

Potential Fuel Cells and Hydrogen Demonstration Programme

3 September 2009

Agenda

- Introduction – Ray Eaton
- The programme
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Context



DECC Low Carbon Investment Fund

Context

- Potential Fuel Cells and Hydrogen Demonstration Programme
- Addressing gap in the innovation chain, relating to scale-up issues and accelerate deployment
- £7.2m

Constraints

- Capital Expenditure
- £2.1m defrayed by March 2010
- £5.1m defrayed by March 2011
- No liability beyond time limit

Scope (1)

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

Scope (2)

Collaborative proposals:

- Facilitate the demonstration of a fleet of **fuel cell and hydrogen vehicles**.
- Facilitate the demonstration of **residential micro 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**.
- To facilitate the development of **scalable** processes and equipment for the **mass manufacture** and testing of fuel cells and fuel cells modules.
- To enable in line product **testing** and testing for performances and reliability under realistic operating conditions.

Scope (3)

The scope of this competition includes only capital items, the goods and services and purchases necessary to develop, build and install capital items and own labour for development, construction, installation, commissioning and project management.

For further details see

http://www.hm-treasury.gov.uk/d/capital_classification_paper.pdf

Competition

- One stage only
- Two strands that differ on eligibility, the timescale and assessment process

Strand 1- eligibility

- Ongoing or recently finished near-demonstration projects,
- Funded by the public sector,
- With a clear commitment for follow on work and
- An existing collaboration agreement.

Must demonstrate ability to defray the larger part of expenditures by March 2010 no later than March 2011.

Strand 1- eligibility: University

With explicit partnerships with businesses provided that:

- Capital items will enable industry and business demonstration programmes and
- Underpin an ongoing activity that has been funded by the Research Councils (e.g. Supergen, DTC).

Strand 1 Assessment Criteria

- How the capital investment will augment and improve the applicants' existing project.
- Against own targets, 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.

As these existing projects have been subject to independent technical assessment, this will not be repeated.

Strand 2 - eligibility

- Open to new consortia without a pre existing collaboration agreement.
- Academic consortia that can demonstrate how the funding will enable business led demonstration programmes.

Must demonstrate ability to defray all expenditures by March 2011.

Assessment Criteria

Must be able to:

- Provide a detailed description of the planned near demonstration project, including timescales and funding arrangements (will undergo technical assessment)
- Demonstrate that they are be able to enter a collaboration agreement within the timescale indicated for grant announcement, and
- Prove that the capital funding requested are essential for these intended demonstration projects.
- Provide targets (as in Strand 1)

Must demonstrate ability to defray expenditures by March 2011.

There is no fixed or specific allocation of budget per each Strand. Allocation will be decided by DECC and TSB by taking into account demand of high quality proposals in each Strand.

Application Process and timeline

Key Dates	Strand 1	Strand 2
Competition opens	8 th September	8 th September
Deadline for receipt of applications	1 st October	29 th October
Decision and feedback to applicants	12 th October	9 th November

Application Process and timeline

- Ad hoc application form
- Submit by email to
FCHdemo@tsb.gov.uk

Forms - Strand 1

- **Abstract of Proposed Project**

Please provide a project abstract for the current or recently completed project for which you are seeking underpinning capital investment.

- **Section 1 – Outline**

Please use this section to outline the capital investment proposed and demonstrate how the capital investment will augment and improve the existing project.

- **Section 2 – Targets**

Please use this section to set SMART targets for this investment. For example:

- *Number of additional demonstrator products enabled by the programme*
- *Usage of testing equipment and of the output information*
- *Progress towards large volume manufacturing*

- **Section 2 – Finance Summary**

Please use this section to detail the breakdown of costs for the proposed capital investment.

- **Section 3 – Ability to Defray**

Please use this section to detail your ability to defray the majority of the costs relating to the demonstration project by March 2010 in the first instance, but in any event all costs by March 2011. Please include a detailed expenditure time line, with monthly frequency when applicable. Please also identify what are the risks and how these will be mitigated, in particular with regard to payment slippages.

Forms- Strand 2

- **Abstract of Project**

Please provide an abstract of the project underpinning the capital investment request.

- **Section 1 – Project Outline and Technical Details**

Please use this section to outline the key deliverables and technical details of the project. Please also ensure you give details of any public sector funds being used within the project.

- **Section 2 – Partner Details**

Please use this section to detail the other project participants of your collaboration

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