

## Representation - Draft Modification Report UNC 0799

### UNC arrangements for the H100 Fife project (100% hydrogen)

**Responses invited by: 5pm on 20 May 2022**

**To:** [enquiries@gasgovernance.co.uk](mailto:enquiries@gasgovernance.co.uk)

*Please note submission of your representation confirms your consent for publication/circulation.*

<b>Representative:</b>	David Mitchell
<b>Organisation:</b>	Scotland Gas Networks Ltd and Southern Gas Networks Ltd
<b>Date of Representation:</b>	18 <sup>th</sup> May 2022
<b>Support or oppose implementation?</b>	Support
<b>Relevant Objective:</b>	<p>a) Positive</p> <p>c) Positive</p> <p>d) Positive</p>
<b>Relevant Charging Methodology Objective:</b>	Not Applicable

#### Reason for support/opposition: Please summarise (in one paragraph) the key reason(s)

As the proposer of this modification we support its implementation as it will facilitate the use of 100% hydrogen gas required for the SGN H100 Fife Ofgem Network Innovation Competition Project. The project plans to convert at least 270 existing domestic natural gas customers in Fife to a 100% hydrogen energy source via a new LDZ embedded entry point. This entry point will use the existing industry processes for recording energy usage. This project is critical to providing evidence to support the wider roll out of 100% hydrogen for use in the GB gas network which will assist with the drive to meet governmental targets for meeting carbon net zero in 2045 (Scotland) and 2050 (England & Wales).

This SGN H100 Fife project is timebound and therefore arrangements to facilitate hydrogen will be included in the UNC as transitional text covering the period that the project is operational. The UNC changes introduced by the Modification will be limited to the relevant Supply Meter Points associated with the SGN H100 Fife project and these will be identified as H100FIFSGN using the existing network identifier field in the central systems.

**Joint Office** of Gas Transporters

One of the main objectives of the H100Fife project is to ensure that the end consumer experience of using 100% Hydrogen is identical to that of using natural gas including the ability to switch gas supplier. SGN is working closely with the CDSP to implement a system solution to adjust end consumer's hydrogen metered volumes to an equivalent natural gas volume. This is as a result of the lower calorific value of hydrogen and hence a higher volume requirement. The solution will ensure that end consumers aren't charged more by their gas supplier for the additional volume of hydrogen consumed compared to the same energy use provided by a natural gas supply.

**Implementation:** *What lead-time do you wish to see prior to implementation and why?*

As the proposer of the Modification we are suggesting a potential implementation date to support the H100FIFE project target commissioning date in relation to the physical works required to install the new gas distribution network and the provision of the infrastructure to produce hydrogen gas. This is currently forecast to be Q2 / Q3 2023.

An Implementation Date should be triggered as soon as possible after the following points are confirmed: -

1. The relevant Ofgem H100Fife specific project conditions are satisfied.
2. The H100Fife regulatory model is agreed with Ofgem.
3. The HSE provide a letter of assistance to the H100 project in relation to the H100FIFE Project Case for Safety.
4. The relevant Xoserve system requirements detailed in XRN5298 are implemented.

**Impacts and Costs:** *What analysis, development and ongoing costs would you face?*

There will be Xoserve change costs to implement the change order.

**Legal Text:** *Are you satisfied that the legal text will deliver the intent of the Solution?*

As legal text proposer we are satisfied that the legal text will facilitate the intent of the proposed solution.

**Are there any errors or omissions in this Modification Report that you think should be taken into account?** *Include details of any impacts/costs to your organisation that are directly related to this.*

None Identified.

**Please provide below any additional analysis or information to support your representation**

None Identified.