ENERGY · PAPER 10

UK Energy Reform Programme Annex

Shared rules on ownership, contracts, legislation and funding.

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This annex is the authoritative location for the energy programme's shared ownership, contract, legislative and funding rules. Read it with the two-page UK Energy Reform Summary and the sector papers. Appendix E distinguishes commitments, analytical inputs and unresolved costs. Appendix F sets out the legislative programme, timetable, commencement conditions and territorial application.

Appendix A Ownership and financing

The current detailed essays implement the ownership and funding principles below. Use the current papers and one shared assumptions register when developing legislation and procurement.

Oil and gas taxation

Apply ordinary corporation tax to upstream profits, with an accounting ring fence, immediate qualifying investment deductions and usable losses. Retain the current expenditure supplement initially and protect valid decommissioning rights. Model transition costs and incremental activity against alternatives. Extraction remains privately financed; it receives no implied guarantee from the generation mutual.

The transmission perimeter

Protect national transmission interests through defined golden-share rights across relevant owners. Keep local distribution private under regulation, delivery obligations and ordinary security requirements. Assess reserved rights for substantive control and statistical classification; a limited stated purpose does not itself establish private classification.

Generation ownership

Designated new strategic nuclear and coal generation, and selected strategic new gas assets, should enter the mutual by default, after any authorised public proving phase. An exception requires a published ministerial decision, independent appraisal and equivalent enforceable British-control safeguards through ownership changes, refinancing and insolvency. Apply objective designation criteria before consent or procurement; a sponsor cannot avoid them by declining a mutual contract. Respect existing ownership and valid inherited commitments. The mutual has no ordinary shareholders; international financing remains welcome without transferring control.

British control and international financing

International capital is welcome while British control survives appointments, asset transfers and creditor enforcement. Specify membership, board selection and insolvency safeguards. The mutual constitution replaces a nuclear golden share. Mutual assets serve their defined beneficiaries without being described as wholly state owned.

Initial public funding and later mutual borrowing

Government funds initial nuclear proving units on balance sheet. Repeat projects move to mutual finance when delivery evidence, loss-bearing capital and credible revenues support it. Seek ONS advice on final governance and public commitments and disclose classification; any redesign must preserve essential control protections.

Pooled financing and bounded support

Use one mutual group with pooled borrowing as the default, with optional separate issuance where actual lender terms justify it. Define cash sharing and limits on construction contagion. Diversification does not eliminate correlated policy, purchaser, fuel or network risk. Coal remains a smaller contribution, subject to project economics and the effect on group finance.

Institutional independence

The binding system plan, central buyer and national delivery minister must not silently become authority to direct every mutual commercial decision. Distinguish statutory system obligations, procurement contracts, sovereign safeguards and ordinary board control. Seek classification advice on the combined structure, including the public purchaser relationship, rather than reviewing each wrapper in isolation.

Appendix B Procurement and delivery

Renewable support and contract continuity

Honour valid renewable commitments, including signed contracts for future delivery, and preserve continuing statutory support machinery. Recover the defined legacy policy-support costs through a fixed, banded charge rather than unit rates, exempt energy-intensive industry and eligible manufacturers with their share funded from taxation and disclose that fiscal cost. Repeal of the Climate Change Act does not cancel them. Voluntary changes must provide value after compensation and financing costs.

Central buying and wholesale prices

Keep operational marginal prices distinct from contracted revenues and final bills. From year one, new wind and solar may compete for long-term, price-stabilising energy purchases, with no automatic quotas or preferential subsidy entitlement. Nuclear offtake and availability contracts remain permissible. Assess the actual service, risk allocation and any subsidy advantage rather than the contract label.

Contract stability and settlement funding

Keep separate accounts for default energy, fairly allocated system services and legacy support funded by the fixed charge and industrial relief, with explicit reserves and liabilities. Preserve inherited rights. New contracts define compensation for breach, public termination and expressly allocated changes; general tax and regulatory changes remain investor risks unless a priced, bounded clause says otherwise. Targeted action cannot evade committed revenues. Apply mitigation and no-double-recovery rules without a blanket indemnity; legacy support cannot return to unit rates through settlement.

Technology neutrality and the nuclear trajectory

Keep residual adequacy and flexibility procurement open to assets providing comparable dependable service. The strategic nuclear fleet lane carries a disclosed capability objective and incremental cost. Nuclear capacity scenarios must follow demand, unit sizes, retirements, availability and feasible commissioning; annual output shares do not substitute for those calculations.

Retain the ambition for approximately 60% nuclear electricity within twenty years, with each demand case tested against every nuclear ramp in the Supply evidence paper. Preserve gas, fuel and fallback options against high demand with slower nuclear; firm orders follow the dated forward adequacy assessment.

Use selective five-year gas retention and constrained equipment delivery as the procurement planning baseline. Begin station assessments and owner tenders on taking office; pay for justified refurbishment, availability and fuel readiness. A further five years requires inspection and a separately priced overhaul. Test faster delivery and stronger retention as sensitivities. Release coal in tranches with changing regular, balancing and reserve roles. Exact station counts and the model’s 2045 reserve switch remain analytical choices.

Carbon policy and coal generation

The repeal and carbon settlement in Appendix C applies to procurement and coal generation.

Connection rights and legal finality

A connection right supplies an enforceable process, dated delivery and priced non-firm access where feasible. It cannot supply physically unavailable capacity or unrestricted dispatch. Queue migration must distinguish status, evidence, valid contracts and applicable transition law. No blanket assumption of compensation-free removal belongs in the programme.

Use UK Build Reform for bounded correction of legal defects, automatic decision transfer, binding technical appeals and retained remedies. Approved standards settle only covered questions. Consent deadlines are distinct from physical completion. The repeal package prevents abolished national targets being recreated through guidance while preserving assessment of actual risks and effects.

Appendix C Shared legislative settlement

Repeal national targets and establish replacement objectives

Repeal the Climate Change Act 2008's binding national target and carbon-budget duties, with the savings and replacement provisions in Appendix F. End the committee's UK target and budget role; retain a transitional legal vehicle for devolved statutory advice until lawful successor arrangements operate. Allocate useful emissions statistics, climate-risk assessment and adaptation reporting to named existing bodies. Parliament receives evidence on risks, expenditure and outcomes. These analytical functions must not acquire an independent power to reinstate abolished targets. [L1]

The replacement energy framework prioritises affordable supply at sustainable whole-system cost, dependable service, industrial capacity and sovereign control. Publish trade-offs and measurable delivery obligations. Preserve the programme's independent technical scrutiny, procurement assurance and parliamentary spending controls. Continue emissions disclosure and proportionate pollution safeguards; the new objectives do not make every project economically sound.

Amend energy legislation and downstream instruments

Amend the Energy Act 2013 selectively. Review Part 1 decarbonisation provisions and connected carbon-budget references. Amend or replace Part 2 Chapter 8, sections 57–62, schedules and regulations so the emissions performance standard permits approved generation to provide its contracted service. Preserve necessary nuclear-regulator functions and inherited contracts, capacity agreements and settlement. Change the national planning exclusion of new coal and map operating, phase-out and capacity-market restrictions separately. [L2]

Amend Ofgem duties in the Gas Act 1986 and Electricity Act 1989, NESO objectives in the Energy Act 2023, and the North Sea regulator mandate and strategy. Align energy policy statements, licences, consent tests, procurement and connection rules with the new objectives. Parliament must legislate conflicts expressly. Guidance cannot recreate an abolished national target as an additional approval condition. [L5–L6]

The market paper maps thermal permits, capacity eligibility, electricity and gas licensing, and nuclear revenue and decommissioning dependencies. The North Sea paper locates the offshore mandate in Petroleum Act 1998 Part 1A. The separate fracking route requires onshore licensing and consent provisions, sections 4A and 4B and connected Infrastructure Act 2015 safeguards, including amendment of section 49's Climate Change Act reference. Map inherited prohibitions and model clauses explicitly. Align generation, offshore, onshore and build schedules before commitments depend on them. [N1–N5, O1–O2]

Assign commencement and accountability

Energy ministers own the replacement energy duties and national policy statements. Treasury and HMRC own fiscal and carbon-border transition. The Infrastructure and Delivery Secretary owns consent integration and delivery disputes within the build legislation. Publish one provision-by-provision schedule showing what is repealed, replaced, retained or saved, with jurisdiction, commencement date, responsible authority and dependencies. Make rights, funding and settlement continuity operational before each old provision ceases to apply.

Carbon pricing contracts and remaining obligations

Replace the UK ETS with a fixed carbon tax and abolish UK CBAM

Replace the UK Emissions Trading Scheme (UK ETS) with a fixed £10 per tonne CO2e carbon tax on emissions within the UK ETS perimeter and abolish the UK Carbon Border Adjustment Mechanism (CBAM), targeting the start of year two. Introduce the legislation in the first session after the election; publish tax administration and ETS closure arrangements within the first year. This work implements the chosen settlement. Retain earlier liabilities and complete routine reporting, surrender and payment during year two, with powers for later corrections and enforcement. Review the tax whenever international carbon-pricing obligations change; any rate change requires lawful authority. Ordinary fuel duties remain separate. Appendix F sets the territorial and treaty route. [L3–L4]

Before cessation, publish the final compliance periods, auction and free-allocation schedules, registry timetable and treatment of banked allowances, hedges and outstanding liabilities. Settle any lawful compensation entitlement explicitly; neither a blanket buyback nor confiscation without legal assessment is assumed. Preserve administration until the outstanding book is resolved. Use applicable carbon costs before closure, the £10 carbon tax afterwards, and a delayed-closure sensitivity until commencement is secure. Overseas carbon costs and future policy reversal remain separate exposures. Appendix F provides the territorial and treaty route.

Honour contracts and account for the full fiscal effect

Honour valid renewable, nuclear and capacity contracts and preserve their settlement machinery. Recover defined legacy renewable support through the fixed legacy charge under Legacy Renewable Commitments. Lower wholesale reference prices can increase CfD top-ups or reduce repayments, raising the charge and the cost of industrial relief. Reconcile replacement carbon tax receipts against lost ETS auction and CBAM receipts, closure costs and any reduced carbon-cost compensation without double counting. Lower unit prices are not a net fiscal or resource saving. Treasury owns the consolidated settlement in Appendix E.

Settle international and territorial obligations explicitly

Domestic repeal does not itself withdraw Britain from the Paris Agreement, change its international contribution or remove climate provisions in trade agreements. Review those commitments, any required negotiation and commercial effects through a separate legal and diplomatic process. Identify separate devolved climate statutes and consent duties; reserved energy powers and a UK programme do not automatically repeal them. Publish the jurisdictional route before project commitments depend on it. [L8] Appendix F sets out territorial extent and the legislative consent approach.

Retain climate-risk reporting and adaptation planning through replacement legislation, covering flooding, water availability, heat, cooling and infrastructure resilience. Environmental impact assessment and the Finch downstream-emissions requirement arise from separate law. Use consistent evidence, binding national strategic decisions and targeted residual assessment; any further change requires an express provision. Retain nuclear safety, well integrity, pollution prevention and funded closure responsibilities. [L1, L7]

Model political reversal before raising capital

Stress renewed carbon constraints, reduced fossil dispatch and early retirement in mutual borrowing and supply contracts. Allocate change-in-law risk explicitly without an unlimited public indemnity. Repeal does not alter ONS classification tests, matching-adjustment eligibility or private lender exclusions. Apply the carbon tax and ETS closure timetable to new procurement while protecting valid inherited obligations.

Additional fiscal decisions and retained policy

Abolish business energy levy machinery

Target prospective main Climate Change Levy abolition from 1 April in year one under the Finance Bill timetable in Appendix F, and close Climate Change Agreements for post-abolition periods. Carbon Price Support removal is already announced for April 2028; verify implementation and legislate only for any surviving support rates, without booking inherited abolition as a new saving. [Funding 8] Amend Schedule 6 to the Finance Act 2000 and connected rules. If oil-generation Carbon Price Support survives, remove it through the Hydrocarbon Oil Duties Act 1979 framework and connected electricity-generation relief regulations. Retain ordinary transport-fuel duties. Preserve valid pre-commencement discounts, refunds and settlements; apportion straddling periods and publish final reporting rules. No refund of previously lawful levy follows. Count each revenue component once, distinguishing main levy, levy-based support and oil-generation support from any aggregate receipts already including them. Replace UK ETS with the carbon tax and close UK CBAM under the year-two settlement; preserve tax administration and the powers needed for transition and earlier liabilities. [F1-F2, F4]

Treat abolition as an uncosted fiscal commitment until Treasury provides the net revenue, tax-interaction and administration assessment. Household relief must not include a supposed rebate of the ordinary business levy. Ending the agreements removes future discount conditions; preserve accrued pre-commencement treatment and other applicable obligations.

Retain transport fuel and gas infrastructure policy for now

Transport-fuel obligations and support remain under the inherited framework for now. Gas infrastructure and downstream fuel retain the existing papers' access, closure and security proposals; no additional structural reform is made. Transport and Heat Demand sets vehicle and heating demand policy: remove sales quotas, end-dates and boiler-replacement mandates, keep flexibility and efficiency standards, and revoke the vehicle trading-scheme order expressly. Current law applies until revocation commences. Register support outside renewable electricity separately; no blanket cancellation or extension of the legacy tax-funded settlement follows.

Preserve the operational division of responsibilities

NESO specifies technical requirements and retains operational balancing and procurement within its assigned remit. Publish a service-allocation schedule with the central purchaser for expressly assigned long-term requirements, funding and performance. Prevent duplicate contracts and recovery. The energy reforms need an accountable interface and funded delivery reporting; they do not create another system operator.

Appendix D Evidence and detailed paper programme

Current supporting papers

UK Electricity Market Reform specifies the binding system plan, purchaser, sovereign transmission protections, private retail concessions, contracts and settlement.

Generation Expansion and Mutual Finance specifies the mutual, public proving builds, repeat nuclear, selective gas retention, diversified replacement and a bounded coal fleet with changing roles. It also sets the waste-capacity interface, operator-funded closure and historical liabilities.

Domestic Fuel Supply Oil Gas and Coal specifies oil and gas exploration, development, standard taxation, investment and loss relief, protected decommissioning treatment, jobs and security assessment, and a commercial route for private domestic coal mining linked to suitable industrial and power-generation customers. Legacy Renewable Commitments specifies inherited obligations, tax funding and value-for-money reform.

UK Build Reform supplies national designation, integrated consents, Cabinet delivery authority, enforceable proportionality, technical appeals and territorial implementation. Fracking Research and Private Development supplies the onshore route, engineering mission, open challenge prizes, bounded funding and operator liabilities.

Other Energy Sources and Storage specifies competitive appraisal of hydro, storage, geothermal, useful heat, biomass, waste, tidal and future technologies, with inherited support recorded separately and bounded research. It preserves the existing strategic mutual perimeter; heating and vehicle demand policy is in Transport and Heat Demand.

Electricity Supply through the Transition is the standalone evidence paper for demand pathways, renewable inheritance, nuclear ramps, thermal energy, gas fuel and annual tranche decisions. Market, Generation and North Sea decisions must use its common scenario identifiers.

Transport and Heat Demand removes vehicle sales quotas and boiler-replacement mandates, keeps smart-charging and efficiency standards, states the fuel-import and emissions trade-offs and defines the programme demand case used for supply planning.

Primary references for technical distinctions

[1] Office for National Statistics. Statistical classification to the public sector. General policy control, governance and other indicators must be assessed in the actual structure.

https://www.ons.gov.uk/economy/governmentpublicsectorandtaxes/publicsectorfinance/methodologies/statisticalclassificationtothepublicsector

[2] Prudential Regulation Authority. SS7/18 Matching Adjustment, October 2025 version. Particularly paragraphs 2.53 to 2.60 on restructured assets, cashflow reliability and future funding commitments. Eligibility requires asset-specific assessment.

https://www.bankofengland.co.uk/-/media/boe/files/prudential-regulation/supervisory-statement/2025/ss718-october-2025.pdf

[3] Aviva. Investment and Underwriting Baseline Exclusions Policy, August 2026. Sections 2 and 3 set scope, thermal-coal thresholds and exceptions. A current investor condition, not a prediction of policy on taking office.

https://static.aviva.io/content/dam/aviva-investors/main/assets/about/responsible-investment/downloads/baseline-exclusions-policy.pdf

[4] Low Carbon Contracts Company. About Contracts for Difference and Introduction to the Contracts for Difference Scheme questions and answers. Settlement is distinct from the generator's separate electricity sale. Individual contract terms still govern.

https://www.lowcarboncontracts.uk/our-schemes/contracts-for-difference/about/

How the detailed papers should be organised

The two-page Summary states the decisions, timeline and delivery tests. This annex owns shared rules, the register and the legislative programme. Six energy policy essays and UK Build Reform specify implementation; Electricity Supply through the Transition is the standalone quantitative evidence paper.

Legislative sources

[L1] UK Parliament. Climate Change Act 2008. Targets, budgets, committee, trading-scheme powers and adaptation provisions.

https://www.legislation.gov.uk/ukpga/2008/27/contents

[L2] UK Parliament. Energy Act 2013. Decarbonisation, electricity market reform, emissions performance standard and nuclear regulation.

https://www.legislation.gov.uk/ukpga/2013/32/contents

[L3] UK Government. Legislation for a UK Emissions Trading System. Primary powers and auctioning legislation.

https://www.gov.uk/government/publications/legislation-for-a-uk-emissions-trading-system/legislation-for-a-uk-emissions-trading-system

[L4] HM Treasury and HMRC. Factsheet Carbon border adjustment mechanism. Domestic carbon pricing, free allowances and border-charge calculation.

https://www.gov.uk/government/publications/factsheet-carbon-border-adjustment-mechanism-cbam/factsheet-carbon-border-adjustment-mechanism

[L5] UK Government. National Energy System Operator framework document July 2026. Statutory objectives and relationship with government.

https://www.gov.uk/government/publications/national-energy-system-operator-framework-document/national-energy-system-operator-neso-framework-document

[L6] UK Parliament. Energy Act 2023 explanatory notes. Ofgem duties and references to net zero and carbon budgets.

https://www.legislation.gov.uk/ukpga/2023/52/notes/division/3/index.htm

[L7] UK Supreme Court. Finch v Surrey County Council [2024] UKSC 20 press summary. Assessment of downstream emissions under environmental assessment regulations.

https://www.supremecourt.uk/cases/press-summary/uksc-2022-0064

[L8] UK Government. UK first Biennial Transparency Report under the Paris Agreement. International commitments and domestic framework.

https://www.gov.uk/government/publications/uk-biennial-transparency-report-to-the-un-framework-convention-on-climate-change-2024/uks-first-biennial-transparency-report-submitted-to-the-un-framework-convention-on-climate-change-under-the-paris-agreement

Further legislative sources

[N1] Environment Agency. Decarbonisation readiness in environmental permit applications. Current guidance for relevant applications in England from 28 February 2026, under the 2016 permitting regulations as amended in 2025.

https://www.gov.uk/government/publications/decarbonisation-readiness-in-environmental-permit-applications/decarbonisation-readiness-in-environmental-permit-applications

[N2] UK Government. Capacity Market rules amendments to improve auction liquidity government response. Explains the separate emissions eligibility restriction for unabated coal from October 2024.

https://www.gov.uk/government/consultations/capacity-market-rules-amendments-to-improve-auction-liquidity/outcome/capacity-market-rules-amendments-to-improve-auction-liquidity-government-response

[N3] Ofgem. Apply for an energy licence. Electricity Act 1989 and gas licensing perimeter, including generation, supply and licence transfer.

https://www.ofgem.gov.uk/energy-regulation/how-we-regulate/energy-licences-and-guidance/apply-energy-licence

[N4] UK Parliament. Petroleum Act 1998 Part 1A. Principal objective and strategy framework. Apply the text and connected regulator powers inherited at commencement.

https://www.legislation.gov.uk/ukpga/1998/17/part/1A

[N5] UK Parliament. Nuclear Energy Financing Act 2022 explanatory notes. Regulated asset base revenue arrangements, funded decommissioning under the Energy Act 2008 and creditor safeguards.

https://www.legislation.gov.uk/ukpga/2022/15/notes/division/3/index.htm

[O1] UK Parliament. Petroleum Act 1998 sections 4A and 4B. Onshore hydraulic-fracturing consent and connected safeguards.

https://www.legislation.gov.uk/ukpga/1998/17/section/4A

[O2] UK Parliament. Infrastructure Act 2015 section 49. Onshore petroleum advice linked to Climate Change Act duties.

https://www.legislation.gov.uk/ukpga/2015/7/section/49

[F1] HM Revenue and Customs. Climate Change Levy and reduced-rate agreements.

https://www.gov.uk/green-taxes-and-reliefs/climate-change-levy

[F2] Department for Energy Security and Net Zero. Climate Change Agreements statutory guidance 2026.

https://www.gov.uk/government/publications/climate-change-agreements-statutory-guidance/climate-change-agreements-statutory-guidance-2026-accessible-webpage

Transaction routes and commitment checks

Apply the legal route to the actual transaction

UK Electricity Market Reform supplies the transaction schedule for energy and availability contracts, fleet orders, retail services, research, prizes, risk capital, guarantees and mutual transfers. Map the Procurement Act 2023, Subsidy Control Act 2022, territorial regimes and applicable international obligations. Classify commercial purchases, subsidies and modifications; specify lawful routes or targeted amendments before awards depend on them. Strategic designation and ministerial directions do not create exemptions. Retail service concessions use their actual legal contract category without restoring wholesale exposure. [F5-F7]

Preserve the funding and ownership boundaries

Eligible inherited biomass electricity support follows the legacy fixed-charge settlement, with explicit allocation of bespoke contract components. Hydrogen, renewable heat, biomethane and carbon capture retain separate treatment. Verify the inherited April 2028 Carbon Price Support abolition across levy and oil-generation fuel-duty routes; remove only surviving provisions and retain ordinary transport duties. [Funding 8] Gas infrastructure retains already proposed access, closure and security measures without additional structural reform. Nuclear closure and waste payments require reconciliation with the financing illustration, using available estimates and disclosing unresolved incremental costs.

Complete the operational handover before it takes effect

Before the purchaser assumes a service mandate, implement the joint NESO schedule covering inherited contracts, buyer, funding recovery, delivery owner and renewal dates. Existing procurement continues until a funded transfer is tested and ready. Mandatory host benefits use asset-specific schedules; the fracking amounts remain provisional until validated, and the shale schedule implements rather than duplicates the common tariff.

[F4] HM Revenue and Customs. Excise Notice 175. Hydrocarbon oil legislation and Carbon Price Support through electricity-generation fuel-duty relief.

https://www.gov.uk/guidance/excise-notice-175-motor-and-heating-fuels-used-to-generate-electricity-relief-from-excise-duty

[F5] Department for Business and Trade. Subsidy Control rules quick guide. Commercial terms, subsidies, modifications, referrals and legal challenge.

https://www.gov.uk/government/publications/subsidy-control-rules-key-requirements-for-public-authorities/subsidy-control-rules-quick-guide-to-key-requirements-for-public-authorities

[F6] Cabinet Office. Procurement Act 2023 guidance documents. Contract scope, award routes, modifications and territorial application.

https://www.gov.uk/government/collections/procurement-act-2023-guidance-documents

[F7] Cabinet Office. Guidance Concession Contracts. Exploitation rights and real operating risk determine the legal classification.

https://www.gov.uk/government/publications/procurement-act-2023-guidance-documents-plan-phase/guidance-concession-contracts-html

Appendix E Shared assumptions and funding register

Energy ministers maintain this master register, dated 15 October 2026. NESO owns system inputs, Treasury owns consolidated public cashflows, and independent assurance checks updates. Complete material cost and delivery entries before the relevant commitment.

PARAMETER	CURRENT POSITION	STATUS AND OWNER
Programme dates	Start on taking office; first term through year five.	Policy commitment; sector ministers.
System plan	Rolling 10 to 15 years; annual review and dated recovery decisions.	Policy commitment; NESO and purchaser.
2050 demand	Falling Behind 559 TWh; Holistic Transition 705 TWh; Electric Engagement 785 TWh; Hydrogen Evolution 797 TWh. Ten Year Outlook 2026 is a separate near-term comparator.	NESO conditional pathways, not probabilities or a forecast of this package; NESO owns rebaselining.
Nuclear share	Around 60% within twenty years; compare 40% on common assumptions. Required fleet varies with demand; security planning uses slower delivery crossed with high demand.	Policy ambition and appraisal test. Slower ramp is a procurement security stress, not an approved reactor schedule.
Nuclear availability	90% capacity factor in the worked cases; test outages and lower availability.	Illustration; NESO and delivery body.
Capacity arithmetic	At 60% and 90% availability: 42.5 GW for Falling Behind; 53.7 for Holistic Transition; 59.7 for Electric Engagement; 60.7 for Hydrogen Evolution. Deduct credible inherited capacity once.	Derived total-fleet illustrations. 700/800 TWh sensitivities remain 53.3/60.9 GW. No reactor order.
Initial fleet	Three public proving units; options for twelve repeats; inspect an up-to-eight-unit Wylfa option.	Conditional planning envelope; rebaseline on taking office.
Inherited renewable awards from AR8 onwards	AR8 in progress; AR9–AR10 and any round before the year-one cutoff tracked separately. Volumes, signing and usable delivery to be reconciled.	Not yet awarded at this register's date; later rounds prospective. An offer is distinct from a signed contract.
Wind and solar benchmark	225 TWh in 2030/2035; survival case 210/190/175 TWh in 2040/2045/2050. Flat 225 and stronger erosion are sensitivities.	Chosen benchmark drawn from 2026 outlook; not a contracted floor or an asset-life forecast. Project reconciliation outstanding.

PARAMETER	CURRENT POSITION	STATUS AND OWNER
Nuclear ramps	Slower 5/12/25/40 GW; reference 10/22/40/53.3; faster 12/28/46/60.9 in 2035/2040/2045/2050.	Total-fleet stress inputs, crossed with every demand case. Sites, retirements and delivery feasibility outstanding.
Annual energy screen	Other output 15 TWh; additional storage losses 10; net trade zero; coal 2 GW at 25%; gas conversion 58%; 35 GW gas comparator.	Analytical inputs, not reliability proof or operating guarantees. The 25% coal utilisation is a comparator, not the intended regular-generation profile of the first station. Rebase annual output and fuel use when project assumptions are set; replace with hourly and fuel modelling.
Incremental renewables	5/10 GW offshore at 45% adds 19.7/39.4 TWh before curtailment. Additional commercial-renewable stress adds 40 TWh.	Conditional additions only if not already counted, built and connected. No assumed awards.
Additional demand stress	60 TWh above Holistic Transition milestone demand, reconciling included data-centre demand.	Chosen sensitivity; neither omitted AI estimate nor forecast. Geography and customer commissioning to validate.
Annual security decision	First by the middle of year one, following the inheritance assessment on taking office; each 30 June thereafter.	Policy decision date. Look ahead by delivery lead times plus margin; fund options and act earlier if required.
Illustrative finance and tariffs	Market £97/MWh energy component and Generation £104.9/MWh recovery case exclude specified wider costs.	Arithmetic illustrations; not tariffs, supplier bids or lifetime system-cost estimates.

Record each forecast's date, source, price base and confidence range. Programme costing should use a common real-price base set at the start of the programme with a separate nominal cash schedule and actual contractual indexation. Existing stylised finance examples remain constant-money illustrations until rebased; they are not supplier quotations. Approval of an assumption does not guarantee its outcome.

Funding the programme

Move inherited renewable support from unit rates to a fixed, banded legacy charge, with relief for energy-intensive industry and eligible manufacturers funded from taxation, and fund subsequent mutual and private generation through consumer-backed contracts. The industrial relief and the carbon tax transition require an explicit recurring fiscal settlement. Preserve existing nuclear allocations for eligible proving-stage work and disclose every additional public commitment. The following summary gives funding routes and current scale; the detailed exposure register follows.

FUNDING LINE	SCALE AND STATUS	FUNDING ROUTE
Legacy renewable recovery	Illustrative annual requirement: £10–15bn in current money for RO, FIT and renewable CfD support, recovered through the fixed legacy charge. Industrial relief funded from taxation: about £1–2bn a year beyond existing schemes, before reconciliation.	The existing scheme covers 75% of domestic RO, budgets £2.580bn/£2.100bn/£2.195bn in 2026–27/2027–28/2028–29 and ends on 31 March 2029, after which those costs join the fixed charge. Fund the industrial relief from the Budget, building on the British Industrial Competitiveness Scheme and the existing relief for energy-intensive industries. [Funding 1–4]

FUNDING LINE	SCALE AND STATUS	FUNDING ROUTE
Climate Change Levy abolition	Modest revenue loss. OBR March 2026 Table A.5 projects combined CCL receipts of £1.6bn in 2029–30 and £1.7bn in 2030–31; these figures predate the April CPS announcement.	Budget the loss of remaining main-levy receipts using an updated baseline after inherited April 2028 CPS abolition. The March combined line is not the saving from our CCL policy. Count any residual levy or oil-generation CPS once; final behavioural and transition effects require reconciliation. [Funding 5–6, 8]
North Sea reform	A small, declining receipts base: OBR March 2026 forecasts £4.1bn in 2025–26, £0.2bn in 2028–29 and £0.1bn in both 2029–30 and 2030–31.	Revival is led by private investment, without a proposed large new Exchequer spending programme. No material aggregate-budget change is the planning objective; Treasury must cost the tax reform and relief/closure effects before certifying that outcome. [Funding 5]
Nuclear proving units	Use the existing £2.6bn Spending Review 2025 SMR allocation for eligible design and enabling work. It supports Stage One for three Wylfa units; completed proving builds are not fully funded by that allocation.	Keep eligible initial work within the inherited allocation. Stage Two construction requires a positive investment decision, business-case approval and further funding at future Spending Reviews. Cost any changed scope or acceleration separately. [Funding 7]
Mutual and private build-out	Investors finance construction; consumers fund repayment and returns through energy and availability contracts. Consumer funding is the repayment model; classification determines whether mutual investment and borrowing consolidate into public accounts.	Private classification is helpful, not a condition of proceeding. If publicly classified, retain independent governance, the asset lock and surplus retention; Treasury accommodates investment and financing under the applicable fiscal framework. Distinguish capital from current expenditure and disclose borrowing, depreciation, interest and consumer revenues. Public finance, risk capital, guarantees and backstops remain separately authorised exposures.
Carbon tax replacing UK ETS; UK CBAM abolition	From the start of year two. Illustrative gross yield: £10/t on 80–95 Mt gives £0.8–0.95bn a year (about £0.8–1bn), before reliefs and behavioural effects. This is a tax-base sensitivity, not a forecast for year two. ETS receipts were £3.4bn in 2024–25. [Funding 9]	Treasury reconciles the taxable perimeter, exemptions and any reliefs, net lost ETS and CBAM receipts, administration, closure and settlement costs, carbon-cost compensation and CfD effects. Existing free allowances do not automatically become tax relief. Do not count gross bill relief as a net resource saving.

Legacy range: an analyst-selected budgeting sensitivity, centred on the recent scheme scale—RO £7.70bn in 2024–25, FIT about £1.84bn in 2024–25 and all-CfD payments £2.924bn in 2025–26 (approximately £12.46bn combined). These measures cover different periods and definitions. Reconcile export-electricity purchases, non-renewable contracts, repayments, inherited awards and price effects before setting a renewable-only net appropriation. £10–15bn is neither an official forecast nor an upper liability cap. Extending a payment scheme does not itself raise revenue. [Funding 1–4]

Funding sources

[Funding 1] Ofgem, Renewables Obligation annual report 2024–25, scheme year 23; scheme value. Read source

[Funding 2] Ofgem, Feed-in Tariffs annual report, scheme year 15 (2024–25); total scheme value including export payments. Read source

[Funding 3] DESNZ annual report and accounts 2025–26, financial statements, note 9 and cash-flow statement; all-CfD payments. Read source

[Funding 4] DESNZ, Renewables Obligation to Exchequer Scheme expenditure, 1 April to 30 June 2026; fiscal impacts and scheme term. Read source

[Funding 5] OBR, Economic and fiscal outlook, March 2026, Table A.5: Current receipts, Climate change levy and memo UK oil and gas revenues (£bn). Read source

[Funding 6] HMRC, Quality Report: Environmental Taxes Bulletin; CCL receipts include Carbon Price Floor receipts. Read source

[Funding 7] DESNZ, Small Modular Reactor Programme Technology Partner Contract accounting officer assessment 2026; Stage One affordability and subsequent funding. Read source

[Funding 8] HM Treasury, Carbon Price Support written statement, 16 April 2026; removal announced from April 2028. Read source

Financing procurement and provisional parameters

PARAMETER	CURRENT POSITION	STATUS AND RELEASE CONDITION
Ownership scope	Appendix A's mutual default applies to designated new strategic nuclear, coal and selected gas after public proving.	Policy; exceptions require equivalent British control and disclosure.
Purchaser perimeter	Default-customer energy book; separate system-wide reliability procurement and fair cost allocation.	Policy; publish charge and settlement rules before migration.
Finance example	470 MW completed repeat unit; £4bn at commissioning; £100m annual operating and lifecycle provision.	Illustration; includes construction interest; no FOAK cost estimate.
Capital example	30 years; 70% senior at 5% real; 30% junior at 8%; no residual value.	Illustration; obtain executable bids and loss capacity.
Fracking public budget	Indicative £30m in prices at the start of the programme: £20m research and demonstrations, £5m access, £5m prizes.	Provisional; costed business case and spending vote required.
Private demonstration share	Candidate minimum 50% additional private cash on eligible operator-specific costs.	Provisional; set final ratio before tender and award.
Host benefits	Candidate £100,000/site in 2013 prices indexed by CPI, plus 1% gross revenue; proposed 50/50 distribution.	Provisional schedule; validate costs and publish final rates and eligibility before consent.
Carbon transition	Replace UK ETS with a fixed £10/t CO2e carbon tax and abolish UK CBAM from the start of year two. Ordinary fuel duties separate.	Policy target; £10 is not an automatic treaty safe harbour; first-session legislation; first-year implementation schedule; routine settlement in year two. Territorial, treaty and outstanding-rights treatment in Appendix F.

PARAMETER	CURRENT POSITION	STATUS AND RELEASE CONDITION
Coal fleet and domestic supply	Procure the first station and release further tranches against need, fuel diversity and executable delivery; support suitable private domestic supply. Roles change between regular generation, balancing and reserve.	Policy; four 2 GW stations are the model planning illustration. Two additional early stations are a sensitivity. No fixed fleet-wide reserve date, guaranteed dispatch or indefinite protected mining market. Shared release test applies.

CPI is the Consumer Prices Index; CPS is Carbon Price Support. Financial illustrations cannot be substituted for priced construction drawdowns, fees, reserves, standby commitments or public loss estimates. Compute with unrounded inputs and round displayed results only. Record every new compensation clause's trigger, limit, payer and retained investor risk. Preserve inherited rights; ordinary taxation and regulation do not create a blanket indemnity.

Identify lawful funding for each public payment. Record user-funded network and commercial costs separately from Exchequer spending. Transfers between bills and taxation are not resource savings. Do not count receipts, consumer credits, co-funding, relief or private closure security twice.

Consolidated public funding and exposure register

Treasury must reconcile the following obligations into annual nominal cashflows for the first term, the twenty-five years after it, and longer closure or contractual tails where relevant. Show gross payments, receipts, liquidity and contingent exposure separately, with central and stress cases and a discounted valuation. The funding summary above identifies baseline receipts, an illustrative legacy envelope and an existing SMR allocation. Incremental programme costs and net fiscal effects remain to be reconciled; the research envelope is provisional. No net fiscal total or affordable spending commitment is established.

PUBLIC ITEM	CURRENT AMOUNT OR STATUS	REQUIRED FUNDING AND EVIDENCE
First nuclear builds and enabling works	£2.6bn inherited allocation for eligible SMR Stage One; complete builds and incremental scope require further funding. [Funding 7]	GBE Nuclear cost baseline, drawdowns, contingencies and supplier commitments.
Mutual public risk capital or guarantees	No assumed blanket guarantee; any contribution uncosted.	Explicit instrument, loss allocation, cap, classification and appropriation.
Legacy renewable settlement	£10–15bn illustrative annual requirement recovered through the fixed charge. Industrial relief about £1–2bn a year from the Exchequer. Existing Exchequer scheme expires March 2029. [Funding 1–4]	Reconciled RO, FIT and CfD ledgers, credits, administration and wholesale sensitivities, including higher CfD top-ups or lower repayments under the lower carbon tax case.
Upstream fiscal reform	Small, declining OBR receipts baseline; reform's incremental effects uncosted. No material budget shift is a planning objective. [Funding 5]	Static and behavioural effects, losses, relief deeds and closure tails; show scenarios separately.
Fracking engineering programme	Provisional £30m public ceiling; final allocation uncosted.	Priced bids, private match, verification costs and voted expiry; no automatic overrun funding.

PUBLIC ITEM	CURRENT AMOUNT OR STATUS	REQUIRED FUNDING AND EVIDENCE
Regulatory and delivery capacity	Start-up and net ongoing public cost uncosted.	Staffing, technical panel, courts and systems; deduct only credible fee recovery.
Buyer and retail transition	Systems, migration, liquidity and retained losses uncosted.	Portfolio stress tests, credit balances, continuity and authorised facilities.
Skills and fuel resilience	Public training and any security-service contracts uncosted.	Additional capability, service bought, payment limit, alternatives and exit.
Host and environmental commitments	Public-project costs and any backstops uncosted.	Private-funded obligations kept separate; public advances, guarantees and contingencies disclosed.
Levy abolition and agreement closure	Remaining main-levy loss to rebase after announced April 2028 CPS abolition. March 2026 combined receipts (£1.6bn/£1.7bn in 2029–30/2030–31) predate that announcement. [Funding 5–6, 8]	Exclude inherited CPS abolition from new savings; reconcile remaining main levy, any surviving CPS, discounts and transition costs without double counting.
Nuclear historical and shared waste liabilities	Inherited public cashflows and additional infrastructure uncosted in this register.	Separate legal payers, existing funds, waste inventory, facility capacity, priced services and public tail.
Other resources and inherited support	Research, public support and any additional contracts require separate costing.	Eligible biomass electricity support in legacy ledger; other schemes separate. No assumed new research budget.
Carbon tax and ETS/CBAM closure	Target the transition at the start of year two; illustrative gross carbon tax receipts of about £0.8–1bn a year against lost ETS and CBAM receipts; net effect to reconcile.	Treasury: replacement tax, auction and import-tax receipts, final liabilities, closure costs, lawful compensation, affected support and CfD settlements. Retain the pre-announcement baseline and show timing sensitivities.

Delivery capacity and commitment controls

Maintain a common cohort schedule linking each generation asset and network dependency to its permission, funding and operating dates. Catalogue credible industrial demand separately from speculative applications. A shared scenario must include fuel constraints, correlated outages, equipment supply and political reversal; each paper must use the same scenario identifier when claiming a supply or cost benefit.

DELIVERY CONSTRAINT	REQUIRED ENTRY	OWNER AND COMMITMENT TEST
Sites and permissions	Scope, jurisdiction, validated evidence, consent route and residual licences.	Delivery owner; lawful route and technical findings before relevant work.
Factory and equipment	Annual throughput, reservation price, supplier slots, global order backlog and delivery date at each order, and cancellation liability. Include network equipment (transformers, switchgear, cables and converters) and orders disclosed by self-supplying large loads.	Nuclear delivery body, purchaser for gas and network owners for network equipment; priced orders or reservations, not unpaid options.

DELIVERY CONSTRAINT	REQUIRED ENTRY	OWNER AND COMMITMENT TEST
People and contractors	Trade and certification needs, training lead times, simultaneous projects and displacement.	Sector owners; funded, executable workforce plan.
Networks and fuel	Energisation dates, reinforcement, gas deliverability, fuel stocks and replenishment. Include retained-station fuel needs, equipment slots, refurbishment outages, coal stocks and changing operating roles. Record the large-load queue by route (self-supply, non-firm, firm) and distribution connection times.	NESO and network owners; dated works and tested service.
Finance and demand	Counterparty, volume, cost allocation, junior capital, contingency and refinancing fallback.	Purchaser and mutual board; no commitment outside their authority.
Research and appraisal	Benchmarks, shared outputs, trial permissions, private match and closure security from drilling.	Energy minister and operators; release against evidence and final published terms.

The common consent standards run from validation: six months for qualifying repeats and twelve months for other designated projects, with thirty calendar days for validation and ordinary advice. Transfer overdue consent decisions for determination within sixty calendar days; only the independent panel may certify the defined extension. Retained technical permissions require affirmative findings. The master legislation governs details and shorter existing duties are preserved.

Before a major project or tranche commitment, certify its relevant system-plan assumptions, permissions, contracts, workforce, funding and shared dependencies. Treasury must also confirm that aggregate public exposure remains within authorised limits. Material uncertainty affecting that commitment requires a priced remedy, a smaller tranche or deferral; unrelated unresolved entries do not automatically stop a ready project. Keep the whole register current and publish revisions, affected projects and incremental costs. Unpriced liabilities are not zero, and no project may proceed by ignoring a material shared constraint.

Record station condition, owner offer, extension, refurbishment cost and outage, availability, efficiency, equipment slots, fuel readiness and residual gap. Generation and Supply own the assumptions; exact station counts remain model candidates.

Appendix F Legislative programme timetable and territorial application

Secure the tax and objective changes first, advance infrastructure reform in parallel, and establish the purchaser and mutual before retail migration. Commence each operational reform only when its powers, staff, systems and funding are ready. Existing procurement and funded public nuclear work continue through the transition.

Planning assumptions

Plan for a working Commons majority, with bills prepared before the election. The dates below assume office by that deadline; earlier office advances preparatory work. Revalidate inherited law, licences, contracts and allocations on entry. A late-August election implies a post-election autumn Budget, rather than a guaranteed summer Budget. [Leg 1]

Put the substantive policies in the manifesto. The Salisbury convention supports second reading, avoidance of wrecking amendments and passage in reasonable time; it supplies no fixed deadline or exemption from scrutiny. Allocate parliamentary time, bill teams, delegated-legislation capacity, money resolutions and supply votes explicitly. The Energy Act 2023 took from 6 July 2022 to 26 October 2023, illustrating why a broad energy bill needs schedule margin. The dates are programme targets, not a prediction of parliamentary passage. [Leg 2–4]

Bills primarily address reserved energy and tax functions, but extent, application and legislative consent must be checked clause by clause. Changes to devolved functions or competence can engage the consent process even inside a predominantly reserved bill. Prepare consent memoranda and intergovernmental agreements before introduction where possible. [Leg 5]

F1 The primary legislation

BILL AND LEAD	MAIN PROVISIONS	TERRITORIAL APPLICATION
1 Finance Bill following the post-election Budget HM Treasury and HM Revenue and Customs	Ordinary corporation tax rate within the upstream ring fence; end the Supplementary Charge and any surviving Energy Profits Levy from the chosen effective date; prevent or repeal the replacement Oil and Gas Revenue Levy. Preserve usable investment deductions, existing expenditure supplement initially and protected decommissioning rights, with transition schedules. Abolish the remaining main Climate Change Levy and close Climate Change Agreements. Verify inherited April 2028 CPS abolition; remove only any surviving levy or oil-generation support provisions, without claiming the inherited saving. [Funding 8] Repeal UK CBAM for imports from the start of year two, preserving earlier liabilities and final settlement. Enact the £10/t CO2e carbon tax on emissions within the UK ETS perimeter from the start of year two, with a review whenever international carbon-pricing obligations change. Provide the Budget settlement for legacy support and the carbon tax transition. Bill numbering is settled at introduction. [Leg 6]	UK tax provisions. Assess consequential devolved effects. Spending authority and scheme powers require their own valid routes; a Finance Act alone is not assumed to authorise every legacy payment.
2 Energy Objectives Repeal and Replacement Bill Department for Energy Security and Net Zero	Repeal UK national target and carbon-budget duties; replace Ofgem, National Energy System Operator and North Sea Transition Authority objectives. End the committee's UK target role while preserving devolved advisory continuity. End UK ETS liability for emissions from the start of year two; save powers, registries and liabilities needed for transition and earlier compliance. Coordinate the replacement carbon tax and CBAM repeal under Bill 1; address territorial and treaty obligations expressly. Allocate statistics and adaptation duties; prevent targets being reinstated through guidance. Amend Infrastructure Act 2015 section 49 and Petroleum Act 1998 sections 4A–4B for the England appraisal route. Remove any inherited licensing prohibition where required. Create the fixed legacy charge and its banding, the Exchequer-funded industrial relief, the audited settlement account and consumer-credit powers. [Leg 7–9]	UK repeal and consequential provisions; regulator duties follow their actual statutory territories. England onshore petroleum reforms. Devolved climate and permitting functions remain unless expressly and lawfully changed; seek consent where engaged.

BILL AND LEAD	MAIN PROVISIONS	TERRITORIAL APPLICATION
3 Infrastructure Delivery Bill **Cabinet infrastructure delivery minister**	National designation, integrated orders, decision clocks and transfer of overdue decisions, proportionality, technical appeals and host benefits. Accelerated judicial review within existing courts. Express project-authorisation order power for qualifying critical projects, with evidence, participation and compensation safeguards. Authorise the proposed section 156(1) departures; specify retained international and engagement obligations. Map risk thresholds onto health and safety law, including necessary primary amendments. Include remaining nuclear regulatory reforms after checking inherited legislation. [Leg 10–11]	Full integrated regime in England; specified UK-level consenting functions in Wales. It does not automatically absorb devolved permits or Scottish consents. Devolved adoption or transfers require appropriate legislation and agreements.
4 Sovereign Grid and Energy Delivery Bill **Energy department and HM Treasury**	Binding rolling system plan; large-load connection routes and firm demand released against the plan; network equipment procurement across transmission and distribution; statutory central purchaser for default energy and separately assigned reliability services, with risk limits, cost allocation, adequacy duty and capped Treasury facility. Transmission golden share and bounded step-in. Mutual designation, British control, asset lock, insolvency and creditor protections, public-unit transfer. Amend Energy Act 2013 emissions performance standards and capacity eligibility; reconcile Nuclear Energy (Financing) Act 2022 and Energy Act 2008 arrangements.	Great Britain market arrangements; individual provisions specify extent. Northern Ireland electricity interface by agreement. Screen UK corporate, insolvency, asset-transfer and devolved executive implications for consent.
5 Electricity Retail Supply Concessions Bill **Energy department with Ofgem**	Supply licensing, licensed default provider, customer-service procurement, transfer and data schemes, credit-balance protection and continuity provider. Preserve the separation of wholesale exposure from customer service. Use the procurement category warranted by actual remuneration and operating risk.	Great Britain. Northern Ireland participation requires its own agreed legal route. Consent assessment depends on final functions and provisions.

Legacy bridge and commencement

The present domestic Renewables Obligation Exchequer scheme expires on 31 March 2029 and is not extended. Establish the inherited position immediately. Until the fixed charge commences, legacy costs continue to be recovered under the inherited arrangements, and the existing industrial reliefs continue without interruption. [Funding 4]

Target the fixed charge and the extended industrial relief for 1 April in year one, conditional on Bill 2 or an accelerated, narrowly scoped Legacy Settlement Bill, scheme rules, published bands, votes for the relief and tested supplier systems. The additional bill is a contingency, not assumed existing authority. If those conditions are late, commence at the first ready quarter and publish the effect on bills. Honour contracts and preserve continuity throughout. Appendix E controls the funding decision.

F2 Secondary legislation and executive action

MEASURE	LEGAL ROUTE AND DEPENDENCY	TARGET
Delivery minister and functions	Prime Minister appoints; use a Ministers of the Crown Act 1975 transfer order where required. Appointment does not transfer statutory powers.	Appointment on entry; functional order in the first months in office.

MEASURE	LEGAL ROUTE AND DEPENDENCY	TARGET
NESO security assessment	Existing lawful remit and framework arrangements, without directions inconsistent with current duties. Bill 4 later supplies binding-plan and purchaser powers.	Inheritance assessment on taking office; first annual security decision by the middle of year one.
Offshore licensing and strategy	North Sea Transition Authority's existing licensing powers where lawful; Bill 2 removes any inherited prohibition and changes Part 1A objectives before the replacement strategy is adopted. Environmental assessment remains necessary.	Prepare and announce in the first months in office; awards from year one only when lawful and assessed.
Energy national policy statements	Planning Act 2008 sections 5–9 consultation, appraisal and parliamentary process. Revise EN-1 and relevant technology statements for the coal and other need cases. Designation alone does not override emissions law.	Consult in the first months in office; designation target the middle of year one, subject to process.
Capacity Market eligibility	Electricity Capacity Regulations 2014 and Rules, using sufficient enabling powers. Bill 4 provides necessary primary amendments; do not promise relaxed rules before that authority exists.	Prepare in year one; align effective change with a notified auction cycle after legal clearance.
Decarbonisation readiness	Amend the applicable England environmental permitting rules; negotiate any separate Welsh changes. Keep permit and Energy Act emissions restrictions on distinct legal tracks.	Consult in the first months and year one; England change target year one where current powers suffice.
Carbon tax and closure instruments	Carbon tax collection, monitoring, verification and reporting rules under Bill 1. Use Bills 1 and 2 and the applicable legislative approvals for final auctions, allocation, compliance periods, registry closure and tax settlement. Publish allowance and contract treatment; complete the territorial and treaty route in F4. [Leg 7–8, 13–14]	Publish within the first year in office at the latest; target tax commencement and ETS/CBAM cessation at the start of year two; routine settlement in year two, residual cases thereafter.
Seismic consequence tolerances	Affirmative instrument under Bill 2; coordinate with permit and licensing requirements.	Within six months of the relevant provisions commencing.
Vehicle sales quotas	Revoke the Vehicle Emissions Trading Schemes Order 2023 by Order in Council under the Climate Change Act 2008 trading-scheme powers, or expressly in Bill 2, after the consultation the Act requires. Repealing the target duties alone does not remove it. Honour obligations and credits accrued before revocation.	From the start of the first full compliance year after taking office.
New-home heating standard	Amend the England Building Regulations and approved documents so the Future Homes Standard sets energy and carbon performance without requiring a heating technology. Building regulation is devolved; Wales, Scotland and Northern Ireland decide their own standards.	Next amendment of the approved documents after taking office, with transition for homes already under construction.
Sector risk thresholds	Affirmative regulations under Bill 3 following technical evidence and consultation. Align any changes to statutory reasonable-practicability duties expressly. [Leg 10–11]	Prepare in year one; make from year two after primary powers operate.
Infrastructure court procedure	Work with the judiciary and Civil Procedure Rule Committee; legislation supplies necessary changes to jurisdiction, time limits or remedies. Fund the specialist list.	Preparation in the first months and year one; procedural and staffing readiness with Bill 3 commencement.

F3 Parliamentary and operational timetable

PERIOD	LEGISLATIVE MILESTONE	OPERATIONAL RELEASE
Before election	Draft Bills 2–4; develop Bill 5, tax schedules and legacy contingency. Manifesto states the policies. Prepare competence, human-rights, delegated-power and funding assessments.	Identify bill teams, secondary instruments, delivery staffing and transition owners. Publish the first gas equipment requirement and track supplier slot availability.
First months in office	King's Speech after election; introduce Bills 2 and 3 early. Post-election Budget within about six weeks where feasible; Finance Bill follows with the carbon tax and CBAM closure; Bill 2 includes ETS closure. Introduce Bill 4 by autumn.	Delivery minister, inherited-fleet assessment, lawful NESO steer and licensing preparations. Seek a funded legacy bridge. Place paid gas equipment reservations under existing powers.
First months to early year one	Finance Act target within the first months in office; allow slippage into early year one.	Target upstream regime from the start of year one and levy abolition from 1 April in year one. Specify split-period rules. If passage prevents those dates, legislate explicit transitional treatment and publish the revised start.
First half of year one	Bill 2 target the first half of year one. April legacy launch needs earlier settlement powers or the accelerated contingency.	Replacement duties normally two months after assent; preserve required savings simultaneously. Full legacy transfer on the funded, tested date. Security decision by 30 June independently of Bill 4. Gas equipment reservations and retention contracts also proceed under existing powers and do not wait for Bill 4.
Second half of year one	Bill 3 target the second half of year one. Publish first-year carbon tax and ETS closure arrangements and remaining legal dependencies.	Start clocks and transfer once the receiving function and independent panel are staffed. Technical thresholds and project designation follow published readiness dates.
Late year one to early year two	Bill 4 target late year one or early year two. Secure eligible carry-over and, before expiry, an explicit extension beyond 12 months from Commons first reading if needed. Otherwise reintroduce with revised dates. [Leg 3]	Organisational setup may start earlier under lawful existing arrangements. Purchaser and mutual mandates operate from year two when ready. Target carbon tax commencement and UK ETS/CBAM cessation from the start of year two, independently of Bill 4; routine prior-period settlement during year two.
Session 2, years one and two	Introduce Bill 5; target assent late in year two. Actual session dates are set by Parliament, not assumed annual anniversaries.	Coal procurement proceeds only after all capacity, emissions, permit, consent and contract conditions pass; no assumption of operating coal in year two.
Years three to five	Complete instruments and review results.	Retail pilots in year three; staged migration from year four against release conditions. Maintain default-provider and continuity coverage.

F4 Territorial application and devolved consent

Reserved functions and consent

Electricity generation, transmission and supply are largely reserved in Great Britain, with important consent and permitting exceptions. Offshore petroleum and the proposed UK taxes use reserved routes. Northern Ireland electricity is transferred and operates within the all-island Single Electricity Market: the programme needs an agreed interface rather than automatic extension of the Great Britain purchaser. For

every bill, distinguish legal extent from where a provision operates and identify changes to devolved ministers' powers. Seek legislative consent wherever the convention is engaged; predominantly reserved scope is not a blanket exemption. [Leg 5]

Climate statutes and advisory continuity

The programme does not itself repeal the Climate Change (Scotland) Act 2009, Part 2 of the Environment (Wales) Act 2016 or the Climate Change Act (Northern Ireland) 2022. Audit their references to the Climate Change Committee and the UK Act. Remove the UK target and budget functions while maintaining a transitional advisory legal vehicle and resources for devolved duties; end that vehicle only when successor duties and references are lawfully resolved. Seek agreement and consent for consequential changes. A fixed expiry must not leave statutory advice duties without a capable legal provider. [Leg 7, 12]

Carbon tax, scheme closure and territorial obligations

Bill 2 provides UK ETS closure and savings; Bill 1 enacts the replacement carbon tax and repeals UK CBAM prospectively. Parliament can enact the reserved UK tax without UK ETS Authority agreement; ETS closure still needs its own territorial route, seeking four-government agreement and legislative consent where engaged. Target the transition at the start of year two; retain earlier liabilities and routine settlement in year two. Preserve emissions monitoring and verification for tax collection. Northern Ireland electricity generators remain in EU ETS: UK ETS closure does not end that obligation. Exclude those EU ETS electricity emissions from the replacement UK ETS tax base and preserve the interface pending a lawful alternative. [Leg 7–8, 13]

Publish the international implementation route within the first year. A fixed tax retains carbon pricing, but £10/t does not by itself establish compliance with TCA Article 392's effectiveness requirement or Article 391's non-regression obligations. Assess the package and any inherited UK–EU linkage agreement; secure any necessary lawful arrangements. Report unresolved dependencies and parliamentary decisions against the year-two target without delaying unrelated generation, grid or consent reform. Qualifying UK carbon tax effectively paid on embedded emissions may reduce EU CBAM liabilities, net of rebates and subject to EU evidence and calculation rules; UK CBAM abolition does not exempt exports. [Leg 14–15]

Planning permits and siting

Apply the integrated regime in England. In Wales, apply it only to specified consenting functions retained at UK level; the current general threshold for relevant generating stations is above 350 MW, with technology and jurisdiction exceptions. That threshold does not bring every associated work, marine licence or environmental permit under Westminster. Scottish Electricity Act 1989 sections 36 and 37 consents remain with Scottish ministers unless lawfully changed. Devolved governments may adopt equivalent integrated procedures through their own legislation. [Leg 5, 9]

Plan the initial nuclear fleet in England and Wales. Secure a Wylfa delivery agreement covering the actual Welsh permits, marine functions and associated works; an agreement coordinates decisions without transferring legal powers by itself. Cross-border transmission needs asset-specific joint timetables, rather than one presumed national consent. Onshore petroleum reopening applies in England; Scotland and Wales retain their licensing and planning policies. Keep separate Northern Ireland and offshore-jurisdiction provisions where relevant.

F5 Delay controls and accountability

The Cabinet delivery minister maintains a quarterly legislative dependency register with the Energy Secretary and Chancellor. Publish bill stages, instrument owners, consent positions, staffing dates, funded facilities and revised start dates. A slipped assent date moves the dependent operational start; it does not permit implementation through guidance. Protect the first annual security assessment and existing procurement from dependence on the new purchaser. Continue funded public proving work within current powers and allocations.

Before each commencement order, apply Appendix E's commitment controls and certify legal authority, appropriations, instruments, trained decision-makers, systems and territorial agreements. Prioritise legacy and tax provisions if the broader repeal bill stalls; secure a carry-over extension or reintroduce Bill 4 before it falls. Delay retail migration when credit protection or continuity fails. Preserve gas, refurbishment and qualifying generation options against the supply gap while planning and coal provisions are incomplete. Do not commit public money or transfer customers on the strength of an assent target alone.

Begin the condition register on taking office, operator engagement and equipment and fuel tenders under existing lawful powers. Preserve current capacity agreements and obtain any necessary contract modification, permit and procurement approvals before retention awards. The purchaser's later statutory mandate supports availability, refurbishment and reserve contracts; its establishment is not assumed to precede the legislative timetable. Report the first retention and delivery decision by the middle of year one, then annually.

Legislative sources

[Leg 1] House of Commons Library, MPs standing down at the next general election; latest polling date. Read source

[Leg 2] House of Lords Library, The evolution of the Salisbury convention, 21 November 2022. Read source

[Leg 3] Cabinet Office, Guide to making legislation; carry-over, financial resolutions and legislative consent. Read source

[Leg 4] UK Parliament, Energy Act 2023 parliamentary stages; introduction and assent. Read source

[Leg 5] House of Commons Library, The Sewel Convention and legislative consent; devolved functions and competence. Read source

[Leg 6] HMRC, Oil and Gas Revenue Levy tax information, July 2026; proposed successor to Energy Profits Levy. Recheck enacted position on taking office. Read source

[Leg 7] UK Parliament, Climate Change Act 2008, particularly Part 3 and Schedule 3; retained powers and procedures. Read source

[Leg 8] UK Parliament, Finance Act 2026 Part 5; Carbon Border Adjustment Mechanism and connected definitions. Read source

[Leg 9] UK Government, Energy National Policy Statement EN-3 2025, section 1.4; Welsh jurisdiction. Read source

[Leg 10] UK Parliament, Levelling-up and Regeneration Act 2023 section 156; safeguards and scope of proposed departures. Read source

[Leg 11] Health and Safety Executive, How HSE regulates risks to health and safety; statutory reasonable practicability and tolerability. Read source

[Leg 12] UK Government, 2035 Nationally Determined Contribution; devolved climate policy and advisory role. Read alongside the devolved statutes. Read source

[Leg 13] UK Government. UK Emissions Trading Scheme; Northern Ireland electricity generators remain in EU ETS. Checked 15 October 2026. Read source

[Leg 14] UK–EU Trade and Cooperation Agreement, Articles 391–392. Carbon-pricing and non-regression provisions. Read source

[Funding 9] OBR, Economic and fiscal outlook, November 2025, receipts table: 2024–25 ETS outturn £3.4bn; use the latest forecast for the implementation Budget. Read source

[Leg 15] EU Regulation 2023/956, consolidated 20 October 2025, Articles 3 and 9: qualifying carbon prices and deduction of payments, net of rebates. Read source