



**CONTRACT FOR THE PROVISION OF LOW CARBON HYDROGEN SUPPLY 2:
STREAM 2 (DEMONSTRATION) COMPETITION (TRN 5045/04/2021) TO THE
DEPARTMENT FOR BUSINESS, ENERGY AND INDUSTRIAL STRATEGY BY
VATTENFALL WIND POWER LTD (HYS2200)**

Purchase Order Number: TBC

DUNS Number: This information has been redacted

This Contract is dated ...31/01/2022..... and is made between: -

1. **The Secretary of State for Business, Energy and Industrial Strategy** [“(the Authority)”] of 1 Victoria Street, London SW1H 0ET, acting as part of the Crown;

and
2. **Vattenfall Wind Power Ltd, company number 06205750 (the “Contractor”)** whose registered office is at 5th Floor, 70 St Mary Axe, London, EC3A 8BE, UK.

INTRODUCTION

- (A) On 22 June 2021 the Authority issued an invitation to tender for the provision of the Low Carbon Hydrogen Supply 2: Stream 2 Competition (TRN 5045/04/2021), including the specification – revised on 21 July 2021 – a copy of which is set out in Schedule 1 (the “Specification”).
- (B) In response the Contractor submitted a proposal dated 27 August 2021 and entitled Hydrogen Turbine 1 – explaining how it would provide the services a copy of which is set out in Schedule 2 (the “Proposal including supplementary updates”).

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 £9,292,246.12 (exclusive of Value Added Tax) (the “Contract Price”) and in accordance with (a) the Specification; (b) the Proposal including supplementary updates; and (c) the Authority’s Pre-Commercial Terms and Conditions of Contract for Supplies/Services (the “Standard Terms”) a copy of which were issued by the Authority with the Invitation to Tender and are attached at Schedule 1; the Contractor shall provide the Services described in the Specification and the Proposal including supplementary updates to the Authority.



2. COMMENCEMENT AND CONTINUATION

This Contract shall commence on 31 January 2022 and, subject to any provisions for earlier termination contained in the Standard Terms, shall end on 1 February 2025. Projects must be complete, and the final report approved by the Authority by this end date.

3. TERMS AND CONDITIONS

3.1 The Standard Terms as detailed in Schedule 1 shall form part of this Contract.

3.2 The payment schedule including payment milestones and deliverables a copy of which is set out in Schedule 3 (the "Project Payment Schedule") shall form part of this Contract.

3.3 The following additional terms also apply to this Contract:

a) [This information has been redacted]

[Redacted text block]

b) The Authority acknowledges that notwithstanding Condition 4(1) of the Standard Terms, the Contractor is hereby entitled to subcontract some or all of the Services to the following entities and the Authority expressly agrees to the same:

- i. Ramboll UK Limited, company number 03659970,
- ii. Technip UK Limited, company number 00200086, and
- iii. Vestas Offshore Wind UK Ltd, company number 05798594.

c) The parties acknowledge that Condition 18(3) of the Standard Terms be deleted and, in its place, inserted the following text:



“18(3) The Contractor shall procure and maintain:

- a) employer’s liability insurance for an amount of at least the sum of [This information has been redacted] for the duration of this Contract;
 - b) third party (public liability) insurance for an amount of at least the sum of [This information has been redacted] for each and every occurrence,
- together, the “Contractor’s Insurances”.

The Contractor shall maintain the Contractor’s Insurances with reputable insurers lawfully carrying on insurance business in the UK; and on customary and usual terms and conditions prevailing for the time being in the UK insurance market. The Contractor shall at the request of the Authority produce the relevant policy or policies together with receipt or other evidence of payment of the latest premium due there under.”

- 3.4 The Contractor will provide to the Authority any legal advice obtained by the Contractor regarding the reaccreditation of their project site by Ofgem as soon as it is received. Throughout the duration of the project the Contractor is required to keep the Authority up to date with all engagement between the Contractor and Ofgem which may impact the successful outcome of the project.
- 3.5 The Contractor’s Standard Terms and Conditions of business shall not apply to this Contract.
- 3.6 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
 - c) the Specification
 - d) the Project Payment Schedule
 - e) and finally, the Proposal including supplementary updates.

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 deliver and perform the Services under the direction of the Authority.
- 5.2 Any direction by the Authority may be given by [This information has been redacted] (the “Contract Manager”) who is an officer in the Authority’s Net Zero Innovation Portfolio Programme, 1 Victoria Street, London SW1H 0ET or such other person as is notified by the Authority to the Contractor in writing.
- 5.3 The Contractor appoints [This information has been redacted] to be the Contractor’s first point of contact for this Contract. All queries 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.
- 5.5 In addition to the monitoring process outlined in Schedule 1 (the “Specification”), the Authority will also conduct detailed progress reviews as part of an enhanced monitoring process to assess project performance against agreed milestones and deliverables. These detailed reviews will be conducted by the dates set out below:

No.	Enhanced Monitoring Point	Date
1	Mid-year – Project Year 1	31 July 2022
2	End of Year – Project Year 1	31 January 2023
3	Mid-year – Project Year 2	31 July 2023
4	End of Year – Project Year 2	31 January 2024
5	Mid-year – Project Year 3	31 July 2024

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 the Invoices and Payment terms (as referred to in Condition 11 of the Standard Terms).
- 6.2 The Authority will not make payments in advance of need and typically makes contract payments in arrears on satisfactory completion of agreed milestones and deliverables. Approval of payments will require the provision of required evidence which is set out in in Schedule 3 (the “Project Payment Schedule”).



7. TRANSPARENCY

7.1 The Authority is required to publish information about this contract through the Governments Transparency website, Contracts Finder.

The Authority’s decision not to publish full details of the contract does not however preclude it from publishing such information in the future (subject to applicable redactions) and the Authority may be required to disclose such information under the Freedom of Information Act 2000, the Environmental Information Regulations 2004 (EIR) or 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 and Industrial Strategy

Signature: [This information has been redacted]
Print Name: [This information has been redacted]
Job Title:
Date:

[This information has been redacted]
For the Contractor
Signature:
Print Name:
Job Title:
Date:

The following Schedules and Annex form part of this Contract: -

- Schedule 1 The Authority’s Specification containing the Authority’s Pre-Commercial Terms & Conditions of Contract for Supplies/Services
- Schedule 2 The Contractor’s Proposal including supplementary updates
- Schedule 3 The Project Payment Schedule
- Annex 1 MI Reporting Template