

UNC 0849R:

Commercial Framework Review to Enable Hydrogen Blending



Proposer: National Gas NTS – Megan Bray

Panel Date: 18th May 2023

Why change?



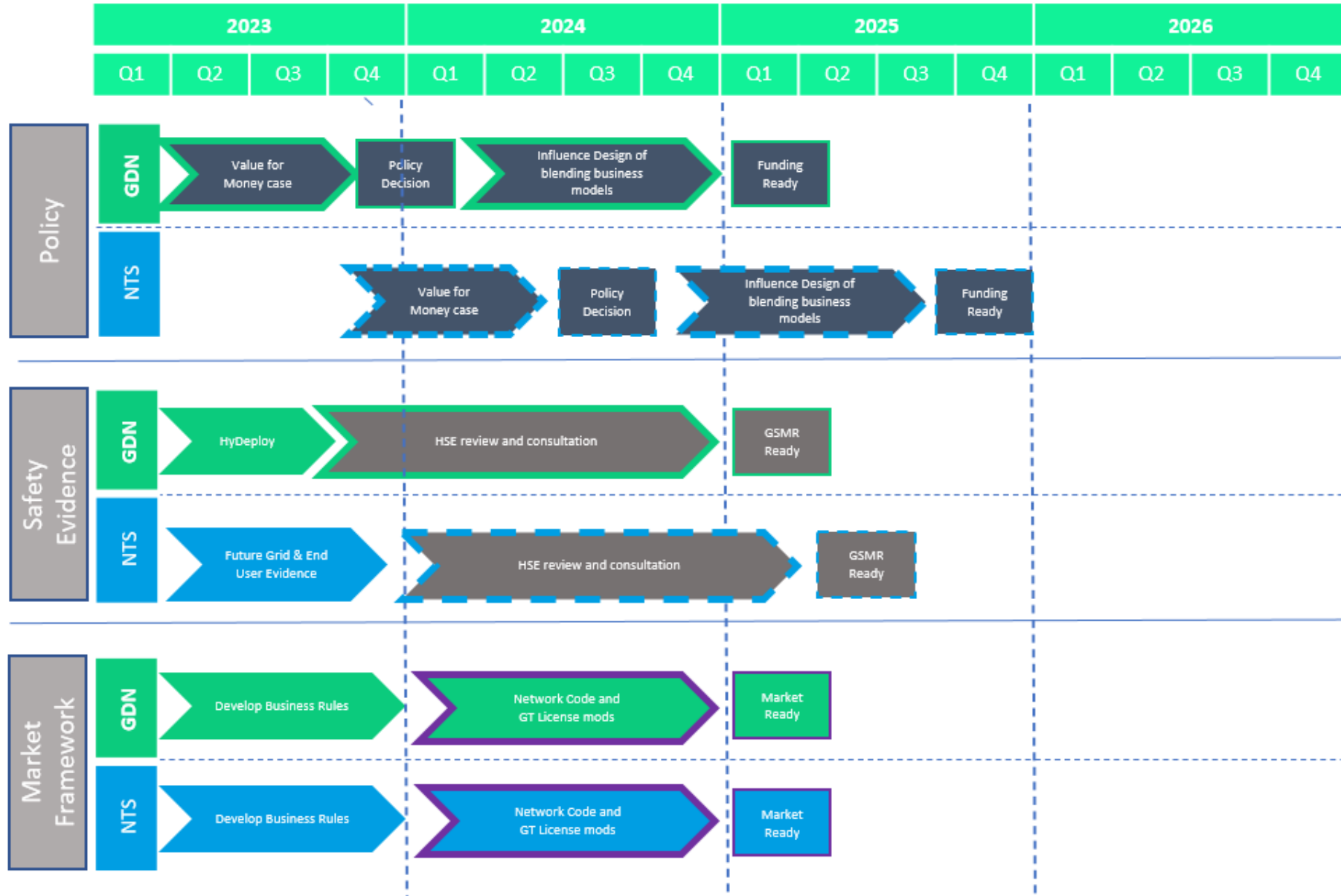
- Current assumptions are that blending hydrogen into the networks will provide an interim role to reduce carbon emissions as we transition to 100% Hydrogen, therefore the application of blending needs to be compatible with existing market arrangements, with minimal amendments to implement.
- DESNZ are set to make a decision in principle on hydrogen blending into the distribution networks in 2023, with a decision for transmission likely to follow.
- Changes to the commercial framework will be needed to ensure compatibility with blending hydrogen in to both the transmission and distribution networks.

Solution



- To review the existing commercial framework; to understand issues and identify those sections of the framework that will require amendments in order to enable 5% hydrogen blending into the transmission and distribution networks
- To explore and develop suitable solution options where amendments are necessary and agree on final enabling Modifications.

Indicative Timeline



Recommended Steps



- We propose that this Request is progressed to Workgroup for review for a period of 6 months
- We recommend an independent review group as both Distribution and Transmission representation will be required alongside representatives such as Hydrogen Producers and Independent Gas Transporters.