UNC Workgroup 0849R Minutes
Commercial Framework Review to Enable Hydrogen Blending
Tuesday 30 April 2024
via Microsoft Teams

Attendees		
Rebecca Hailes (Chair)	(RHa)	Joint Office
Harmandeep Kaur (Secretary)	(HK)	Joint Office
Megan Bray (Proposer)	(MB)	National Gas Transmission
Alexis Birchall (from 12:03)	(AB)	Northern Gas Networks
Andrew Pearce	(AP)	BP
Alexander Webb	(AW)	SGN
Andy Clasper	(AC)	Cadent
Anna Shrigley	(ASh)	ENI Global Marketing & Trading
Anne Jackson	(AJ)	REC Code Manager
Charlotte Gilbert	(CG)	BU-UK
Chris Wright	(CW)	Exxon Mobil
Edward Allard	(EA)	Cadent
Helen Chandler (until 11:02)	(HC)	Northern Gas Networks
James Lomax	(JL)	Cornwall Insight
Jeff Chandler	(JC)	SSE
Joseph Leggett	(JL)	Interconnector
Julie Cox	(JCx)	Energy UK
Lauren Jauss (until 10:00)	(LJ)	RWE
Louise Hellyer	(LH)	TotalEnergies Gas & Power
Mariachiara Zennaro	(MZ)	Centrica
Michael Payley	(MP)	CDSP
Mumtaz Patel	(MP)	Cadent
Nick King	(NK)	CNG Services
Phoebe Finn	(PF)	Statera Energy
Radhika Rajendran	(RR)	CDSP
Richard Fairholme	(RF)	Uniper
Richard Pomroy	(RP)	Wales and West Utilities
Ritchard Hewitt	(RHe)	Hewitt Home & Energy Solutions
Shiv Singh	(SS)	Cadent
Steve Mulinganie	(SM)	SEFE
Tracey Saunders (until 11:02)	(TS)	Northern Gas Networks

The Workgroup Report is due to be presented at the UNC Modification Panel by 19 September 2024.

This Workgroup meeting will be considered quorate provided at least two Transporter and two Shipper User representatives are present.

Please note these minutes do not replicate/include detailed content provided within the presentation slides, therefore it is recommended that the published presentation material is reviewed in conjunction with these minutes. Copies of all papers are available at: https://www.gasgovernance.co.uk/0849/300424.

1. Introduction and Status Review

Rebecca Hailes (RHa) welcomed everyone to the meeting.

1.1 Approval of Minutes (28 February 2024)

The minutes of the previous meeting were approved.

1.2 Approval of Late Papers

There were no late papers to approve.

1.3 Review of Outstanding Actions

Within this Review group, actions reported in the Joint Office minutes are solely updates discussed in the meeting and should be reviewed in conjunction with the Issues and Actions Tracker provided and maintained by National Gas Transmission. A copy of the Tracker discussed in this meeting is available at https://www.gasgovernance.co.uk/0849.

1- CCGTs

Check CCGTs are included in Progressive Energy study looking at Hydrogen Acceptability.

Megan Bray (MB) provided an update on the Progressive Energy Hydrogen Acceptability Study completed by National Gas Transmission (NGT). MB explained that the report from the study is long and contains some sensitive information, therefore, it will be condensed into a summary report. MB confirmed that the proposal has been confirmed with Progressive Energy and the summary report will be published by the end of May, after which it will be shared with the Workgroup in the next meeting. MB explained that the condensed report will be a high-level overview of the key details. MB advised that in the next phase, NGT want to look at the necessary Modifications that might be required. They will also be looking at costing and funding required for these Modifications. MB confirmed that NGT have asked for a 're-opener' for the Modifications related to the Hydrogen Acceptability Study from Ofgem and currently await approval. MB advised that if Ofgem do not approve the funding request, they will be looking at other funding options. RHa queried when the Ofgem response is expected. MB agreed to find out the timeline and provide an update. Ed Allard (EA) explained the Ofgem's response time depends on the complexity of the request and their internal circumstances at the time, therefore, there is not set response timeline.

MB advised that in regards to blends across IPs from EU, NGT have submitted evidence to DESNZ for NTS blending, within this evidence NGT has requested a decision to strategically support up to 2% blends in order to align with Europe. Outputs of Progressive Energy Hydrogen Acceptability Study and industry feedback has suggested that 2% blends should be acceptable for most direct connects with minimal to no operational/ safety changes. RHa enquired about the Direct Connects that cannot manage a 2% blend. MB explained that the report shows that there are no safety operability issues with 2%, however, they will be looking at this in more detail. MB confirmed that the evidence submitted to DESNZ reflects this. Julie Cox (JC) pointed out that the concern is that the specifications for the CCGT equipment that the plants have from their OEMs, do not say that 2% blend is fine. JC noted that unless the OEMs sign-off a 2% blend, it is not fine, and the same point applies to the fleet of power generators. MB explained that NGT have asked for a strategic decision to support 2% so that in the next phase, Ofgem will have more assurance to fund the work so that the project can be progressed.

0701: Action 2 – GCOTER: Guv Dosanjh (GD) to provide a link to the report that is looking at gas temperature on the HyDeploy project.

Update: MB provided an update on the FutureGrid Report confirming that the blend testing is complete and the Report will be shared with HSE by the end of April 2024. The close down report will be published for the industry to view by the end of May 2024. MB confirmed that the report will look at the network operability and it will provide an update on the project looking at

the blending infrastructure. The report will include a bulk of test blending information.

EA agreed to make internal enquiries and provide an update on the HyDeploy project.

Ritchard Hewitt (RH) asked whether there are any showstoppers in the report. MB confirmed that there are no showstoppers. MB explained that it appears that the network could function up to 20% and the impact on materiality area has been looked at. RH asked MB to explain materiality. MB noted that the explanation is technical and agreed to confirm what materiality means in this context and revert with an update.

Action: **Carried Forward**

0703: National Gas Transmission (MB) to seek a view from Ofgem and the Department of Energy (DESNZ) if Deblending and CCGT compatibility is in the scope of this Request.

Update: MB provided an update on the requirement of deblending, confirming that the general position is that once HSE have safety operability data from FutureGrid, they will be reviewing whether deblending is required. MB explained that FutureGrid data is due at the end of April 2024 after which this point can be considered in more detail.

Action: **Carried Forward**

0801: *Reference IEA/CSEP/NExA to UNC Interactions* – National Gas Transmission (MB) to consider aspects/interactions with the Offtake Arrangements Document (OAD) and Independent Gas Transporter Arrangements Document (IGTAD).

Update: MB confirmed that all UNC documents have been included in the scope of Phase 1 and 2 and NGT will be reviewing the interactions across those documents.

Action: **Closed**

0802: *Reference HyDeploy Report* – National Gas Transmission (MB) to double-check with the GDNs whether the report is available to publish and/or share with review Workgroup parties.

Update: EA advised that his colleague in the role before him had taken on this action. EA agreed to follow up internally and provide an update. Alexis Birchall (AB) noted that the intention is to have all the safety evidence submitted to HSE before the end of May 2024.

Action: **Carried Forward.**

0806: *Reference Hydrogen Blending / Commingling Models* – National Gas Transmission (MB) to provide examples of various commingling models and also confirm what NGT requirements might be.

Update: MB provided an update on the NTS blending infrastructure based on distribution networks explaining that NGT have done a follow-up study for NTS specifically. The study has focused on the assets that will be required. It has considered whether a pre-blending set up will be more suitable or whether direct blending would work better for some areas. MB confirmed that the target date of end of March 2024 has been pushed back to September 2024 for this project with the results being published in October 2024. MB noted that the NGT team have advised that they will be mainly looking at the direct blending functionality. They are looking into a blend propeller machine which will be installed at the point of direct blending so that when the gas enters, it is pre-blended before it travels downstream.

For further information, please visit: Blending Infrastructure for the NTS | ENA Innovation Portal (energynetworks.org)

JC highlighted the concern with slugs of gas and noted that it sounds like the propeller machine might resolve this, however, asked whether there is evidence showing that the machine will resolve the issue. MB confirmed that this was looked into in FutureGrid and agreed to review

this and provide an update.

Action 0401: NGT (MB) to provide an update on the slugging issues. MB to confirm whether there is evidence that shows that a blend propeller machine will resolve the issue of slugs of gas.

Action: **Closed**

1102: Joint Office (RHa) to update the Workgroup Report ready for publication for the Next Meeting on 09 January 2024

Update: RHa confirmed that the Workgroup Report has been started, however, it does not contain a lot of information at this stage and agreed to carry the action forward. Please see Item 5.

Action: **Carried Forward**

0201: National Gas Transmission (MB) to provide the Workgroup with a specific plan based on power generation statistics.

Update: RHa noted that this action was unclear and the reason behind raising it could not be determined. MB explained that the Hydrogen Production Mapping was prepared to address this action and agreed to continue building the document.

Action: **Closed**

0202: National Gas Transmission (MB) to consider whether delivering the Blending Model should be a UNC activity.

Update: RHa confirmed that the Workgroup has discussed clear views on this topic and agreed to close the action. Please refer to item 4 for further information.
Action: **Closed**

2. Hydrogen Producer Requirements

MB presented a visual map of the CCUS Phase 2 negotiations, HAR1 and NZHF with the purpose of providing an overview of where the projects are likely to be located. The table provided along with the map provides key details such as the capacity that the projects are looking to produce, the project status and funding. MB confirmed that most projects are aiming to go live by 2025 or 2026. MB noted that she was not able to determine whether the projects are looking to blend straight away, as some of the information related to this may be sensitive and cannot be shared. MB noted that it would be useful to have discussions in relation to when the blends are likely to be required.

For full information, please refer to the published slides.

JC noted that when talking about producer requirement, the arrangements that might enable blending comes into the commercial model. JC added that the question of whether there could be firm capacity or not could come down to whether there is a “command and control” type system controlling access to capacity/network. JC pointed out that there will be substantive costs in building a connection so that the blend can happen, and it is unclear who will pay for that. RHa asked whether JC means that the producers are producing hydrogen for other purposes and not for entry to the Grid. JC confirmed that as correct. MB clarified that a lot of the projects are connected to 100% hydrogen producer. JC explained that initially, the need for blending might not be as necessary, however, as time goes by and capacity increases, blending might become more necessary. JC observed that adding the distance to pipeline where a connection might be possible, into the table could be useful. RHa noted that just because the pipelines are there, does not mean that there is capacity.

Phoebe Finn (PF) advised that Stratera’s project is number 22 on the list and they are looking

to blend. PF offered offline discussions with MB to discuss the purpose of blending and noted that for some projects, it would be last resort whereas for other Scottish projects, there is a stepping stone role. PF agreed with the points made about information on capacity allocation and firmness of connection. PF pointed out the importance of projects taking investment decisions and understanding how blending could be used to help projects get to Financial Investment Decision (FID).

Steve Mulinganie (SM) noted that the 'Blending?' on the table presented is not helpful without any context as you need to know what is going to be available and what you need to fund. SM raised a concern regarding asking the question of blending and noted that it will present as a commercial opportunity, to which everyone's response will be yes. SM noted this might not be viable due to complexity and uncertainty. SM highlighted the need for more context and information regarding the requirements of blending that parties will need to commit to. JC agreed and added that this is why producers need to be involved in parts of the project.

MB noted that that Phase 2 will be looking at this type of detail. MB also advised that she will be raising some questions later in the meeting to obtain feedback regarding communications with the industry. JC added that part of industry communication should be identifying the parties responsible and point of contact for the listed projects. RHa asked the Workgroup attendees to confirm whether they are a lead partner on any of the projects. Mumtaz Patel (MP) offered to help establish contact with Carlton power who are the client for projects Barrow Green Hydrogen (5) and Trafford Green Hydrogen (6).

Richard Pomroy (RP) addressed the points raised by SM and noted that the working assumption would be that any hydrogen connection would be the same as a biomethane connection. RP further noted that he assumed hydrogen would be directed to measure the CV as they are with biomethane plants. Nick King (NK) queried whether RP was referring to Direction for FWACV under Gas Calculation of Thermal Energy Regulations. RP confirmed that he referred to the Gas Act Section 12. SM noted that biomethane has not been easy or straightforward and with hydrogen, we want to move quickly and effectively. SM questioned whether biomethane is a good proxy. JC agreed with SM and highlighted that with biomethane, it is a model that exists, however, whether it is the right model is open for discussion.

MB asked whether the biomethane model should be considered so we can take any learnings from it. MB noted that a lot of connections inject propane for blending which is not something they wish to do for hydrogen connections. MB asked whether it is worth looking at the biomethane model to see whether there is a basis that could be used or do a lot of the issues of the biomethane model need to be looked at alongside hydrogen blending.

EA noted that it may be helpful to take some overarching principals of biomethane and apply them to hydrogen rather than copying the model. EA suggested a market framework, regulatory and commercial split in order to identify teething problems and developing a set of principles to address the subsequent challenges.

Richard Fairholme (RF) noted his view that the biomethane model is not a good example to use, with the main issue being the lack of transparency and lack of upfront information. RF suggested that the hydrogen blend model be made more customer focused. RP added that the issue with biomethane is around capacity because biomethane plants want to inject a flat profile which is a location and a demand issue. The second issue is GCO Thermal Energy Regulations which drives the requirement for propanation. RHa queried whether all biomethane injection are propanated. RP stated that they are. MB added that NGT have one biomethane connection onto NTS currently and do not inject propane as it is blended in. MB noted that this might because they only have one connection, and it might be more complicated to blend it in with more connections. MB confirmed that they are looking opportunities to connect to NTS moving forward. RP confirmed that in WWU's network, every biomethane plant has propanation capacities.

JC raised a query in relation to how not propanating into hydrogen and direct injection would work. RP explained that it will have to be blended before it reaches customer. RP noted that the

issue is larger for hydrogen because with biomethane is Calorific Value (CV) 34 MJ/m^3 compared to methane gas we are currently getting which has a CV 38 MJ/m^3. It is doable for biomethane by adding propane, however, with hydrogen (CV 12.1 MJ/m^3), we are assuming that it is not feasible.

JC asked whether the Direction under Section 12 of the Gas Act can be explained. RP clarified that under Section 12, Ofgem directs Transporters to measure the CV. NK explained that the topic of flow rated average CV is a complicated area which involves an Act, Ofgem Regulations and different engineering aspects. NK suggested getting an expert to review the topic separately. NK explained that biomethane goes into Transmission, IGT and DN Networks and all elements/networks need to be treated separately in a granular manner. In relation to the physical blending of gas, NK advised that biomethane is compared with Natural Gas, however, there are differences in the engineering, regulation, and legislation of it. NK suggested the blending model of LNG might be more similar as it is a rich gas, it is ballasting rather than enrichment. LNG has boil-off similar to biomethane.

SM noted that the Workgroup is fixating on the blending aspect and the focus is hydrogen access to the total system and working out the principles around that. The main principle is bringing hydrogen to the total system. SM noted that it has previously been discussed that blending gas with hydrogen comes up with a robust CV. SM explained that the issue is not blending, it is how easy it is to get the product onto the system and what are the blockers. NK highlighted the differences between Transmission and Distribution explaining that they have different licence requirements to adhere to, Transmission has a capacity product, whereas Distribution does not. Distribution Networks use TPD Section I and Transmission is using the 1996 rules. NK asked that if we are looking to use biomethane commercial model, which one would it be as there is more than one.

MB agreed to add more columns to the document to include details of locations and distance to potential connection to the network. MB also agreed to contact the project leads to get more information. RHa invited the attendees to assist MB with the key points of contact for the projects.

MB explained that in relation to the Hydrogen Producer Requirements, there are key questions that producers will need to provide answers to and NGT will be looking to get this type of detail as part of Phase 2. MB highlighted the importance of getting feedback from hydrogen producers to understand how to work together. JC noted that there will be producers that are not on the presented list and suggested that more thought is given to producers that are hoping to become successful in the future. MB agreed to look into it. MB confirmed that she had contacted Hydrogen UK and Hydrogen Energy Association and made them aware of the Workgroup explaining that the Hydrogen Producer Requirements will be discussed in the open forum. MB added that they will be looking to utilise the Workgroup going forward to have these discussions. RHa suggested sharing the slides with the two organisations. JC suggested providing the attendees from the organisation certain timeframes to attend during the meeting as they might not have the availability to attend the whole meeting.

RF suggested that project managers from Hydrogen Producers are not experts in regulatory frameworks and suggested that the feedback should be taken where required. Additionally, in relation to the principles of connecting hydrogen, RF suggested a discussion in relation to whether there should be a single set of arrangements one each for each networks or a single set of harmonised arrangements. SM expressed preference for a single set of harmonised arrangements noting that they need an attractive environment for Hydrogen Producers to bring hydrogen in. SM noted that the arrangements should be easy, simple, and predictable.

NK added that the idea of single set of arrangements sounds attractive and if treated in layers, there is potential for it, however, hydrogen into polyethylene pipe cannot be treated the same as methane gas going into a 6-inch steel pipe. NK highlighted that the problem with a single uniform approach is that if it is not the most attractive, there is no alternative, whereas, allowing differentiation provides for alternatives. SM noted that biomethane introduced a plethora of

complications as the parties producing it do not know what is going on. SM advised that the system must be attractive to people in order to survive. This needs a common set of principles for common set of arrangements.

EA advised that the attractive element about the KPMG project is that the individual companies are jointly funding it and it acts as an essential mechanism for raising common principles. It also avoids individual networks going off and agreeing their own sets of rules. EA noted that the project reflects what the Workgroup Participants are asking for.

NK provided more context to the earlier point explaining that 'Entry' has been in the Network Code since it was created. Around 2007, with the introduction of biomethane as a concept, Ofgem released a lot of papers. There were also, Distribution documents, Gas Transportation documents, among others. NK noted that it appears that there was an intention to make things simpler than the Transmission Arrangement documents prepared in 1996. The approach taken to make the arrangements easier is not too different from what Workgroup's discussions.

3. Biomethane Blending Model

MB noted that she wanted to discuss the Biomethane Blending Model to get some industry feedback and take away learnings. Further to the earlier discussions in the meeting (please refer to item 2), MB summarised that are a lot of challenges with the Biomethane model currently, so the question is whether it is the best base to start for hydrogen blending or should they be looking at hydrogen blending with fresh pair of eyes.

4. KPMG Phase 2 - Update

MB informed the Workgroup that in the 28 February 2024 Workgroup, KPMG joined and provided an update on behalf of the Networks on Phase 1. The update looked at blending implementation road map. KMPG are currently going through the Phase 2 funding proposal.

MB presented the Blending Implementation Roadmap which has been split into the five pillars and provided an overview of the next steps in Phase 2. For full details, please refer to pages 8 and 9 of the published slides.

MB explained that further to Workgroup discussions, the proposal has grouped the points of discussion into the following 4 key areas:

- Capacity, Connection and Charging
- Trading and Balancing
- Measurement, Monitoring and System Operations
- Communications and Coordination

MB provided an overview of the scope and the example range of options for the changes and optimisation. For full details, please refer to Page 10 of the published slides.

MB confirmed that NGT will be looking to agree design principles with Ofgem and DESNZ to ensure that they are onboard. NGT will also be looking for industry feedback, bearing in mind that different parties might have different priorities, however, they are keen to gather industry input to ensure all aspects have been covered.

JC enquired whether the communications between Shippers, Hydrogen Producers and Networks will come under the Communications and Coordination area or another area. MB explained that it will be covered in Communications and Coordination, and they will also be covering custumer communications. JC highlighted that "'Input Nomination' with NGT responsible for accepting or rejecting" (Slide 10) is only relevant for Transmission and not Distribution. MB agreed that there are going to be differences between Transmission and Distribution Networks and how capacity is managed and allocated will need to vary slightly. EA

added that some of the questions will be answered in the Working Groups.

EA pointing to the Working Group structure noted that the Groups will sit under an overall project structure with the workstreams sitting underneath dealing with the detailed questions and different parts of the Code. JC reiterated SM's point of making the structure straight forward in order to keep it attractive. SM added that the question is whether it will bring hydrogen onto the system as we do not want to produce a book of rule that no-one uses.

SM advised that in the previous meetings, an interest was noted in hydrogen being injected at higher tiers which might be the preference for Networks, however, it won't make sense to a commercial organisation. SM highlighted the importance of paying attention to the different parties involved and making the structure more attractive. SM noted that biomethane is fixed in its positions largely and hydrogen can be a more flexible regime. SM noted that and understanding of the requirements is required because if you connect downstream, does that stop the connection upstream because you are already blending (due to the 20% blend cap). SM also highlighted the need to test the regime at some point to see if customers understand it and want to use it.

PF enquired who will be on the Working Groups and who will determine this. MB advised that this topic will be discussed as part of the questions she needs to raise in this Workgroup.

SB presented an overview of who NGT believe needs to be included in the discussions and provided a high-level indicative timeline for Phase 2. For full details, please refer to pages 11 and 12 of the published slides.

MB raised a few questions to gain feedback from industry so that considerations can then be reviewed before a final proposal and Terms of Reference is completed in preparation for Phase 2A to start.

Q1: What overarching principles would you recommend that the project team consider when reaching agreement with DESNZ/Ofgem on the key 'blending delivery principles'?

Q2: What are the design principle(s) that your constituency (e.g. shipper, DNO, transmission, producer, IGT) believes should be prioritised when assessing and recommending options for market framework changes?

JC suggested that 'simple, fair, transparent and attractive' are included as overarching principles. PF noted that in relation to engagement with DESNZ, different parties want blending to do different things and suggested that communications be held with DESNZ to understand what they believe blending will achieve. JC noted that DESNZ might repeat the standard lines about blending being the preferred reserved offtaker role. PF highlighted that there was more information in the Distribution Blending Consultation about the strategic role that blending can play. MB agreed to contact DESNZ about how they see blending working.

SM suggested that a list of the customer types and saying that it is an arrangement for facilitating these customer types. SM noted that the list will provide an understanding of what the customers look like so that the design can be cross checked against the customer it is trying to facilitate in a stable, transparent and consistent manner. RHa added that the 'attractive' mentioned by JC can be broken down to include a range of customers and the different approach for each customer.

Chris Wright (CW) suggested adding 'technology neutral' to the list of overarching principles. CW noted that in order to achieve government targets, hydrogen will have a role to play. JC noted that if it is behind a connection, it should be irrelevant what is behind it. CW agreed and explained that the connection cannot always be moved between Transmission and Distribution. JC agreed with CW and highlighted the tension between DESNZ and Networks because DESNZ

have said that they will not tell people where to connect or not. MB explained that in their discussions with DESNZ, they have recognised that there needs to be a strategic structure to it.

JC suggested adding 'cost effectiveness' to the principles. RHe recommended adding a core principle of zero/minimal commercial impact on existing gas market arrangements. RHe explained that in the case of a clash between hydrogen blending and the current arrangements, there should be a set priority system that says hydrogen blending does not take priority. EA agreed with RHe's suggestion of a minimal impact agreement as a core principle. SM disagreed with RHe and noted that this principle might stop hydrogen from coming into the Total System. SM explained that we should try and bring hydrogen with minimal impact possible, however, if minimal commercial impact is an overarching principle, it might lead to not facilitating hydrogen. SM highlighted the importance of making the hydrogen utilisation attractive. Hydrogen is not a product solely available for Network Blending and the aim is to bring it in. SM added that we should be using the local connections to support longevity of these Networks. RHa noted that longevity of Networks feeds into security of supply. SM agreed and noted that it is all about the transition.

Mariachiara Zennaro (MZ) suggested adding 'consistent' explaining that there should be a consistency principle to avoid different protocols, costs and advantages for different Networks. Anna Shrigley (AZ) suggested adding 'stable' as a principle to mean that the model will not change year to year and 'predictable' meaning that charges can be forecasted.

RF highlighted that if the discussions result in a UNC Modification, it will need to be assessed under the Transporter's Relevant Objectives, therefore, there is not much point in creating separate set of objectives that do not get past UNC's Relevant Objectives. RF suggested adding the principles discussed in the Workgroup to the existing Relevant Objectives.

MB agreed to take all the suggestions away.

The Workgroup discussed how the meetings will be arranged and how they can be fitted in. The Workgroup Participants suggested that the meetings are held under the UNC framework.

RHe noted that with the timeline for the project being pushed towards the end of the year and the beginning of the next year, NESO becomes involved. RHe explained that the Workgroup might spend a lot time developing strategies, however, NESO might disagree with them. RHe noted that NESO will want to influence the discussion in a significant way. MB agreed to contact NESO and ask if they would like to join the discussions.

Q3: The 0849R workgroup will continue to provide an essential stakeholder engagement link between the project and wider industry. To ensure that the future blending implementation modifications that reach the UNC are effective and well-considered:

a. How would you like 0849R to be used as link between the Phase 2A project and the UNC governance process (e.g. frequency, content etc.), and,

b. What are your views on other industry constituencies (e.g. shippers, producers, interconnectors etc.) having a greater role in the project above and beyond providing views through 0849R?

EA explained that the question was flagged due to the risk of Transporters going and designing framework changes without the input of the wider industry. The industry might wish to use the Workgroup as the channel, or they might wish to nominate representatives. RHa explained that for a UNC Modification, we need to know what it is trying to do but we are not at that stage yet. RF added that developing something that does not have customers considered will not succeed going through the UNC process.

SM highlighted the principle of transparency and noted that setting up Workgroups outside of the UNC will not promote transparency. SM suggested continuing working with this Workgroup as there has been a good level of engagement on it. RHa noted that the discussions show that the project is not at a Modification stage yet. RHa highlighted that the Joint Office (JO) only have the resource to facilitate monthly meetings, and anything more frequent will need to be discussed at a higher level (JGAC).

Anna Shrigley (AS) suggested considering the Code Governance process for Arrangements which will change from 2026. AS also highlighted NESO's role which comes into effect on 1 July 2024 as they will become a licenced UNC Party and will be able to raise new Modifications. AS noted, that there are several significant transitions happening that need to be considered as all of these changes might happen at the same time.

EA agreed with RHa's point about the Modification and noted that sub-committees/sub groups can help get 'meat on the bone' in order to raise a Modification. RHa pointed out that subgroups have been used previously under Transmission Charging, however, they were arranged by NGT (and thus were outside of the UNC) with the outputs brought back to the UNC Workgroup.

The Workgroup discussed the frequency of the meetings and the meetings being arranged under UNC by JO or under NGT. Some Workgroup Participants discussed review of JO budget in order to facilitate more frequent meetings. EA agreed to take the point away and revert to Workgroup with an answer.

5. Development of Workgroup Report

RHa suggested that the development of the Workgroup Report is deferred to a later late as there is very little to record which would be in any way different from the meeting minutes.

The Workgroup agreed and noted that there is a good amount of time until the report is due back to panel.

6. Next Steps

The Workgroup discussed the following next steps:

- Meeting 18 June 2024
- Networks to discuss further ways to structure industry engagement. NGT and JO will try and arrange an earlier meeting and publish papers as early as possible to allow time for consideration. NGT and JO to consider a shorter session which will fit into everyone's diaries.

JC asked that the project timeline is updated according to the current timings as these have significantly changed due to delays. MB agreed to update this.

7. Any Other Business

No other business was discussed.

8. Diary Planning

Further details of planned meetings are available at: https://www.gasgovernance.co.uk/0849

Time / Date	Paper Publication Deadline	Venue	Workgroup Programme

18 June 2024	10 June 2024	Microsoft Teams	• TBC

0849R Action Table

Action Ref	Meeting Date	Minute Ref	Action	Reporting Month	Owner	Status Update
0701	18/07/23	1.3	*Action 2 – GCOTER:* Guv Dosanjh (GD) to provide a link to the report that is looking at gas temperature on the HyDeploy project.	Sept 2023	Guv Dosanjh (GD)	**Carried Forward**
0703	18/07/23	3.0	National Gas Transmission (MB) to seek a view from Ofgem and the Department of Energy (DESNZ) if Deblending and CCGT compatibility is in the scope of this Request.	Sept 2023	National Gas Transmission (MB)	**Carried Forward**
0801	02/08/23	1.3	*Reference IEA/CSEP/NExA to UNC Interactions* – National Gas Transmission (MB) to consider aspects/interactions with the Offtake Arrangements Document (OAD) and Independent Gas Transporter Arrangements Document (IGTAD).	Sept 2023	National Gas Transmission (MB)	**Closed**
0802	02/08/23	2.	*Reference HyDeploy Report* – National Gas Transmission (MB) to double-check with the GDNs whether the report is available to publish and/or share with Review Workgroup parties.	Sept 2023	National Gas Transmission (MB)	**Carried Forward**
0806	02/08/23	3.	*Reference Hydrogen Blending / Commingling Models* – National Gas Transmission (MB) to provide examples of various commingling models and also confirm what NGT requirements might be.	Sept 2023	National Gas Transmission (MB)	**Closed**
1102	22/11/23		Joint Office (RHa) to update the Workgroup Report ready for publication for the Next Meeting on 09 January 2024	January 2024	Joint Office (RHa)	**Carried Forward**
0201	28/02/24	4.	National Gas Transmission (MB) to provide the Workgroup with a specific plan based on power generation statistics.	TBC	National Gas Transmission (MB)	**Closed**
0202	28/02/24	4.	National Gas Transmission (MB) to consider whether delivering the Blending Model should be a UNC activity.	TBC	National Gas Transmission (MB)	**Closed**
0401	30/04/24	1.3	National Gas Transmission (MB) to provide an update on the slugging issues. MB to confirm whether there is evidence that	TBC	National Gas Transmis	**Pending**

			shows that a blend propeller machine will resolve the issue of slugs of gas.		sion (MB)	