



Department for
Business, Energy
& Industrial Strategy

**SMALL BUSINESS RESEARCH INITIATIVE (SBRI) CONTRACT FOR THE
PROVISION OF LONGER DURATION ENERGY STORAGE
DEMONSTRATION: STREAM 2 FIRST-OF-A-KIND PROTOTYPES
(TRN: 4907/03/2021) TO THE DEPARTMENT OF BUSINESS, ENERGY
AND INDUSTRIAL STRATEGY (THE CONTRACT OFFER LETTER)**

This Contract is dated 1st March 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. **SynchroStor** (the "Contractor") whose registered office is at 1 Rutland Court, Edinburgh, EH3 8EY

INTRODUCTION

- (A) On 25th May 2022 the Authority issued an invitation to tender for the provision of a first-of-a-kind prototype of longer duration energy storage - including the specification a copy of which is set out in Schedule 1 (the "Specification").
- (B) In response the Contractor submitted a proposal dated 10th June 2022 and entitled Phase 2 application 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 5 (the "Correspondence") and include the BEIS Project Plan and Finance Tables Excel document, the final version of which will be finalised by both parties through email exchange following the kick-off meeting.

The parties agree as follows:-

1. SUPPLY OF SERVICES AND PRICE

In consideration of payment by the Authority to the Contractor of the sums set out in Schedule 4 (exclusive of Value Added Tax) (the "Contract Price") and in accordance with (a) the Specification; (b) the Contractor's Proposal; (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 Services described in the Specification, the Contractor's Proposal and the Correspondence to the Authority.

2. COMMENCEMENT AND CONTINUATION



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This Contract shall commence on 1st March 2023 and subject to any provisions for earlier termination contained in the Standard Terms shall continue for a period of 24 months.

3. TERMS AND CONDITIONS

3.1 The Standard Terms shall form part of this Contract.

3.2 The Standard Terms shall be amended as follows:-

Add "within reason" to Clause 27(5) related to Intellectual Property Rights:

The Contractor shall, *within reason*, procure for the Authority any worldwide, irrevocable, royalty-free licence, at no cost to the Authority, from any third party, to use any Intellectual Property Rights that are essential to the functioning and use of the Arising Intellectual Property for its non-commercial purposes.

3.3 The following additional terms also apply to this Contract
N/A

3.4 The Contractor's terms and conditions of business shall not apply to this Contract.

3.5 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 (as set out in Schedule 5);
- d) the Specification (as set out in Schedule 1) and Contract Price (as set out in Schedule 4); 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



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- 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 & Innovation for Climate & Energy (SICE) Directorate at 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 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] 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 41 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



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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 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

For the Contractor

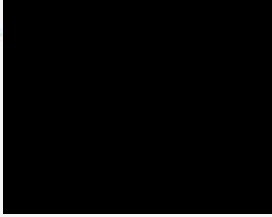
The following Schedules *[if applicable and Annexes]* form part of this Contract:

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	Contract Price
Schedule 5	The Correspondence
Schedule 6	Annex 1 - Processing, Personal Data and Data Subjects schedule
	Annex 2 – MI Reporting Template, for the Contractor to provide data on direct spend with SMEs in the supply chain relating to the Contract, if the Contract exceeds £5 million in one or more Contract Years. Please refer to Condition 42(7) in the Standard Terms.



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Schedule 1 – Authority's Specification



LODES Stream 2 Competition Guidance Rev C 7th July
2021 ("Original Competition Guidance")



LODES Stream 2 Competition Guidance Phase 2 Assessment
27th April 2022 – For avoidance of doubt, this document takes
precedence over the Original Competition Guidance



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Schedule 2 – Contractor's Proposal



SynchroStor Phase 2 Application



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Schedule 3 – Standard Terms and Conditions



LODES Stream 2 Phase 2 SBRI Terms and Conditions



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Schedule 4 – Contract Price

1. Calculation of the Contract Price

The Contract Price is £9,439,301.73 and is calculated on the basis of the prices set out in this Schedule. The Contract Price shall represent the sole remuneration due to the Contractor under this Contract.



Amounts are exclusive of VAT.

2. Contract Price for Regular Periodic Milestones

Project Plan and Finances Tables Excel document – The final version will be finalised by both parties through email exchange following the kick-off meeting.



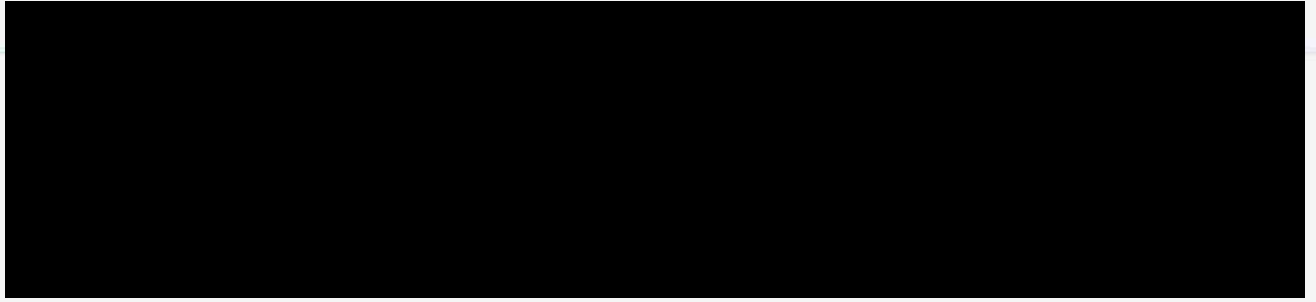
For avoidance of doubt, this document will take precedence over the Project Cost Breakdown Form

Amounts are exclusive of VAT.



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Schedule 5 – Correspondence





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Schedule 6

Annex 1

Processing, Personal Data and Data Subjects schedule



Completed Annex 1 as provided by contractor

Annex 2

MI Reporting Template



MI%20Reporting%20
Template.xlsx

For the Contractor to provide data on direct spend with SMEs in the supply chain relating to the Contract, if the Contract exceeds £5 million in one or more Contract Years. Please refer to Condition 42(7) in the Standard Terms.