

**UNC Workgroup 0900 Minutes
Amendment to the Gas Quality NTS Entry Specification at
Biomethane System Entry Points
Monday 10 February 2025
via Microsoft Teams**

Attendees		
Paul McKie (Chair)	(PM)	Joint Office
Helen Cuin (Lead Secretary)	(HC)	Joint Office
Nikita Bagga (Secretary)	(NB)	Joint Office
Alexandra Wellings (Observer)	(AW)	Joint Office
Andrew Allan	(AA)	RWE
Andrew Rogers	(AR)	SGN
Anna Shrigley	(AS)	ENI
Catherine Litster	(CL)	Wales and West Utilities
Christiane Sykes	(CS)	Shell Energy
Claire Scarfe	(CSc)	Cadent Gas
David Mitchell	(DM)	Scotia Gas Networks
Ellie Osobina	(EO)	Ofgem
Jason Hill	(JH)	Wales and West Utilities
Jeff Chandler	(JC)	SSE
Joel Martin	(JM)	Scotia Gas Networks
Joseph Leggett	(JL)	Interconnector
Julie Cox	(JCo)	Energy UK
Kirsty Appleby	(KA)	National Gas Transmission (NGT)
Luke Warner	(LW)	Northern Gas Networks
Michelle Niits	(MN)	NESO
Nicola Lond	(NL)	National Gas Transmission (NGT)
Ofordi Nabokei	(ON)	National Gas Transmission (NGT)
Oorlagh Chapman	(OC)	Centrica
Paul Murphy	(PMu)	ESB Generation & Trading
Pavani Prathapaneni	(PP)	SGN
Richard Fairholme	(RF)	Uniper
Shaun Stephenson	(SS)	SGN
Shiv Singh	(SSi)	Cadent Gas
Steve Mulinganie	(SM)	SEFE Energy
Tim Davies	(TD)	CNG Services

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/0900/100225>

1. Introduction and Status Review

The Chair, Paul McKie (PM), welcomed all parties to the meeting and confirmed the meeting was quorate.

PM noted that the Workgroup had been due to begin considering this Modification in December 2024, however, this had been deferred and its first review was not until the January meeting of the Gas Quality Workgroup. In light of that the Modification Panel had granted an extension of one month, until March 2025, for reporting back to Panel. PM advised the meeting that the Proposer had requested, if possible, the Workgroup Report be completed at this meeting and the original Panel date of February be retained.

1.1. Approval of Minutes (13 January 2025)

The minutes from the previous meeting were approved.

1.2. Approval of Late Papers

There were no late papers.

1.3. Review of Outstanding Actions

1101: NGT (PH) to provide details of network penetration assessment for Glenthams.

Update: Please refer to the discussion under agenda item 3 regarding the downstream consequential impacts. In light of the discussion, it was agreed to close this action.

Closed

2. Modification Assessment

The Proposer requested the views of the Workgroup regarding whether the Modification should be Self Governance or an Authority Direction.

Please see the discussion below at agenda item 4.

3. Issues and Questions from Panel

3.1. Consider consequential impacts on downstream users for example impact on DNs, bio injection sites, storage sites and also impacts on sensitive users (including consideration of heat map - network penetration analysis).

Kirsty Appleby (KA) provided an update on the analysis conducted in relation to the Murrow and Glenthams sites.

In relation to the exemption on the introduction page, KA clarified that the reference to 'up to 1mol%' is in relation to Oxygen, which has not been included on the slide. The general conclusion is that dry network risks associated with elevated oxygen levels are thought to be mitigated, however, potentially sensitive customers such as storage sites had been identified.

KA advised that the analysis provided was based on the assumption of the exemption being granted.

In relation to the Murrow 3rd party connections and flows (slide 5) it was identified that there were some circumstances where gas could travel from south to north to the multijunction and beyond towards Hatton compressor and sensitive customers. However, the injections at Murrow are highly unlikely to result in any significant changes to the characteristics of gas in the NTS.

Steve Mulinganie (SM) queried the sensitive sites and highlighted the challenge with providing this information.

Joel Martin (JM) advised that GDNs are subject to the 0.2% exemption and most offtakes operate at above 38 barg, therefore concluding that GDNs are impacted. JM suggested that it would be useful to clarify that the GSMR exemption on the NTS will be site specific.

KA advised that the preference would be for the exemption to be a class exemption adding that communications with HSE are ongoing. Julie Cox (JCo) agreed with the proposal of a site-by-site assessment, adding that a blanket approach could be problematic.

JCo highlighted her concerns in relation to blending and the difficulty with understanding the specifications of gas, particularly as biomethane is likely to increase within the network. KA clarified that the data presented was based on historical data. Via the chat function, JCo advised that *'past flows are not a good indicator of future flows as gas generation load factors decline and other demand electrifies'*.

Richard Fairholme (RF) agreed with the concerns raised by JCo, adding that although the risk of increased oxygen content to generators is relatively low, the issue relates to future amounts of biomethane in the network. RF highlighted the potential risk of this Modification acting as a floodgate to allow more biomethane into the network and sites which were previously deemed as compliant, may no longer be. In relation to the proposal to conduct a site-by-site assessment, RF advised that grouping sites would not be an option. Despite the concerns regarding the differing levels of oxygen, KA advised that the injected biomethane into the NTS is likely to blend rapidly.

Paul Murphy (PMu) highlighted the bench marking process which is considered in Ireland as a consideration for Workgroup in terms of the exemption.

The analysis of the data had been conducted on the assumption of the 1% exemption being granted, however, KA advised that normal operating conditions would be between 0.3% and 0.4%.

In relation to slide 6 and the 25 instances during the period (over 39k data points) where flows have been less than required (0.384mcm daily rate) for blending to 0.2mol%, KA clarified that this is in reference to 25 hourly instances and not 25 days.

In relation to Glenthams, blending of gas is not envisaged to be an issue if the gas is flowing from north to south. However, if flowing from south to north, there are several third-party connections to consider and how far the gas travels will be dependant on the number of offtakes taking gas on the given date (slide 10). NGT has been communicating with all third-party sites between Asselby and Glenthams to inform them that an exemption of 1% has been requested.

KA provided an overview of the low/null flow scenario (slide 14) advising that the diagram on the left demonstrates the position at 10 seconds and the red part of the heat map shows the elevated level of oxygen and the blue is the NTS level of oxygen. This is compared against the diagram on the right which demonstrates the position at 30 seconds which indicates that the gas will blend readily with the gas that is already in the network and the slug will be blended out before it reaches a sensitive site. As the storage sites are around 30km away from Glenthams, it is envisaged that there will be no issue.

To address the point of future biomethane sites injecting into the vicinity, KA clarified that a first come first served basis would be adopted.

JM queried whether an artificial cap will be implemented and KA advised that consideration of this is still under development and internal methodology is being developed to consider this, which will be published. A deep dive will be done into insufficient flows to understand what this looks like and a plan will be published on the NGT website. A heat map will also be developed and published to indicate where on the network the requests for elevated oxygen can be accommodated. NGT may consider putting in place locational barriers.

KA clarified that NGT is looking to create a cap under the GSMR limit as although the 1% is being requested, it will need to be managed in respect of sensitive sites.

JCo queried the confidence of NGT in respect of the blending of a slug, advising that work conducted by the DNV in respect of the Wobbe Index suggests that slugs do not blend as NGT may think. Furthermore, JCo suggested as flows on the network potentially decline consideration needs to be given to projected flows, not just historical flows. KA advised that

CFD analysis has been based on a worst-case scenario but said she would look into this to consider if any further information could be shared.

RF queried the exemption request being 1%, advising that, according to the data, it appears that only 0.5% is only required in practice and there is a risk that in the future, the default position could be 1%. As biomethane becomes cheaper, RF queried what is stopping the amount of biomethane in the network from increasing in the event that the Modification is approved. Consideration will need to be given to applying constraints. PMu queried whether consideration had been given to future changes involving the blending of hydrogen and oxygen.

In relation to the lack of feedback provided by customers who may be impacted by the various levels, KA advised that the data has been presented to Underground Operative Storage Group, but little feedback was obtained. It is believed that a study is being conducted in response to the DNV report.

All sites within the vicinity of Glenthams have been contacted but not all responses can be shared, however, the responses have been submitted to the HSE for review.

PMu highlighted concern over the stacking of one issue on another i.e. a compound effect of numerous changes however, this was deemed as being outside of the scope of the Modification and PM advised that if this is a bigger issue, it could be captured on the issues register.

Please refer to the [presentation slides](#) published for further details and information.

4. Development of Workgroup report

Joint Office confirmed that Panel had agreed to a one-month extension to allow more time to finalise the Workgroup report.

Governance:

Helen Cuin (HC) presented the Workgroup Report to and referred to the earlier discussion regarding the Proposers justification for Self-Governance, highlighting that the Modification is unlikely to have a material affect due to the impacts on downstream parties. However, it was deemed by Panel that the criteria for Self-Governance was not met, and it was noted that the original assessment of Workgroup was that the decision by the HSE should not affect the Authority Direction.

SM highlighted that the Proposer was not in attendance for the meeting and that a review of the Report would require input from the Proposer. PM pointed out that the Proposer was of the view that the Modification was straightforward with negligible material impact and could be dealt with swiftly. PM stated that if Workgroup were of the view that the Workgroup Report could not be progressed during this meeting, then the Modification is likely to report to Panel in March as opposed to February.

SM advised of the discussions regarding hydrogen which could contribute to the argument that Self-Governance may not be the appropriate route. Panel are of the view that the Modification should be an Authority Direction which the Proposer disagrees with, and the Proposer is therefore seeking the views of Workgroup. It was further noted that the areas discussed during Workgroup raised a level of concern which supported the argument for Authority Direction being more appropriate. HC updated the report to advise that in relation to proposal for Self-Governance, Workgroup concurred with Panel that this is Authority Direction. SM requested the addition of the wording 'in the absence of the proposer'.

HC advised that the focus of the Workgroup should be on considering whether the Modification is implementable or not.

Alternatively, RF noted that the DNV report assumes very low levels of biomethane in the network and given the uncertainty of future flows, this cannot be guaranteed. Therefore, the inclusion of a caveat should be considered as these noted low levels cannot be relied upon.

As it had been noted in the analysis presented that the limit is more likely to be 0.4% Workgroup requested justification as to why the exemption was requested at 1%. Although HC advised that it had been addressed as assisting with peaks, MN noted that there was no adequate explanation as to what the peak relate to. Although NGT have provided analysis, it was the rationale behind the data which Workgroup were seeking. In relation to whether the request for 1% was implementable, the Workgroup advised of their concerns.

The Proposer, Tim Davis (TD) then joined the meeting.

TD was asked to explain why the request for 1% was made when it appears the limit is manageable at 0.3% or 0.4%. TD advised that this is to deal with the occasional spike and that it will depend on the period being measured. Other parts of industry had requested 1% so the intention was to align positions.

In relation to Workgroup's view that Self-Governance was not appropriate, TD advised that his view is that Ofgem are likely to reject the decision.

RF queried whether there is a way to prevent the 1% limit from becoming the prevailing default position and noted that this will be something for NGT to monitor going forward. TD clarified that the request to increase oxygen to 1% has been made for two small sites of Murrow and Glenthams only.

Impacts and Other Considerations:

There were no comments from Workgroup to counter the statement regarding consumer impacts. HC advised that the Penetration Analysis provided by NGT will be appended to the Workgroup Report.

In relation to the Impact Assessment, the highlighted sentences take into consideration the Penetration Analysis provided by NGT during the meeting which Workgroup were asked to review and provide their views on.

RF suggested that additional reporting should be required in relation to all gas quality Modifications. TD's views are that there will only be a small amount of biomethane and if this position is correct, there are concerns regarding a substantial increase in volumes and greater transparency from NGT will be required. SM highlighted that the ongoing monitoring links to a potential Performance Assurance impact, adding that consideration will need to be given to whether this falls within the scope of Workgroup or whether it is a broader issue.

HC queried the specific wording for the Performance Assurance considerations whilst being careful to ensure that the additional reporting does not form part of the solution in the Modification.

PM suggested having a standing item on the agenda for reports from a data transparency perspective. Via the chat function, SM stated "*The Workgroup noted the need for enduring performance management information via the Gas Quality committee to ensure that the ongoing effects of changes are suitable monitored.*"

In relation to data transparency, JCo highlighted that it is important to work out what the data is, where it resides and who has ownership. Nicola Lond (NL) also highlighted NGT's control of data in relation to Network Entry Agreements (NEA), although this was noted as being a separate point.

RF queried whether a Modification would need to be raised to ensure that there is transparency around what is on the network. When considering the NEA, KA highlighted that if a party wishes to make amendments to this document, it would have to be amended under rules. PM noted that this discussion appeared to be out of scope for the Modification and requested that the focus return to the Workgroup Report.

JCo highlighted that where concerns have been noted on the Workgroup Report, Panel are likely to return the matter and request that the issues are resolved. JCo queried whether NGT is able to share the data at the entry points to aid in the understanding of the Workgroup.

Ofordi Nabokei (ON) and JCo discussed the use of the NEA and that this is being considered internally by NGT with the proposal to provide further information next month. JCo highlighted that the Modification is in progress at this stage and the reporting framework does not appear to be ready. ON clarified that where there is data in the possession of NGT, this can be published but only with the consent of the relevant party to which the data relates. NGT are in phase 1 of considering the incremental changes and hope to be able to provide further information in relation to data transparency.

Via the chat function, TD queried whether NGT *“would be looking to extend all the monitoring to every entry point, not just NTS entry – so picking up over 100 biomethane points, for which there is limited transparency at the moment compared to what is published by NGT?”* RF, via the chat function advised *“Some sort of guarantee about maximum Entry volumes for this Modification would take away many concerns”*. RF further advised that he did not propose to raise an alternative to the Modification.

RF advised that previously, where amendments needed to be made to something relating to gas quality, this would need to be done on a contractual basis, however, RF suggested the use of caveats. Workgroup considered whether a Modification would be required to amend a NEA and RF suggested to note the concerns of Workgroup regarding volumes changing without adequate notification. HC removed a sentence from the Workgroup Report to reflect that a Modification will need to be raised for transparency.

SM clarified that the content of the statement related to the flow of gas which does not require a Modification. PM advised that the reading of this amendment appeared to relate to flow, however, the points being made were captured within the wording of the Workgroup Report.

In relation to the reference to ‘data being reviewed by the HSE’, KA clarified that this was in relation to Glenthams only. The Workgroup Report was amended to reflect this point.

In addition to the Report reflecting that there were no comments from the Workgroup in respect of the Relevant Objectives, it was also noted that this was the case if levels remain as suggested by the Proposer. However, some Workgroup participants felt there could be negative impacts on competition between users in the event of increased biomethane flows.

TD and RF considered the reference to the negative impact on competition between users referenced in the Workgroup Report with RF advising that this could relate to incurring further costs where a plant may fail. RF explained in relation to the 1% exemption, where the volume of biomethane is increased on the NTS, this could affect generators causing them to shut down due to the gas quality and as a result, storage facilities are having to incur additional costs to maintain their sites which could lead to negative competition.

On behalf of Cadent, Shiv Singh (SS) expressed his agreement that there is a positive impact on the Relevant Objected (d).

MN requested for the wording of ‘once the HSE exemption has been obtained.’

Workgroup took a break to consider the Workgroup Report in its entirety to see if there were any further amendments they wished to make.

Having read the Report, JCo noted that there did not appear to be any reference to forward looking analysis. HC and JCo therefore drafted a statement for inclusion in the Workgroup Assessment Impact section to reference this point. SM further requested an amendment to be made to reference the fact that not all of Workgroup agreed with the position under this section and that it is important to ensure that both sides were captured. An amendment was made to the Report to reference that the views were of ‘some’ of the Workgroup.

In the Governance section of the report, HC noted that Workgroup had considered why the Proposer had considered the Self-Governance route due to the material impact.

Workgroup considered the HSE exemption and the effect of this on the implementation date of the Modification. KA clarified that there would be two independent decisions with one implementation date being for the Modification subject to the NEA which may or may not change

depending on the outcome from HSE. TD clarified that implementation is not dependant on the decision from HSE but dependant on the approval of the Modification.

Workgroup considered the timing of Ofgem making a decision on the Modification in line with awaiting a decision from HSE on the exemption. MN advised that the Modification can be implemented but the contractual changes would not come into effect until the HSE exemption had been granted. TD advised that the order of events cannot be confirmed at this stage of the process. He further clarified that the intention is to have one exemption for the Glenthams site and one exemption for industry overall.

In light of the discussion, it was agreed to remove the sentence relating to the Modification being implemented upon Ofgem’s direction and that the contractual changes could be executed upon the HSE granting the exemption.

HC confirmed that there would be no Legal Text inserted into the UNC, instead there would just be an amendment to the NEA.

Based on the analysis and discussion, HC was of the view that there was no further work to be done on the Workgroup Report and asked Workgroup if they believed that the Modification had been suitably assessed to proceed to consultation. SM agreed.

5. Next Steps

Due to the completion of the Workgroup Report, the next steps will be to present at February’s Modification Panel.

6. Any Other Business

None.

7. Diary Planning

0900 meetings are listed at: <https://www.gasgovernance.co.uk/0900>

Future Gas Quality Workgroup meetings are listed at <https://www.gasgovernance.co.uk/GQW/2025>

All other Joint Office events are available via: www.gasgovernance.co.uk/events-calendar/month

0900 Workgroup Action Table						
Action Ref	Meeting Date	Minute Ref	Action	Reporting Month	Owner	Status Update
0101	13/01/25	2.0	NGT (PH) to provide details of network penetration assessment for Glenthams.	February 2025	NGT (PH)	Closed