Emotionally Intelligent Communications

NORTHERN GAS NETWORKS STAKEHOLDER WORKSHOP

FEEDBACK REPORT

16 OCTOBER 2025

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INTRODUCTION

On 16 October 2025, Northern Gas Networks (NGN) hosted its annual stakeholder conference. The purpose of the event was to seek feedback from stakeholders on the following topic areas: current performance and readiness for GD3; customer experience; resilience; and low carbon transition to Net Zero. In the final session, stakeholders were invited to participate in a Q&A focused on collaboration.

The workshop was hosted simultaneously in person in Leeds and remotely on Zoom. Each session consisted of a short presentation given by one or more NGN representatives (broadcast as a live feed to online participants), followed by facilitated discussions at round tables and in virtual breakout rooms. In addition, stakeholders were asked to vote in a series of online polls using Slido.

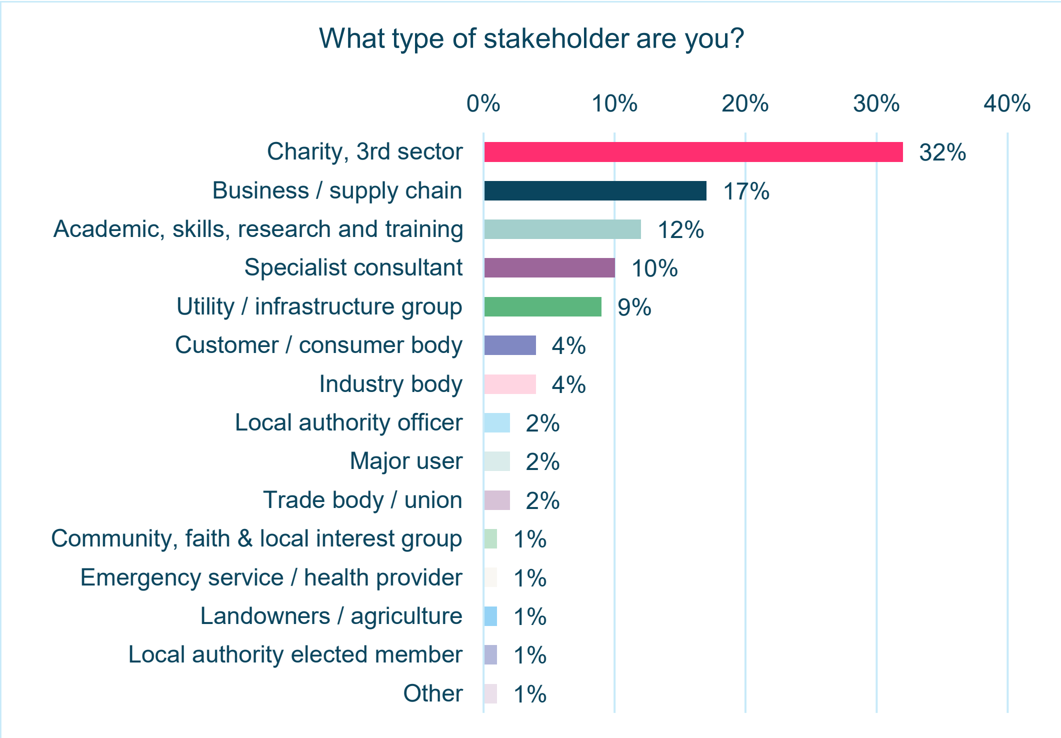
For the purposes of this report, no differentiation will be made between feedback gathered from the in-person and virtual elements of the workshop.

NGN instructed EQ Communications, a specialist stakeholder engagement consultancy, to independently facilitate the event and to take notes of the comments made by stakeholders. This document summarises the feedback received. Every effort has been made to faithfully record the feedback given. To encourage candour and open debate, comments have not been ascribed to individuals.

EXECUTIVE SUMMARY

Participants

- 123 stakeholders attended the workshop, representing 82 organisations.
- The most prominently represented stakeholder groups were from the charity sector (32%), followed by business/supply chain (17%) and academic, skills, research and training (12%).
- 94% of attendees who filled out a feedback form told us that they found the workshop either 'very interesting' or 'interesting'.



NGN's GD2 Performance and How It Has Shaped NGN's GD3 Commitments

Stakeholders were given a snapshot of NGN's current GD2 performance and shown how it has shaped and influenced its GD3 priorities. They were then invited to share their feedback.

- Stakeholders clearly recognised the challenges highlighted by NGN; particularly workforce resilience in the context of an ageing workforce and a growing skills gap, policy uncertainty around the future of gas and the transition to Net Zero, and increasing rates of vulnerability and fuel poverty.
- NGN's performance in GD2 was widely praised, with stakeholders giving extra credit for this being achieved under tough and challenging conditions. NGN's efficiency was viewed very positively, as well as its increased investment for community benefits and initiatives and its partnership successes with the Vulnerability and Carbon Monoxide Allowance (VCMA).
- Stakeholders were pleased that NGN had committed to increasing investment in GD3, and its work to support customers in fuel poverty was widely welcomed, particularly from those in the charity

sector. More clarity was sought over the continuation of NGN's support for hydrogen and hydrogen-blended gases, particularly against the context of diminishing support for hydrogen from the UK government.

Customers

Stakeholders were given an overview of NGN's performance in GD2 in the areas of both customer service and vulnerability and social strategy, before being shown some of the key priorities for GD3. They were then invited to share their feedback.

- There was broad consensus that NGN's GD2 performance in both the areas of customer service and vulnerability and social strategy has been successful, with particular approval from the charity sector regarding NGN's role as a collaborative partner.
- When asked how they felt about the statement: "NGN is focusing on the right customer service commitments to prepare for the delivery of its GD3 business plan", 61% of stakeholders agreed, with a further 19% agreeing strongly.
- When asked the same question under vulnerability and social strategy for GD3, the response was extremely positive, with 73% agreeing and a further 14% strongly agreeing.
- The question of using AI in the customer space provoked debate. Some felt that NGN had not been clear enough about how and where it would be used; others cautioned against leaving vulnerable customers behind, and some felt strongly about the environmental cost. However, those in favour felt that an exploratory, innovative use of AI could drive efficiency and performance.
- This divide was reflected in the electronic voting. When asked if stakeholders were in favour of NGN incorporating AI in its customer service plans, this elicited a score of 3.26/5.

Resilience

Stakeholders were walked through NGN's current performance levels under the theme of resilience, and shown some of the company's key priorities for GD3. They were then invited to share their feedback.

- Stakeholders were broadly positive about the resilience priorities for GD3; especially the focus on cybersecurity and climate resilience.
- When asked how they felt about the following statement: "NGN is focusing on the right resilience commitments to prepare for the delivery of its GD3 business plan", the result echoed the sentiment in the discussions, with 70% agreeing and a further 14% strongly agreeing.
- Stakeholders focused on cybersecurity when asked what they would consider to be a good indicator of overall resilience, citing metrics that assessed the number of attacks intercepted, the learnings from these interceptions, and the rate at which NGN recovered from a cybersecurity incident.
- Asked to contribute to a word cloud on what they would consider to be a good indicator of NGN's overall resilience, the most frequently cited word was 'reliability', followed by 'skilled workforce', then 'staff retention', 'continuity of supply' and 'cybersecurity'.

Low Carbon Transition to Net Zero

Stakeholders were shown what NGN has delivered during GD2 in the context of the low carbon transition, and then given an overview of its key commitments for GD3. They were then invited to share their feedback.

- Stakeholders were asked whether NGN was focusing on the right transition to Net Zero commitments to prepare for the delivery of its GD3 business plan, and the response was fairly muted, with the proposition scoring 3.58/5.
- Stakeholders were disappointed and frustrated with the decision from Ofgem to stop funding for hydrogen in GD3, with many of the view that there was a clear role for hydrogen in any future energy mix. It was felt that greater political clarity was needed for all green fuels before businesses could invest confidently in both technology and people.
- Stakeholders were asked which approach to the development of biomethane they supported, and the clear favourite, with 59%, was 'pushing for more new connections whilst maximising output from existing connections'.
- Asked to rank potential actions to enable the uptake of biomethane, 'upgrading our existing assets' came first, with 3.34/5, followed by 'innovation trials' with 3.14.

SESSION ONE: OUR GD2 PERFORMANCE AND HOW IT HAS SHAPED OUR GD3 COMMITMENTS

The day started with a welcome from Mark Horsley (CEO) and a state-of-the-nation presentation from Professor Peter Taylor, of Leeds University, on the future of energy in the north of England. His talk highlighted that, although the UK is still largely dependent on fossil fuels for its energy, the long-term contribution from existing and new sources of gas is highly uncertain. He identified key challenges ahead in providing reliable, clean and affordable energy to homes and businesses, as well as the issues of an ageing population and historically lower incomes in the north of England.

Following this, Greg Dodd (Regulation and Strategic Planning Director) delivered a presentation on NGN's current performance in GD2, showing how this has shaped and influenced its GD3 commitments. He then invited stakeholders to share their feedback.

RECOGNISING THE CHALLENGES

There was clear consensus that stakeholders recognised the challenges flagged both by the presentations and by the wider context in which NGN is operating. Indeed, stakeholders were feeling those same challenges in their own work and organisations. Those representing business, supply chain and utilities echoed the issues identified with workforce and skills. They had concerns that the skills gap was so acute that NGN will not have enough resources and people to deliver on its GD3 commitments. Enticing young people into what many perceive as a dying industry was seen to be a critical challenge, made even more pronounced by the age and technological demographic shifts coming down the line. Other stakeholders identified a sense of nervousness and hesitation around the transition to Net Zero and the decarbonisation of the gas industry. This was leading to a sense of uncertainty in their own organisations, as they looked for a clear direction of travel from policymakers. On a domestic level, it was felt that this anxiety and reticence were being compounded and exploited by political parties like Reform UK, who were running on an anti-Net Zero platform. These factors were making it a challenge for businesses to plan and invest properly and sensibly for the low carbon transition. It was also agreed that an ageing population that was felt to be increasingly vulnerable financially, digitally, and with the transition to Net Zero would prove a key challenge for the years ahead, as would growing rates of deprivation in the north of England.

GD2 PERFORMANCE

Stakeholders were almost universally positive about NGN's performance in GD2, additionally acknowledging that this had been achieved under challenging conditions. NGN's efficiency was praised and seen as particularly impressive and important in a time of financial constraint and difficulty. A key comment here was: "I like the ethos of using profits to bring down customer bills rather than lining the pockets of executives and shareholders." Stakeholders from the charity sector appreciated that rather than cutting back, as so many other organisations were, NGN was investing, putting more into the pot to support community benefits and initiatives. Those who had worked with NGN on VCMA projects spoke highly of the process; particularly the way in which NGN had facilitated networking with other partner organisations and organised partnership calls, which had enabled their own organisations to grow and develop. The Young Innovators Council was also singled out for praise, with a suggestion that the project expand to work with other utility companies and Ofgem in platforming young voices, given that they are the future workforce and customers. The only note of caution was around NGN's paused carbon monoxide scheme, where it was felt that stakeholders needed more communication around why it had been stopped, and how they could continue to support those vulnerable older customers most at risk from carbon monoxide leaks.

GD3 COMMITMENTS

Stakeholders were impressed by the fact that NGN was committed to increasing investment in GD3. As with the conversation around NGN's GD2 performance, it was felt that in a world that seemed to be cutting and tightening its belt, any increase in investment, funding and support was a clear positive. Similarly, NGN's commitment to alleviating fuel poverty in GD3 was seen to be a real step change, and stakeholders from the charity sector were really pleased that the VCMA funding would continue at the same level. Those business and supply chain representatives felt that there was still an amount of uncertainty around the level of NGN's investment in hydrogen and hydrogen-blended gases. More clarity on this was required in order to continue some of the innovation work being undertaken around pressure control stations within the gas distribution network. NGN's commitment to AI was seen as a positive, as well as its continued focus on resilience. Gaps were identified around carbon monoxide awareness, cross-utility collaboration, and a greater focus on diversity in the workforce and on narrowing the gender pay gap.

SESSION TWO: CUSTOMERS

Kirsten Wood (Customer Compliance Manager) opened the second session of the day, delivering a presentation on customer service and satisfaction. She walked through NGN's performance in GD2 before outlining some of the key changes for GD3, such as a focus on disconnections customers, and complaints received on social media.

The next presentation, on vulnerability and social strategy, was given by Laura Ratcliffe (Social Strategy Programme Manager). She gave an overview of NGN's work so far in GD2 and then explained some of the bespoke commitments for GD3, such as increasing shareholder funding to provide £1.3m for its customer support programmes and increasing in-depth casework support for the highest-risk households by 25%.

Stakeholders were then invited to share their feedback.

GD2 PERFORMANCE

Customer Experience

A good proportion of stakeholders praised NGN's GD2 performance in customer experience, pointing to its very quick response times and high customer satisfaction ratings. Those representing the charity sector stated that they did not encounter many service complaints about NGN on the ground, and that the reported customer data implied a tightly run ship with a consistent approach. However, other stakeholders felt that the performance KPIs were not clearly benchmarked, so they could not comment knowledgeably. It was felt that more context was needed. Turning the question on its head could be helpful here, with this key comment: "I guess the question is, what did you not do that you wanted to do; where did you fail against your targets?"

Vulnerability and Social Strategy

The response to NGN's work under the vulnerability and social strategy area in GD2 was almost universally positive. In particular, stakeholders from the charity sector praised NGN's approach as a partner. They stated that NGN did not micro-manage, but instead trusted each partner's experience by giving operational agency, while remaining on hand to solve problems when needed. Another benefit of NGN's approach was the length of funding cycles for the VCMA, reducing the time spent filling out repeat application forms, and increasing time and resources for vulnerable people. The growth of the Priority Servies Register (PSR), and NGN's dynamic approach to it, coupled with increased investment in CO awareness, were also seen as huge positives in GD2.

GD3 PRIORITIES

Customer Experience

Voting electronically, stakeholders were asked how they felt the statement: "NGN is focusing on the right customer service commitments to prepare for the delivery of its GD3 business plan." 61% agreed, with a further 19% agreeing strongly. When these votes were analysed by stakeholder type, the most in favour were specialist consultants, with an average score of 4.43 out of a possible 5.

In the discussions, stakeholders felt that while NGN was setting a high bar for GD3 performance, as reflected in the voting results, the sense around the tables was that the future was uncertain, making it difficult to know whether NGN would be able to keep its promises. It was felt that unknown 'costs and change' loomed over the customer picture for GD3. The priority around disconnections was felt to be positive, and a sign that NGN was not burying its head in the sand.

Questions arose over the use of AI. It was felt that as a tool to direct customers to the right place, it was acceptable. However, it was thought that it should not be used a replacement for human contact. Similarly, stakeholders hoped that prioritising complaints from social media did not mean that complaints from more traditional sources would be displaced.

Vulnerability and Social Strategy

When voting with Slido, stakeholders were asked how they felt about the statement: "NGN is focusing on the right vulnerability and social strategy commitments to prepare for the delivery of its GD3 business plan." The response was very positive, with 73% agreeing and a further 14% strongly agreeing. As with the votes on customer service, when analysed by stakeholder type, the most enthusiastic were specialist consultants, with an average score of 4.60.

A greater emphasis on collaboration in GD3 resonated with stakeholders, with many feeling that any efforts to reduce duplicated activity for vulnerable customers and those working in this space was valuable. Working towards a centralised PSR was seen to be a vital step. Stakeholders were also pleased and relieved to see the continuation of the VCMA allowance, as unfortunately, "things are getting worse, not better". Stakeholders identified gaps in continuing to support centres for warmth, and in climate adaptation and resilience for vulnerable customers.

OPPORTUNITIES FOR COLLABORATION

Customer Experience

Stakeholders from the utilities sector claimed that NGN was front and centre in terms of cross-vector collaboration, particularly in emergencies. It was felt that more could be done to work with the water and telecoms sectors in these kinds of emergencies, and that there were opportunities for the sector as a whole to become more proactive in terms of climate resilience. Stakeholders from the charity sector thought that there was more they could do to alert NGN when their clients reported gas leaks and other emergencies.

Vulnerability and Social Strategy

Given how favourably stakeholders viewed the collaboration priorities for GD3, it was not surprising that many offered further suggestions on how to better collaborate. The NGN network meetings, held between all organisations delivering on the VCMA projects, were cited as being "absolutely amazing", and were held up as a gold standard in terms of collaboration, open sharing, and partnership working. Those from the utility sector praised the transparency of NGN's collaboration commitments, but asked how these might look in practice, when each company has different boards and investment portfolios. Publishing information about collaboration projects and enabling shared learning could be valuable in this case. Integration across different NGN departments was also mooted as a good exercise in collaboration. The key comment here was: "Vulnerable customers are going to be particularly affected by extreme events such as weather, gas leaks or cyber-attacks. How are the various departments working together to deliver safe energy regardless of the situation?"

INCORPORATING ARTIFICIAL INTELLIGENCE (AI)

Voting electronically, stakeholders were asked whether they were in favour of NGN incorporating AI into its customer service plans. The results were split, with no answer able to get above 50% approval. The proposition gained an average score of 3.26/5, with 33% agreeing, but 27% remaining neutral. When analysed by stakeholder type, specialist consultants were once again the most in favour, with 4.29, followed by academics, with 4.11.

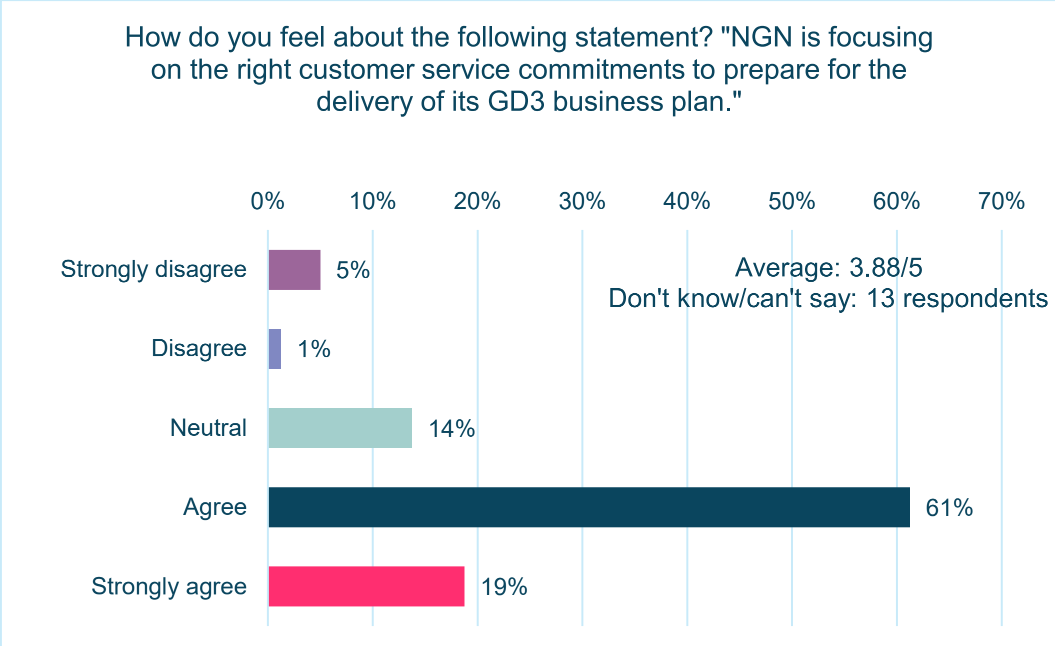
This overall split was reflected in the discussions, where there was robust debate around the use of AI in NGN's GD3 plans. Firstly, many felt that NGN had been too vague with its aspirations for AI. As with previous discussions, it was felt that there was space for chatbots and virtual assistants for quick questions, but that greater care and more human contact were needed for customers in vulnerable circumstances. Countering this view, others felt that in fact, it was important to aim for an exploratory mindset that isn't too tied to specific uses and functionalities. The *how* AI would be used was more interesting to these stakeholders than the *what*.

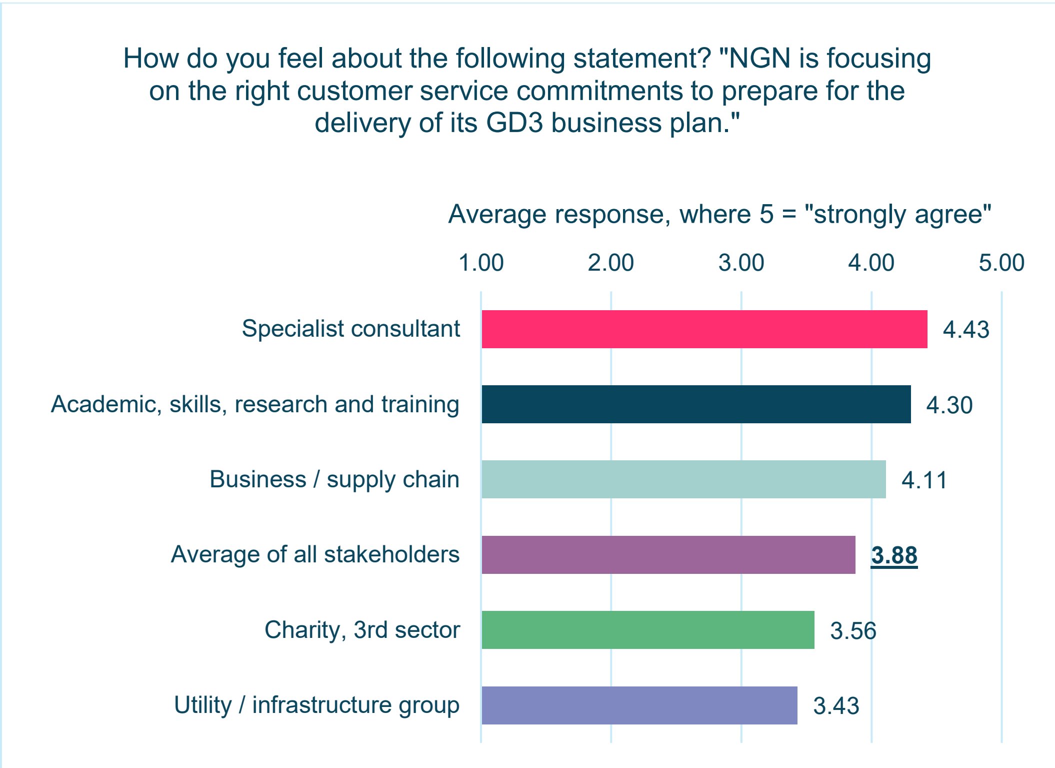
Another school of thought cautioned NGN against using AI for the sake of it. Being rigorous and clear about what kind of efficiency NGN was trying to create, and then justifying the return on investment, was seen as critical to these stakeholders. They urged a strategic, planned approach to mitigate against 'AI creep', where you "suddenly realise it's taken over" and vital human work and connection has been lost. In this respect, NGN's commitment to zero redundancies was reassuring.

Other stakeholders had reservations from an environmental and resilience perspective. The vast use of water and energy by data centres was seen to be a real and looming issue, and it was felt that local infrastructure needed to be strengthened before there was a wholesale take-up of AI. Countering this, stakeholders from the academic sector pointed to a more innovative use of hydrogen as a valuable energy storage medium to support the AI data centre requirement.

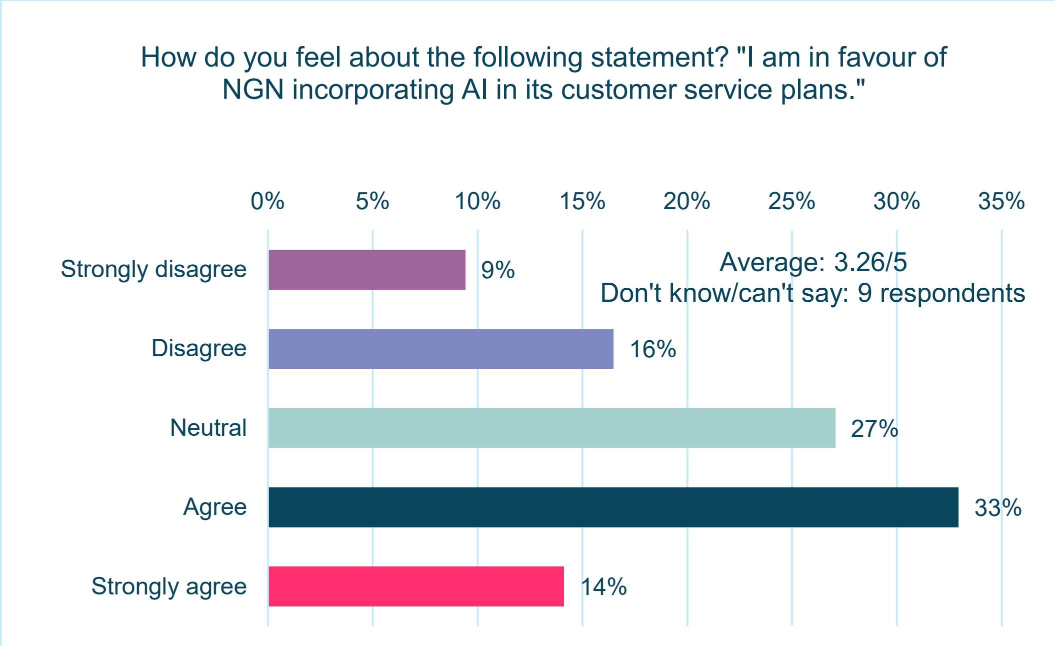
There was broad consensus that older and more vulnerable customers were most at risk of being left behind by AI technologies such as chatbots, and that NGN needed to do its utmost to make sure this did not happen. However, other more 'behind-the-scenes' uses were thought to have potential value. Forecasting and predicting leaks could be a good use of AI, as well as using it to analyse customer feedback by recording calls and letting AI score them and generate reports.

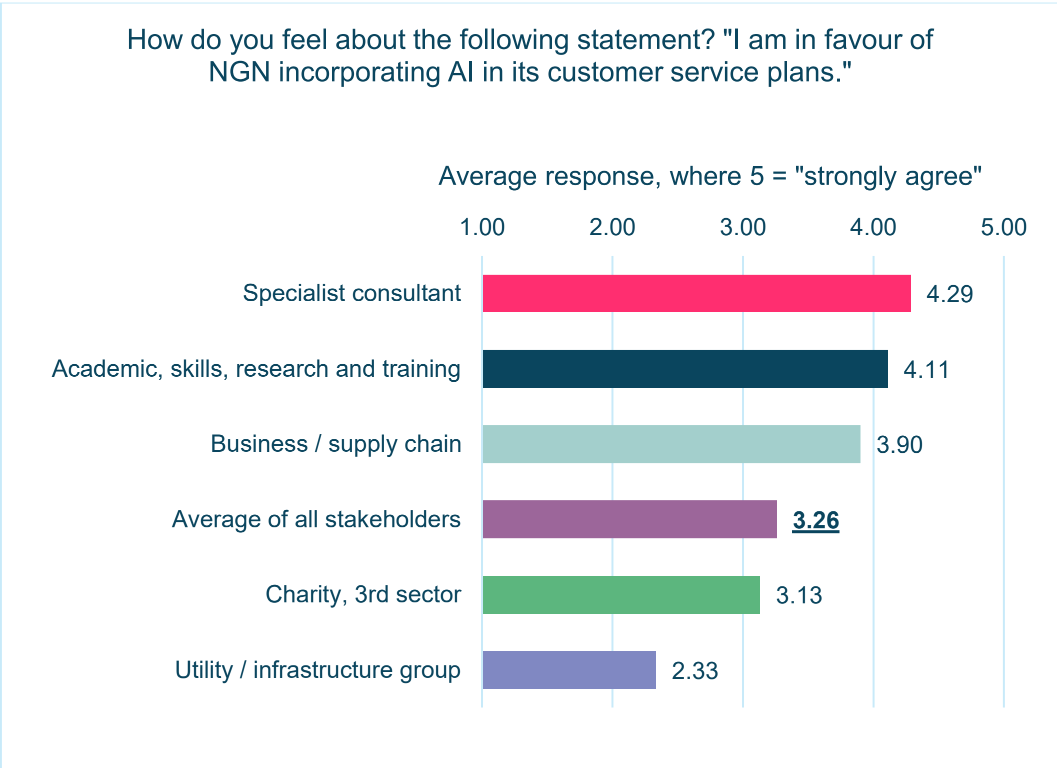
1. What are your views on our priorities for GD3?



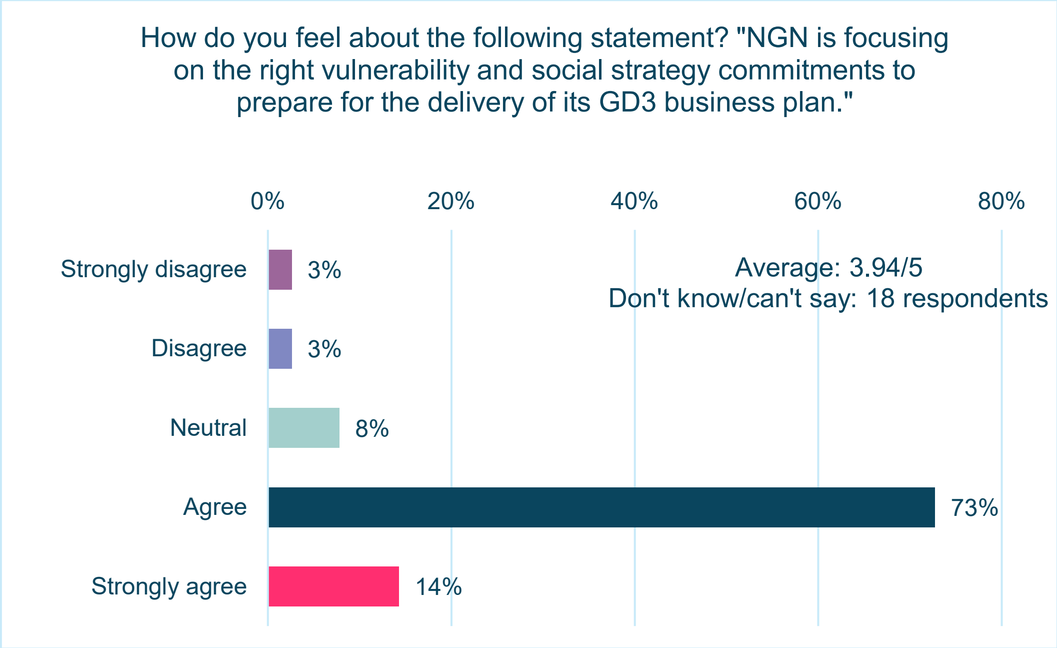


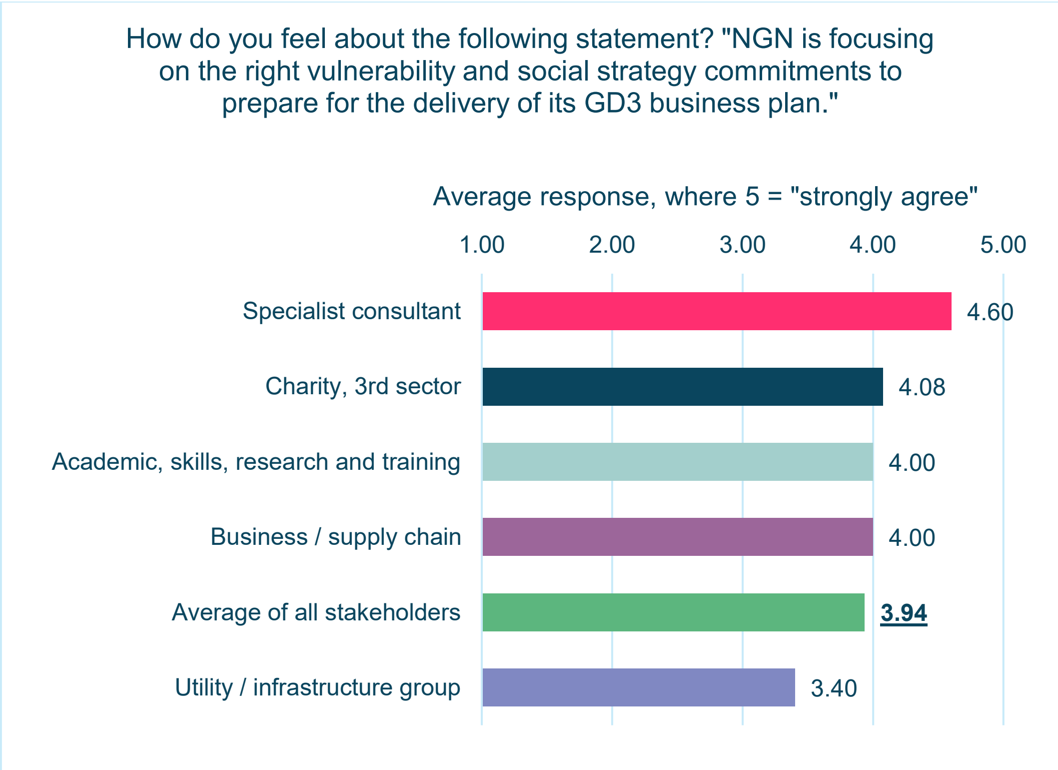
2. What are your views on us incorporating AI in our plans?





3. What are your views on our priorities for GD3?





SESSION THREE: RESILIENCE

Heather Sheffield (Head of Strategic Planning) opened the third session with a presentation on resilience. She highlighted NGN's current performance levels, which are high and exceed targets set by Ofgem, before going on to demonstrate how NGN plans to go even further in GD3. Key new commitments include reducing gas leakage by 24%, future-proofing NGN's workforce and supply chains, and a core focus on risks and mitigations to ensure resilience over GD3. Stakeholders were then invited to give their feedback.

GD2 PERFORMANCE

Stakeholders clearly recognised the challenging environment that NGN has been operating in during GD2, particularly with regard to workforce resilience. Those representing the academic sector cited a movement of skilled workers from fossil fuels to renewables, and there was consensus that staff retention and attracting a more diverse workforce were critical issues. However, the same group of stakeholders also spoke favourably about NGN's investment in its apprenticeship scheme, and its success resulting in the programme being heavily over-subscribed. While achieving higher targets than those set by Ofgem was seen to be impressive, other stakeholders felt that network asset management had declined during GD2, and this was a cause for concern.

GD3 PRIORITIES

Voting electronically, stakeholders were asked how they felt about the following statement: "NGN is focusing on the right resilience commitments to prepare for the delivery of its GD3 business plan." The result was very positive, with 70% agreeing and a further 14% strongly agreeing. When analysed by stakeholder type, specialist consultants were once again the most enthusiastic, with an average endorsement of 4.38/5, followed by stakeholders from business and supply chain, with 4.

There was some debate over the potential of the resilience priorities for GD3. Some stakeholders were pleased and reassured by both the breadth and the detail of the priorities, particularly the focus on cybersecurity and climate resilience. Stakeholders from local authorities and utilities were glad to see river erosion, ground movement and wildfires taken seriously as associated risks of climate change. This gave them confidence that other areas of NGN's resilience planning were similarly comprehensive.

However, other stakeholders thought that the priorities felt like headlines and did not have "enough meat on the bones". Another concern was that the GD3 work ahead felt like business as usual. These stakeholders wanted to see more ambitious integration across the strategies; for example, embedding AI into cyber resilience. Other stakeholders pointed out that NGN's overarching commitment to working with AI fits well with the priorities, especially if NGN were to take a back-end approach and use it to track data and measure KPIs. Stakeholders from the charity sector felt that a focus on emotional resilience needed to be added to the workforce resilience piece, particularly in light of trying to attract and retain a younger workforce. This would bring with it a different working culture, which NGN needs to meet and understand.

OPPORTUNITIES FOR COLLABORATION

Stakeholders were keen to collaborate with NGN on resilience. On workforce, there was an opportunity to partner on building a pipeline of skilled instructors comprised of retired or ex-NGN staff who wanted to give back, in order to upskill the next generation. Those from the business and supply chain sector were keen to work with NGN on cybersecurity, so this could be fed down the chain and reflected in its services. This would also reduce the threat of a breach in NGN's wider ecosystem. Those from utilities, while pointing out that competition makes it hard to collaborate, felt that deeper efforts could and should be made to collaborate on supply-chain resilience, particularly in light of the Jaguar Land Rover cyber-attack. Local resilience forums were cited as important hubs where collaborative systems of work already exist and can be learnt from. Others discussed projects already underway that NGN could benefit from, such as innovation work on future solutions in place of traditional comms in the event of an incident, and digitised, up-to-date data for engineers.

THE FIVE RESILIENCE STRATEGIES

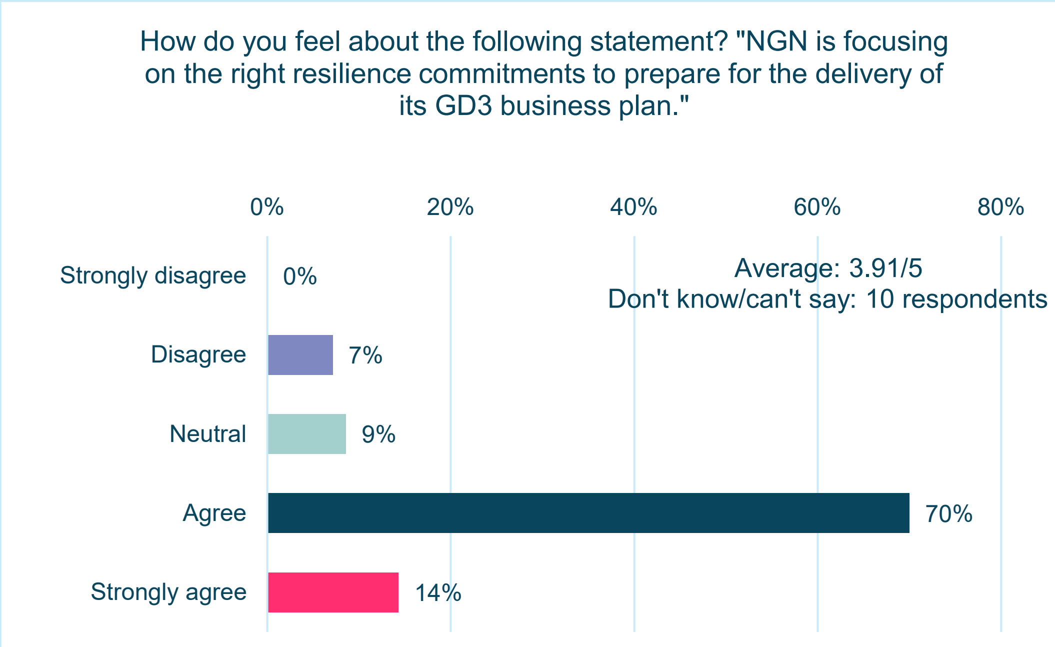
Stakeholders looked at the five dedicated resilience strategies: network asset management; workforce and supply chain; climate; IT and telecoms; and cyber, and assessed whether there were any gaps. There were strong calls to make supply chain more clearly integrated into the cybersecurity strategy. Any outages for NGN's critical suppliers could wreck operations, and vice versa. Cybersecurity and supply-chain support, training and data sharing were put forward as elements to add to the strategy. Stakeholders from the charity sector wondered whether the uncertain political landscape, with the anti-Net Zero policies of Reform UK, needed to be factored in as a resilience risk. The task of training and replacing a skilled and ageing workforce was also felt to need more elaboration, and greater proactivity was sought from NGN in these areas.

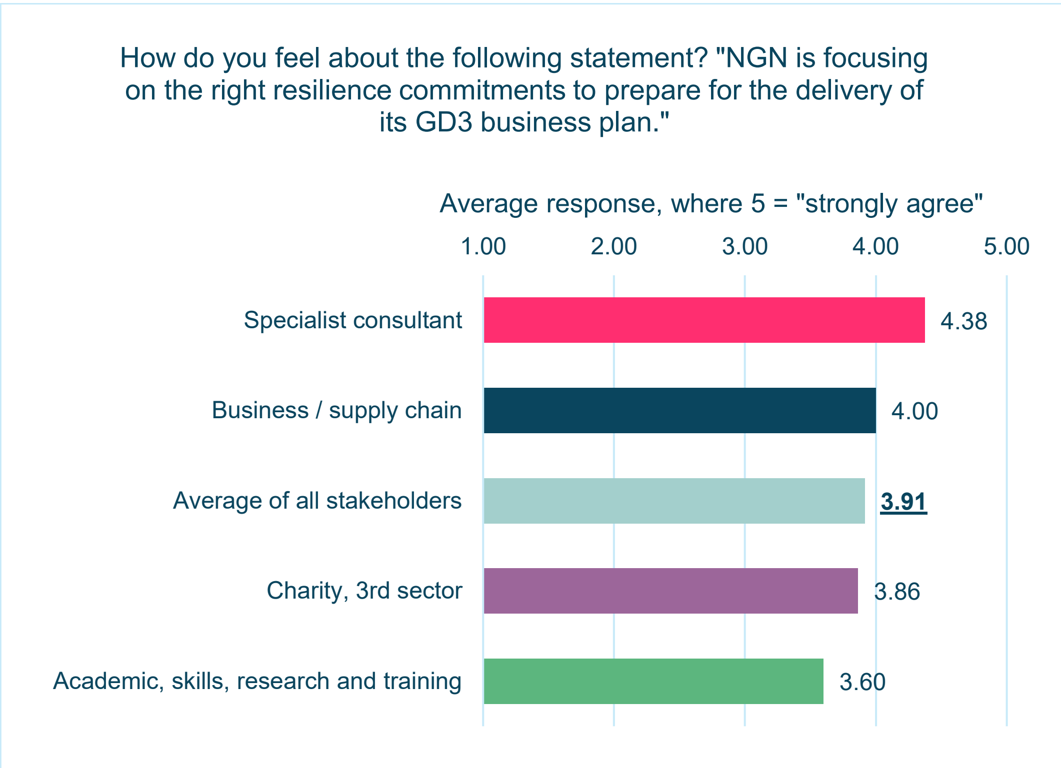
RESILIENCE METRICS

Stakeholders discussed what they would consider to be a good indicator of overall resilience. In terms of cybersecurity, it was agreed that a key metric would account for the number of attacks intercepted. This would measure the strength of NGN's defences. Another suggestion for a KPI focused on the learnings from these interceptions. How is NGN identifying and addressing its vulnerabilities? What simulations of attacks have been tried and tested? Another indicator would measure the rate at which NGN recovered from a cybersecurity incident. On workforce, stakeholders felt that it would be valuable to measure how NGN is planning the skills pipeline and the workforce profiles that it will need for the years ahead. Environment groups wanted to see a method of measuring the risks of hydrogen leaks, and business and supply chain representatives called for a KPI in terms of visibility of NGN's maintenance plans.

Stakeholders were asked to contribute to a word cloud on what they would consider to be a good indicator of NGN's overall resilience. The most frequently occurring word was 'reliability', followed by 'skilled workforce', then 'staff retention', 'continuity of supply' and 'cybersecurity'.

1. What are your views on our priorities for GD3?





2. What would you consider to be a good indicator of our overall resilience?

SESSION FOUR: LOW CARBON TRANSITION TO NET ZERO

The fourth session was introduced with presentations from Neil Whalley (Head of Environment) and Keith Owen (Head of Energy Futures). They explained that reducing NGN's environmental impact and supporting a fair and equitable transition to Net Zero were key components of GD3. After showing what NGN has delivered in GD2, they gave a snapshot of the key commitments for GD3, such as enabling green gas and continuing the work of NGN's East Coast Hydrogen project via its own dedicated funding stream. Stakeholders were then asked to give their feedback.

GD2 PERFORMANCE

Feedback on NGN's GD2 performance was muted, perhaps because the bulk of the responses and discussion centred around the changes to policy on hydrogen and biomethane. Those that did comment wanted to see figures on leakages expressed as quantities, rather than percentages, while others felt that NGN had made a good trajectory of progress in GD2.

GD3 PRIORITIES

When voting using Slido, stakeholders were asked whether NGN was focusing on the right transition to Net Zero commitments to prepare for the delivery of its GD3 business plan. Just over half of respondents, 58%, agreed that it was, with a further 6% strongly agreeing. When analysed by stakeholder type, it was business and supply chain respondents who offered the most support this time, averaging 3.89/5.

The topic of tackling fugitive emissions emerged as a key discussion point under the GD3 priorities, with many feeling that this wasn't enough of a focus for GD3. Stakeholders wanted to see more ambitious targets, both on driving down these emissions and on working with other GDNs to achieve this. Others pointed out that the leakage target was the same as for GD2, and therefore not ambitious enough. Creating more efficiencies in the network was also seen as a priority for GD3. How would gas be transported and stored while still driving down emissions? For others, the focus on green gas and other less environmentally impactful sources of energy was a source of positivity for GD3.

CHANGING POLICIES AROUND HYDROGEN

The majority of stakeholders were disappointed and frustrated with the decision from Ofgem to stop funding for hydrogen in GD3. Most stakeholders were of the view that there was a clear role for hydrogen in any future energy mix, for both industrial and domestic users. However, political clarity and direction were urgently needed if businesses were to invest decisively and confidently, and train people up appropriately. This was a moment of great concern for those businesses that had already invested, and that were seeing projects coming offline as a result of changing policy. Stakeholders understood the consumer questions around price and safety. A focus on green hydrogen was thought to be more sensible in terms of tying in with solar and wind. In terms of safety, stakeholders felt that more education was needed, pointing out that towns' gas supplied in the 1950s and 1960s was 50% hydrogen.

APPROACH TO BIOMETHANE

Voting electronically, stakeholders were asked which approach regarding the development of biomethane they supported. The majority, 59%, opted for "pushing for more new connections whilst maximising output from existing connections", which was the most proactive of all the options presented.

This was echoed in the discussions, where many felt that pushing for new connections was a vital undertaking. Furthermore, in doing so, NGN would, as a matter of course, engage more closely with existing producers to increase output and proactively promote biomethane, thereby speeding up the process and maximising the chances of success. Actively involving private businesses in biomethane production, not just landowners or waste producers, was also seen as an important approach. Stakeholders from the charity sector urged that lessons should be learnt from hydrogen. Emphasising the scale of investment and optimism in hydrogen during GD2, and the disappointment now in the sudden policy change, they reminded NGN that scaling back and maintaining caution might be wise. Others concurred, advising NGN not to focus on one type of energy, but to maintain an interest in a whole energy system. A key comment here was: "If you did a 20% blend of hydrogen, we could decrease our carbon output by 7%, which is the equivalent of taking 2 million cars off the road. We need to be mixing and matching so we can reduce, reduce, reduce." Concerns were expressed by some over moving too quickly in one direction, creating unintended negative consequences. It was questioned whether incentivising farmers to grow crops for anaerobic digestion would push already high food prices up even further. Careful policy planning was needed to match up supply with demand and ensure that food security and sensible land use was not affected.

FACILITATING THE UPTAKE OF BIOMETHANE

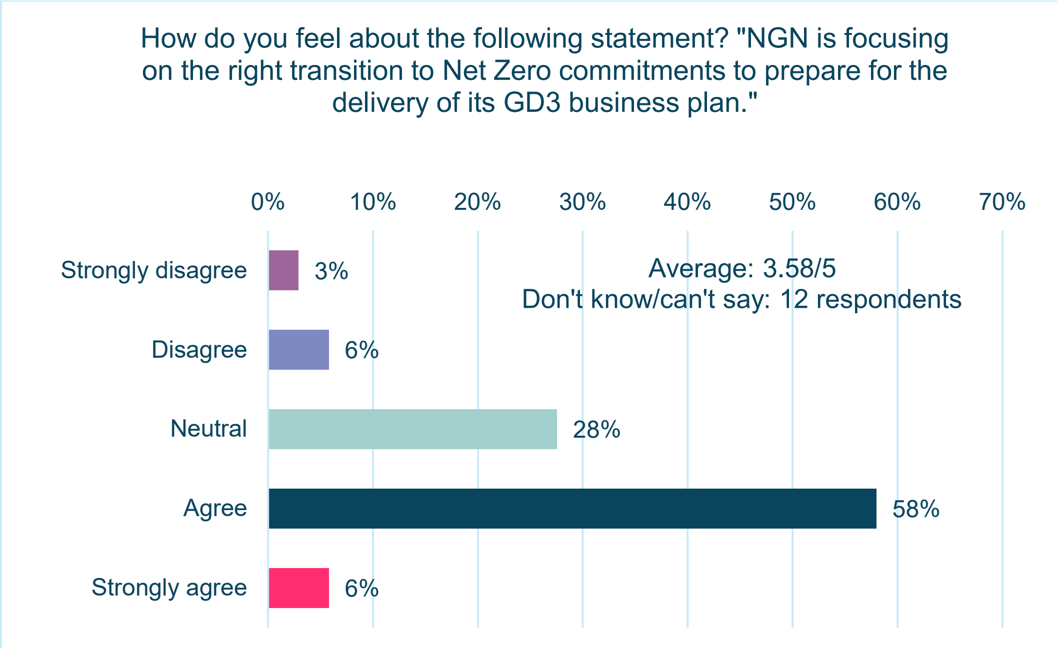
Stakeholders were asked where NGN should invest its time and effort in the uptake of biomethane, whether in research, recruitment, training, trials, or on existing assets. Some felt that investing across all these areas was sensible. There was, however, disagreement on investing in research and trials. Some felt that the viability of biomethane had been proven and that there was little point in investing in trials now: "We just need to get on with it and use it." Others felt that a pilot project of a cluster of homes running on biomethane would help to prove its usefulness in a more organic way and show the general public that it was a genuine alternative to fossil fuels.

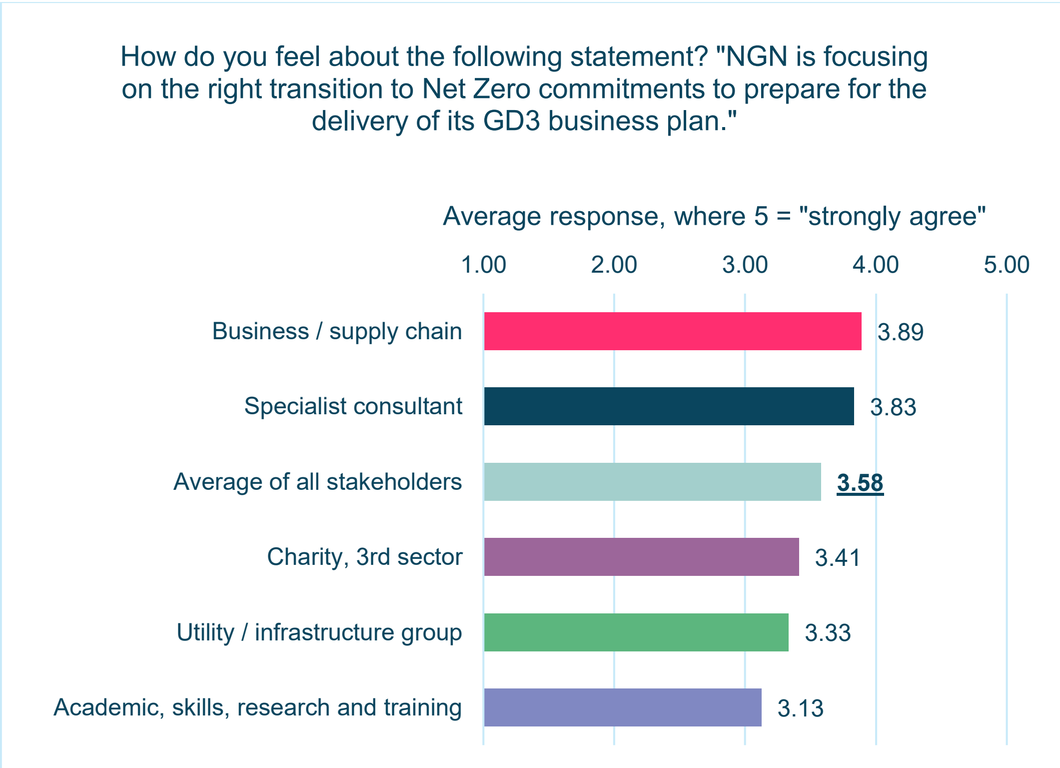
In the electronic voting, stakeholders were asked to rank potential actions to enable the uptake of biomethane. 'Upgrading our existing assets' came first, with 3.34/5, followed by 'innovation trials' with 3.14.

OPPORTUNITIES FOR COLLABORATION

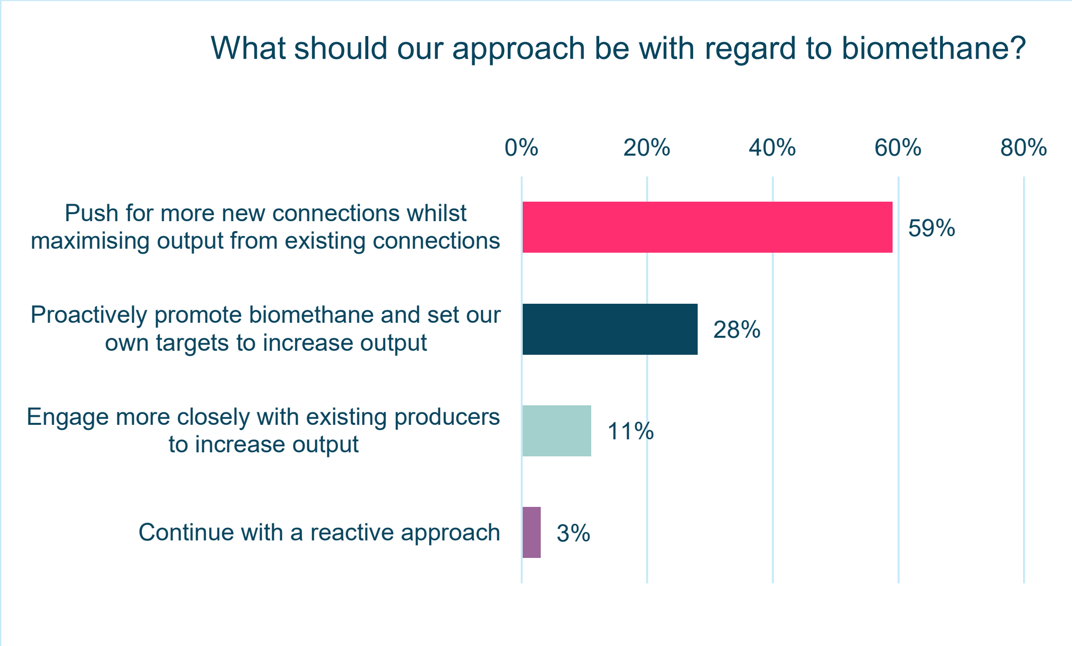
In the case of biomethane development, stakeholders were more likely to highlight areas where NGN could and should be collaborating, rather than to suggest ways in which their own organisations could partner. This was perhaps due to the nascency of the energy source. Stakeholders urged NGN to work with policymakers and take the lead on biomethane uptake. Others felt that NGN needed to be working closely with other GDNs and supply chain to ensure wider uptake; otherwise there would be little overall impact. Developing partnerships with housing developers and the water and electricity sectors were also seen as critical actions to ensure success.

1. What are your views on our priorities for GD3?

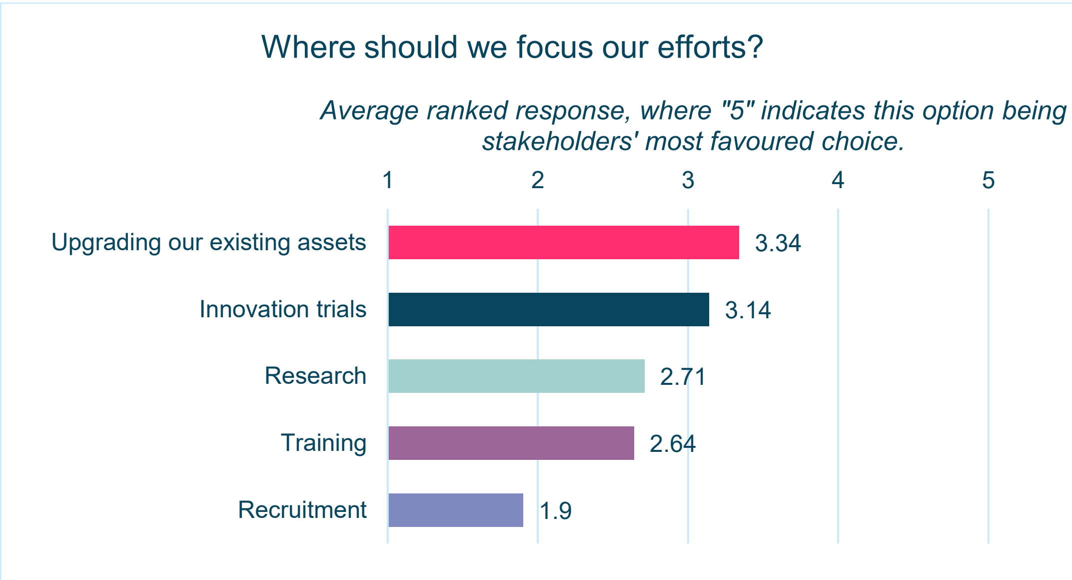




2. What should our approach be with regard to biomethane?



3. What should we focus on to facilitate more uptake of biomethane? Where should we invest our time and effort?



SESSION 5: PANEL DISCUSSION AND Q&A

The fifth session, a panel discussion on working in collaboration, opened with three short presentations by each of the panel members: Gillian Williamson, Head of System Forecasting at Northern Powergrid (NPg), Jonathon Oxley, from the Confederation of British Industry (CBI), and Amy Beswick, Leeds Anchor Manager at Leeds City Council. Each presentation focused on what collaborative work had achieved in their own organisations, and showed how a proactive, collaborative approach to strategic network development was a requirement for the next five years, and beyond.

After these presentations, Greg Dodd from NGN joined the rest of the panel for a discussion on whole systems, collaboration, and the future role of gas. This was followed by a Q&A, which is detailed below.

Question

"My business uses drones to thermal-map buildings in order to feed into data models for identifying micro and macro energy infrastructure needs. Do you understand the energy upgrade pathways in the local networks?"

Answer

"Anything involving AI modelling is based on good-quality data. We do have some already, but we need more in order to create more accurate scenarios. Our current work is focused on improving the data and making them fit for purpose, so that they can fit into the future energy scenario pathways." Greg Dodd, NGN

Answer

"We don't have all of the data that we need, but we're working on that now, particularly on getting more granular data. At present, we have a good starting point, as we can use the EPC ratings of buildings and look at the different property types, such as whether they have a driveway. However, the drone-mapping modelling provided by companies like yours would be invaluable to us." Gillian Williamson, NPg

Question

"It was great to hear about the collaboration between NGN, NPg and CBI. How can we take it as an example of good practice for business cases to put forward to Ofgem? These kinds of collaborative frameworks will be vital for economic development in the north."

Answer

"I spoke to a Defra minister last week and they wanted more collaboration within the regulatory scope, and the CBI would like to see more collaborative work on planning and permitting. The Treasury's growth agenda to regulators is starting to deliver green shoots, but partnerships are not developing as quickly as we would like on the ground." Jonathan Oxley, CBI

Question

"Could you provide fugitive leakage levels in volume terms, rather than just as percentages? That could illustrate both the good work already done and the necessary areas for improvement in GD3."

Answer

"The volume-based figures appear in the Environment Plan submitted to Ofgem. We are keen to be as transparent as possible, so we would be happy to provide them to you directly." Greg Dodd, NGN

Question

"You said at the start that you expect gas use to decline notably, but there is nothing in the resilience risks about it for GD3. Do you view this as a long-term risk then?"

Answer

"We don't know how things will truly land, as there are lots of variables around policy work and how much and how quickly key infrastructure systems are electrified. We expect gas to be around for a long time, but are still keeping an eye of the direction of travel of the energy industry over the next 5-10 years." Greg Dodd, NGN

Question

"What is the role of the Leeds Anchor Network in delivering inclusive growth?"

Answer

"Through Leeds Ambitions, we're setting out to improve health and wellbeing of the people of Leeds (particularly that of vulnerable people), deliver inclusive growth, and achieve Net Zero for the city. However, this cannot be delivered by the local council alone and must involve partnerships that consider the place-based impacts of any relevant initiatives delivered by partners across the city. Our partners are significant local bodies and include NGN. They are showing real commitment to leading the way in the city to achieving LAN's ambitions." Amy Beswick, Leeds Anchor Network

Question

"How are you working to ensure that the right skills are in place to deliver the Net Zero transition?"

Answer

"There is an apprenticeship levy running in some of the businesses that we represent, which helps to train up young people in the industry. We have also done work with training centres to identify the right working profiles and co-design a training proposition across shared areas of interest for different companies. These transparent conversations have enabled us to make a lot of headway." Jonathan Oxley, CBI

Answer

"We have a range of initiatives in place, as training professionals in the electricity industry takes years. This is a priority area for us and involves measures such as launching a new training school, more graduate training schemes, new recruitment routes (such as targeting retired army personnel), and more in-house training. Deliverability will be a challenge, but we're more than ready to take it on." Gillian Williamson, NPg

Answer

"The skills piece is high on our agenda, and we're looking to go beyond what is required as a minimum by Ofgem. We've already outlined how we intend to address the skills gap for hydrogen and biomethane in our workforce, but I would also like to touch upon our back-office staff. We're very keen to use AI for greater efficiencies, but we must take a balanced approach so that we don't lose those valuable skills that have been built up over many years. Therefore, we have more work to do on the workforce planning side." Greg Dodd, NGN

Question

"Could you give us some insight into the role your members are playing to ensure the region has the skills required to deliver growth and drive the energy transition?"

Answer

"AI could lead us to lose valuable skills. As we use AI to complement the back office, we try to ensure we don't lose those skills." Greg Dodd, NGN

Answer

"If you want to talk about skills and young people, you need young people in the room to design your recruitment. It's worked amazingly well and we can learn from this." Jonathan Oxley, CBI

Question

"I'm an energy advice worker. What does the panel think Ofgem's strategy should be for the gas network?"

Answer

"Ofgem have outlined its guidance for GD3. We have statutory requirements to safely supply gas. We need to be funded to do this. Ofgem needs to provide allowances for us to invest in and investigate the future role of the gas network. It should provide more incentives for us to work with the DNOs. We work independently and our remits don't cross over. When it comes to core legislation, NPg needs to deliver against it, and so does NGN. This will remain the same for a long time. We must maintain gas while renewable sources of power are implemented. Ofgem is doing its best with a lack of clarity from the wider government. They could incentivise collaboration." Greg Dodd, NGN

Question

"Is NGN using AI to upskill workforce regarding safety? We get a 'lessons learned' from another gas network that indicates incidents and what they've done about it. Is that something that goes around with NGN?"

Answer

"We are using the technology for safety. For instance, we photograph sites to look at safety. Every incident at NGN is fully investigated and briefed to the wider team and partners. We don't compromise here and take it seriously." Greg Dodd, NGN

Answer

"Safety is the number one priority at NPg. A less skilled colleague would go out and take photos of our poles. They can measure angles using AI. The app we use provides a safety and quality report that gives a red, amber or green level." Gillian Williamson, NPg

APPENDIX 1: ATTENDEE LIST

A total of 123 stakeholders attended the workshop, representing 82 organisations. The organisations represented are shown below:

Accent

Arqiva

Bascom-Turner Instruments

BDR Thermea Group (Baxi)

Beyond Housing

BMA

Bohr

Business in the Community

Cadent

Cannon Business Management

Carents

Caterpillar UK

CBI

Centre for Sustainable Energy

Centrica

Citizens Advice

Citizens Advice Northumberland

CNG Services Ltd

CO-Gas Safety

Communitas Energy

Community Action Northumberland

Create Clarity

Ctrl Hub

Cumberland Council

Darke Engineering Ltd

Darlington Borough Council

Digital Catapult

DNV

Durham County Council

Energy & Utility Skills

Evergreen Garden Care

Evouchers

FCN

Fiorentini UK Ltd

FISCUS

Frazer-Nash Consultancy

Fuel Bank

GasDesign Utilities Ltd

GMB Union

Groundwork

Groundwork Yorkshire

H & G

Hartlepool Carers

Highfield Food Coop

Hilti (GB) LTd

Hope 4 U

Hydrogen Safe

Inspection & Consultancy Services

Kestrix

Kidney Care Uk

KPMG

Leeds City Council

Local Services 2 You

National Energy Action

NESO

North Tyneside Carers’ Centre

North Tyneside Council

Northern Cancer Voices

Northern Gas Networks

Northern Powergrid

Nufarm

Pioneering Care Partnership

QEM Solutions

Radius Systems

Redcar Baptist Church

RelyOn

Seacht Holdings Ltd

SGN

Shiney Advice and Resource Project

Sia Partners

Simply Learning

Skills4Work Gateshead

South Tees Hospitals NHS Foundation Trust

SP Electricity North West

Stockton Citizens Advice

Sunbelt Rentals UK

The Farming Community Network

The Wise Group

Trinity College Dublin

Utilergy Gas Limited

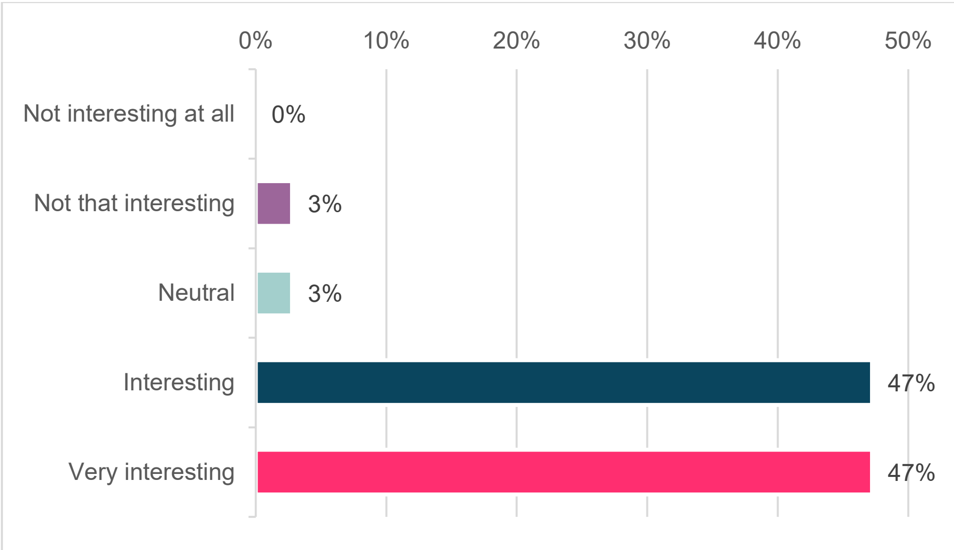
YES Energy Solutions

Young Innovators Council

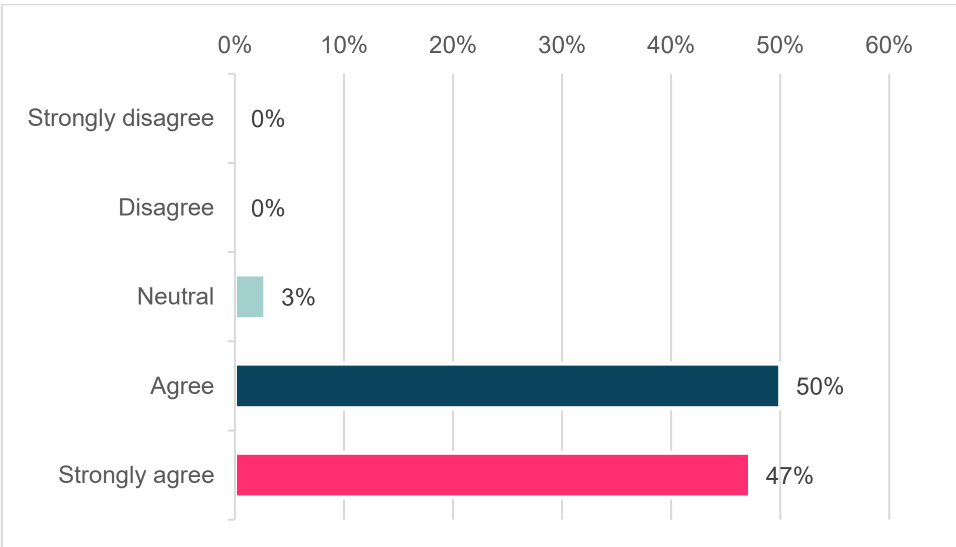
APPENDIX 2: WORKSHOP FEEDBACK

After the workshop, stakeholders were asked to complete a short feedback form. Some of the key findings are shown below.

1. Overall, how interesting did you find the workshop to be?



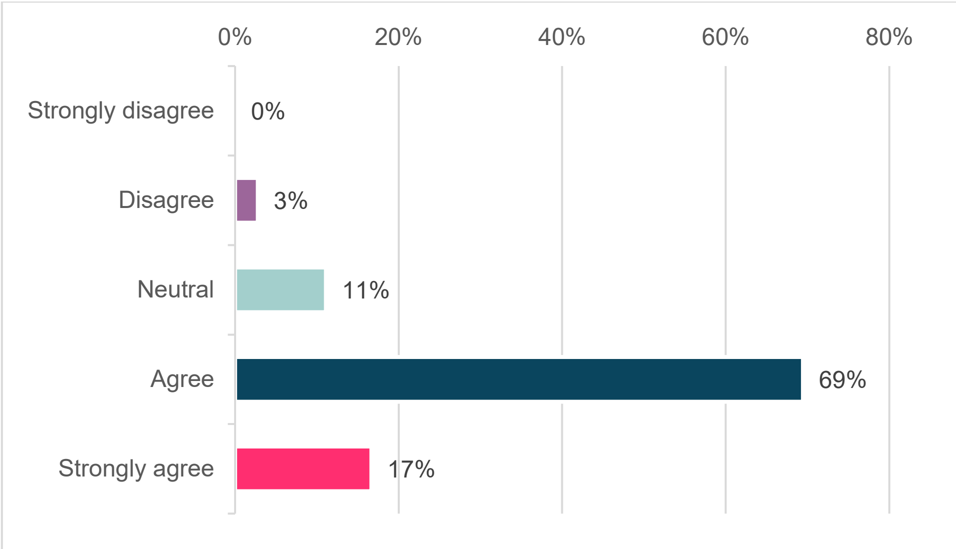
2. Did you feel that you had the opportunity to make your points and ask questions?



Comments:

- “Excellent facilitator.”

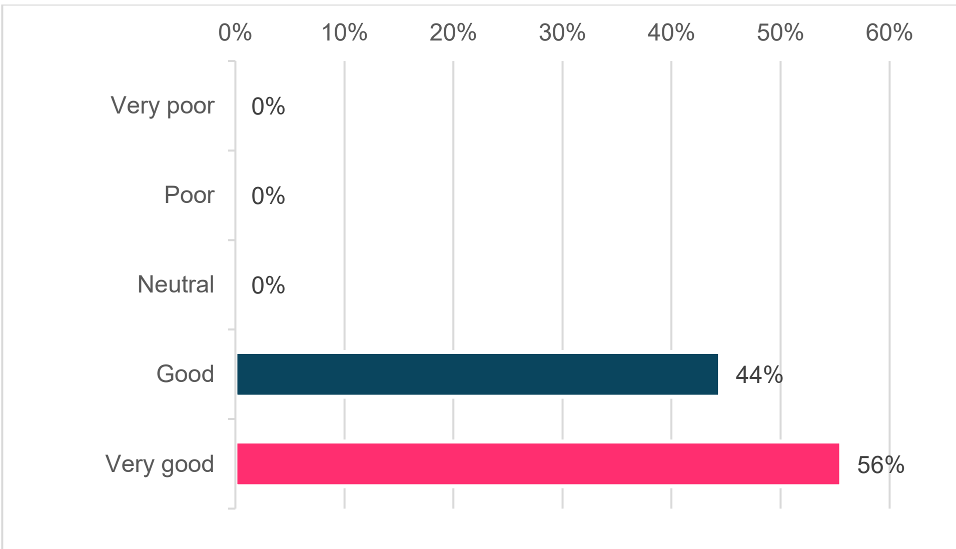
3. Did we cover the right topics for you on the day?



Comments:

- "My interest was VCMA, but all topics covered and the table discussion was very interesting and informative."
- "My focus is on supporting vulnerable customers. It was interesting to understand a little bit more about green gases as it is important to start thinking how we can bring our community on the journey."
- "Not all areas of focus were relevant to all attendees but discussions were still interesting to be involved in."

4. What did you think of the way the workshop was chaired by your facilitator?

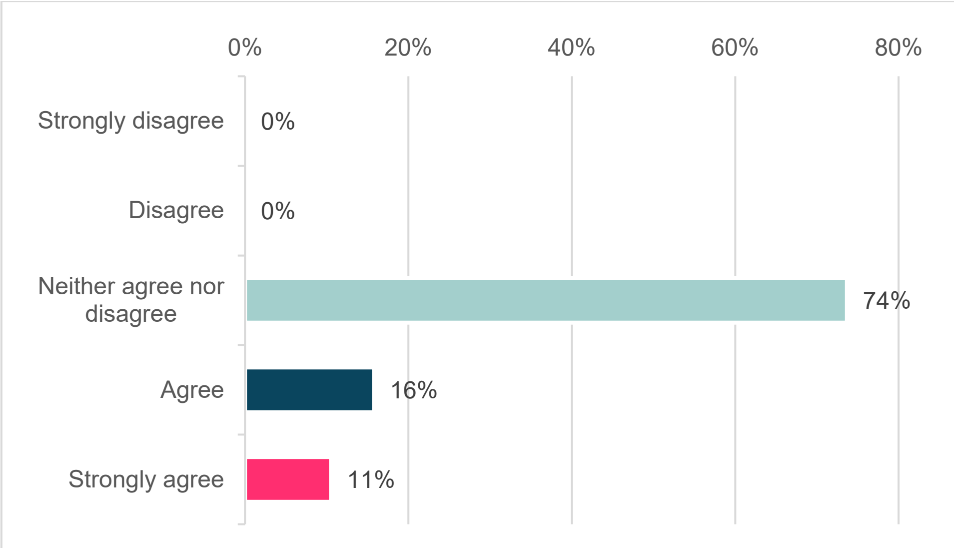


Comments:

- "Included everyone in the discussions."

- “Excellent, involved everyone around the table from very different backgrounds.”
- “Made sure that everybody is involved and was very patient in explaining biomethane, as that is not something I am very familiar with. Thank you!”

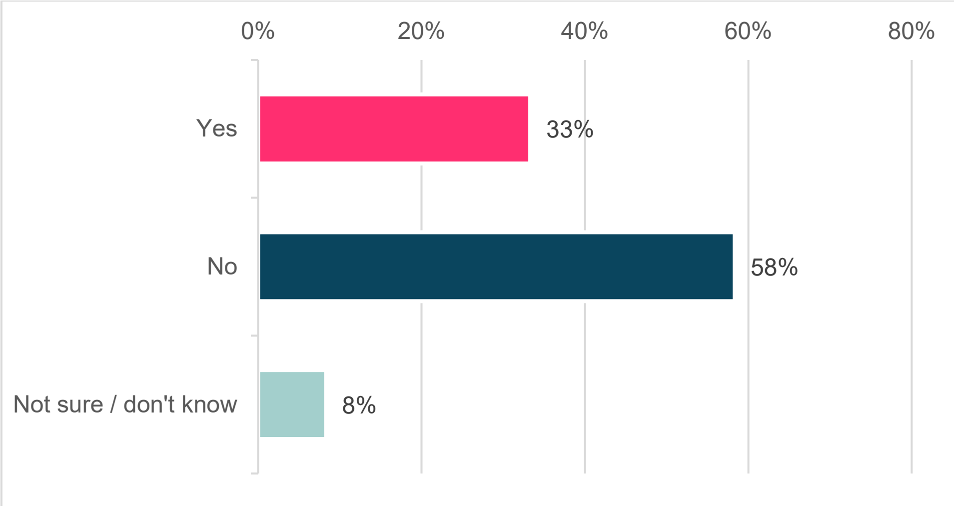
5. If you attended online, did you find the online format accessible and easy to use?



6. Is there a role for us to work with your organisation to achieve our goals? If so, how/what?

- “We already work with NGN on a grant scheme and would be eager to continue doing this in the new VCMA funding period during GD3.”
- “Possibly with off-grid properties regarding creating a green gas network via virtual pipelines. Was an interesting topic that I’ve not heard much about.”
- “FISCUS is an NGN-funded Centre for Warmth. We are very interested in continuing our work with vulnerable customers alongside NGN in Sunderland and wider NE.”
- “Development of training programmes for staff and apprentices that factor in future energies.”
- “I think you have already been an incredibly good partner to us and we are looking forward to hopefully working with you through GD3 and your vulnerability strategy.”

7. Have you seen our 24/25 annual stakeholder report?



8. How have you found the updated report format?

- “I found it accessible.”
- “It was easy to read and quite self-explanatory.”
- “Easy to read and informative.”
- “Very interesting.”
- “Excellent.”

9. Do you have any other comments?

- “As an online attendee, I though the hybrid element of the conference was done excellently, with no technical issues, and I felt very included and engaged as an online attendee. Thank you!”
- “Very well organised and informative. Thank YOU.”
- “Worked really well with a combined in-person and online event. The first of its kind I've attended and it seemed flawless!”
- “Good format. It would be good to link the participants in some easy way.”
- “Further detail on plans and workshop questions in advance would have allowed attendees to have better informed/more purposeful discussions.”
- “Room far too small and hot. Environment not suitable at all.”

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