

# Entry Customer Forum 15<sup>th</sup> December 09:00-10:30 *Microsoft Teams*

| Thom Koller                | ТК  | ENA           |  |  |
|----------------------------|-----|---------------|--|--|
| Katie Harrison             | KH  | ENA           |  |  |
| Stuart Easterbrook (Chair) | SE  | Cadent        |  |  |
| Tina Hawke                 | ΤН  | Cadent        |  |  |
| James Whitmore             | JW  | Cadent        |  |  |
| Claire Gumbley             | CG  | NG            |  |  |
| Chris Hogg                 | СН  | NGN           |  |  |
| Joel Martin                | JM  | SGN           |  |  |
| Susan Day                  | SD  | SGN           |  |  |
| Bethan Winter              | BW  | WWU           |  |  |
| David Harding              | DH  | WWU           |  |  |
| Sam Hinton                 | SH  | ADBA          |  |  |
| David Hurren               | DH  | Air Liquide   |  |  |
| Philip Kershaw             | PK  | CNG           |  |  |
| Christopher Magness        | СМ  | CNG           |  |  |
| Alison Cartwright          | AC  | Future Biogas |  |  |
| Russell Brown              | RB  | Thyson        |  |  |
| Julie Cox                  | JC  | Energy UK     |  |  |
| Neil Liddell-Young         | NLY | Severn Trent  |  |  |

## Minutes and actions from the last meeting:

SE welcomed the group. There were no comments on the minutes from the previous meeting.

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| Number | Date      | Action  | Owner     | Status  |
|--------|-----------|---|-----------|---------|
| 1      | 10 Nov 20 | AC and DH to discuss<br>developing CV blips and<br>flaring proposal | AC and DH | Created |
| 2      | 10 Nov 20 | WM to write to two GDNs regarding ISO10723 test                     | WM        | Created |
| 3      | 10 Nov 20 | KZ to share the<br>standardisation table with<br>REA members        | ΚZ        | Created |
| 4      | 10 Nov 20 | TH to share WM comments with working group                          | ТН        | Created |

All actions were closed.

## Action Plan Tracker:

SE explained there were five proposals received:

- CV blips and flaring
- Consistent GDN application for 1SO10723 tests
- Primary legislation changes for low flow systems
- Blending
- In-Grid compression

### Consistent GDN application for ISO10723 tests

JM explained that the original issue raised focused on inconsistencies with GDNs regarding annual GasPTO evaluation and ISO10723 tests. JM explained that GDNs had met to discuss this issue. A slide was shown, which set out the GasPTO and ISO10723 principles and evaluation. JM noted that the annual ISO10723 evaluation, tests against seven gas samples. The GasPTO also requires an annual assessment, but against 4 gases samples, which is outlined in the letter of approval. Both tests require sites to be offline for the testing period. The position across all GDNs is that the annual GasPTO test, across 4 gases, is required and an annual ISO10723 test is required, across 7 gases.

In terms of future work, JM said that there is currently an ISO10723 review underway looking at potentially incorporating inferred devices. Cadent are also in discussions with Orbital regarding replicating the daily calibration test using the, Ofgem-required, Registered office Energy Networks Association Limited, 4 More London SE1 2AU



35-day performance test functionality. TH explained this is being progressed and will be shared with GDNs.

It was agreed to share the slides with William Mezzullo, who had initially raised this, to see whether there are any further questions. Action: Share slidepack on Gas PTO with William Mezzulo

# CV blips and flaring:

BW talked through a presentation explaining the impacts of low CV on LDZ capping and billing, using 2014 and 2015 data from LDZs with biomethane sites. The daily billing CV for the sites on one LDZ had been plotted, showing the impact of CV drops to 38 MJ. The indicative value of the CV shrinkage was £26k for one day. This would increase if the LDZ was bigger or if there was higher demand on the day.

SE explained this discussion covers the issues raised on the Primary Legislation changes for low flow systems. In relation to blending, SE noted that the GDNs are keen to resolve these issues by supporting governance changes to Thermal Energy Regulations. SE noted that Ofgem have been invited to join the forum, useful for them to hear these issues, to work towards a UNC solution.

CG explained that this will be looked at as part of National Grid's Gas Markets Action Plan (GMaP). The group discussed ways of progressing this, including writing a letter of direction and developing an evidence-based proposal. As an initial step it was agreed to share the Ofgem response from previous consultation on primary legislation changes.

Next Steps:

- Action: Re-invite Ofgem representative to join the Forum
- Action: Arrange a standalone meeting with Ofgem to deep dive into CV issues
- Action: ENA to share Ofgem response from previous consultation on primary legislation changes.

# Future Billing Methodology update:

As per the action from the November EnCF, JW updated the group on FBM progress. JW explained that billing arrangements are a barrier to green gas flows on the gas grid. FBM started in 2016 to look at existing billing arrangements and propose new methodology that would enable smaller charging areas in LDZs. FBM will explore three methods: Pragmatic; Composite; Ideal. Working with DNV GL, FBM aims to validate models that model CV zone around entry points.

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JC asked whether there would be charging zones for customers that would vary seasonally. JW explained that this is being explored and the aim is to find a simple approach. JC noted that domestic demand varies hugely and this needs to be reflected in billing.

In terms of timelines, JW explained the project is expected to complete in March 2021, with data gathering and model validation continuing until the project completes. Stakeholder engagement will be undertaken in the New Year. The project aims to prove the concept but there will need to be additional work once the project competes. The project in itself does not deliver a billing solution.

RB asked how the varying oxygen levels of upgraded technologies will be handled in the system. JW explained that he will ask DNV GL about this.

SE explained that hydrogen blending could impact the need for propanation. There needs to be future work considering how that works with billing. JM noted that the H100 Fife project will look at billing, as customers receiving 100% hydrogen will be billed in the same way as when receiving natural gas. In this case, a new LDZ is not practical, due to expense.

### In-grid compression:

SE explained the proposal details a desire for the gas networks to adopt in-grid compression to provide flexibly entry capacity. SE noted this had been discussed with gas networks and there is a position of agreement that if a developer wants to fund a compressor that the network will own and operate, the networks would support this. There is work being undertaken via OptiNet focusing on installing compressors to optimise outputs from biomethane plants. An update on OptiNet will be provided at the January EnCF.

SE noted that the GDNs are supporting a potential Green Recovery project that would install compressors in strategic locations around the country, allowing the market to respond to capacity, helping to inform developers' decisions on locations.

# Action: Share slidepack on in-grid compression with John Baldwin and Kiara Zennaro

#### **Blending:**

TH explained that Cadent are undertaking a blending project, all GDNs would consider blending on a project-by -project basis. Cadent are developing a blending strategy, considering various scenarios, which will be shared with the GDNs in Q1 2021. The aim is to develop a shared blending strategy across the GDNs. Registered office Energy Networks Association Limited, 4 More London Riverside, London SE1 2AU

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### Standardisation update:

TH explained that comments from suppliers are being collated and will be shared amongst GDNs shortly. For Siloxanes, TH noted that feedback from HSE is expected. For GQ8, Cadent are undertaking a trial for a gas risk assessment trial.

# <u>AOB:</u>

### a) <u>Meeting frequency</u>

The group agreed to continue meeting monthly for the first three months of 2021, reviewing the meeting frequency at the March 2021 meeting.

## b) Sharing proposals

SE explained that the proposal template will be amended to include a box indicating sharing permissions.

Meeting closed.

### Update action table:

| Number | Date      | Action   | Owner | Status  |
|--------|-----------|--|-------|---------|
| 1      | 15 Dec 20 | Re-invite Ofgem<br>representative to join the<br>Forum                               | ENA   | Created |
| 2      | 15 Dec 20 | Arrange a standalone<br>meeting with Ofgem to deep<br>dive into CV issues            | ENA   | Created |
| 3      | 15 Dec 20 | Share Ofgem response from<br>previous consultation on<br>primary legislation changes | ENA   | Created |
| 4      | 15 Dec 20 | Share slidepack on Gas<br>PTO with William Mezzulo                                   | ENA   | Created |
| 5      | 15 Dec 20 | Share slidepack on in-grid<br>compression with John<br>Baldwin and Kiara Zennaro     | ENA   | Created |

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