

## NON-VERBATIM MINUTE

**DATE:** Tuesday, March 8 2022

**TIME:** 10:00 - 11:00

**METHOD:** Zoom Meeting

**CHAIR:** Jacob Young MP, Chair of the All-Party Parliamentary Group on Hydrogen

**Jacob Young MP** welcomed parliamentary attendees and ran through the APPG's work over the last year, noting the APPG's popular events, the inquiry the APPG ran last year, the APPG's annual report launched last year and the media appearances secured on the APPG's behalf.

He noted that last year we held an event almost every month of the Parliamentary terms, securing a broad range of speakers from Government officials, Ministers, Shadow Ministers, NGOs and charities. The Group's online sessions have an average of over 100 attendees per discussion.

The APPG's inquiry assessed the role of hydrogen in powering industry, taking evidence from almost 70 organisations to help inform the report published last July. The APPG has also secured media appearances, including coverage of its report.

Anne Mirkovic from Connect opened the Chair election, which saw Jacob unanimously re-elected as Chair. He welcomed his re-election, and opened the session to the election of vice chairs and officers, the results of which were as follows:

Vice Chairs:

- Bill Esterson (Labour)
- Richard Thomson (SNP)
- Lord Oates (LD)
- Lord Wigley (PC)
- Alex Stafford (Conservative)

Officers:

- Liz Savile-Roberts (PC)
- John Spellar (Labour)
- David Duguid (Conservative)
- Baroness Hooper (Conservative)
- Lord Moynihan (Conservative)
- Ed Davey (LD)
- Andy Carter (Conservative)
- Christine Jardine (LD)
- Clive Betts (Labour)
- Roger Gale (Conservative)
- Lord McNicol (Labour)

The APPG's income and expenditure form was then approved, after which Jacob opened the session up to sponsors to brief on their latest activity within the hydrogen space.

**Angela Needle from Cadent** said that Cadent were working on the North West cluster as well as the East Coast, and have continued to progress their technical and safety work. They have also demonstrated their work on blending hydrogen into the gas grid. They have put plans in place to deliver the first hydrogen village, and have lots more projects on the table waiting for investment, support and clarity. She stated that they need to enable hydrogen boilers to be mandated as soon as possible.

**Salah Mahdy from Howden** explained that Howden are a global company that have been in the business since 1854. They are a £1.6-1.8 billion company employing 6000 people, and their main offering in the hydrogen space is specialist compressors. She said that over 300 of their members are looking to work in the hydrogen space in the region. Howden have been involved in the largest compression solution in world, as well as the largest hydrogen refuelling station, first green steel project and first climate neutral fuels. Howden are looking to help build a strong foundation for renewable hydrogen.

**Josh from SGN** stated that SGN have a keen interest in the role of hydrogen in decarbonising homes, and will also have to consider action on heat pumps and heat networks. He stated that decarbonising homes through hydrogen is key to achieving net zero, and that SGN support the Scottish Government's ambitions on decarbonising homes.

**David Cairns from Equinor** stated that Equinor have recently met with BEIS Secretary Kwasi Kwarteng and Investment Minister Lord Grimstone, and are planning to invest £50 billion in renewables over the next 8 years – the UK will receive a large chunk of the money. Other countries are trying to catch up with the UK's efforts on hydrogen, for example Germany on green hydrogen. Looking ahead, Equinor are heavily involved in an East Coast Cluster, and are planning on building a blue hydrogen manufacturing plant in Saltend. He stated that it is important to remember the export potential of hydrogen and the importance of the end-to-end hydrogen chain, working on hydrogen storage.

**Emily from National Grid** stated that they were working on future grid and test facilities, as well as scaling up the hydrogen composition of gas. She added that they were also working on the East Coast Cluster, collaborating in that space and looking at how we can build east coast gas networks.

**Mike Foster from the Energy Utilities Alliance** emphasised the importance of security of supply without ignoring net zero obligations, adding that hydrogen is as close to a silver bullet as we're likely to get for the time being. He said it was great to see the APPG in such a healthy position. He added that it is important to make sure the consumer is protected and that upskilling is carried out appropriately to factor in hydrogen-ready and hydrogen boilers, adding that he hopes that the 2026 decision on hydrogen boilers can be brought forward. Research over the last 12 months has shown the extent of the payback over the next 50 years from upgrading insulation now. He noted that hydrogen in homes was in a very strong position, with cross-party support and trade unions and industry working hand in hand to support it.

**Matt Reizenstein from Shell** stated that Shell are working on hydrogen production off the East Coast of Scotland, as well as on the green hydrogen flexibility technology that the country needs. He stated that green hydrogen is a way of overcoming transmission constraints and providing energy security and flexibility, and that he definitely wants to see government make a big push for green hydrogen over the next year. There is huge potential for moving from a supply side orientation to servicing demand.

Jacob opened up the session to Q&A's. He asked David Cairns from Equinor how industry's approach will change regarding blue and green hydrogen. David said it is important to bring investment into green hydrogen so it percolates down and becomes part of the energy mix. Industry is working to make green hydrogen more affordable, as right now it is significantly more expensive than gas.

Matt Reizenstein from Shell echoed David's comments, stating that blue hydrogen is still significantly more expensive than gas, and that the current gas prices situation does change industry's thoughts regarding moving towards green hydrogen.

Lord Carrington asked if existing pipelines can cope with hydrogen or if new ones will be required. Angela Needle from Cadent said that Cadent were working on upgrading gas pipes to polyethelene ones, to cope with hydrogen, but don't need to replace the entire network. 70% of the gas network is now polyethelene, and National Grid are testing all of those rigorously against 100% hydrogen, in different buildings and different situations, and the Health and Safety Executive are reviewing work thoroughly.

Peter Aldous asked if blue hydrogen industrial clusters were still the best way to roll out hydrogen. Angela Needle said that Cadent were discussing with BEIS and hydrogen economy team the support that is currently needed. David added that decarbonising industrial clusters were critical, citing the example that CO2 levels in the Humber are 30 times higher than the UK average.