

*The statement below (provided by HSE) is drawn from a ministerial response following a request from DECC (Katherine Donne) after a letter from Bio-group to Chris Huhne in June this year.*

1. All network gas transported by the Gas Distribution Networks (GDNs) in the UK must comply with Schedule 3 of the Gas Safety (Management) Regulations 1996 (GS(M)R). However, the basis of Schedule 3 is a historical North Sea gas norm rather than a risk assessed standard. HSE enforces GS(M)R and is responsible for ensuring that the GDNs comply with Schedule 3. However, DECC has ownership of the specification within Schedule 3 and any changes to it must be made with their agreement.

2. In exceptional circumstances, the GDNs may apply to HSE for an exemption to allow them to operate outside of a defined part of GS(M)R if they are able to demonstrate that there is no prejudice to the health and safety of any persons as a result. An example would be the network injection of biomethane. Biomethane is typically produced with an Oxygen content above the 0.2% specified in Schedule 3 of GS(M)R and it is not commercially viable to reduce this. However, since the current limit is not based on safety, it does not necessarily follow that higher Oxygen concentrations pose any safety risk.

3. In 2010 HSE commissioned GL Noble Denton to bring together available information on the hazards arising from the use and conveyance of non-conventional sources of gas, including biomethane. This work supports the decision to grant GS(M)R exemptions to three pilot plants (Didcot, Southwold (Adnams) and Davyhulme) to allow the network injection of biomethane.

4. However, the GL report highlights three further issues that should be better understood. These are:

- i) Empirical evidence that an increase in Oxygen content to up 1% would not cause a significant increase in the internal corrosion of ferrous pipes and mains in the presence of water ingress
- ii) A study on the effectiveness of siloxane removal at the Didcot pilot plant
- iii) Evidence of the effectiveness of filtration of odorant masking agents at the Didcot pilot plant

5. The work to examine these three issues is currently being undertaken collaboratively by the GDNs. As yet HSE has not received any evidential output from this work.

6. However, once this further work by the GDNs is completed, HSE will assess the evidence to decide if the network conveyance of gas

with an Oxygen content of up to 1% at network pressures below 38 Barg is justified on safety grounds and if so HSE will consider granting a class exemption to GS(M)R to allow this. Although this is an interim measure it will allow biomethane to be injected into the network without the need for the GDNs to apply for individual exemptions for each new project. As such it will have the same effect as an amendment to GS(M)R in removing a regulatory barrier to this important and developing renewable technology.

7. In the meantime, HSE will continue to consider exemptions on a case-by-case basis.