Northern Gas Networks

Young Innovators Council

Young innovators council

Session 4: Going low carbon:

staying on track with NGN's carbon reduction targets

October 2023

Facilitated and written by Solutions for the Planet

Contents:

1. Overview of session

2023 marks the third consecutive year of Northern Gas Networks' Young Innovators Council (YIC) led and facilitated by Solutions for the Planet (S4TP)[1]. The YIC continues to be the voice of young people (aged 14-19) at Northern Gas Networks (NGN). It provides young people's perspectives and Northern Gas Networks ensures these young people's thoughts and opinions are put at the heart of the business' decision making.

Each session agenda is co-created by S4TP and NGN, influenced by the YIC's input on what topics are most important to them. The aim is for meaningful and relevant engagement which provides an opportunity for the YIC members to influence decision-making at Northern Gas Networks. This year, the YIC is made up of 32 young people aged 14–19 based across the footprint of Northern Gas Networks. Four other young people were members of the YIC this year, but have had to leave due to other commitments (mostly relating to school.)

YIC 2023 Session 4: going low carbon

This report provides a summary of the fourth session of the Young Innovators Council which took place on Wednesday 4th October. The recommendations generated come from the discussion and feedback the young people provided. This session focused on the ways in which NGN might show accountability for its voluntary carbon reduction targets.

Background to the session

Session 4 of Northern Gas Networks' Young Innovators Council 2021 in October of that year aimed to gather the young people's input to NGN's sustainability strategy (published in 2022: *Our People and Planet Strategy*[2]). One of NGN's commitments within this strategy is to "Eliminate emissions – net zero business by 2050". NGN's carbon emissions caused by gas leakage from their pipes is subject to regulation by Ofgem. However, their remaining emissions (business operations, value chain) are not, and the carbon reduction targets (CRTs) they set around these emissions are reputational only.
NGN know that their customers value transparency and accountability, and are therefore considering options for what they should do if they miss non-incentivised carbon emissions targets. In this fourth session of 2023, NGN want to know what the YIC think they should be doing to hold themselves accountable for these targets. Currently, they publicly report on all their carbon emissions and explain why and what they are doing to improve. The YIC explored whether this is sufficient, or if NGN should have to do something more.

Objectives of the session for NGN

- To understand the YIC's views on the options NGN are exploring for the business' responsibility and accountability if they don't achieve their voluntary carbon targets.
- To gauge the YIC's prioritisation of these options.
- To explore other options or questions around NGN's accountability for their voluntary carbon targets.

[1] Solutions for the Planets' Youth Insights Programme: https://www.solutionsfortheplanet.co.uk
[2] Northern Gas Networks' Our People and Planet Strategy: People-and-Planet-Strategy_FINAL.pdf

Prior to the session, the YIC were asked to:

1. Watch and read this video/articles as a background to 'carbon offsetting':
    - Can carbon offsetting help the planet? - BBC News - YouTube
    - How the voluntary carbon market could help us get to net zero | World Economic Forum (weforum.org))
    - https://www.theguardian.com/environment/2023/sep/19/do-carbon-credit-reduce-emissions-greenhouse-gases?CMP=Share_AndroidApp_Other
2. Find specific examples of business trying to show publicly that they're holding themselves responsible for their own carbon emissions targets:
    - In your opinion, does this display successful or unsuccessful accountability? What's good about this action from the business? What doesn't work?
3. AND IF YOU HAVE TIME, research carbon offsetting schemes. What are the positives and negatives of these schemes?

Zoom main room, breakout rooms, chat functions and whiteboards were used to host an introduction to the topic and slides from the expert witness, and to explore the session objectives in further detail. Slido was also used to prioritise and collect breakout room reflections.

Witness: Neil Whalley, Head of Environment and Sustainability, NGN

- Give background on greenhouse gases and the emissions referred to throughout the session.
- Explain NGN's carbon emission targets (CRTs), and the difference between regulated and voluntary targets.
- Clarify how NGN is reducing carbon emissions.
- Outline how NGN is currently reporting on their carbon emissions.
- Introduce the potential options NGN is exploring for what they do if they miss their non-incentivised CRTs.

Agenda

Time	Activity	Lead	Room (M/BO)	Timings (mins)
5:15	Welcome Quick reintroductions and an ice breaker	S4TP/NGN	M	5
5:25	You said – we did Session 3	NGN	M	5
5:30	Witness presentation 1: Neil Whalley • Greenhouse gases • NGN's carbon emission targets	NGN	M	10
5:40	Activity 1: Topic Q&A	All	M	15
5:55	Witness presentation 2: Neil Whalley • NGN's suggested accountability options	NGN	M	5
6:00	Activity 2: Breakout room	All	BO	30
6:30	Activity 3: Slido prioritisation	All	M	5
6:35	Activity 4: (If time) Q&A of alternative suggestions	All	M	10
6:45	Thanks and finish			

Table 1: Proposed agenda; YIC 2023 Session 4

It's really important to explain to the public what action is being taken…
However, being apologetic in my opinion is not something that the public would appreciate and it would make them feel as if NGN aren't really sorry.
[YIC member]

2. Attendees

Young Innovators Council

Alexa	Kate
Amiee	Lauren
Ben	Lizzie
Bradley	Maryam
Chloe	Nadheerah
Dhanayus	Nitya
Georgina	Oliver
Henry	Theo
Holly	Thomas
Jess	Toby
Kaitlin	Yasmeen

22 attended out of 32 panel members

Solutions for the Planet

Fran Isherwood	Youth Insights Coordinator
Jen Baughan	CEO *(part attendance)*

Northern Gas Networks

Alex Brightman	Hydrogen Home Co-ordinator / Energy Futures Educator
Tom Keighley	Land Remediation Manager *(observer)*
Kati Sexton	Customer Care Officer
Hollie Scott	Stakeholder Coordinator
Lili Vastel	Business Admin Apprentice *(observer)*
Jenny Wilkinson	Stakeholder Manager
Neil Whalley	Head of Environment and Sustainability

Other

Yvana Ferreira	CEG *(observer)*

3. Key Discussion Points

Initial thoughts on witness presentation and feedback from YIC pre-session work
Neil's presentation explained that NGN's gas leakage performance comes with financial penalties or rewards. He explained that the business cannot be penalised or rewarded for failing or outperforming their other carbon reduction targets (CRTs). NGN wanted to know what questions the YIC had around this. They were also asked to consider how a responsible company should behave, as stakeholders who value responsibility and accountability especially in particular regarding the environment. They were invited to speak to this, and to call on any pre-work research they'd done into examples of businesses demonstrating accountability for their CRTs. Further pre-work was also shared by email following the session [see Appendix 1].

Dhanyus: "How do you calculate the emissions for when it's burned up in a house… when you're using the gas stove, that isn't counted on your emissions. Why, because you are delivering that gas to people?"
Neil's response: • NGN do voluntarily measure and report that amount. • That gas doesn't belong to NGN, so in the strict rules of carbon reporting, they don't account for those emissions. • NGN only own the pipes not the gas.
Thomas: "With all that information you just showed us, is that all available on your website or is that just stuff that you've got internally?"
Neil's response: • All available on the website in the Annual Environmental Report[3], the latest published last week. • It is a regulatory report and is therefore massive. • For the first time this year, NGN will be preparing a shorter 8-page version, including a flavour of performance, a case study based on what's most important to stakeholders to learn about, and further signposting.
Theo: "On reporting progress or failure, what if there's negligible progress or it's just stayed the same, what does that count as?"
Neil's response: • Emissions are reported in absolute numbers. • Measured against NGN's own set annual targets, for each of the 5 years within a business plan period, and into the future. • Currently state whether those targets have been met or not, and if they haven't then what NGN proposes will change. There is no other form of penalty or reward.
Maryam: "We know you're holding yourselves accountable because we're here right now. How does the public know you're holding yourselves accountable? How are you spreading that information throughout the community?"
Neil's response: • NGN don't 'shout about the performance', good or bad. Reports and summaries on the website are as far as they currently go.
Amiee: "You said that NGN doesn't own the gas itself. Who does own it, and do they hold themselves accountable for the gas that they're using?"

[3] Available here under 'Environment' (shared in the session chat): Document library | Northern Gas Networks

Neil's response: • The gas belongs to whoever it is you pay your bill to (e.g., EDF, British Gas, Npower, etc.) • Presumably they report their own emissions. • Grey area around emissions from customers using gas. • Seems right that NGN should report on this figure given they're enabling people to use the gas, even though those emissions aren't officially attributed to NGN.
Theo: "Do you consider it a success when your emissions are essentially zero, while there's still gas being burned in people's homes?"
Neil's response: • It goes hand in hand, because the only way NGN can achieve zero emissions through leakage is to change the gas, moving to a zero carbon gas alternative – AND the downstream effect of that would be that the customers' emissions are zero. • If we continue to use natural gas and customers are still creating a lot of emissions, whilst NGN have achieved zero carbon emissions across all other targets (except leakage), the statistics still stand that ±90% of emissions come from using natural gas.

Table 2: YIC pre-work responses; main room Zoom discussion; YIC 2023 Session 4

As part of their pre-work task, members of the YIC shared that they had researched:

- The Kyoto Agreement
    - Carry-over credits and carbon offsetting.
- Johnson & Johnson
    - Over 65% of their electricity globally comes from renewable sources.
    - Really clear targets, e.g. aim to achieve carbon neutrality for all of their operations by 2030.
    - Work with suppliers to help them become more environmentally friendly.
    - Set really clear goals, which appear very transparent on their website.
    - Not clear though what their accountability actions are for not meeting voluntary CRTs.
- The Northern Forest
    - Planting forests to reduce carbon emissions in the areas it encompasses.
- Kinder Scout National Nature Reserve
    - Peatland restoration
- Canada's Boundary Dam Carbon Capture and Storage Project
    - Placing the carbon capture mechanisms directly where the carbon is released.
    - Is this generally ineffective?
    - Boundary Dam is only 40% effective, and generally releases more carbon than it stores.

The YIC's initial questions and comments about NGN's carbon emission targets confirmed that their expectations on these is extremely high. A number of them said that one organisation striving to reduce its own emissions will have a limited quantifiable impact on reducing overall emissions. This is because the scale of the problem remains extremely large and far-reaching whilst so much of the national and global emissions are still caused by use of non-renewable energy sources. It felt important to them to highlight this, and helpful that it was acknowledged and reiterated by Neil and NGN.

The young people drew attention to the power of word of mouth. One member introduced this by saying “if [people] knew that NGN was holding themselves accountable, that would be a powerful incentive for them to think that maybe they should be holding themselves accountable as well.”

The YIC want a company that is practising accountability and showing responsibility to lead by example. The reporting that NGN already do should be made available to more people, be more accessible, and more digestible. They said that if the public find a gas distribution network is holding itself accountable, this could spark a chain reaction with the possibility that people and the community might start doing the same.

Breakout session
The YIC were talked through NGN’s current potential options for what they do if they miss their non-incentivised CRTs.

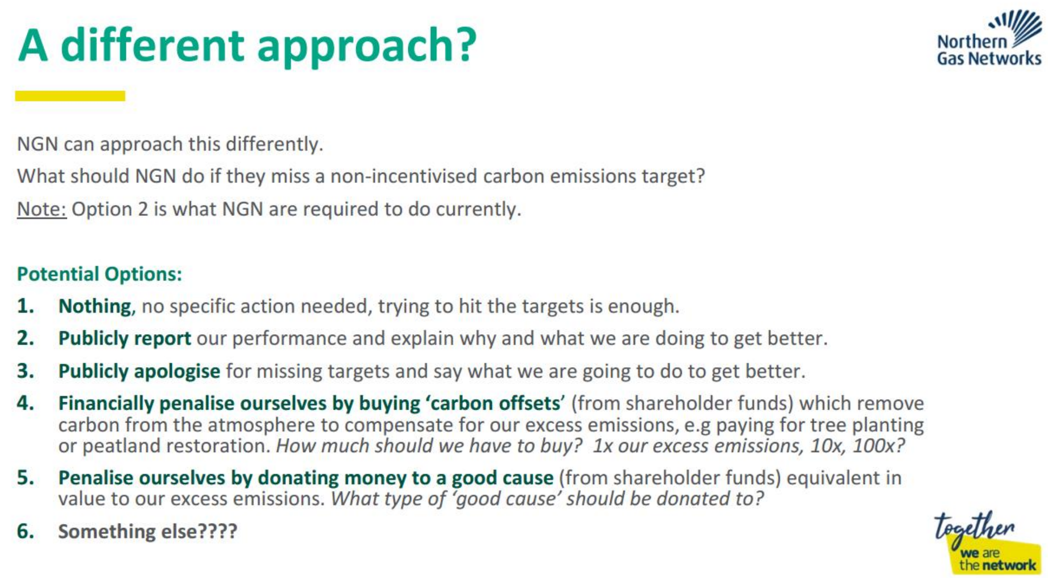

Figure 1: NGN potential options for CRTs; YIC 2023 Session 4

The following suggested questions for the 30–35-minute breakout rooms were introduced to the YIC, with the understanding that these were a starting point. The first question was also asked in a subsequent Slido poll and feedback form, and those responses have been integrated here.

- What else could NGN do if it doesn’t achieve these targets?
- Did you find any good or bad examples in your pre-work?
- Thinking about NGN’s current options [above]:
    - What is meaningful or not meaningful about each option?
    - Why is each option useful or not useful?
    - Who benefits from each option?
    - with the understanding that these were a starting point. As ever, the YIC were invited to lead on this discussion of what would make the most effective net zero educational workshop in their school.

Option 1: do nothing
This option was not supported by any of the YIC.
Option 2: publicly report CRTs performance
Supply chain carbon: organisations could consider the emissions from the manufacturing processes of the equipment they use, e.g. what are the manufacturing emissions from a fleet of vans that NGN purchases?
Publish everything that is being done to reduce targets, whether that's happening now or just in the process of being implemented. This will help the public to understand the processes and timings, as well as the desired outcomes.
NGN's Document library is not an effective way of making these targets publicly visible, and even a 9-pager feels too long to be truly aimed directly at the general public. Make it a 2-pager reachable from the main page, e.g., 'What we're doing' tab.
Tailor the information for use and digestion depending on who you are and where you're reading it, e.g., schools, general public, local authority, funding decision maker, target setter within business, social media consumer, etc.
Make sure to report the target and achieved levels, and make it clear to people through social media in a simple way (e.g., infographics) to show what they are doing to improve on these in the future.
Option 3: publicly apologise for missed targets
The easiest and most effective way is to just set high targets and hit them. This will spread awareness of the importance of action from big business, as well as provide a good reputation.
What would happen if you had to publicly apologise more than once? It would affect NGN's credibility, and wouldn't carry much value.
Avoid empty apologies, and give reasons - valid ones.
Option 4: carbon offsetting
As with option 5, rather than being a penalty, responsible businesses should be doing this as standard.
Example of oil companies retiring oil rigs, but in the meantime investing in schemes that directly take carbon from the atmosphere, e.g. planting trees, restoring wetlands.
Schemes should create benefits that are both immediate, as opposed to delayed, and within the UK, as opposed to abroad. All certified offsetting schemes currently available are in the developing world and there are absolutely none available in the UK.
Avoid 'greenwashing' at all costs, and allow the public to pass judgement on this.
The value of carbon offsetting certificates should be, as a minimum, more than the targets missed.
Instead of paying different amounts to carbon offsets based on how over/under the target you are; is there another way where you pay based on how much it should have cost to achieve a goal?
Trees take a long time to grow and don't store carbon immediately. Tree planting is problematic if it is monoculture. BUT if it's biodiverse then it is more effective because it stores more carbon.
Peatland restoration happening in the UK right now that NGN could contribute to, e.g. Kinder Scout in Derbyshire.
Option 5: donating money to good causes
As with option 4, rather than being a penalty, responsible businesses should be doing this as standard.
If these causes are sustainably and environmentally driven, then NGN can be carbon offsetting whilst directly giving money to allow another group to grow and do more carbon offsetting in turn.
In general, direct giving is always most effective.
Create a charitable arm of NGN.
Social causes could include donating to funds that help save energy, e.g. fuel poverty organisations providing insulation, solar panels, etc.

Option 6: something else?
Targeted social media, radio/podcast and television adverts would help reach the people who never have need to visit the NGN website, or any related organisations' websites.
For full transparency, all reporting on this topic from the whole gas industry (from extracting, distributing, supplying), should be available, linked up and signposted to.
Assign a cost structure for supplier contracts and use of NGN's network dependent on the emissions of each, e.g., preferential rates or treatment to suppliers who have lower carbon outputs, (making sure this doesn't get passed on to their respective customers).
Create a charitable arm of NGN that combines the benefits of carbon offsetting and charitable giving.
A pubic vote for direct community giving: the NGN public vote on e.g. a local business or shop, that they would like to see receive extra support from NGN. These could include improving green areas, warm spaces, supporting local schools.
Holding events in busy places (like town centres) to share information and gather public opinion. It would also be good to visit customer homes to gauge their thoughts and opinions in order to improve and hit targets.
Add them to the next year's targets, creating increased pressure.
NGN could help support small businesses with their carbon emission reduction so that everyone is slowly involved and that their main purpose is to help the planet.
Going above and beyond carbon offsetting could mean actively looking for solutions for carbon storage and sequestration. Action over reaction.
Compensate consumers directly.
Support people who need help with their energy bills, which in turn will make their homes more efficient, e.g., insulating their houses.

Table 3: Summary of breakout room discussions; YIC 2023 Session 4

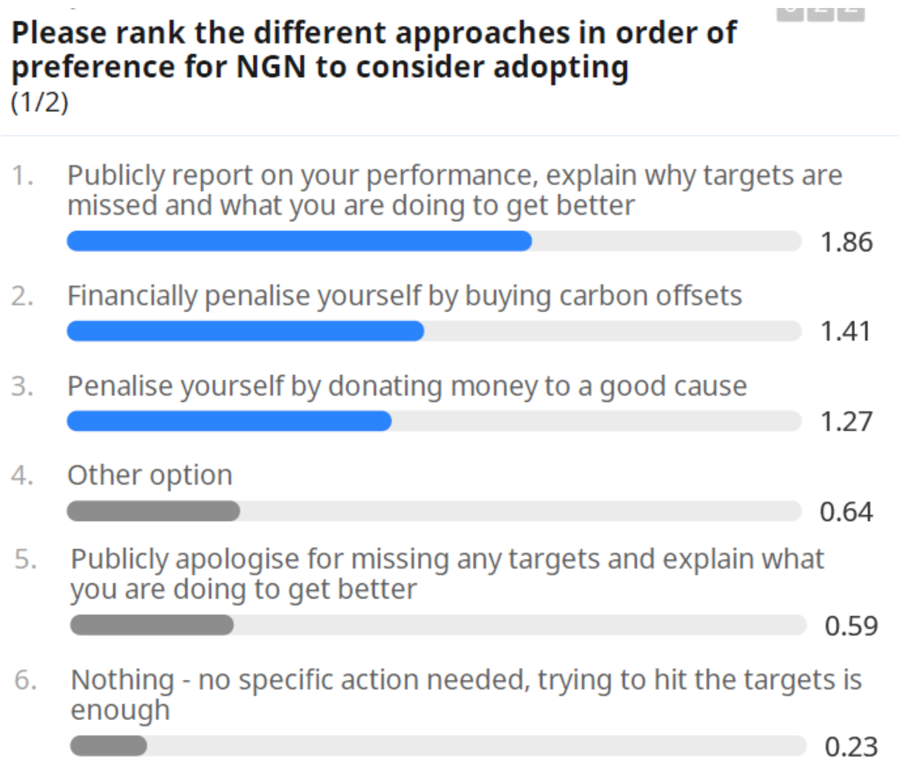

Figure 2: Slido poll results for "Please rank the different approaches in order of preference for NGN to consider adopting."; YIC 2023 Session 4

4. Key recommendations (priorities)

One YIC member asked why NGN feels the need to market and inform the public about its carbon reduction targets at all, referring to the nature of its monopoly in the region. **It was suggested that the YIC, and in turn the public, knowing NGN's reasons will help them understand and therefore respond more meaningfully.**

Reporting on targets is important to the YIC, as is reflected in the Slido poll above [Figure 2]. It was reiterated across the breakout rooms that when people know and understand business targets, in particular around important issues like net zero, the public will feel more empowered to hold that business accountable. The YIC feel that individuals have a lot less power than big business and government, who ultimately introduce policies or change behaviours to protect the environment. Businesses can help their customers feel empowered by giving them the information they want and need in a meaningful and manageable format, i.e. well explained reporting. This will also help to maintain and improve that business' reputation at the same time as ensuring their actions are visible. **The most important thing for the YIC is the accessibility of information for people, and the ease with which they can find reports and performance information; if it's not accessible, it's not transparent.**

Having said that, most of the YIC agreed that giving public apologies for missed CRTs without subsequent actions are worthless. One YIC member called it 'sugar coating' and stressed that people will increasingly see through apologies if they're overused, or the explanations aren't valid or believed. **It was agreed that apologies could be effective coming from a big business if delivered alongside other actions, but should not be used as a PR piece.**

The YIC were somewhat divided on the value of carbon offsetting. Everyone agreed that directly reducing one's own carbon emissions is without a doubt more effective than carbon offsetting. Some of the YIC believe offsetting to be a way of *appearing* good instead of *doing* good, with a high risk of 'greenwashing'. Whilst others see merit in carbon offsetting through viable schemes in the immediate term. Neil explained that there are no carbon offsetting schemes at all in the UK at the moment. **The YIC only want to see certified carbon offsetting schemes that directly take greenhouse gases out of the atmosphere, at meaningful scale, and in locations where the benefits are quantifiable – including if this means in the UK.**

The option of donating and investing money in amounts directly related to missed carbon targets was also popular with the YIC. They'd like to see those causes being the small businesses that are operating carbon negative programmes and initiatives. The benefits of this include supporting research and development with experts in the field, and is a more targeted use of NGN resources. **In terms of both options 4 and 5 (and a combination of the two) the YIC felt that the answer lay in the value delivered. NGN should always be led by delivery of a positive social return on cost and what will deliver the most tangible benefits.**

One YIC member quoted NGN back to them: they said that "together we are a network" is an important message that benefits this conversation, because it implies to them that NGN is more than just a gas company. They want to see a responsible business showing this by doing the unexpected, e.g., helping in community warm spaces, homeless shelters or food banks/kitchens. Direct actions become talking points and create a point of difference for the organisation. Implementing a combination of all the options was an alternative put forward by a number of the YIC (apart from doing nothing!), because each option serves a different and important purpose. Several of them also want to see the onus spread to the entire energy supply chain, meaning putting pressure on NGN's suppliers and contractors as well as other big energy companies to do their own public reporting on emissions. **The key here is that they felt most importantly that any choice NGN took had to involve positive action and long-term sustainable change.**

The YIC's recommendations for NGN's CRTs accountability are:

1. Make the reporting on this as concise, accessible and visible as possible.
2. Post across social media platforms directly about this topic and what NGN are doing.
3. Put notices/information up around gas works, e.g., "We are replacing our pipes to help reduce carbon emissions. Find out more about here…", with a QR code.
4. Create simple infographics to present emission targets, what they mean, what is being done to achieve them, and what impact the missed targets will have.
5. If there was a particular department or project within the business that caused higher emissions (or missed targets) how can those be targeted now to improve?
6. In addressing the public, include presentations to schools to spread awareness of what is being done, and to encourage people to reduce their use of gas in order to help to reach the targets that NGN is trying to reach.
7. Apologise, but only in combination with direct action.
8. Eliminating one's own greenhouse gas emissions is always better, but carbon offsetting can offer interim benefits.
9. Incentivise suppliers to improve their performance on CRTs.
10. Always support the local communities by giving directly.

5. Conclusion

The Young Innovators Council want immediate action around carbon reduction targets. They see the language of a ‘penalty’ as counterproductive because greenhouse gas emitting has been going on for such a long time that apologies, whilst good for reputation, are not active enough. Immediate action that helps our collective future is what people want to see.

Public accountability and community outreach should go hand in hand. The YIC were responsive to the very fact that NGN is approaching them about this challenging topic. They reiterated that to hear that a gas company is actively trying to change, and is doing something to hold themselves accountable, could change people’s perceptions about energy usage and how they view the climate emergency right now.

One YIC member writes “I disagree with the idea that companies holding themselves accountable is doing enough to eliminate carbon emissions, and I believe that it should be a nation-wide, government-run initiative.” This appears to be a theme for the YIC 2023, around putting pressure on policy- and lawmakers into urging (if not forcing) all companies to do the same. Their perspective is that companies that really cared about reducing carbon emissions would already be doing tangible things themselves. If they don’t do those things, it’s because they don’t have to, and that’s where government legislation comes in. It is expensive and difficult to make these changes, so if there aren’t laws or legislation then irresponsible businesses won’t. This session of the YIC took place not long after the UK government announced a rolling back on its own carbon reduction targets. The YIC want to know and see how businesses can affect change at a national level.

There was a complex point revisited throughout this session around efficacy. The YIC wouldn’t be drawn on what was more financially and carbon reduction efficient; between NGN investing resources in reducing their own emissions or investing those same resources elsewhere (be that carbon offsetting or donating to causes). The reality of the climate crisis and all its repercussions mean that all effective actions should be happening simultaneously. The YIC emphasised that, ideally, we could be striving for carbon negative.

6. Appendices

Appendix 1: YIC 2023 Session 4 feedback form responses

1. Do you feel that you were given enough information about this topic?

More Details   Insights

Strongly agree	53%
Agree	47%
Neither agree nor disagree	0
Disagree	0
Strongly disagree	0

2. Do you feel that you had the opportunity to contribute to the discussions in this session?

More Details

Strongly agree	59%
Agree	35%
Neither agree nor disagree	0
Disagree	6%
Strongly disagree	0

3. Do you feel that your ideas were listened to?

More Details   Insights

Strongly agree	47%
Agree	29%
Neither agree nor disagree	12%
Disagree	6%
Strongly disagree	0

4. Was it clear what NGN wanted from the YIC in this session?

More Details

- Strongly agree 59%
- Agree 35%
- Neither agree nor disagree 6%
- Disagree 0
- Strongly disagree 0

[Extracted October 2023; sample size 17]