

Technology Strategy Board

Driving Innovation

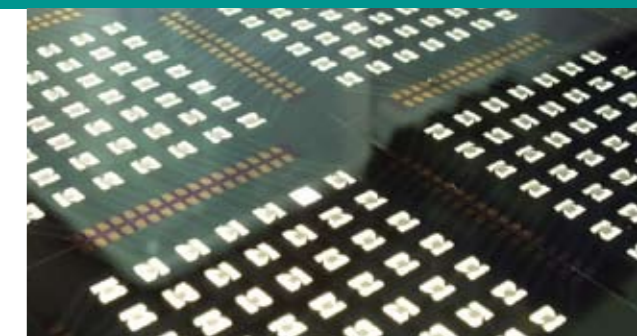


Fuel Cells and Hydrogen Demonstration Programme

SEPTEMBER 2009 COMPETITION FOR FUNDING



ENERGY GENERATION AND SUPPLY APPLICATION AREA



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Summary

As announced in the 2009 Budget, the Government has allocated funding for stimulating low carbon technologies in the UK. As part of this package, the Department of Energy and Climate Change has allocated a total indicative budget of £7.2m for capital funding for a Fuel Cells and Hydrogen Demonstration programme, which will be delivered by the Technology Strategy Board.

The programme will fill a current gap in the innovation chain, relating to scaling up and accelerating deployment of this low carbon technology. The demonstration projects will build on the Technology Strategy Board and Carbon Trust's existing portfolio of 'near-to-demonstration' projects and on the recent Technology Strategy Board Fuel Cells and Hydrogen Technologies competition for funding.

The programme will cover transport and stationary market applications and enable fully scaled up demonstration projects that have already successfully undertaken research, development and prototyping projects, including smaller scale demonstration.

Background and Challenges

As announced in the 2009 Budget, the Government has allocated funding for stimulating low carbon technologies in the UK. Recognising the role of fuel cells and hydrogen in achieving targeted reductions in CO₂ emission, part of this funding has been allocated to making capital investments that will enable consortia to progress demonstration activities. Building on previous public sector investments and on the strengths of the UK sector, it is now timely to specifically target demonstration activities, which will be important in taking the next steps towards commercialising these technologies.

Scope

This competition will assist the efforts of UK companies collaborating to commercialise fuel cells and hydrogen technologies by providing capital funding towards the costs of demonstration. The target markets are stationary power and transport.

The scope of this competition includes collaborative proposals which will:

- facilitate the demonstration of a fleet of fuel cell and hydrogen powered vehicles
- facilitate the demonstration of residential micro combined heat and power (CHP) and distributed power generation products based on fuel cells and hydrogen technologies
- facilitate the demonstration of production of hydrogen from non-carbon sources and its use as an energy carrier
- facilitate the development of scalable processes and equipment for the mass manufacture and testing of fuel cells and fuel cell modules
- enable in-line product testing and testing for performances and reliability under realistic operating conditions.

The scope of this competition includes capital items, the goods and services and purchases necessary to develop, build and install capital items. It also covers the associated costs of the consortium's own labour for construction, installation, commissioning and project management relating to the capital item.

Funding Allocation, Project Details and Assessment

An indicative £7.2m is allocated to collaborative proposals that address one or more of the areas indicated above.

This one stage only competition will consist of two strands that differ in terms of the timescale and assessment process.

Strand 1

Consortia eligible for Strand 1 funding will have ongoing or recently completed (within one year) near demonstration projects funded by the public sector, with a clear commitment for follow-on work and an existing collaboration agreement.

Proposals applying under Strand 1 will be required to demonstrate how the capital investment will augment and improve the applicants' existing project funded by a public sector organisation that has been reviewed independently. As these existing projects have been subject to independent technical assessment, this will not be repeated.

Universities, academic consortia and academic centres with explicit partnerships with businesses are also eligible for Strand 1, provided that:

- it can be proved that the capital items will enable industry and business demonstration programmes
- the capital items underpin an ongoing activity that has been funded by the research councils.

Proposals to Strand 1 of this competition must demonstrate ability to defray the larger part of expenditures by March 2010.

In addition to the above, proposals will be assessed based on their own targets, which could be, for example:

- number of additional demonstrator products enabled by the programme
- usage of testing equipment and of the output information
- progresses towards large volume manufacturing.

Targets should be specific, measurable, achievable, realistic and timely.

Strand 2

Strand 2 is open to new consortia without a pre-existing collaboration agreement. Academic consortia are also eligible provided that their proposals can demonstrate how the funding will enable business led demonstration programmes.

It is not a prerequisite for Strand 2 that the proposals underpin existing projects; however, applicants must be able to:

- provide a detailed description of the planned near demonstration project, including timescales and funding arrangements
- demonstrate that they are able to enter a collaboration agreement within the timescale indicated for grant announcement
- prove that the capital funding requested is essential for these intended demonstration projects.

Proposals to Strand 2 of this competition must demonstrate the ability to defray expenditures by March 2011.

In addition to the Strand 1 assessment criteria, proposals considered under Strand 2 will also undergo independent technical assessment.

There is no fixed or specific allocation of budget per each strand. Allocation will be decided by the Department of Energy and Climate Change (DECC) and the Technology Strategy Board by taking into account the number of high quality proposals in each strand.

We anticipate that this programme will comprise projects that cover experimental development -small scale demonstration (attracting 25% public funding). Academic centres, consortia and research organisations might attract a higher percentage of funding. Further details can be found in the Guidance for Applicants. Visit: www.innovateuk.org under Competitions.

We require all projects to provide a non-commercially confidential summary, at the start and the conclusion of the project, for dissemination. In addition, for three years beyond 2011, programme participants will be required to provide updates on progress enabled by this programme in terms of:

- additional investment raised
- impact on raising corporate and technology profile.

For more information and to apply email: **FCHdemo@tsb.gov.uk**

Key dates

	Strand 1	Strand 2
Competition opens	10th September	10th September
Deadline for receipt of applications	1st October	29th October
Decision and feedback to applicants	12th October	9th November

International Collaboration

In view of the importance of these technologies, the impact of CO₂ and the significant number of multinational organisations and global players looking to address these challenges, proposals will be considered which include aspects of international collaboration with non-UK organisations (where those non-UK organisations are self-funded), and clear quantified benefits to the UK are identified.

Application Process

The application process for both strands of this competition is one stage only. Both strands will open on 10 September, with Strand 1 closing on 1 October and Strand 2 closing on 29 October. Successful applicants to will be informed by 12 October for Strand 1, and by 9 November for Strand 2.

The Guidance for Applicants explains the process in detail. The competition document, guidance and application forms can be downloaded from the Competition area of the Technology Strategy Board website www.innovateuk.org/deliveringinnovation/forthcomingcompetitions.ashx



Further information

For more information about this and other events, and details of how to register and apply, visit www.innovateuk.org under Current Competitions.

General competition helpline:
01355 272155

Email:
FCHdemo@tsb.gov.uk

Publicity

The Technology Strategy Board frequently publicises the results of competitions and this includes engagement with the media. All applicants will be given a chance during the competition process to opt out of any publicity. Willing applicants will be asked to provide an agreed form of words for use in publicity material. E-mail pressoffice@tsb.gov.uk with any queries.



The Department of Energy and Climate Change (DECC) brings together much of the Climate Change Group, previously housed within the Department for Environment, Food and Rural Affairs (Defra), with the Energy Group from the Department for Business, Enterprise and Regulatory Reform (BERR, now the Department for Business, Innovation and Skills (BIS)).

The Technology Strategy Board is a business-led executive non-departmental public body, established by the Government. Its role is to promote and support research into, and development and exploitation of, technology and innovation for the benefit of UK business, in order to increase economic growth and improve quality of life.

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