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Welcome to the next instalment of **DeliveringDecarb**. We're only three months into the new year, but the energy industry has already seen considerable change. In this month's newsletter, we will be taking a look at the most notable news stories from March.

For those who have been tuning into our **Decarb Discussion** podcasts, we've followed it up with another exciting instalment. Available now, the new episode explores the role of biomethane in decarbonising our gas grid. Traditionally, biogas has been extracted from organic waste and burned to generate electricity. [Listen here](#)

Finally, don't forget to check the Dates for your Diary section if you would like to join one of our panel discussions and add your voice to the conversations taking place this year around gas decarbonisation.

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01 Notable news

Bridging the gap to net zero: the role of hydrogen

Earlier this month, National Grid SEO launched the latest instalment of their Bridging the Gap report. This time their focus was two different aspects of the flexibility needed by 2035: flexibility from domestic customers and from hydrogen.

According to the report, the increased production and availability of hydrogen will be a key component in decarbonising our electricity system and reaching net zero; with coordination and collaboration across the full value chain also a critical requirement. Within the report, National Grid SEO highlights the need for urgent development of commercial frameworks and is calling on policy-makers to set a clear strategic direction and give industries the flexibility roadmap they need to invest with confidence.

[Read the full report](#)

Paving the way for offshore green hydrogen

On 20th March, Lhyfe and Centrica announced their agreement to jointly develop a pilot green hydrogen production site in the North Sea. The pilot is expected to draw on Lhyfe's expertise in green hydrogen production and Centrica's experience of gas storage and infrastructure. It aims to prove that creation of an end-to-end hydrogen production, storage and distribution system is possible in the UK, paving the way for our nation to become a global leader in the hydrogen sector.

Renewable green hydrogen coupled with offshore wind power is expected to play an increasingly important role in the UK's energy mix and a recent report by the Climate Change Committee (CCC) has reaffirmed the essential role of hydrogen production, storage and use in achieving a net-zero energy system by 2035.

[Read the press release](#)



01 Notable news

Recommendations from the UK Hydrogen Champion

On 22nd March, the Department for Energy Security and Net Zero (DESNZ) published new Recommendations to Government and Industry to Accelerate the Development of the UK Hydrogen Economy. The recommendations come from Jane Toogood, the UK's Hydrogen Champion. She has been tasked with engaging industry stakeholders and investors to identify barriers and enablers to investment in hydrogen production and carbon capture usage and storage (CCUS) projects.

Toogood's report provides five recommendations for the government, along with supporting actions, and a further four for industry. It stresses that delays in passing the Energy Bill have added to market uncertainty and that now is the time for key policy decisions that will encourage investment in hydrogen production and the development of a hydrogen economy.

[Read the report](#)

IPCC report: urgent action and diverse solutions are needed

The Intergovernmental Panel on Climate Change's latest Working Group Report, entitled AR6 Climate Change 2022: Impacts, Adaptation and Vulnerability was finalised on 27th February 2023. It details observed impacts of climate change, noting the adverse effect it has had on the physical and mental health of people globally, the economic impacts attributable to climate change, and the contribution of climate change to humanitarian crises. The report offers stark warnings about the future - along with suggestions for a diverse range of actions that should be taken immediately to mitigate climate change risks. One thing it makes clear is that preventing widespread harm will not be easy; we need to act now to phase out fossil fuels and, as James Dyke comments in his [report for inews](#), that will mean 'changing nearly everything'.

[Read the full report](#)



02 Spotlight on... Powering Up Britain

Reaching net zero, renewable incentives and hydrogen support

Yesterday, the UK Government unveiled its new policy paper, Powering Up Britain. The plans set out how the government hopes to enhance our country's energy security, seize the economic opportunities of the transition, and deliver on our net zero commitments. Key headlines include making a commitment to carbon capture, usage and storage, delivering a hydrogen economy, accelerating the deployment of renewables, and speeding up planning and networks.

With the goal of making the UK more energy independent, and protecting us from volatile international energy markets, it's hoped Powering Up Britain will set a clear direction for the UK's clean energy transition.

Our Decarbonisation Strategy Lead, Victoria Mustard, commented: "This announcement comes after a long period of uncertainty for the energy industry, about what the future of the UK's energy transition will look like. A clear strategy and solid direction will aid the gas network's low-carbon initiatives, such as the upcoming hydrogen trials, providing decision-makers with better clarity on the range of fuel sources available to achieve a secure energy future for Great Britain.

"However, it's important the government maintains this momentum, with more announcements to follow, so the energy industry can prepare to help reach its net zero goals."

The Powering Up Britain announcement follows on from Jeremy Hunt's Spring Budget earlier in the month, which included incentives for nuclear power and CCUS projects, but not for oil and gas or renewable energy producers. The Energy Price Guarantee, which limits the amount suppliers can charge per unit of energy used, will also remain at its current level until the end of June.

[Read Powering Up Britain](#)



02 Spotlight on... Powering Up Britain

New UK certification to boost British hydrogen sector

The government has also announced the UK's first globally recognised certification scheme for verifying the sustainability of low carbon hydrogen. As countries around the world look to ramp up hydrogen technology, the move will provide transparency and confidence around adopting cleaner energy, while incentivising hydrogen production, investment and use across the UK.

As there is currently no recognised way for producers of low carbon hydrogen to prove its credentials, the new scheme sets out a reliable methodology for calculating the emissions associated with hydrogen production, as well as the steps producers need to take to prove the hydrogen they're creating is compliant.

[Read the press release](#)



03 Things to look out for

More Decarb Discussions

In our latest episode of DecarbDiscussions, we talk to Darren Elsom, Director of Hydrogen Development & Operations at Cadent Gas. Darren gives us some valuable expert insight into what the future holds for the gas industry, and what developments gas suppliers and shippers should have on their radar.

He also shares his hopes for a future in which today's incredible R&D of greener gas technologies can become an industry reality. Be sure to look out for this episode, coming next month! In the meantime, keep up to date with our DecarbDiscussions via the link below.

[Listen now](#)

Hydrogen Homes Visits

Uptake for April has been extremely popular and we are now at capacity. We will however be arranging future visits to the Hydrogen Homes.

Please get in touch at box.xoserve.decarbonisation@xoserve.com if you're interested in joining us.



04 Policy milestones

Here are the key Government policy / regulatory milestones:

- **2023** - Final policy decision on [hydrogen blending](#)
- **2023** - First [hydrogen support contracts](#) allocated
- **2023** - Decision on hydrogen village location
- **2024** - H100 trial to commence
- **2025** - New business models for hydrogen transport and storage infrastructure designed
- **2025** - Hydrogen certification scheme introduced
- **2025** - Hydrogen village trials to commence
- **2025** - Target for reaching 1GW electrolytic hydrogen production capacity and price competitive annual allocation rounds
- **2026** - Final policy decision on whether hydrogen will support domestic heating
- **2030** - New target for creating up to 10GW low carbon hydrogen production
- **2030** - Hydrogen town trial to commence



05 Dates for your diary

As always, we'd love to see you at our Hydrogen Implementation forums.
To join, please email box.xserve.decarbonisation@xserve.com

Don't miss these upcoming sessions:

Shipper working group	Friday 14th April	11.30 - 13.00
Metering working group	Friday 21st April	10.00 - 11.00
DN working group	Tuesday 25th April	10.00 - 12.00
IGT working group	Friday 28th April	10.00 - 11.00



06 Keeping in touch

We've been working on a range of initiatives designed to help raise awareness of gas decarbonisation and keep everyone in the industry connected. Now launched, our **DecarbDiscussions** podcast will cover a range of topics from different industry perspectives. If you'd be interested in getting involved and hearing your voice on our podcast channel, please get in touch.

And don't forget to sign up to our industry 'intranet'. An exclusive resource for the gas industry, the intranet is designed to keep you up to speed with the latest news, new projects and policy changes. It acts as a central repository for essential information related to your industry, some of which may not yet be available as a public resource. If you would like access to this site, please contact:

box.xoserve.decarbonisation@xoserve.com

