the Participant[s] under the Project and in relation it, the terms of which will be negotiated on a case by case basis.

Note: Please see Section 5 of this RFP.

26. In the case of a consortium, liability is expected to be on a joint and several basis.

Insurance

27. Participant[s] will be obliged to carry appropriate insurance which will be tailored on a project by project basis.

Withdrawal

28. Withdrawal from the Project is only possible with the ETI and in the case of a consortium, the unanimous consent of all other contracting parties. Withdrawing participant[s] cannot recover outstanding costs, unless otherwise agreed.

Termination and Suspension

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

Governing Law

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

Appendix C Due Diligence Information Requirements

The ETI requires due diligence information during two phases:

- (1) submission of the Proposal; and
- (2) contract detailing and negotiation.

Certain information is required with the Proposal as part of the first phase of the procurement process. Further information will be required if any Proposal is selected to proceed to the contract detailing and negotiation.

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

1. Submission of the Proposal

1.1 State Aid

All Consortium Members 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 Consortium Member.

1.2 General Due Diligence

All Consortium Members (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 C2.

1.3 Insurance

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

- Property damage (both any Property occupied by the Participants and any third party properties).
- Business interruption.
- Employer's liability.
- Public liability.
- Product liability (or justify its exclusion if not appropriate).
- Professional Indemnity.
- The Respondent should identify if it self-insures for any of these risks.
- The Respondent should identify if it is intending to take out any project-specific insurance for the Project and the scope and intended beneficiaries of such insurance.

In relation to the Professional Indemnity Insurance, Respondents should note that the ETI has the following requirements.

Each Project Participant is required to have in place at the start of a project a professional indemnity insurance policy (with at least a 6 month unexpired term).

- Each policy should have a limit of indemnity of not less than £1,000,000 each and every loss.
- 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 Project 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.
- The ETI will require sight of the insurance policy provided by the Project Participant or a copy of a letter of confirmation from the Project Participant's insurance company or broker summarising the policy.

1.4 Intellectual Property

If selected, the ETI will require Participants to complete a Background and Third Party IP due diligence questionnaire and provide documentary evidence of ownership or licence rights.

2. Contract Detailing & Negotiation Requirements

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

- A full health and safety competency assessment will be carried out by the ETI, to assess each organisation's health & safety management systems and specific technical competence to manage the risks in this Project. The ETI will not carry out such an assessment for any project participants who are carrying out desk based work only that does not include any design work. Any parts of the Project which fall under the CDM Regulations, will be assessed in line with the CDM Approved Code of Practice, Appendix 4.
- Financial due diligence on the breakdown of costs for the Project to enable the ETI to assess value for money and ensure that it meets State Aid requirements.
- Copies of insurance policies.
- Any other information that the ETI reasonably requires in order to fund the proposed Project including any information necessary to meet state aid requirements.

Appendix D Statement of Compliance

The Respondents shall each provide a Statement of Compliance which confirms:

- That the Respondent has full authority to submit a bid on the basis of this Request for Proposal;
- That the Submission has been appropriately reviewed by 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).

In the case of a Respondent responding on behalf of a Consortium, a separate Statement of Compliance must be signed by an authorised signatory of each Consortium Member.

The Respondent shall provide a statement that the Proposal is fully compliant with the Specification and all other aspects of the Request for Proposal including the Project Contract, or shall state clearly any exceptions, deviations, alternative approaches or additions to the required Specification, 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 above.

With respect to the Project Contract, the Respondent must either:-

- expressly confirm that the Proposal is made on the basis of the terms and conditions of the Project Contract; or
- expressly confirm that the Proposal is made on the basis of the terms and conditions of the Project Contract subject to clarifications and exceptions. In these circumstances, the Respondent must include in their Submission either:
 - a copy of the 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.
 - any exceptions in relation to those items set out in Section 5 of this Request for Proposals is considered a material issue and must be identified in the Statement of Compliance.

Please note that the ETI may reject a Proposal if a material issue (including a non-compliance with the terms and conditions of the Project Contract) is identified by a Respondent at any stage after the date of submission for a Proposal.

Appendix E Non Disclosure Agreement

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

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

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

Instructions for completing the Non Disclosure Agreement

Respondents bidding as a Consortium

1. The Lead Coordinator should arrange to complete a single electronic NDA with the company details of each Respondent that proposes to be a Project Participant in Schedule 1. **It is critical that each organisation signs an NDA with an identical Schedule 1 with all the details of each organisation bidding in that consortium printed on that Schedule.**
2. The Lead Coordinator should circulate electronically the NDA with the fully completed Schedule 1 to all Project Participants to EACH print and sign TWO copies. The NDA **must not be dated.**
3. One copy signed by each proposed Project Participant for a Respondent is to be sent to the ETI by post and scanned by email to the address on the front of the RFP.
4. Each Respondent should indicate if they wish to receive an original hard copy by post signed by the ETI.
5. On receipt of a complete set of NDAs fully signed by the Respondents, the ETI will execute and date all copies of the NDA. The ETI will then send a scanned copy of the now fully executed NDA by email to the proposed Lead Coordinator as appropriate (the Lead Coordinator should send these on to each Project Participant). The ETI will retain the original hard copies. The ETI will also send original hard copies signed by it, if requested.

Respondents bidding through a Prime Contractor

1. The Prime Contractor should arrange to complete a single electronic NDA with its company details in Schedule 1.
2. The Prime Contractor should print and sign TWO copies of the NDA. The NDA **must not be dated.**
3. A copy of the signed NDA is to be sent to the ETI by post and scanned by email to the address on the front of the RFP.
4. The Respondent should indicate if it wishes to receive an original hard copy by post signed by the ETI.

5. On receipt of an NDA fully signed by the Respondent, the ETI will execute and date all copies of the NDA. The ETI will then send a scanned copy of the now fully executed NDA by email to the proposed Prime Contractor Respondent. The ETI will retain the original hard copies. The ETI will also send original hard copies signed by it, if requested.
6. The proposed Prime Contractor should then arrange for non disclosure agreements to be entered between it and proposed Subcontractors in order to comply with the NDA.

A separate version of this NDA is available on request to: smart@eti.co.uk.

Hard copies of the completed NDA must be sent by post, with **original signatures**, to the ETI.

MULTI-PARTY CONFIDENTIALITY

AGREEMENT

THIS AGREEMENT is made on _____ of _____ 2012

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 the Purpose. The Parties agree to receive such Information, which shall be treated as confidential information, for the Purpose 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 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) and any Programme Associates, and in each case together with their respective officers, employees, agents and consultants;

“**Information**” means any and all confidential information or data submitted in respect of or further to the Purpose or prepared 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;

“**Procurement**” means the procurement by the ETI of the Project including any stages set out in the RFP or as later may be notified or published by the ETI;

“Project” means the proposed project Consumer Response and Behaviour;

“Programme Associate” means any means an entity which is designated as such by the ETI from time to time;

“Purpose” means:

- a the preparation of documents and the making of any proposal in response to the RFP;
- b any activities related to the assessment of a Respondent’s proposal or proposals for the Project including, but not limited to, any technology, commercial offer, financial information, management systems and intellectual property; and
- c any related exchanges of Information, clarifications, discussions, meetings, or negotiations in respect of the RFP, the Procurement and the Project;

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

“Respondent Affiliate” means any undertaking that is:

- a a holding company of such Respondent;
- b the ultimate holding company of the group to which such Respondent belongs; or
- c a subsidiary of any holding company or subsidiary of the group to which such Respondent belongs,

and for the purposes of this definition, the terms above are as defined in section 1159 of the Companies Act 2006;

“RFP” means the request for proposals relating to the Project, issued by the ETI on 29th March 2012.

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) 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 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 to such of the ETI Affiliates, and either the ETI's or the ETI Affiliates'

employees, officers, secondees, agents, consultants, sub-contractors, proposed sub-contractors, professional advisers and proposed professional advisers where such disclosure is necessary for the Purpose, provided that in the case of disclosure of Information to ETI Affiliates, that this is limited to disclosure as is reasonably necessary for the purpose of ETI's governance of the Procurement and the Project.

- 6 The ETI shall be entitled to disclose or make available any Information it receives from the Respondents to the Department of Business, Innovation and Skills (or other relevant Government department) and to the European Commission and their advisers as is necessary to seek advice in relation to the application of state aid, to notify or as part of any detailed assessment of state aid in the Project.
- 7 The ETI shall ensure that all such persons to whom any Information under clause 5 of this Agreement is disclosed are bound by obligations of confidentiality and the ETI shall be responsible for breaches of the obligations by such persons.
- 8 The ETI shall be entitled to disclose or make available any Information it receives from a Respondent to the other Respondent where it is necessary for the Purpose.
- 9 Each Respondent shall be entitled to disclose or make available any Information it receives from the ETI or the other Respondent to such of its employees, officers, consultants, subcontractors, proposed subcontractors and professional advisers where such disclosure is necessary for the Purpose provided that all such persons to whom any Information is disclosed are bound by written 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.
- 10 Each Respondent shall be entitled to disclose or make available any Information it receives from the ETI to the other Respondent where it is necessary for the Purpose.
- 11 The 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.
- 12 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.
- 13 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.
- 14 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. 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 upon statements made prior to the date of this Agreement.
- 15 Neither Party 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 Party and neither Party will use the business names or trade marks of the other Party in any way without that Party's prior written consent.
- 16 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 or superseded by a subsequent written agreement.
- 17 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 Contracts (Rights of Third Parties) Act 1999.
- 18 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.
- 19 If any provision of this Agreement is or become 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.
- 20 Nothing in this Agreement is intended to or shall operate to create a partnership or joint venture of any kind between the Parties, or to authorise either Party to act as agent for the other, and neither Party shall have authority to act in the name or on behalf of or otherwise to bind the other in any way.

- 21 Except as provided otherwise, no person may assign any of its rights under this Agreement or any document referred to in it.
- 22 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.
- 23 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
Company Name: Company No: Address of Company:	By: _____ Name: _____ Title: _____
Company Name: Company No: Address of Company:	By: _____ Name: _____ Title: _____
Company Name: Company No: Address of Company:	By: _____ Name: _____ Title: _____
Company Name: Company No: Address of Company:	By: _____ Name: _____ Title: _____
Company Name: Company No: Address of Company:	By: _____ Name: _____ Title: _____

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

Contact for return of copy executed Non Disclosure Agreement	Send to [name]: At postal address:
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Appendix G Glossary

[Amend as appropriate]

Term	Definition
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 and which was created by or for the Participant.
CDM	Construction (Design and Management) Regulations 2007.
Client	As defined by CDM.
Consortium	The group of organisations described in Section 1.5 which may decide together to submit a Proposal to carry out the Project and be governed by a Consortium Agreement between themselves. This will not include the ETI itself or any Subcontractors.
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 1.5, which governs the execution of the Project within the Consortium.
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.
ETI Executive	The Executive Committee of the ETI.
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 1.5.
Net Residual Value	The value assigned to facilities constructed during the Project on completion of the Project. Such value should take into account the costs of the facility, use during the Project, expected future use and income streams and future costs commitments, e.g. decommissioning.
Own Funds	Funding sourced by the Respondent's own resources and not dependent in any way on third party lending to either the Respondent or member of the Respondent's group.
Participant	Either the Prime Contractor or a Consortium Member.
Payment Milestone	A contract milestone with defined constituent deliverables, associated deliverable acceptance criteria, and milestone value (all to be detailed in the Respondent's Proposal and agreed in the Project Contract) which should be completed in order to reach the said milestone, and at which, subject to acceptance by the ETI that the milestone has in fact been reached, payment may be claimed from the ETI on the basis described in Section 3.2 and on the Terms in Appendix B.
Prime Contractor	A sole organisation which contracts with the ETI to manage the project. It may have Subcontractors.
Programme Manager	The individual appointed by the ETI to manage the overall ETI programme to which this Project is affiliated, and to whom the Project Manager is accountable.

Project	The project for which the purpose, scope of work and other details are described in this Request for Proposals.
Project Contract	The contract, as described in Section 5, to be entered into between the ETI and the Participants (whether between the Consortium Members or a Prime Contractor)
Project Manager	The individual who is appointed by the Lead Coordinator or Prime Contractor, or is otherwise agreed by the Project Participants, to carry out its responsibilities.
Project Organisation	The entity or group of entities / organisations, and the contracting and management structure which they adopt, as described in Section 1.5, which together will carry out the Project if commissioned by the ETI and includes any Consortium Members or Prime Contractor and any Subcontractors.
Proposal	The proposal for the Project submitted to the ETI, as described in Section 3.1, in response to this Request for Proposals.
Public Funding	Any funding provided by a public authority or agency.
Respondent	The organisations submitting a Proposal to the ETI, as described in Section 3.1.
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.
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.
Subcontract	A contractual arrangement between a Participant (described in Section 1.5) 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 3.1, including the Respondent's Proposal submitted by the Respondent in response to this Request for Proposals.
Task	A significant activity or group of activities (within a Work Package) which results in completion of a deliverable or a significant part of one, or which represents a significant step in the process towards one.
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.