



Guidance Notes

HOW TO COMPLETE AN APPLICATION FOR SUPPORT OF RESEARCH / TECHNOLOGY DEVELOPMENT / TRIALS

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Abstract: These notes are for use as an aide to the completion of the ITF Application Form for submission of proposals for funding for research, technology development, and trials projects in the oil and gas sector.

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Table of Contents

1 Introduction	4
Background to ITF.....	4
General	4
Confidentiality	4
How to Apply.....	5
2 Eligibility	6
Who is eligible?.....	6
Which technologies are eligible?	6
What costs are eligible?	6
What are the selection criteria?.....	6
3 The Application Form.....	7
Section A: Summary	7
Project Title	7
Abstract	7
Project Cost & Duration	7
Partners	8
Description of Work.....	8
Key Project Milestones and Expected Outcomes.....	8
Objectives and Business Case.....	8
Intellectual Property.....	8
SECTION B: INNOVATION AND NATURE OF PROJECT	9
Innovation	9
Field Trials	9
SECTION C: COMMERCIAL PROPOSAL.....	10
Project Management and Timetable	10
Work Breakdown Structure.....	10
Deliverables	10
Project Cash Flow	11
Project Cost Breakdown and Justification.....	11
SECTION D: IMPLEMENTATION	13
Technology Implementation Plan.....	13
Benefits.....	13
Interest Already Expressed.....	13
SECTION E: RESEARCHER (APPLICANT) DETAILS	14
Previous / Current Submissions.....	14
Contact Details	14
SECTION F: ADDITIONAL INFORMATION	15
General	15
Summary slides	15

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IMPORTANT NOTICE

You should read this document carefully and take note of the advice given.

These notes are intended to provide guidance on completing an ITF Application for research / technology development / trials proposals.

Generally completion of this form will be as a result of an ITF 'Call for Proposals', but if your application is of a more ad hoc nature then you should contact us before completing an application so that we can discuss your proposal.

1 INTRODUCTION

Background to ITF

The Industry Technology Facilitator (ITF) was established in 1999 by the Oil and Gas Industry. It is a **not for profit** global organisation owned by operating companies and service companies (see full membership details on our website www.oil-itf.com). ITF's key objectives are to identify technology needs, foster innovation and facilitate the development and implementation of new technologies into the oilfield by the following means.

- Identify the shared technology needs of our member companies
- Seek out innovative solutions
- Access the technology development funds
- Launch collaborative joint industry projects
- Create field trial opportunities
- Deliver technology implementation

ITF staff are focused on adding value through a partnership interaction with operator members to understand their business driven technology needs. Thereafter ITF adopts a systematic process to seek out technology solutions and innovations to meet its members' business-driven technology needs and carries these forward through development of joint industry projects (JIPs), field trials and ultimately, implementation.

General

You have been invited through a Call for Proposals, or on an ad hoc basis, to submit an application for support to the ITF. The application form is designed to capture valuable information regarding your project, its specific benefits for the participants, and your ability to execute your proposal. It asks you to detail out a proposal that will then be taken to ITF member companies for evaluation. The quality of information you include in this form may influence the outcome of your application, and it is therefore important that you try to include as much information, in the most concise and easily understood manner possible, such that you have the best chance of attracting interest. We encourage you to include graphics that will add interest and tempt the reader to take the time to study your submission in more detail.

The following sections take you through the Application Form and are intended to give you guidance on what you should and should not include in the application.

If you have any difficulty in completing any part of the application then please get in touch with us and we will be able to help you.

Confidentiality

ITF has contractual arrangements on confidentiality with **ALL** our members (operators and service companies – see full membership details on our website www.oil-itf.com). By submitting a proposal to ITF you are agreeing for your proposals to be submitted to **ALL** our members for the purpose for which they are provided, i.e. assessment for funding and implementation.

Similar confidentiality arrangements are put in place between ITF and the Researcher to ensure the same obligation. Prior to, or shortly after your application being submitted

we will make arrangements for a Confidentiality Agreement to be put in place. You can view this agreement by downloading it from our website.

Apart from certain public domain summary information requested on the form all information will remain confidential at all times, and if your project is successful further contractual obligations are entered into which cover confidentiality between all parties.

How to Apply

Generally applications will be in response to an ITF Call for Proposal. The Call for Proposal will have been developed in collaboration with our members and highlights their specific needs. In order to receive information on current and future Calls for Proposals you should register with ITF via the website, www.oil-itf.com

Nevertheless, you can contact us at anytime with any innovation that you feel would be of benefit to ITF members. In this instance we suggest that you contact us and talk with one of our Technology Managers and/or Technology Analysts to discuss your idea. Contact details are given below, or you can find these on our website, www.oil-itf.com

You can submit your application to us electronically as directed in the specific Call for Proposal.

For any general queries and to seek further information then please contact the Call manager/analyst (as indicated on the specific call documentation), or contact our office as follows:

- **Speak with us on** +44 (0) 1224 853400
- **Email us at** info@oil-itf.com
- **Look on our website** www.oil-itf.com

2 ELIGIBILITY

Who is eligible?

Any organisation can submit a proposal for funding; this can be a company, university or other academic institute, research institutes, a consortium, or an individual. Although in the latter case sufficient evidence must be provided on the ability to execute the project.

There are no restrictions on size of organisation, small or large companies can equally apply for support.

Which technologies are eligible?

ITF focuses on technologies that are of use to the oil and gas industry; predominantly, but not exclusively, to the upstream sector.

Technologies from other industry sectors are welcome where they may be developed for use and benefit of our members.

What costs are eligible?

All costs properly incurred and defrayed on the project including labour, overheads, materials, consultancy fees, sub-contract charges, fees for trials and testing, intellectual property costs, the net costs of capital equipment, and some travel and subsistence fees are all eligible.

More details are given later in this document.

What are the selection criteria?

Support for projects is the sole decision of ITF members.

The selection process will take account of a number of factors; to obtain support some of the criteria that your application must demonstrate that:

- the technology offers a significant advance and clear benefits are highlighted to meet our members needs;
- you own or have the right to exploit the intellectual property needed to undertake the project;
- realistic and effective routes to market have been identified for relevant commercialisation, exploitation and implementation of the project outcomes;
- necessary management and technical expertise is available or will be brought in; and
- both the project and the business are financially viable.

3 THE APPLICATION FORM

All relevant sections of the application form must be completed and the form signed (electronic signatures are accepted) by an authorised signatory and dated.

The boxes on the application form are designed not to expand so please use only the space allocated. If you wish to expand on any element then please use the three pages allowed at the end of the form for this purpose.

Please also note that ITF may ask for more detailed information in either technical content or financial detail as deemed necessary.

Section A: Summary

PLEASE NOTE THAT ALL THE INFORMATION PROVIDED ON PAGE 1 OF THE APPLICATION FORM THAT IS DESIGNATED (PU) WILL BE CONSIDERED AS PUBLIC DOMAIN INFORMATION.

Project Title

Please provide a title for your project, any acronym which you have given it, and the name of the organisation making the submission.

ITF categorises applications into technology areas: Production, Wells, and Subsea; and Subsurface. Please indicate if you can which category your proposal falls, and also clearly indicate whether your project is development or trials.

Abstract

The application process is based on maintaining confidentiality of information relating to technologies and companies. However, ITF needs to be able to say some things publicly about the technologies we support.

The information contained in the first section of your application is your organisation's pitch for Member Company support. This summary will be circulated around Member Company organisations and should be written to grab attention and allow the organisation to understand and bring its support to your application. If you fail to get the member's attention at this point, it is less likely that your confidential arguments will be read and understood.

The more detailed technical and commercial arguments that you will make later in the application will only be circulated to Member companies, who are covered by an ITF confidentiality agreement.

The abstract should be no more than 1500 characters (with spaces) in length and should contain a brief expansion of the information as given on the PowerPoint slides that should accompany your application (see below).

Project Cost & Duration

Project cost, funding applied for, and duration information should be provided and this should be the same as that provided in detail later in the document.

Partners

Please list project partners and the name of the principal (lead) investigator, please include the lead organisation and contact name here also (i.e. the name of the organisation as provided at the head of Page 1). If you are providing a consortium application please indicate who your partners are and their specific area of expertise that is necessary for this project.

Description of Work

Describe succinctly the work you plan to carry out to achieve the project objectives.

Key Project Milestones and Expected Outcomes

State what are the key project milestones and clearly state what you expect the outcomes of the project to be.

Objectives and Business Case

The applicant should describe briefly what problems or challenges the project aims to address. State clearly the measurable technical and commercial objectives you intend to meet by the end of the project. Moreover, you should explain how the results will assist the oil industry in achieving its own objectives; and how the technology will contribute towards meeting the technological challenges of the industry highlighted in the Call for Proposals.

You should convince any potential sponsor as to why they should support your project, i.e. what is the business case that makes your technology attractive. For example, if you can improve production recovery by X%, or the rate of return from investing in this technology will be attractive, etc, then this should be stated. Please be specific.

Projects must have certain clearly defined criteria amongst which are:

- Project should be relevant to Sponsor needs (current or future)
- Project should aim for a clearly defined, useful deliverable
- Project should have a business case; i.e. what advantage might be gained by sponsorship. Advantage might be technical, competitive, academic, economic, etc
- Project should have a reasonable chance of success.

Intellectual Property

You must provide evidence that you own or are entitled to use the intellectual property involved in your project.

Outline the steps proposed or already undertaken (e.g. patent searches) to ensure that the proposed work will not result in any infringement of existing intellectual property.

Please tell us of any patent applications filed for the technology that forms the basis of this proposal. Where appropriate, please give patent application dates and numbers.

SECTION B: INNOVATION AND NATURE OF PROJECT

Innovation

Use this section to highlight the technical innovation in the project and explain why it is a major step forward for the industry. You should also highlight the nature of the project in relation to the state of the art and existing products and practice in this area. You should recognise the work of others in the form of what is the competition and other on-going research and development projects and explain how your project differs and how it will enhance the technology for the benefit of our members and the industry.

Remember that you have an opportunity in Section F (see below) to expand on your comments and provide a fuller description, so summarise your comments within the allocated space.

Field Trials

The three sections on this page specifically relate to your request for support with realistic field trials and testing. If you are not seeking field trials at this stage then you do not need to complete these sections.

You should indicate whether the trial can be undertaken on or offshore, and whether the trials can be undertaken in any specific global location. Always bearing in mind that flexibility is the name of the game.

You should provide details of the nature of the trials indicating what type of test location or asset would be suitable; tell us what it is that you specifically wish to achieve by undertaking this trial. Also we will need to know whether there are any specific technical constraints and/or particular interfaces that are needed.

Tell us if there is a specific window of opportunity that you are trying to achieve; you should explain the reason why in the 'nature of trial' box. Please provide details of the window of opportunity by giving us earliest and latest dates and if there is a necessary planning period needed before going to trials and how long the trial will last.

Finally, remember support is only given for proving new technologies in a realistic environment and not for 'marketing' exercises, i.e. showing developed technologies to a new audience when that technology has already been deployed in some other global province.

SECTION C: COMMERCIAL PROPOSAL

Project Management and Timetable

It is ITF's remit to ensure that adequate project management is in place on every project. ITF will be a Party to the contract for any successful proposal and will at the very least take on a role of Outcome Manager and will continue its facilitation and co-ordination role helping to steer the project towards implementation.

If ITF and members feel it necessary, or the Researcher requests such assistance, then ITF can provide full project management capability. The decision to appoint a Project Manager will rest solely with ITF and the potential project sponsors. In exceptional circumstances ITF may appoint an independent Project Manager to be allocated at the request of the project sponsors. The cost of this provision will be an additional cost to your funding request and will be included as part of the project total for funding by our members. Please contact ITF to discuss this further if applicable.

Your proposal should at the very minimum provide a Gantt chart of the major elements of the Work Breakdown Structure showing task duration, interdependency with other tasks, milestones and reporting activities. You should also indicate how you plan to manage the project internally, and provide the decision making and communication structure for the project.

Work Breakdown Structure

Use this section to identify each work package and briefly describe the nature of work in each element and provide the total cost of each work package.

The cost for project management should be provided; however, this will be reviewed by ITF and discussed with you in more detail before any successful project goes ahead. This discussion process should not hinder your timely submission of the application. ITF anticipate that this cost will be of the order of 10-15% depending on the level of project management required, the location, and nature of the project.

Once your costs have been calculated and you have decided on the level of funding requested a five percent (5%) Administration Fee should be added to this total and the final figures transposed to Page 1 of the Application Form. The total project cost should be the same as that indicated on the front sheet of the proposal. This Administration Fee will cover the cost of ITF overheads and associated travel and subsistence costs in monitoring the project progress. The Administration Fee will be recovered directly from the Researcher by invoice for 5% of the contracted schedule of payment.

Deliverables

Please list the deliverables and number them in correspondence with the work package elements in the WBS above, e.g. for work package 3, deliverables should be number 3.1, 3.2, etc.

The delivery date can be given as Week or Month numbers from the start date of the project, i.e. W1,W16, M5, M8, etc.

Project Cash Flow

Please indicate on the table the timing of project expenditure, this is especially important for long duration projects spanning more than one financial year. Financial support aims to give you an advantage by helping the project to be cash positive, but this will depend on achievement of project milestones, and funds will be released by agreement with ITF and the project sponsors. Please note that this section is to be based on the total project cost.

Project Cost Breakdown and Justification

You should break down your total project costs by each of the elements provided and describe what is included in each element.

Labour – identify the nature and number of personnel on the project. You should include company overheads but no element of profit; unusually high costs will need justification.

Materials – briefly describe the materials required for execution of the project. This will include purchases from third parties; software needed for the project should be classed as 'materials' rather than 'capital equipment'. Any major sub-contractor should be listed separately below. NB. Please include and specify any commercial software license fees necessary and relevant for software incorporated in the project deliverables.

Consultancy Fees – describe the nature of the consultancy required, and explain why this cannot be done in-house.

Sub-contract charges – where any one supplier represents more than 20% of the project cost they should be identified separately, otherwise they can be included under 'materials' as a supplier.

Trials and Testing – Where these relate to a development project include them here. Where your request is for trials support you should break down your costs into the other elements.

Capital equipment charges – the gross cost of capital equipment will not be eligible unless you provide justification for its inclusion. Otherwise you should include a net cost allowance for use of such equipment depreciated over the life of the project using normal accounting practice.

Travel and subsistence – legitimate travel and subsistence costs will be allowed; for example, travel to a members facilities, or travel to monitor trials, or visits to specialists suppliers.

Intellectual Property costs – these are legitimate as long as they are new costs arising from the project. In most cases these costs will already have been incurred by your organisation as proof that you own the technology prior to submission of your application. No support is given retrospectively.

Admin Fee – An ITF administration fee of 5% will be applied to the funding requested which will be payable by the developer from the allocated funds. This admin fee is provided to cover the cost of ITF operations associated with the project and ongoing monitoring during the life cycle of the project e.g. travel and other associated costs.

Other – please indicate any other costs that you feel are legitimate.

The following are **excluded** from eligible costs:

- Value Added Tax (VAT) and other applicable taxes and duties.
- Contributions in kind
- Inflation and contingency allowances
- The cost of preparing the proposal
- Interest charges and bad debts
- Purchase of land and buildings
- Sales and marketing costs
- Unless relevant, administrative software, e.g. Microsoft Office.

SECTION D: IMPLEMENTATION

Technology Implementation Plan

The key driver for ITF and its Members is implementation. Implementation means commercialisation, exploitation, and (importantly) the demonstrable use of the outcomes of the project.

You will be required as part of the deliverables of the project to produce a detailed Technology Implementation Plan; you should indicate here your first thoughts of how you propose to 'implement' your technology.

The Technology Implementation Plan is a report that indicates how you as an organisation, or consortium, intend to bring to use the results of the project, and all other information relevant to full commercial and exploitation.

The information that will ultimately be required should be comprehensive, especially if there is a need to find additional partners to carry out this requirement. If you are a consortium then all project researchers (developers) should be involved in the planning of the use and dissemination activities. These could include:

- Significant aspects of the current areas of use of the results (including market and statutory needs) and expected evolution;
- Potential for dissemination and use of results;
- Actual practical applications of project use;
- Demonstrations given or planned;
- Contacts with and commitment from potential users and indications of customer requirements;
- Publications and conference presentations resulting from the project.

Benefits

This is a very important section of your application as this will be reflected in any ensuing contract, so please give as full and convincing an answer as possible.

Please indicate what commercial benefits you are prepared to offer any potential sponsor, and expand on the details. This information will form part of any potential contract if your application is successful.

Interest Already Expressed

We would also like to know if you have already gained interest from any organisation that may be prepared to support this application. This is particularly relevant if that organisation is currently one of our Members, or closely associated with us and may provide a positive relationship to your application.

Projects will have a better chance of success if they have a project 'champion' within any potential sponsor to follow, contribute to, and disseminate results. In some instances no in-house champion will mean no project funding. Hence it is very important that you continue with your own business development activities and do not rely solely on this application process as a substitute, but we ask that you inform ITF of any relevant developments, such that we can help ensure adequate communication links within our member organisations; do not assume that we will get to know of your activities and member interest, or vice versa.

SECTION E: RESEARCHER (APPLICANT) DETAILS

Previous / Current Submissions

Please indicate whether you have previously, or currently, have applied for support from any other organisation, including government bodies. Also please indicate any outcome of those submissions.

Any current or previous submission, whatever the outcome, will not rule out your proposal from consideration. This information will ensure that we can fully co-ordinate any con-current activities to your best advantage.

Contact Details

Please give the contact details and the name of the person co-ordinating your application.

Ensure that the form is signed by an authorised person. We will accept electronic submissions with an accompanying statement from an authorised representative of the organisation.

SECTION F: ADDITIONAL INFORMATION

General

Please use the space at the end of the form to provide any additional information in support of your application. This can include further explanations, diagrams, images, tables of data, etc.

Please limit this to a maximum of three pages; do not use a font size smaller than the equivalent of Verdana, 10pt (i.e. the format used in this document).

Summary slides

You are also asked to prepare and provide with your application two PowerPoint slides summarising your project. These slides may be used by ITF in any promotion of your project both with our members and at other public seminars.

Please complete and submit as a MS PowerPoint file rather than PDF file so that we can edit if necessary.

Please limit to maximum of two slides, i.e. your project application in a nutshell. We will ask you if we need more.

Please complete a separate PowerPoint summary for each proposal that you submit.

Please use the basic layout provided overleaf; you can insert your own company logo where indicated.

A template for these slides can be downloaded from our website.

Project Title

Insert
Your
Logo
Here

Proposer(s) Name		
Duration	Total Cost (£k)	Funding Sought (£k)
XX Months	£ xxx k	£ xxx k

- General summary
 - Describe how/where your technology will be applied, e.g. pipeline, separator, etc
- Headline your technology
 - Brief statement of the key benefits

Growing technology

Project Title

Insert
Your
Logo
Here

- Attention grabbing statement No.1
 - Brief description to back up statement 1
- Attention grabbing statement No.2
 - Brief description to back up statement 2
- Etc., etc...
- Identify your target audience
 - If possible, identify the job functions of those most likely to understand the advantages of your project

Growing technology