



Department for  
Business, Energy  
& Industrial Strategy

**SBRI CONTRACT FOR THE PROVISION OF ‘Demonstration of electrically charged thermal storage as a decarbonisation route for industrial steam boilers an Annandale distillery’ TO THE DEPARTMENT FOR BUSINESS, ENERGY & INDUSTRIAL STRATEGY (THE CONTRACT OFFER LETTER)**

This Contract is dated 5/25/2023 and is made between:-

- 1. The Secretary of State for Business, Energy & Industrial Strategy** (the “Authority”) of 1 Victoria Street, London SW1H 0ET, acting as part of the Crown;  
  
and
- 2. Exergy3 Ltd** (the “Contractor”) whose registered office is at Suite 2, Ground Floor, Orchard Brae House, 30 Queensferry Road, Edinburgh, EH4 2HS, Scotland, United Kingdom; Company Registration Number: SC641651.

## INTRODUCTION

- (A) On 23 September 2022 the Authority launched a competition for the provision of Industrial Fuel Switching Phase 2, which included the specification, a copy of which is set out in Schedule 1 (the “Specification”).
- (B) In response the Contractor submitted a proposal dated **25 November 2022** and entitled ‘**Demonstration of electrically charged thermal storage as a decarbonisation route for industrial steam boilers an Annandale distillery**’ explaining how it would provide the Services, a copy of which is set out in Schedule 2 (the “Proposal”).
- (C) *The Specification and the Proposal were supplemented by the correspondence, copies of which are set out in Schedule 4 (the “Correspondence”).*

The parties agree as follows:-

## 1. SUPPLY OF SERVICES AND PRICE

In consideration of payment by the Authority to the Contractor of the sum of **Three Million, Six Hundred and Seven Thousand, Nine Hundred and Two Pounds, Thirty Two Pence (£3,607,902.32)** (exclusive of Value Added Tax) (the “Contract Price”) and in accordance with (a) the Specification; (b) the Contractor’s Proposal; and (c) the Authority’s Standard Terms and Conditions of Contract for Services (the “Standard Terms”) (a copy of which is attached at Schedule 3); and (d) the Correspondence. The Contractor shall provide the



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Services described in the Specification, the Contractor's Proposal and the Correspondence to the Authority.

A Payment Milestone Plan can be found in Schedule 5, Annex 2.

## **2. COMMENCEMENT AND CONTINUATION**

This Contract shall commence on 15 May 2023 and subject to any provisions for earlier termination contained in the Standard Terms shall end on 31 March 2025.

## **3. TERMS AND CONDITIONS**

- 3.1 The Standard Terms shall form part of this Contract.
- 3.2 The Contractor's terms and conditions of business shall not apply to this Contract.
- 3.3 This Contract is formed of these clauses and the Schedules hereto. Any other attachments are provided for information purposes only and are not intended to be legally binding. In the event of any conflict or inconsistency, the documents prevail in the following order:
  - a) these clauses;
  - b) the Standard Terms (as set out in Schedule 3);
  - c) the Correspondence, if applicable (as set out in Schedule 4);
  - d) the Specification (as set out in Schedule 1) and Contract Price; and
  - e) finally, the Contractor's Proposal (as set out in Schedule 2)

## **4. CONTRACTOR'S OBLIGATIONS**

- 4.1 Where the Contractor is supplying goods to the Authority these shall be delivered to the Authority in full compliance with the Specification and shall be of satisfactory quality and fit for purpose. Where the Contractor is performing Services for the Authority it shall do so in accordance with the Specification and exercise reasonable skill and care.

## **5. MANAGEMENT AND COMMUNICATIONS**

- 5.1 The Contractor shall perform the Services under the direction of the Authority.
- 5.2 Any direction by the Authority may be given by **REDACTED** (the "Contract Manager") who is an officer in the Authority's Science and Innovation for Climate and Energy Directorate, 1 Victoria Street, London SW1H 0ET or such other person as is notified by the Authority to the Contractor in writing. All queries (including any notice or



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communication required to be provided under this Contract) to the Authority from Contractor shall initially be addressed to the Contract Manager

- 5.3 The Contractor appoints **REDACTED** of Address: Suite 2, Ground Floor, Orchard Brae House, 30 Queensferry Road, Edinburgh, EH4 2HS, Scotland, United Kingdom; by email:

**REDACTED** to be the Contractor's first point of contact for this Contract. All queries (including any notice or communication required to be provided under this Contract) to the Contractor from the Authority's Contract Manager shall initially be addressed to the Contractor's first point of contact.

- 5.4 The Contractor's first point of contact and the Contract Manager shall meet as often as either the Contractor or the Authority may require to review the Contractor's performance of the Contract.

## **6. INVOICES AND PAYMENT**

- 6.1 Subject to the Contractor providing the Services to the Authority in accordance with this Contract and submitting invoice/s to the Contract Manager in the manner reasonably required by the Contract Manager payment will be made by the Authority to the Contractor in accordance with condition 17 of the Standard Terms.

## **7. TRANSPARENCY**

- 7.1 The Authority will publish the Contract and the Schedules hereto on a designated government internet site, using the redacted version of the contract attached. (That version is for illustrative purposes only, and does not form part of the Contract). The Authority has made the decision on the specific redactions to be made in light of the exemptions under the Freedom of Information Act 2000 (FOIA) and Condition 40 of the Standard Terms.

However, subject to those redactions, the rest of the Contract and Schedules will be published in full, in accordance with the government's policy on the publication of contracts, which forms part of the government's transparency agenda, and the Contract is therefore entered into on the basis of such publication taking place.

The Authority emphasises that its decision to redact information on this occasion does not preclude it publishing such information in the future in the context of other contracts. Neither does it preclude the disclosure of such information in the circumstances of a request for disclosure under FOIA or the Environmental Information Regulations 2004 (EIR) or where such disclosure is required by virtue of any other legal requirement. In such cases, the Authority would need to consider disclosure in the context of



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the particular circumstances of the request or requirement  
concerned.

**Signed by the parties’ duly authorised representatives:-**

For the Secretary of State for Business, Energy & Industrial Strategy

Signature: .....  
[REDACTED]

Print Name: .....  
[REDACTED]

Job Title: ..... [REDACTED]

Date:..... 5/25/2023

For the Contractor [REDACTED]  
Signature: .....  
[REDACTED]

Print Name: [REDACTED]

Job Title: ..... [REDACTED]

Date: ..... 12th of May 2023



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**The following Schedules and Annexes form part of this Contract:**

Schedule 1	The Authority's Specification
Schedule 2	The Contractor's Proposal
Schedule 3	The Authority's Standard Terms & Conditions of Contract for Supplies/Services
Schedule 4	The Correspondence
Schedule 5	Annex 1 - Processing, Personal Data and Data Subjects
	Annex 2 - Payment milestone plan and deliverables
	Annex 3 - Stage Gates

The following annex must be completed if the Contract will exceed £1 million in one or more Contract Years.

[Annex 4]

[MI Reporting Template]

**REDACTED**



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## Schedule 1 – Authority's Specification



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### Net Zero Innovation Portfolio: Industrial Fuel Switching Phase 2 Competition

Competition Guidance Notes

An SBRI Competition: prj\_754

September 2022

September 2022



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## Schedule 2 – Contractor's Proposal

### Industrial Fuel Switching Phase 2

#### Proposal Summary

<b>Name of Applicant Organisation</b> This should be the lead organisation/co-ordinator for the proposed project
Exergy3 Ltd
<b>Project Name</b>
Demonstration of electrically charged thermal storage as a decarbonisation route for industrial steam boilers at Annandale distillery
<b>Competition Lot which you are applying to?</b> Please refer to Section 2.3 of the NZIP Industrial Fuel Switching Competition Phase 1 Guidance Notes for further information on the Lots. You must select the most applicable Lot for your technology. You may only select one Lot.
Lot 2: Electrification
<b>Estimated Start Date (BEIS expect projects to start from around February/March 2023)</b>
* 01/03/2023
<b>Demonstration Project Duration (months)</b>
1 24
<b>Estimated End Date (this must be before 31 March 2025)</b>
* 31/03/2025
<b>Total Demonstration Project Costs (£)</b> Please enter the total amount of BEIS funding that you are applying for excluding VAT. The maximum funding available per project is £8m and the full project cost should be a minimum of £1 million (this must cover 100% of eligible project costs), although exceptional proposals may be considered below this minimum, so long as the proposal meets the goals of the competition and is of sufficient scale.
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## Schedule 3 – Standard Terms and Conditions



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### Net Zero Innovation Portfolio: Industrial Fuel Switching Phase 2 Competition

Annex 1: SBRI Terms and Conditions

An SBRI Competition: prj\_754

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## Schedule 4 – Correspondence

**REDACTED**



Schedule 5 – Annexes

Annex 1 – Processing, Personal Data and Data Subjects

The Contractor will be compliant with the Data Protection Legislation as defined in the terms and conditions applying to this Invitation to Tender. A guide to the UK General Data Protection Regulation published by the Information Commissioner’s Office, can be found [here](#).

Where the Contractor is a Data Processor, the following section MUST be included.

The only processing that the Contractor is authorised to do is listed in Annex 1 by BEIS, “the Authority” and may not be determined by the Contractor.

- 1) The contact details of the Authority’s Data Protection Officer are:  
BEIS Data Protection Officer  
Department for Business, Energy and Industrial Strategy  
1 Victoria Street  
London  
SW1H 0ET  
Email: [dataprotection@beis.gov.uk](mailto:dataprotection@beis.gov.uk)
- 2) The contact details of the Contractor’s Data Protection Officer (or if not applicable, details of the person responsible for data protection in the organisation) are:

REDACTED

- 3) The Contractor shall comply with any further written instructions with respect to processing by the Authority.
- 4) Any such further instructions shall be incorporated into this Annex 1

Description	Details
Data Protection Legislation	<p>The UK GDPR and any applicable national implementing Laws as amended from time to time; or</p> <p>the DPA 2018 to the extent that it relates to Processing of personal data and privacy; or</p> <p>all applicable Law about the Processing of personal data and privacy</p>



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UK General Data Protection Regulation (UK GDPR)	The retained EU law version of the General Data Protection Regulation (Regulation (EU) 2016/679) as transposed into UK Law by the Data Protection, Privacy and Electronic Communications (Amendments etc) (EU Exit) Regulations 2019.
Subject matter of the processing	<p>The processing is needed in order to ensure that the Contractor can effectively deliver the contract to provide the Industrial Fuel Switching Competition.</p> <p>The processing of names and business contact details of staff of both the Authority and the Contractor will be necessary to deliver the services exchanged during the course of the Contract, and to undertake contract and performance management.</p> <p>The Contract itself will include the names and business contact details of staff of both the Authority and the Contractor involved in managing the Contract.</p>
Duration of the processing	Processing will take place from March 2023 for the duration of the Contract. The Contract will end on 31 March 2025.
Nature and purposes of the processing	<p>The nature of the processing will include collection, recording, organisation, structuring, storage, consultation, use, dissemination or otherwise making available, restriction, erasure or destruction of data etc.</p> <p>Processing takes place for the purposes of research etc purposes to provide the Industrial Fuel Switching Competition.</p> <p>The nature of processing will include the storage and use of names and business contact details of staff of both the Authority and the Contractor as necessary to deliver the services and to undertake contract and performance management. The Contract itself will include the names and business contact details of staff of both the Authority and the Contractor involved in managing the Contract.</p>
Type of personal data	Types of Personal Data the Contractor will process includes, but is not limited to, names, business telephone numbers and email addresses, office



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	location and position of staff of both the Authority and the Contractor as necessary to deliver the services and to undertake contract and performance management. The Contract itself will include the names and business contact details of staff of both the Authority and the Contractor involved in managing the Contract.
Categories of data subject	Types of categories of Data Subject includes, but is not limited to, staff of the Authority and the Contractor, including where those employees are named within the Contract itself or involved within contract management, members of the public, workers in particular industry, applicants or users of a particular service etc.
Plan for return and destruction of the data once the processing is complete  UNLESS requirement under UK GDPR to preserve that type of data	<p>The Personal Data will be retained by the Contractor for a 3 year (36 month) retention period, following which</p> <p>The Contractor will provide the Authority with a complete and uncorrupted version of the Personal Data in electronic form (or such other format as reasonably required by the Authority) and erase from any computers, storage devices and storage media that are to be retained by the Contractor after the expiry of the Contract and the Contractor retention period. The Contractor will certify to the Authority that it has completed such deletion.</p> <p>Where Personal Data is contained within the Contract documentation, this will be retained in line with the Department's privacy notice found within the Invitation to Tender</p>



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## **Annex 2 – Payment milestone plan and deliverables**

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### Annex 3 – Stage Gates

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