

ABERDEEN CITY COUNCIL

COMMITTEE	Enterprise, Planning & Infrastructure
DATE	4 September 2014
DIRECTOR	Gordon McIntosh
TITLE OF REPORT	Aberdeen City Hydrogen Energy Storage Project
REPORT NUMBER:	EPI/14/228
CHECKLIST RECEIVED	Yes

1. PURPOSE OF REPORT

The purpose of this report is to update members on the delivery of this project and to seek approval of the total estimated project costs as stated.

2. RECOMMENDATION(S)

It is recommended that the Committee note the update regarding the Aberdeen City Hydrogen Energy Storage (ACHES) Project and approve the total estimated expenditure of £1,894,130.

3. FINANCIAL IMPLICATIONS

On 21 January 2014 Committee agreed to provide match funding of £1,136,500 from the Regeneration of the South of the City ear-marked reserve. An offer of grant from the European Regional development fund of £757,630 has been received and formally accepted. Therefore the total available project costs will be up to £1,894,130.

Finance has been consulted on this project and the necessary arrangements have been made to ensure financial compliance with the grant awarding body.

4. OTHER IMPLICATIONS

An Invitation to tender was developed and published following consultation and input from both procurement and legal services.

This has been published on the Procurement Scotland Website to ensure that Aberdeen City Council are fully compliant with the grant awarding body's legal requirements and the Council's own Standing Orders.

Any contracts to be entered into by the Council related to this project shall be approved in advance by the Head of Legal and Democratic Services in accordance with the Standing Orders.

5. BACKGROUND/MAIN ISSUES

The ACHES project is part of a wider Strategic hydrogen Programme which was outlined at EPI Committee in November 2013.

In January 2012 full Council approved a Strategic European hydrogen Transport Projects paper which recommended that there be a phased roll out of projects with a longer term view of developing a network of refuelling stations. The ACHES project will support delivery of this.

6. IMPACT

The Strategic Infrastructure Plan (SIP) of Aberdeen City Council, at page 32, discusses the Aberdeen hydrogen project. This plan includes the need for "additional refuelling infrastructure", and therefore this project will support implementation of the SIP.

In 2013 "A Hydrogen Economy for Aberdeen City", a framework strategy for hydrogen in the area was launched. This strategy outlines the vision of a low carbon economy with hydrogen playing a key role in this. The ACHES project supports implementation of this strategy through the provision of refuelling infrastructure which is identified within the strategy as a key requirement.

7. MANAGEMENT OF RISK

A risk assessment has been undertaken for this project and forms part of the project documentation. This is in line with the Aberdeen City Council Risk Management Strategy.

Measures to reduce the risks are identified and ensure that any potentially negative impact on the council is minimised as far as possible.

8. BACKGROUND PAPERS

Strategic hydrogen Programme (EPI/13/208)

Hydrogen Framework Strategy

<http://www.hytrec.eu/Resources/Resources.aspx>

9. REPORT AUTHOR DETAILS

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