#### UNC 0799:

Mod Title: UNC arrangements for the H100 Fife project (100% hydrogen)

Proposer: SGN

Panel Date: 20th January 2022

# Why change?

- SGN H100 Fife project introduction of 100% hydrogen into the Total System under the UNC.
- H100 Fife project safety, customer, engineering and commercial project goals.
- Requirement to ensure customers maintain switching capability and energy costs remain reflective of natural gas.
- UNC current definition of gas prohibits hydrogen gas.
- Previous hydrogen trial projects have not recognised the hydrogen energy in the Total System / UNC.
- H100 Fife project specific rules in UNC required to facilitate Xoserve customer billing solution.

# **Options**

- Existing customers will opt into H100 Fife project from natural gas.
- Project requirement to maintain customer supplier switching capability – requires H100 Fife project to be within scope of the UNC.
- •HyDeploy NGN project utilises compensatory payment for reduced hydrogen energy content (20%) not suitable for H100 Fife.
- Requirement to recognise Hydrogen energy in Total System whilst maintaining customer billing in line with natural gas.

#### Solution

- •Create transitional set of H100 Fife rules specific to H100 Fife mprns.
- •Where H100 Fife rules do not apply existing UNC arrangements prevail.
- •Introduce Hydrogen as a 'gas' in defined terms for H100 Fife mprns.
- Enable proposed Xoserve change solution through business rules.
- UNC MOD in parallel with Xoserve change proposal XRN5298.

### Recommended Steps

- The Proposer recommends that this modification should be:
  - Not subject to self-governance because as the changes which would be introduced by the implementation of this Modification, albeit restricted to a small number of Supply Meter Points, requires Authority direction due to the significant linkages with the HSE and case for safety sign off, Gas Safety (Management) Regulations (GS(M)R) interactions, Gas (Calculation of Thermal Energy) Regulations' interactions and requirements to maintain Shipper/Supplier competition. In addition, as this Modification focuses on the introduction of hydrogen into UNC arrangements for the first time it is considered appropriate that Ofgem should have oversight and ultimate sign off on the Modification's implementation.
  - Workgroup assessment to develop the modification for 3 workgroups.