Entry Customer Forum

MINUTES

Tuesday 26 September 2023 at 12.30PM – 2.00PM

MS Teams Meeting

ATTENDEES

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| **Name** | **Initials** | **Company** |
| Wasundara Doradeniya | WD | ADBA |
| David Hurren | DH | BCGA |
| Tom Knight | TK | Bohr |
| Stuart Easterbrook | SE | Cadent |
| Alison Cartwright | AC | CNG Services |
| Chris Stratton | CS | ENA |
| Sharon Spain | SS | Future Biogas |
| Ian McClusky | IMC | IGEM |
| Rebecca Hailes | RH | Joint Office of Gas Transporters |
| Emmet McFadden | EMF | Mutual Energy |
| Niamh Kyle | NK | Mutual Energy |
| Peter Thomson | PT | NGN |
| Russell Brown | RB | nZero |
| Sara Bartle | SB | REA |
| Arman Ali | AA | SGN |
| Elysia Roy | ER | SGN |
| Joel Martin (Chair) | JM | SGN |
| Lorna Archer | LA | SGN |
| Tony Gillespie | TG | SGN |
| Andy Bidston | AB | Thyson |
| Charlotte Marcel | CM | WAGA |
| Catherine Litster | CL | WWU |

APOLOGIES

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| **Name** | **Initials** | **Company** |
| Jadie Lawley | JL | Cadent |
| Nick Primmer | NP | Future Biogas |
| Matt Rosenfeld | MR | ENA |

MEETING NOTES AND ACTIONS

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| **2. H100 Update** | **LA** |
| [Slide deck available on SharePoint](https://energynetworks.sharepoint.com/%3Ap%3A/s/EntryCustomerForum/Eegc0B2sv-pAtvxLbXK3BS8BKuyunFSm419NOz3Kr2zLDA?e=YQG1IT) and circulated alongside the minutes.**Overview:*** The trial at H100 Fife is an end-to-end system, covering renewable energy for hydrogen production by electrolysis, storage of hydrogen for supply security, on-site demonstration, transport of 100% to 300 homes in Levenmouth, and the appliances going into those homes. Metering, billing and data flows are the key points SGN are seeking stakeholder/industry engagement on at the moment.
* The first customers expected to be on gas at the end of 2024; we have until then to ensure regulatory side is set up. Among other communications, a huge amount of customer literature has been prepared, to inform customers before opt-in (H100 follows a pro-customer choice model, i.e., change is *not* mandated). Real positive response from the community (389 customers registered, 348 live, with 45 additional registrations outside network area). Engagement ahead of the trial was hugely valuable.

**Regulation:*** UNC Mod 799 went through to actually introduce 100% H2 into the total system, and changes to the definition of “gas” to include hydrogen. Hydrogen will be produced by the unregulated business SGN Futures, and distributed as normal by the regulated Scotia Gas Networks. No requirement from shippers to do separate purchasing of this hydrogen.
* Following process for calculation and declaration of the CV under the G(COTE)R, ensuring the energy into the total system is based on recorded CV at point of entry. Approved by Ofgem and awaiting implementation.

**Metering:*** SMETS2 H2 meters will be used, and inclusive of prepayment and credit meter functionality. SGN Futures will purchase these meters and appoint SGN Metering to undertake install/maintenance (recognising there may be some stranding costs here) and provide MRPNs of enrolled customers to the relevant suppliers in advance. Xoserve will notify shippers when customers go live with hydrogen or where there is a change in supplier (customers have the ability to switch suppliers). Shippers will be able to identify the MRPNs of meters involved in H100. Meters will be linked to DCC through the comms hub, and suppliers will remain responsible for activating those meters.
* Meter accuracy is key to avoid customers overpaying – they will pay the unit cost of natural gas, so that suppliers can offer tariffs as if they were on natural gas. To achieve volume equivalence, the meter manufacturer will set a default CV in the SMETS2 at point of production and apply a multiplication factor to credit meters. Meters and in-home display will show the corrected volumes, and update messages to CV updates will be supressed.

CM queried whether the CV adjustment/multiplication factor in meters could be applied to natural gas consumers now to facilitate lower CV, un-propanated biomethane. JM explained that with H100, the network is physically separate from the existing natural gas network, so it was much more straightforward to group MRPNs and keep them separate; all the customers will receive the same hydrogen with the same CV. However, the zone of influence for biomethane in the network varies day-on-day, so it is very difficult to forecast which customers would receive lower CV gas. On specific, bespoke areas of the network that you knew were on 100% biomethane all the time, you could theoretically create a new charging zone, but doing so in central systems is quite costly/tricky. A GDN project was ongoing looking at billing for hydrogen and unpropanated biomethane, which may be of interest to follow up on.LA and JM clarified that to retain flexibility for all meters to be or switch to pre-payment, and to ensure the in-home display was correct, the default CV was hard coded into all meters involved in the trial.**Customer Choice:*** Need to accommodate the ability to opt-out as well; project fully supports the reversal to natural gas but requires coordination on the network side. For customers opting out with a PAYG tariff, SGN would remove the meter and the supplier install a SMETS Natural Gas Meter. For customers on credit tariffs, the standard approach would be for SGN to replace the meter with a legacy meter, however this approach requires validation.
* At the end of the project, this will be required across all customers if they return to natural gas.

**Key Industry Asks:*** Nomination of primary and secondary contacts as a point of contact for H100 Fife, to establish a Regulatory Industry Working Group for H100 Fife (by SGN, early 2024).
* Raising any concerns or resourcing challenges the project needs to be aware of.
* Ultimately reaching a point of endorsement of the project’s regulatory model as presented.
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| **3. Action Log Update** | **MR** |
| The group’s action log was updated. JM queried how decisions about changes to the Wobbe would be communicated to DFOs, bearing in mind the low likelihood that a site would struggle with low-Wobbe gas. If this was the case, the GDN would need to implement a solution. Else, individual networks would approach their own DFOs with their approach. *N.B. If there are any opposing views, please share these with MR.* |

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| **4. EnCF Action Plan Tracker** | **JM** |
| CV Blips – CS relayed update from the GECWTG, that gas networks had agreed to *permit* RB’s proposed solution on sites, with a targeted approach to problematic sites on which it would have the most benefit. RB agreed with this approach. CL proposed a candidate site on WWU’s network on which to trial this solution once this had been agreed by the site (with added explanation from RB). WWU to then report back to the EnCF/GECTWG on this site. RB and CL added that it would be good to get the data from the “before picture” of this site.Biomethane Blending – SE relayed from JL that further work was in place to include installation costs and consider site prioritisation in Cadent’s blending strategy (i.e., dealing with multiple sites wanting to blend where there is limited capacity).SGS Issues – There had been a slight reduction in issues reported by Ofgem’s auditors since last quarter, but there were still issues being reported in all categories (cylinder changes, missing logbook entries, etc.). Generally, these issues were dealt with on a site-by-site basis (e.g., for especially problematic sites, those with significant staff changes) SE suggested a more sustainable solution (e.g., annual training / refresher course) rather than dealing with issues on a reactive basis.**Action: GDNs to consider another review of SGS issues with biomethane operators and the letter of direction requirements.**Standardisation of ME2 – No update.Operator Competence Accreditation – SB offered to follow up and report back separately if there was appetite within REA to pick up this workstream / any route to establishing a scheme, in line with the compliance-based accreditations that REA already conduct. **Action: SB to follow up within REA on picking up the Operator Competence Accreditation workstream.**Standardisation of Capacity Studies – GDN Analysis Teams had reviewed and agreed upon the [standard template](https://energynetworks.sharepoint.com/%3Aw%3A/s/EntryCustomerForum/EY4w7gFJ0uFIuR8zZuW6ptwBepmATRy2DNuqQ0lBf7S2BQ?e=zkjybR). Note that the branding and T&Cs on the example were from WWU, and this would differ by network; some sections could be removed or added depending on who the analysis was for and what they asked for. CM queried including (potential/indicative) entry/connections costs to the document; CL explained that this would usually be a separate quotation, and the DAS only covered the available capacity. JM added that each GDN has their own connections costs, which are subject to change. On the cost of connecting pipework, most DFOs contract with a UIP (<7 bar) and can obtain a quote there.AB queried the inclusion of (volumetric) flow rate across the connection point to work out feasibility of blending to mitigate propane. CL reiterated that, at a high level, *blending potential* would be referenced in *Section 7. Options for Enhancing Capacity/Reducing Costs.* If there was scope for blending, a separate blending study would need to be requested to get into the detail.**Action: GDNs to discuss whether it would be appropriate to include indicative costs in the capacity study template. GDNs to then establish a date from which to start using the new document.**In-Grid Compression – AC updated the decision from Ofgem on UNC Mod 808 was pending. Another compressor project was in the works with WWU, hoping to go live end of March 2024 (c.12 to18-month timeframe). SE updated that Cadent were in the process of commissioning their compressor at Doncaster.Capacity/Low Flow through NTS Meters – No update.Gas Entry *via* IGT Pipelines – UNC Mod 842 (to facilitate gas entry to the total system *via* IGT Pipelines) was tabled for discussion at the Distribution Workgroup on 28/09/23. The mod was potentially ready to go to the UNC Panel by next month, with more details available on the Joint Office of Gas Transporters website. |

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| **5a. Commercial Propane Quality** | **IMC** |
| RB’s report on propane contamination had been shared with the Gas Utilisation Committee, including with the representative from Calor Gas, and raised in-meeting on 12/09/23. IMC was awaiting feedback / assessment on the report from the GUC, which would be shared with the EnCF once available.The issue had also been raised at the Gas Transmission and Distribution Committee.JM updated that a questionnaire had also gone out to biomethane sites to try narrow down the geography of the issue (with IMC noting that LNG from St Fergus / Mossmorran, an ethylene site that prepared isopropane and isobutane was not referenced in RB’s report). The output from discussions with Flogas was that the providers essentially take that which they are given at the terminals, and that there was not much they could do in the way of preventative measures.**Action: MR to share the outputs of the propane questionnaire with IMC.** |

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| **5b. GS(M)R Amendments** | **ALL** |
| GDNs were approaching the ICF and SI changes individually across their portfolio of biomethane sites, and will approach DFOs as and when this could be facilitated. No further update. |

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| **6. Communications from DFOs** | **–** |
| None received prior to the meeting. |

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| **AOB – Huddle / SharePoint Update** | **CS** |
| CS updated on behalf of MR that the EnCF Huddle site was now out-of-action, and ENA will be using SharePoint in much the same fashion: <https://energynetworks.sharepoint.com/sites/EntryCustomerForum>.Not all attendees will have site access yet, but this is being worked on by ENA. |

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| **AOB – Next Meeting Date** | **–** |
| *Post-meeting comment: the next EnCF is scheduled for November 28th.* |