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Ofgem - Networks

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Hydrogen Village Trial Detailed Design Studies Consultation

National Grid Metering (NGM) welcomes the opportunity to respond to Ofgem's consultation document of 15th March 2022.

NGM is a subsidiary of National Grid Gas (NGG), providing traditional metering services to around 7.8 million traditional Domestic and Industrial & Commercial gas meters owned by NGG, which also carries the National Meter Manager (NMM) obligation for traditional gas meters in the transition to smart metering.

We do not wish to comment directly on the consultation questions provided, rather to provide some general comment on the design studies and the role that metering will play in both the Hydrogen Village trial and the utilisation of Hydrogen for homes and businesses more generally. NGM supports the net zero target and is fully committed to supporting the drive towards decarbonisation and provision of a more flexible and resilient energy system.

Detailed Design Studies – metering solutions

We note that the Ofgem consultation document does not reference the role that metering will inevitably play in the deployment of this trial, given that the meter is in effect the point at which the consumer becomes directly involved. We appreciate that the individual elements of both Cadent and Northern Gas Networks' (NGN) proposals are not set out in the consultation document. However, we would welcome more transparency and industry discussion on the nature and capability of both traditional and smart metering assets in the deployment of hydrogen as a future energy fuel for homes and businesses. We would point to experience already gained in the Smart Metering Implementation Programme (SMIP) which would suggest that addressing the role of the meter and how the consumer will engage with the trial would be beneficial. We are therefore concerned that the consultation document does not reference this explicitly, nor signal any overarching direction at this stage.

In keeping with the ongoing SMIP, we can see that the preference for utilisation of smart meters for domestic-sized (U6) supply points would be reasonable but would suggest that it is sensible that traditional assets are also included; we believe this can be done safely. In the same way that there may be meter locations where it is not feasible to install a smart meter, or where a consumer may not wish to have a smart meter, both solutions should play a part in the trials. We are mindful that current Supplier licence obligations provide consumer choice in this matter and preserving this would be beneficial not only to building consumer confidence but in gathering learning to inform future potential hydrogen deployment programmes.

We also note that the consultation document references both residential locations and "several unique commercial users". Although we understand that some meter manufacturers are exploring the development of larger meters for smaller and intermediate commercial premises (U16 to U40), such

assets are not yet readily available. Traditional assets, coupled with appropriate ancillary equipment to support remote reading, are readily available, support by a robust manufacturing, supply chain and installation infrastructure.

We therefore believe that for both residential and commercial settings, utilisation of traditional assets where appropriate may enable the trial to mobilise more quickly and deliver greater value for money. At the same time, utilisation of suitable in situ assets will also create less disruption for consumers involved, thereby improving engagement and maximising participation.

Network-led deployment

The consultation document clearly sets out the clear approach that the Hydrogen Village trials will be led by Cadent and NGN respectively. We believe that this is the correct approach for all aspects of the trial and that this should include the choice and installation of metering assets involved as well. We strongly believe that Suppliers who will be impacted by these trials should be consulted regarding the meters to be deployed. However, any exchange or maintenance requirements should be undertaken as part of the overall project deliverables. We believe that this will afford the greatest opportunity for efficient roll-out by the relevant network, thereby reducing the time taken to commence the study. It would avoid site by site coordination between the network, the Supplier and their appointed Meter Equipment Manager (MEM), reducing complexity, potential cost and the risk of delays.

NGG already carries license obligations pertaining to traditional metering, but which currently limit our ability to undertake smart metering services. We are therefore keen to understand the intended approach both Ofgem and the networks involved may have towards identifying the optimal metering solution such that we can participate, not just in the Hydrogen Village trial but in supporting the future use of hydrogen in homes and business across the UK.

If you have any further questions regarding this proposal, please contact me on 07866 840703.

Yours sincerely,

By email

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