



**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
ENVIRONMENTAL RESOURCES MANAGEMENT LTD (HYS2206)**

Purchase Order Number: TBC

DUNS Number: 227003100

This Contract is dated ...01/04/2022..... 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. **Environmental Resources Management Ltd, company number 01014622 (the "Contractor")** whose registered office is at 2nd Floor, Exchequer Court, 33 St Mary Axe, London, EC3A 8AA, 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 ERM Dolphyn Commercial Scale Demonstration – 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 £8,624,629.21 (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 ...01.04.2022..... and, subject to any provisions for earlier termination contained in the Standard Terms, shall end on 29 September 2023. 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) Bonus payments will be based on actual bonus paid to the staff working on the project and will be paid in arrears of work performed. The bonus payments will be capped at the total figure of [REDACTED] (exclusive of Value Added Tax) which is included in the Contract Price. The Authority will require a detailed reconciliation of the actual bonus paid by the Contractor to the staff together with appropriate evidence when claiming bonus payments. The Authority will outline the format, the timeline and the evidence required for the reconciliations.
 - b) Any sum recovered for the Capital Equipment items that is above the identified 15% minimum residual value at project end shall be passed on as savings to the Authority when calculating the final payment.
- 3.4 The Contractor's Standard 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
 - 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]
[This information has been redacted]
[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	Project Quarterly Progress Report 1	31 July 2022
2	Project Quarterly Progress Report 2	31 October 2022
3	Project Quarterly Progress Report 3	31 January 2023
4	Project Quarterly Progress Report 4	30 April 2023
5	Project Quarterly Progress Report 5	31 July 2023

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: .. [This information has been redacted] ..

Date: .. [This information has been redacted] ..

For the Contractor [This information has been redacted]

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