



PGES

All-Party Parliamentary Group
for Energy Studies
Founded in 1980

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PGES Policy Priorities 2026

Protect existing jobs in energy and create jobs through the transition to clean energy

PGES was established over 45 years ago to inform parliamentarians on the entire range of energy issues facing the UK. With a broad spectrum of Associate Members involved in energy, its collection, creation, consumption and conservation of all fuel types and technologies, we offer open discussions with senior industrial and academic experts, all under the Chatham House rule.

We do not lobby for any particular industry or special interest.

Energy

Joined up thinking must be shown through Government policy and actions to drive desired outcomes, eg **prioritising UK manufactured technologies over imported equivalents** when awarding projects, thus supporting Clean Energy Job creation in UK: for instance, in the **Cap & Floor scheme**.

Clarity is required on local content, on what this actually means in the context of our country's energy investments.

Just transition - not just net zero. We need to maintain an energy balance for the UK, requiring provision of a clear and long-term bankable direction across **both infrastructure and a range of energy sources** in order to ensure industry can invest for the long term.

Redirect public funding to **apprenticeships and industry-recognised training**, leading to secure energy jobs. **Reduce the financial and administrative burdens on SMEs** and **develop industry-led upskilling routes**.

Give greater encouragement to innovative new technologies, which ultimately have greater potential to help the UK meet its energy and industrial priorities than existing pathways.

Electricity

Reform electricity pricing to recognise three things,

that **gas led marginal pricing is inappropriate** and imports undue volatility with today's mix of power sources,

that **it inhibits progress** towards a clean energy system,

and that it is **destructive of our industrial competitiveness**. (The locational vs current pricing structure debate was a distraction.)

Maintain a **positive investment environment** for the development of new energy generation infrastructure.

Permanently **move social and environmental levies away from electricity bills** and fund via general taxation instead - to lower bills for everyone and incentivise the transition to clean heat.

Nuclear

Drop the ban on new nuclear in Scotland to drive good long-term jobs in Scotland

North Sea oil & gas

Re-invigorate UKCS production by **scrapping the Energy Profits Levy (EPL) and lifting the ban on drilling**. **In the last six months**, Norway has announced a string of large finds close to our waters and most recently in Sleipner and Troll area.

This will

generate revenue and taxes in the UK rather than overseas, enabling us to pay for the energy transition build-out of infrastructure and **maintain gas provision of baseload** for “*dunkelflaute*” (irrespective of marginal pricing), which must be maintained to enable the energy transition and keep the lights on through the ongoing decline of nuclear capacity to 2035, and **reduce CO₂** from domestic vs imported fuel, and **enhance energy security**.

Gas

Secure British industry and jobs by **amending the UK ETS to align with the EU-ETS in classifying biomethane as a renewable fuel** – otherwise industrial users will shut down and relocate offshore.

Move ahead with HAR2, and in parallel sort out the hydrogen strategy and HAR3 – following the current 6 month delay in HAR2 and counting, the absence of any plan or timing is raising the cost of investment.

Allow augmenting boilers with heat pumps to create hybrid heating systems within the Boiler Upgrade Scheme. This should be accompanied by **decarbonising the fuel** used to reduce emissions from existing systems, as we have with cars. (Current Qatari imported LNG volume could be matched by allowing existing biomethane plants to run at full capacity.)

Follow the lead of Germany's reformed Building Energy Act (GEG) and **pass responsibility for clean heating from consumers to utilities**, which have to ensure the oil and gas they provide is increasingly fed with biomethane, hydrogen or bio-oil

Storage

The bulk storage sector is vital to the UK's energy system, underpinning resilience and supply stability through import terminals, inland storage hubs, and distribution infrastructure such as pipelines. **It therefore requires policy and investment that prioritise storage and distribution infrastructure to support a future-ready energy system and the skilled workforce needed to deliver it.**

Heat Networks

Heat networks offer good value, use available heat efficiently and reduce pressure on electricity grids compared with other decarbonisation options. However, the construction and development industry is conservative, so **delivering these benefits requires legislation in the public interest**. A presumption in favour of heat networks would enable shared benefits, while a non-profit structure would support local engagement in maintaining and improving established networks.

For more detail of Policy Requests or Membership of PGES, please contact

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These are individual requests from across all sectors represented within PGES.