UNITE INVESTIGATES

ENERGY PROFITEERING

OCTOBER 2025

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TAKE THE POWER BACK

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rip off Energy Profiteers

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1 Foreword by Sharon Graham, Unite General Secretary: To fix the energy crisis, end the market mess

There is no issue more critical for our broken economy than sky-high energy costs.

Since the "Cost of Living crisis" began in 2021, energy price inflation has hammered real-terms living standards for workers and their families. Household energy bills are now 42% higher than they were in 2021.

At the same time, soaring energy costs are one of the main obstacles to rebuilding our critical infrastructure and manufacturing industries. So they are also one of the main obstacles to securing good jobs and a decent future for working class communities.

Now the government has announced it will cut environmental levies and network charges on industry. And we are happy that the government has listened to Unite on this issue. But it's still only a first step, and still with very little detail. Above all, it shouldn't be households picking up the cheque for cuts to help industry, whether through taxes or our energy bills.

Particularly where there is a fair and obvious answer staring us in the face. The real underlying issue is the eye-watering level of excessive profit being made by energy companies. It's time to get a grip on the mess, to rein in the profiteers.

As Unite's research now shows, energy companies made £30 billion in profit from the UK energy system in 2024 (the last year with available accounts). That means around £500 per household, and a quarter of business bills.

Some of that profit goes to big gas extractors – above all, £5.9 billion to the government of Norway, which is now our number one gas supplier. But that's only the start of it. The problem is systemic and endemic across the energy system. It also involves the massive windfall profits and subsidies made by generation companies like RWE, SSE, and Drax. And the government-granted licences to print money of the monopolies running our grid, like National Grid PLC and UK Power Networks.

This report also shows who owns our energy, so where that money ends up. It unveils the giant global institutional investors like BlackRock, which owns stakes in many of our top energy firms. And it reveals that around a third of our energy profits end up supporting foreign governments.

The Norwegian government is our biggest gas supplier. The German government owns our second-biggest gas-powered generator (Uniper). The French government (EDF) runs our nuclear power stations. And the Danish government (Orsted) is building our biggest new windfarms.

All of which begs the obvious question: why can't our own government step in to clean up this market mess? Because that's what this comes down to. Our energy system has been asset-stripped, sold off to foreign states, global multinationals and billionaires. Their basic business interest isn't investing for the long-term, or bringing down costs – it's extracting the maximum profit they can.

And until we address this basic issue, no number of tweaks, subsidies, or new government consultations, are going to fix our broken energy system.

Our proposals are simple and clear. Take back control with public ownership. Start with the Grid, and with a properly sized Great British Energy.

It's time to close the chapter on deregulated market madness. That's the foundation we need for a genuine Industrial Strategy. Now it's down to us, the workers, to make it happen.

2 Key point summary

- Energy companies made **£30 billion in profit** before tax from the UK energy system in 2024, the most recent year for which accounts are available.
- Household energy bills are now 42% higher than they were in 2021.
- Excessive profits are pushing household bills through the roof. We estimate the **average household gives £500 a year to energy company profits.**
- The biggest winner of all is the **Government of Norway** – we estimate UK energy users paid £5.9 billion to the Norwegian state in gas profits in 2024.
- Massive profits were made across all four main sectors of the UK Energy System: by gas extractors (£10.8 billion); electricity generators (£9.7 billion); the transmission and distribution Grid monopolies (£6.8 billion); and retail suppliers (£2.8 billion).
- After gas extractors, the **highest profit rates are in the Grid**, where companies like National Grid PLC and UK Power Networks have been handed monopoly "licences to print money". Their average profit margin is 38% (2023: 32%).
- Energy is easily the most profitable sector of the UK economy. The average profit margin of 23% was **three times above the economy-wide average.**
- Excessive profits are driving the crisis of industrial energy costs. We estimate that **business electricity costs are 29% higher due to energy company profits.**
- Excessive **profits are a much bigger issue than "green levies":** the total cost of environmental levies is just a third of the money going to profits (£9.9 billion vs. £30 billion in 2024). And the real problem with the biggest "green levy", the £7 billion Renewable Obligations (RO) scheme, is that it is used to subsidise generators' profits.
- This report also uncovers the **ownership of our Energy System.** We estimate that global institutional investors end up with close to half of all profits. Leading the way are giant US investors BlackRock and Vanguard, which each own over 5% of our energy system. BlackRock is top shareholder in a host of high-profit companies, including BP (9%), Centrica (9%), SSE (9%), and National Grid PLC (9%).
- We estimate that **over a third of all energy profit goes to foreign states.** The Norwegian government, our main gas supplier, takes half of that. Other states cashing in on UK energy include France (owns nuclear generator EDF), Denmark (owns wind generator Orsted), and Qatar (gas importer, and owns shares in multiple energy companies.)
- **Billionaires and wealthy families get the remainder.** Big names include Daniel Kretinsky (Czech billionaire who owns gas generator EP), Li Ka Shing (Hong Kong's richest man, the largest shareholder in UK Power Networks), and Warren Buffet (the largest shareholder in Northern Powergrid).
- Overall, it's a **market mess.** Decades of asset-stripping privatisation have handed our energy system to global investors, billionaires and foreign states. Their high profits push up bills for households and industry, leaving us with collapsing energy infrastructure. The final parts of this report set out Unite's proposals to rebuild.

3 The basics: where does our energy come from?

3.1 This report covers electricity and natural gas used by UK households and industry

This report looks at UK electricity and gas. It makes sense to look at these energy sources together, as they are closely linked. Almost a third of our electricity is generated from gas. And many of the same companies are involved in supplying both. In this report we do not look at liquid petroleum – e.g., crude oil, petrol and diesel – which is used mainly in transport.

We break the system down into four sectors: Natural Gas production; Electricity Generation; the transmission and distribution grids; and retail supply.

Until the 1980s, all of these were run publicly. But now both electricity and gas are sold on privatised markets, in which multinational companies make vast profits.

3.2 Natural Gas: comes from the UK and Norwegian North Sea, and LNG imports

After oil used for petrol and diesel transport, natural gas is the biggest source of energy in the UK today. The main uses of gas in the UK are:[1]

- **Domestic consumption:** 35% of natural gas. Gas used by households in heating and cooking.
- **Electricity generation:** 29%.
- **Nondomestic consumption:** 25%. Includes gas used in government and commercial buildings, and industrial uses.
- **Other uses,** including losses and energy industry own use: 12%.

Around 85% of our gas comes from the North Sea. It is supplied through a network of undersea pipelines, which connect directly into the onshore transmission grid. The remaining minority of gas supply is brought in by ship as Liquified Natural Gas (LNG).

The main North Sea gas fields are in the territorial waters of two countries, the UK and Norway. They are called the UK Continental Shelf (UKCS) and Norwegian Continental Shelf (NCS). In 2024, 43% of our total gas supply came from the UKCS, and 44% in 2023.

Production from UK fields peaked in 1999 and has been declining since: in 2023, oil and gas production was down 72% on 1999.[2] The government regulator North Sea Transition Authority (NSTA) estimates that 91% of UK North Sea oil reserves, and 92% of North Sea gas, had been extracted by 2022.[3] For the domestic energy system, the upshot is that we are no longer self-sufficient in gas, and increasingly depend on imports.

After the gas brought from Norway by pipeline, that means LNG. Our main LNG supplier is currently the US (68% in 2024, 61% in 2023), followed by Qatar, which was previously our largest supplier but only accounted for 8% of LNG imports in 2024. Other smaller sources include Trinidad & Tobago (7% in 2024), Algeria (5%), and Peru (3%). LNG arrives in three main terminals: Isle of Grain, near London; and South Hook and Dragon – both in Milford Haven, Wales.[4]

Natural Gas sources	2024 GWh	Market share	2023 GWh	Market share
UK Continental Shelf	341,136	43%	382,908	44%
Norwegian Continental Shelf (via pipeline)	343,122	43%	283,644	32%
Liquid Natural Gas	111,155	14%	210,881	24%
Total	**795,413**		**877,432**	

Source: DESNZ Energy Trends[5]

LNG is more expensive than pipeline gas, as it requires extra processing (liquification), then shipping, and because buyers around the world can bid for it. This also means it is less green. One of the initial reasons for the massive gas price spike in 2021, before the Ukraine war, was a jump in demand for LNG from Asian countries, which are switching more of their energy use from coal to gas.[6]

As well as importing gas, we also export around 20% of our total gas supply – including "re-exporting" some of that imported gas. UK LNG terminals act as hubs for the wider European gas market.

3.3 Electricity generation: the main sources are renewables, gas and nuclear

The UK's generation infrastructure is changing rapidly, with renewable supply growing every year. There are currently three big sources of our electricity: windfarms and big solar plants (34% in 2024); natural gas power stations (30%); and nuclear (14%). Other smaller sources include hydroelectric power, "biomass" (e.g., Drax, which burns wood), and power from waste.

Major generators supply their electricity into the National Grid transmission system, which directs it to the end users. Prior to the later 1980s, electricity was allocated centrally by a national system. Since privatisation, the generation companies sell their electricity on the "wholesale market", which we describe below in Section 9.

UK electricity generation by type 2024/23

Type	2024 TWh	Market share	2023 TWh	Market share
Coal	2.0	0.7%	3.8	1.3%
Oil and other fuels	11.9	4.2%	11.2	3.8%
Gas	86.7	30.4%	101.8	34.6%
Nuclear	40.6	14.2%	40.6	13.8%
Hydro	5.8	2.0%	5.5	1.9%
Wind and solar	97.7	34.3%	96.8	32.9%
Other renewables	40.3	14.1%	34.5	11.7%
Total	**285.0**		**294.1**	

Source: BEIS, Energy in Brief 2025[7]

As for where that power ends up, here is a breakdown for electricity demand, based on 2023 statistics:[8]

- **Domestic use (households):** 34%
- **Non-domestic use:** 66%, which includes:
  - **Industry:** 32%
  - **Transport:** 4%
  - **Commercial, government and other:** 30%

3.4 The Grid: our energy is transmitted and distributed by licensed private monopolies

In fact, there are two grids: one for electricity, made of all the pylons and cables that connect power stations and windfarms eventually to the end users; and one for gas, made of pipelines. They are separate physical systems but, as we will see below, owned by a lot of the same companies.

For both gas and electricity, the Grid is usually broken down into two parts:

- **Transmission:** the national High Voltage network for electricity; the National Transmission System (NTS) for gas.
- **Distribution:** regional grids that take electricity and gas from the national transmission systems to businesses and homes.

Northern Ireland has its own grid system, which is connected to the Republic of Ireland, and to Britain via under sea pipelines and interconnectors.

A big difference between the grid and the other sectors is that there is no possibility of "competition". Nationally, and at regional level, there is only one grid system. It would make no sense for another company to install a new parallel set of pylons or pipelines. That means the grid is a "natural monopoly": it cannot be run as a market. The government simply awards the grid companies long-term licences to run their bits of the system. They make money by levying "network charges", which are added onto our bills.

In Britain, the grid monopolies are (in theory) regulated by Ofgem. But in practice, they effectively have "licences to print money". In Northern Ireland, the networks are regulated by the Utility Regulator.

3.5 Suppliers: energy is sold to households and businesses by retail supply middlemen

If you have a home, you probably pay your electricity bill to a retail supply company like Octopus or Ovo. These companies are "middlemen" that buy electricity and gas on the wholesale market, then sell it on to us – while taking their cut. It doesn't take specific infrastructure to set up a supply company, effectively they are just trading, buying and selling. So many supply companies deal in both electricity and gas.

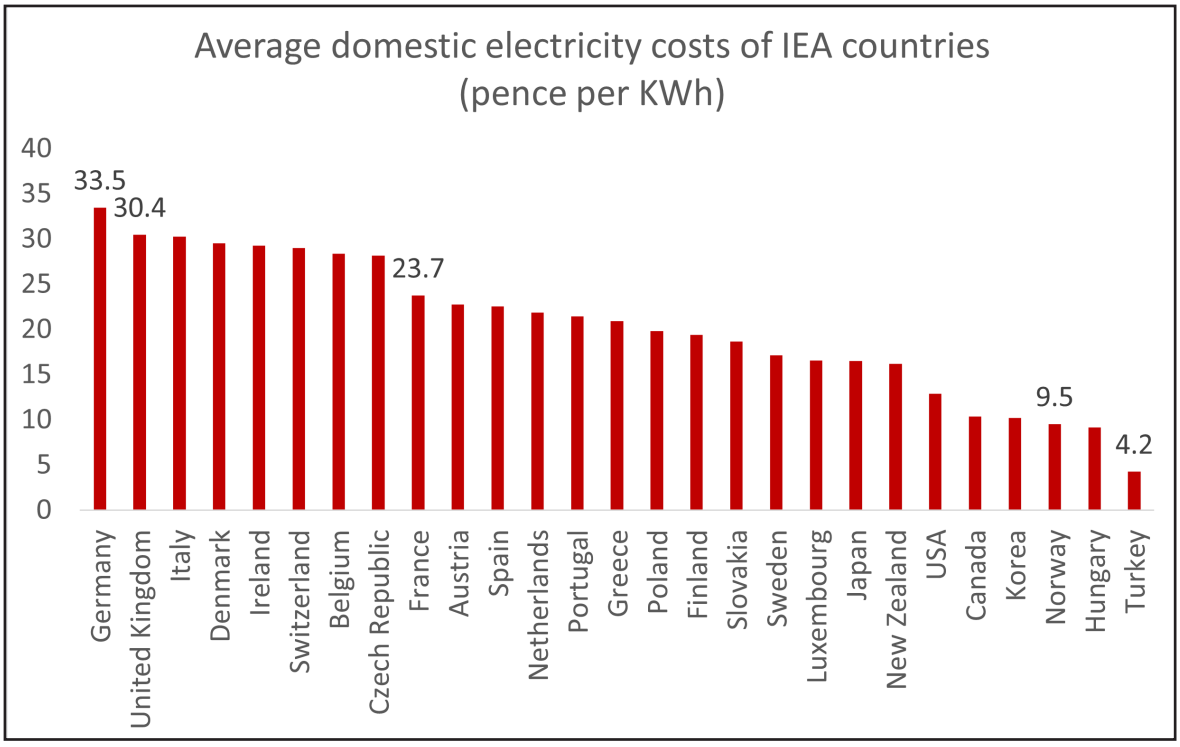
The same is true for business and industry. Some very big industrial plants can buy their power directly from the source, but most also deal with supply companies.

Until recent years, there was considerable "vertical integration": i.e., the same big companies, often called the "Big 6", dominated both generation and supply – although they claimed to keep the businesses separate through different subsidiary companies. The reign of the Big 6 is over, as most of the big suppliers are now separate from generation companies. Yet this hasn't led to falling prices and profits.

4 The problem: we have some of the highest energy costs in the world

4.1 UK domestic energy costs are still much higher than before 2022

The UK's domestic electricity costs are considerably higher than the European average. In 2023 we had the highest domestic electricity costs of all countries reporting to the International Agency (IEA), and they remained among the highest in 2024.

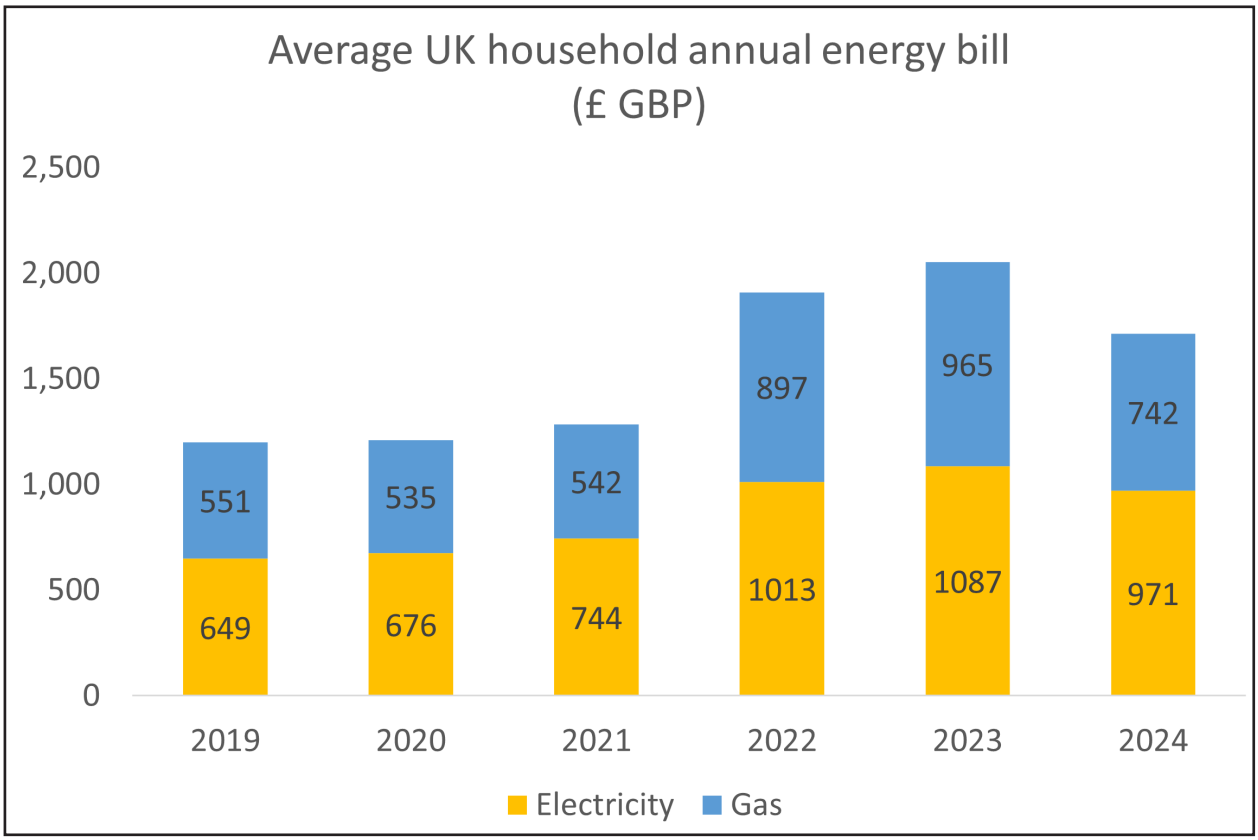


Source: DESNZ and ONS[9]

This is a recent phenomenon. In the early 2000s, UK domestic electricity prices were the second lowest in the EU.[10] UK prices have risen gradually since then, before shooting up in the 2022 energy crisis. The average electricity bill doubled from £564 in 2021 to £1,134 in that year.

But the other big question is: why haven't bills come down again now that the global energy shock, largely caused by spiking world gas prices, is supposed to be over?

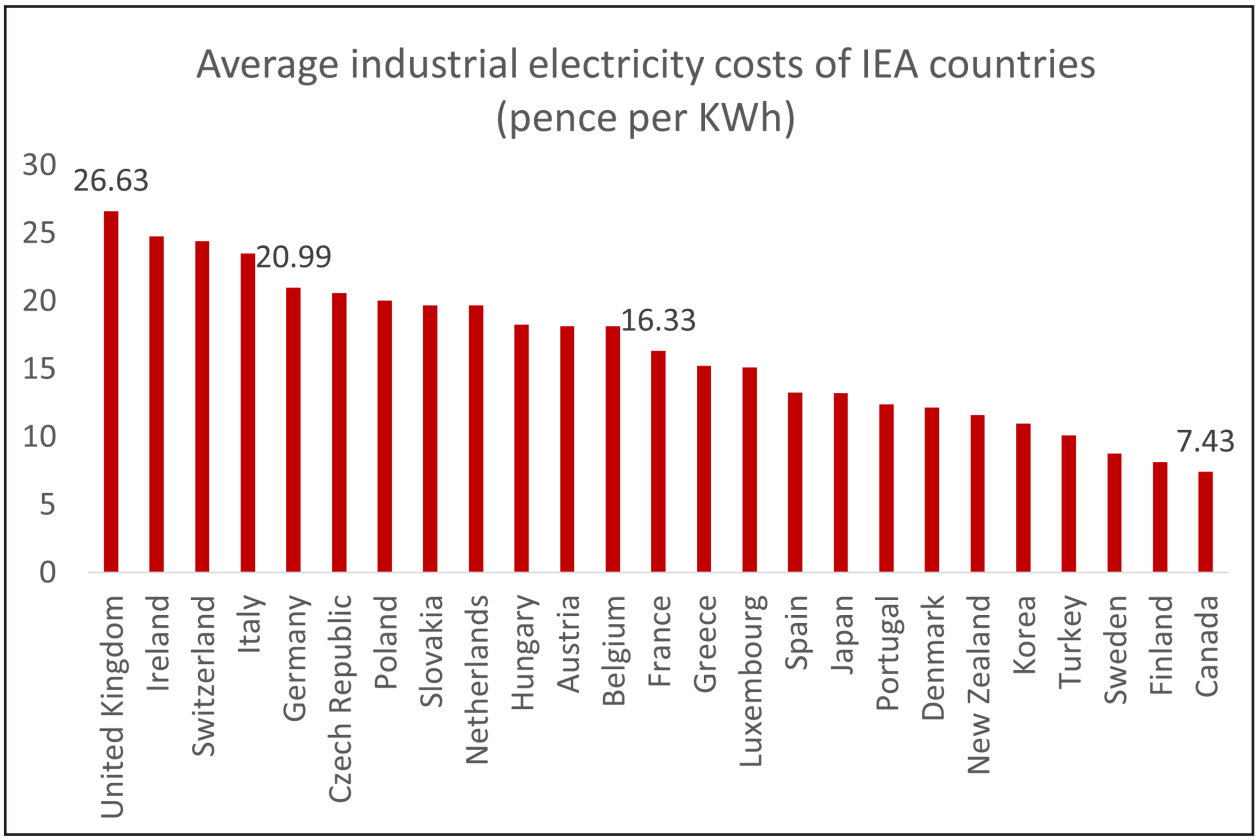
This is a case of "rocket and feather" price rises: prices went up like a rocket, and have come down slowly like a feather since then.



Source: DESNZ – annual domestic energy bill statistics[11]

4.2 UK industry electricity costs are the highest in the developed world

The UK has the highest industrial electricity costs of all developed countries. We have the highest costs of all member countries reporting to the International Energy Agency (IEA). And we have easily the highest industrial electricity prices of all major European countries.[12]



Source: DESNZ and ONS

In 2024 – the last full year figures are available for – the UK's average industrial energy cost was 26.6p per kilowatt hour (kWh). This was almost 63% higher than costs in France, 27% higher than Germany and four times higher than costs in the US.[13]

The prices here include taxes, such as VAT and carbon levies. But that is not the problem. In fact, the UK still has the highest costs in Europe even if you take off all taxes.[14]

UK industrial gas costs are not particularly high. Higher gas costs are a problem worldwide. But the UK has a particular issue with extremely high electricity costs, which makes it hard for UK industries to compete.

5 The reason: companies are profiteering from our broken energy system

5.1 Energy companies made over £30 billion profit from the UK energy system in 2024

To write this report we have analysed the profits made in all four sectors of the energy system. For generation, the grid, and supply, we have analysed the accounts of 165 companies: the 71 biggest generation companies, the 71 biggest supply companies, and all 23 transmission and distribution companies.

Note: in these three sectors, we have only analysed the biggest companies that are licensed by Ofgem in Britain. Northern Ireland has its own licensing system, run by the Utility Regulator. While there is a lot of overlap between companies operating in Britain and Northern Ireland, this means that our total does not fully reflect all the profits being made in Northern Ireland. So it is an under-estimate of total profits across the UK. The full total will be even higher.

For gas extraction, it is much harder to analyse company accounts: the oil and gas companies are notoriously non-transparent. Almost all are multinationals that only give a global total, without explaining how much money they make from the North Sea. So instead, we used official government (NSTA) data to estimate the industry's overall profits. (See the Methodology Appendix at the end of this report for more detail.)

The reason we focus on 2024 is that company accounts come out with a time lag after the end of the financial year. So many energy companies have still not reported their figures for 2025.

Sector	Revenue (£ million)	Pre-tax profit (£ million)	Profit Margin
Gas Extraction	20,394	10,764	53%
Electricity Generation	35,040	9,683	28%
The Grid	18,174	6,844	38%
Supply	55,010	2,766	5%
Total	**128,617**	**30,057**	**23%**

5.2 Energy is the most profitable industry – profit margins are three times higher than the economy average

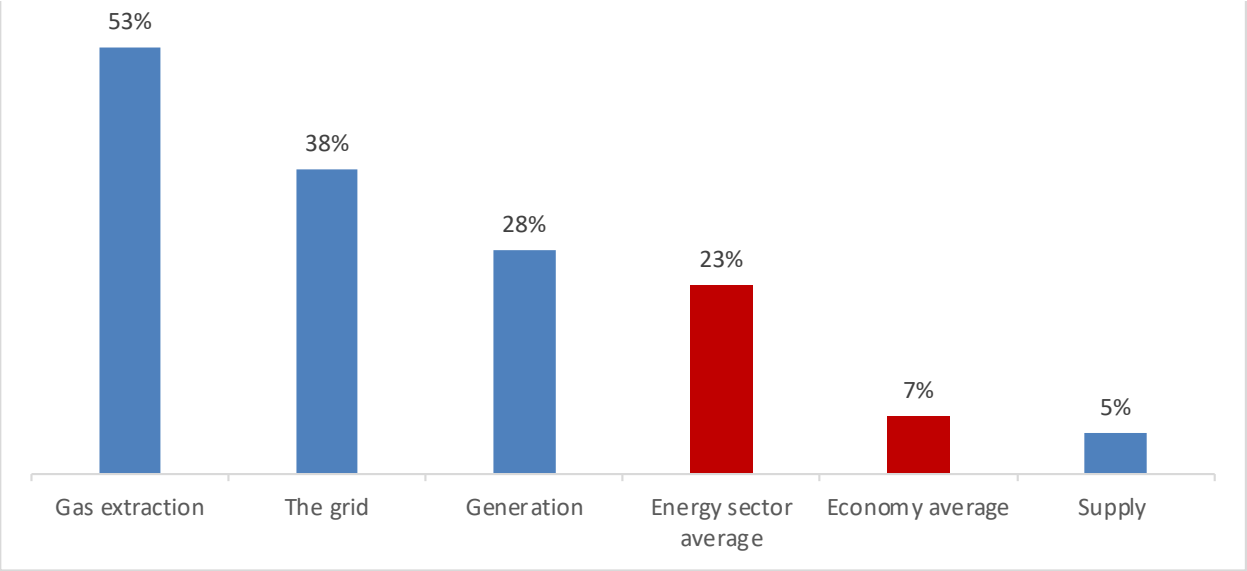
To put those profits in context, we can compare the energy industry to other sectors of the economy. In our previous report Unite Investigates: Profiteering is Breaking the Economy we analysed profits of over 17,000 companies across the whole UK economy.

That report showed that average corporate profit margins had increased over the pandemic. The average (mean) profit margin before tax was 7.1% in 2018, rising to 8.3% in 2022. The average non-financial corporate profit margin since 2018, excluding the pandemic year of 2021, is 7.2%.[15]

The Profiteering report also found that energy profit margins were **higher than all other industries.** In fact, combining our new research with that report: profit margins in the energy system are, on average, three times higher than across the economy as a whole.

Some sectors are even more extreme. Grid profits were over five times higher than the average in 2024 – and gas extraction profit margins were over seven times higher!

Profit margins in energy sectors vs. the economy average



5.3 Even after tax, companies still make huge profits

The profit figures here are reported before tax. This is because, due to lack of transparent accounts in many sectors, it is often not possible to calculate how much tax companies have paid on their UK energy activities.

Even supposing all companies had paid the full rate of corporation tax (25%), they would still make very high profits indeed. And looking at those companies for which we do have post-tax income information, the effective tax rate on average is likely to be lower.[17]

Tax on UK North Sea oil and gas companies is a specific issue. In theory, North Sea oil and gas belongs to the nation, with the companies licensed to extract it on our behalf, and tax is how the government claims back our share. But official statistics show that, historically, these companies paid very little back: their effective tax rate was less than 10% on average between 2018 and 2021 (see below).

Tax on these companies has increased since the "Energy Profits Levy" was introduced in 2022. We look at this further in Section 6 below.

But as we'll also see below, in fact the biggest chunk of tax on that £10.8 billion gas production profit didn't go to the UK government – it went to the government of Norway. It turns out the UK energy system is very good at extracting profit for *other countries'* governments.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6 Who profits? Gas extractors, electricity generators, and grid monopolies make eye-watering returns from UK bills

6.1 Gas extractors made £10.8 billion profit

The biggest profits by far are in gas extraction, including the North Sea. The gas price spike that started in 2021 sent profit margins soaring – an eye-watering "windfall" on the back of crisis. Gas prices have fallen since then, but are still above long-term averages. Profits in 2024 were lower than in both 2023 and 2022, but still extremely high.

6.11 The biggest winner is the Norwegian government, which we estimate made £5.9 billion profit from UK households and businesses in 2024 alone

The NCS

As explained above, we now import over 40% of our gas from Norway. This means that much of the high profits from gas extraction go to companies on the Norwegian Continental Shelf.

And because Norwegian gas is largely state-owned, that means these profits go overwhelmingly to the Norwegian government. In fact, we estimate that **UK energy users subsidised the Norwegian state by almost £5.9 billion in 2024.**

Norwegian gas profits reached record highs in the peak "windfall" years of 2021 and 2022. In 2021, the state-owned oil company Equinor alone made an eye-watering operating profit of £69 billion from its operations in the Norwegian Continental Shelf, at an 89% profit margin. In 2024, by comparison, it made £19.2 billion operating profit from the NCS, with a "mere" 73% margin.

The Norwegian government profits from gas sales in three ways. First, the main Norwegian oil and gas company, Equinor, is majority state owned. Equinor extracted 35% of Norwegian gas in 2024.[18] Second, the Norwegian state has a public stake in all production called the "State Direct Financial Interest". This owned another 33% of gas production in 2024.[19]

On top of that, the Norwegian government taxes all NCS oil and gas production, at a historically much higher rate than in the UK North Sea. The effective tax rate was approximately 72% in 2024.

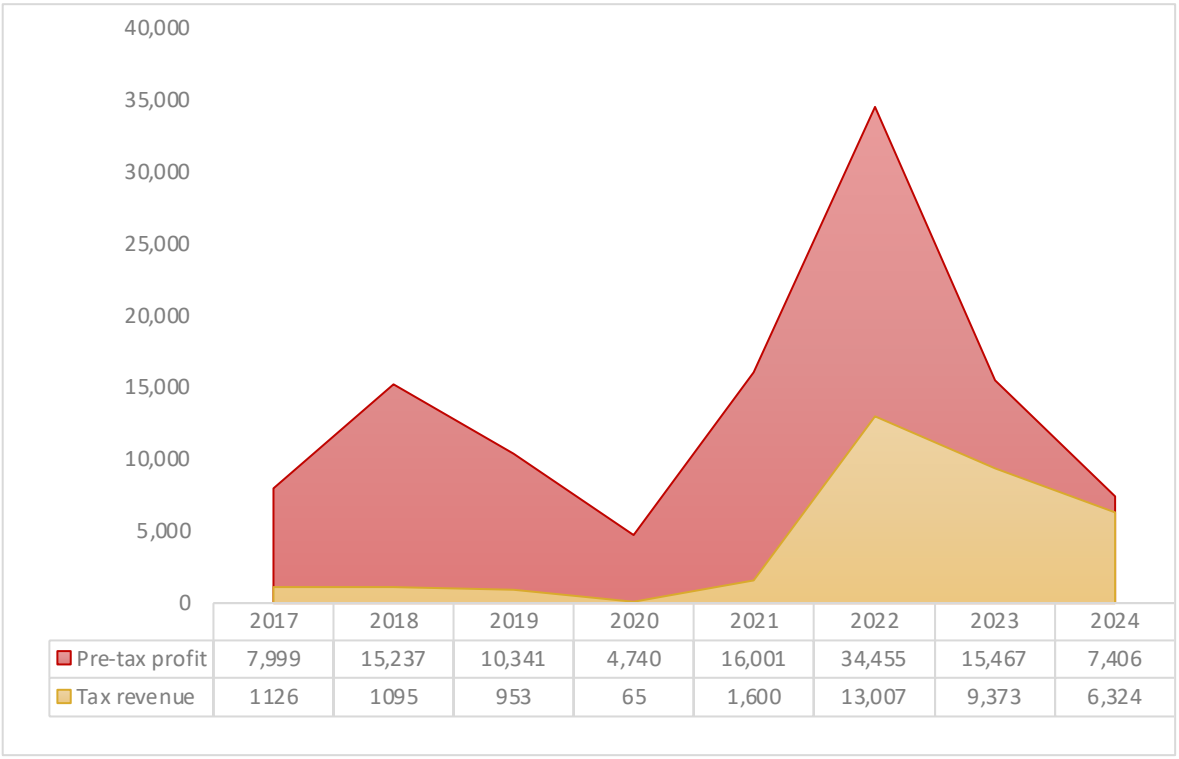
Combining these three factors, the bulk of profits from Norwegian gas ends up in the government's hands. And because Norway is now our biggest gas supplier, that means the bulk of the money we spend on Norwegian gas goes to the Norwegian government. We estimate that in 2024 UK energy users paid out **£5.9 billion** in gas profits to the Norwegian government.

The UKCS

The chart below shows the history of UKCS profits over the last 8 years. Note: this shows overall profits for oil and gas extraction. The most obvious point is that 2022 was a record spike in profits: the industry made an estimated £34.5 billion profit before tax, more than ever in its history. This was due to the extreme jump in both oil and gas prices (but especially gas) during the "energy crisis".

In the last two years, UK North Sea profits have returned to more "normal" levels for the industry. But "normal" still means extremely high compared to other industries. 2023 profits were similar to 2018. In 2024, profits dropped back down to a similar level as in 2017.

UKCS oil and gas profits and tax (£ million)



	2017	2018	2019	2020	2021	2022	2023	2024
Pre-tax profit	7,999	15,237	10,341	4,740	16,001	34,455	15,467	7,406
Tax revenue	1126	1095	953	65	1,600	13,007	9,373	6,324

Source: NSTA, HMRC, Unite calculations

Oil and gas companies say that they now pay a lot more tax than before. This is true: the Energy Profits Levy (EPL) significantly increased their tax rate since 2022. However, it is good to remember that in the main windfall year of 2022, the companies still paid less than 40% of their record profit back to the country.

And we should be clear about two things.

First, the EPL increased their taxes compared to extremely low rates before 2022. As the chart shows, between 2017 and 2021 the industry paid an average tax rate of less than 10%. This is because oil and gas companies take advantage of multiple tax breaks and loopholes, so the tax they actually pay is much lower than headline rates.

Second, tax on North Sea extraction is a very different situation from standard corporation tax. The North Sea and its resources don't "belong" to the oil and gas companies, but to the nation (technically, "The Crown"). The companies only pay a peppercorn rent for their extraction licences, and (unlike Norway) the government has no public stake in the industry. So, the one way we have to claim the national share in this natural wealth is through tax.

LNG

In this report we have not looked specifically at the profits made on Liquified Natural Gas. This is an even more complex topic, involving multinational companies shipping gas from countries as different as the US and Qatar. To calculate an overall profit figure, we made the conservative assumption that profit rates were similar to those of the North Sea.

6.2 Generation companies made £9.7 billion

After the gas producers, the next group of clear winners are the electricity generation companies. An important point here: generators of all kinds are making high profits. Gas, renewables, or nuclear – all are doing extremely well from selling electricity in the UK.

This may seem surprising. If gas-powered generators have to pay very high gas prices, why are they making so much money? What these figures suggest is: even though they faced high gas prices, the generators were able to push their electricity prices up **even higher** and ended up making a very tidy sum. (We will look at this question further in Section 9.)

Lack of transparency

Profit information in generation is far from transparent. Companies often do not "segment" their accounts to show how much they make from UK generation, as opposed to other activities. In the past, major energy companies were required to provide accounts showing their "segmented" generation activities. But Ofgem removed this requirement in 2024 – companies now only have to break down their supply accounts, the least profitable part of the industry.[20]

To estimate total generation profits, we analysed the accounts of the 71 largest subsidiaries licensed to run generation projects in Britain. This gives a good overview of total profit in the industry. However, the big energy companies often own multiple subsidiaries, including joint ventures between more than one company. This can make it hard to trace where all the money ends up.

6.2.1 Gas, wind, and nuclear generators were all quids in

The figures below are taken from the companies' main published accounts. In some cases, they may not include all profits made from different generation subsidiaries, and so the true generation profits may be even higher.

- **SSE.** SSE is the second biggest generation operator in the UK, running about 11% of the country's total generation capacity as of May 2024.[21] Its generation is a mixture of wind, gas, and hydro. It is a PLC (public listed company) owned by big global investors including BlackRock (9%).

SSE's Financial Results announcement for the 2023/24 financial year reported pre-tax profits of **£2.5 billion** for the parent company (which includes non-generation business).[22] And this is no one-off. SSE has already reported parent company profits for 2024/25: £1.85 billion.[23]

- **EDF.** Électricité de France, owned by the French government, runs all the UK's operating nuclear power stations. It also has interests in wind farms.

In 2023, EDF reported a technical loss due to an accounting "write-down" on the value of the delayed Hinkley C power station, which is currently under construction. However, EDF's current generation operations are very profitable indeed. In 2023, it reported a pre-tax profit of £1.63 billion from nuclear generation alone, plus smaller amounts from windfarm projects. In 2024, this number increased to **£2.11 billion**.[24]

- **RWE.** The German power multinational is the UK's biggest generator, controlling 14% of total capacity. 60% of its power comes from gas, making it the UK's biggest gas-powered generator, with most of the rest from wind farms.

RWE Generation UK reported **£959 million** in pre-tax profits in 2024 – up from a staggering £855 million in 2023.[25]

- **Drax.** Its main business is running the massive Drax power station site in North Yorkshire. Previously coal-fired, this now burns wood – much of it shipped as pellets from North America. Drax is no stranger to scandal. It has been fined for incorrectly recording the sources of its wood, which still includes primary forests.[26] And all the while pocketing **£6.5 billion in public funding** from the UK government, according to media reports.[27]

Drax PLC reported pre-tax profit of **£753 million** in 2024. It has also reported profit for 2023: £796 million.[28] The majority of that – £539 million – reportedly came from UK government subsidies.[29]

- **Scottish Power.** Part of the Spanish company Iberdrola, SP is the third biggest windfarm operator (after RWE and SSE).

According to Scottish Power's annual report, the UK company overall made £1.64 billion profit before tax in 2023, and **£1.72 billion** in 2024 – but this figure includes its grid and trading operations.[30] Scottish Power said its renewable energy generation division made £633 million in 2023, rising to £708 million in 2024.[31]

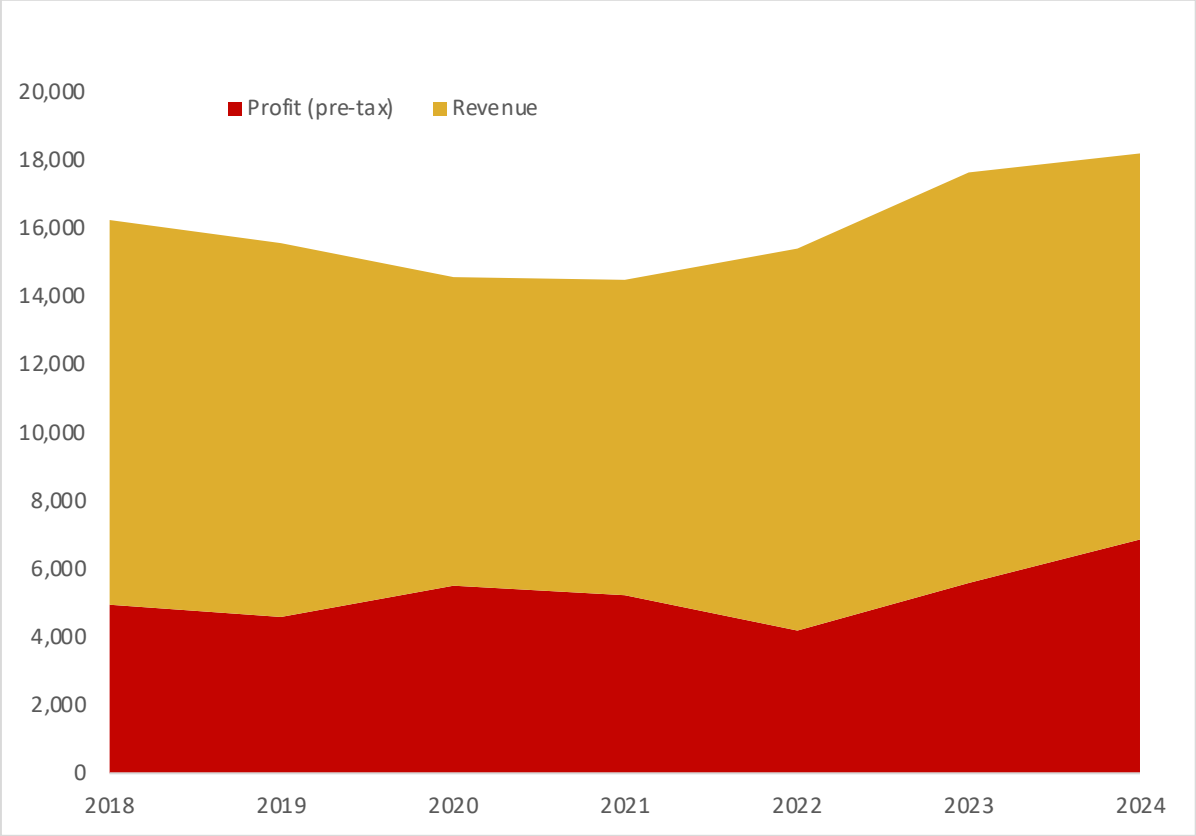
6.3 National Grid Plc and the regional distribution monopolies made £6.8 billion between them in 2024, with a 38% profit margin

After gas extraction, the grid is the most profitable energy sector in terms of the margins these companies make. And while the profits of gas extractors and generators have been boosted by the "windfall" of the recent energy crisis, it's a different story for the Grid: **its high profits have been stable for years**.

Company	Pre-tax profit (£ million)	Margin
National Grid Plc	2,051	45%
National Gas Transmission PLC	839	29%
Scottish & Southern Electricity Networks (SSEN)	699	30%
Cadent Gas Ltd	690	36%
SP Energy Networks	654	38%
Northern Powergrid	516	47%
UK Power Networks	481	43%
Scotia Gas Network	316	42%
Wales & West Utilities Ltd	236	24%
Northern Gas Networks	200	27%
Electricity North West	162	37%
Total	**6,844**	**38%**

Note: this total does not include the grid in Northern Ireland, which has a separate system. The chart below shows annual profits of the sector going back to 2018. From 27% in 2022, to 32% in 2023, before climbing again to 38% in 2024, profit margins have been consistently high, oscillating around one third of all revenue.

Total revenue and profit of Transmission and Distribution companies (£ million)



Source: Capital IQ and company accounts

6.4 Retail: the supply companies made over £2.8 billion

With the demise of the "Big Six" integrated companies, supply does appear now to be the closest part of the system to a "competitive market". Companies like Octopus and Ovo have managed to jostle for big shares of the market. It doesn't take big infrastructure to set up a new supply company, as all you are doing is acting as a middleman.

This appears to be reflected in the lower profit margins of supply companies compared to other sectors. Another reason may be that, in Britain, supply is one part of the market that is actually monitored and regulated by Ofgem – although only domestic supply is regulated. The profit figure here also includes non-domestic suppliers, who are able to make higher profit margins.

6.5 Still not the whole story: we haven't looked at the profits made by energy trading, energy finance, and others

The figures in this report only include the four sectors we have focused on: gas extraction, electricity generation, the grid, and retail supply.

But this is still not the whole story. There are other companies profiting from our energy system. For example, we haven't looked at profits made by **traders**, who make money as middlemen buying and selling wholesale gas and electricity. And we haven't looked at the big profits made by **banks** and other lenders, who take their cut from interest on money they lend to energy companies.

rip off Energy Bills

TAKE THE POWER BACK

unite theUNION

7 Who pays: How profits hike up household and industry energy bills

As we've seen above, companies involved in the four sectors of the UK energy system made £30 billion in profit in 2024, based on accounting information from the most up to date years available.

Those profits come from our bills.

The energy supply chain, and the our way our bills are calculated and payments made, are highly complex – and often not at all transparent. So, it is not easy to trace exactly whose bill pays for whose profit.

For Britain, Ofgem gives a breakdown on its website of bills just for domestic households on fixed tariffs. This identifies an "allowance" for the operating profit of supply companies, calculated at £42 in the latest price cap.[33] But, as we've just seen, supply companies only make a small share of the profits on our energy bills. Ofgem doesn't say anything about the much bigger profits made by gas extractors, generators, or the grid. Also, Ofgem's calculation only covers domestic consumers, not industrial and commercial energy users whose bills are not regulated.

So, in this section, we have made our own estimates of how much each of us pays to energy company profits.

These estimates are based on the overall profits for each sector calculated above. And on government data on the amounts of gas and electricity consumed by different kinds of users (domestic and non-domestic), and the average prices paid by different consumers.

7.1 The average household pays around £500 a year to energy companies' profits

Households pay for over half of energy profits. Households use 54% of all the gas in the UK energy system for heating and cooking, and use 39% of all the electricity. Households also face higher prices for their electricity and gas than all but the smallest businesses. In addition, they pay "social" levies, e.g., for the warm homes scheme, in their bills.

In our estimate, domestic consumers ended up paying out nearly **£14.8 billion** to energy profits in 2024. With around 29 million household energy consumers, that means around £510 on average from each household.

The average household's domestic energy bill (combined for electricity and gas) was £1,714 in 2024.[34/35] **29% of that went to energy company profits.**

7.2 Profits boost non-domestic electricity bills by 29%

Non-domestic users, including industry and commercial users, use 61% of the UK's electricity. Big industrial customers can use their size to negotiate lower prices, and the most energy-intensive industrial consumers also have some exemptions and subsidies. For example, some are exempted from "Renewable Obligation" payments, and from a percentage of network costs (see below).[37] Which means that households and non-industrial consumers pay a larger share.

But even so, as we saw above, the scale of profits is such that UK industry faces the highest electricity costs in the developed world.

We estimate that the burden of profits falling on UK non-domestic electricity consumers is **£10.7 billion**.

This means non-domestic electricity bills are, on average, **29.5% higher** because of energy company profits.

As we saw in Section 4, UK industrial electricity bills have been around 50% higher than in France and Germany. We can now add: **the majority of that difference is profit**.

Of course, energy companies in other countries make profits. But the situation appears particularly extreme in the UK. In addition, many European energy companies are government owned, and so any profits they make can be dedicated to long-term investment or channelled back to the people.

7.3 We pay three times more in profits than in "green levies"

Some commentators argues that the reason UK energy prices are so high is because of the "green levies" we pay to support the move to renewables. However, the big underlying issue is not "Net Zero", but extreme profits.

What is true, as we will see below in Section 9, is that renewable generation companies have had their profits boosted by subsidies – particularly the Renewable Obligation scheme – which we pay for in our bills. This is one of five problems we identify below with the broken energy market.

But it is by no means the biggest problem. The total cost of "green levies" is **only one third** of the money going on energy company profits.

How much are the "green levies"?

The total cost of "environmental levies" was **£9.9 billion** in 2023/24.[38] So around one third of the money going to profits.

The large majority of the "green levy" money, £7 billion (71%), went to the Renewable Obligation (RO) scheme. Another £1.8 billion (19%) to the Contracts for Difference (CfD) scheme.[39] The "environmental" levies include subsidy for Drax, treated as part of the RO and CfD schemes.[40]

As we argue below in Section 9, the RO scheme, and the CfD scheme to a lesser extent, are in fact now **subsidising profits** of generation companies. These schemes were set up, in theory, to incentivise generation companies to invest in new technologies. But they have ended up giving them an extra windfall.

8 Where does the money go? Who owns our energy system?

8.1 Our energy system is owned by global investment funds, foreign states, and billionaires

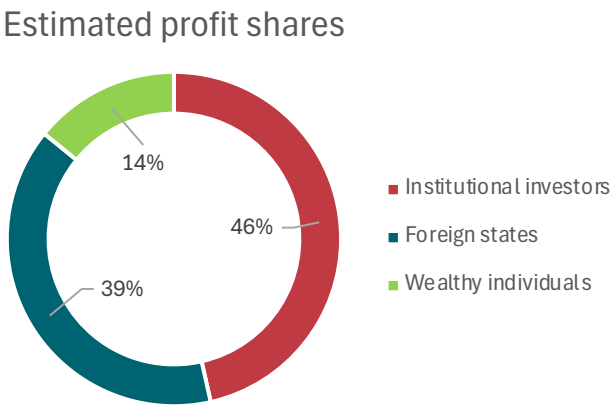
Since the 1980s, the UK's energy system has been fully privatised. The North Sea, our generation assets, our supply system, and even the National Grid have all been sold to private interests. Although, in fact, many of these companies are actually owned by governments – just not the UK government!

In this section, we identify the owners. We identified the shareholders of the major companies in all four sectors. We have classified them in three groups.

- **Institutional investors.** These are mainly big global investment funds, which control trillions of assets. The two leaders, who are the top shareholders in many of our energy companies, are the US giant investors BlackRock and Vanguard. Their strategy is to buy shares in almost all major PLCs – that, is companies whose shares are "listed" and traded on public stock exchanges. This category also includes smaller "infrastructure" and "private equity" funds that specialise in buying up chunks of companies in private deals.
- **Foreign governments.** While the UK was selling off our energy system, other countries were building strong national energy companies. Some of these have now become global players, and ended up buying the assets our government sold off, particularly in generation. So now France's EDF runs our nuclear power, Germany's Uniper is our second-biggest gas generator, and Denmark's Orsted is building our biggest windfarms.
- **Wealthy individuals and families.** The third share is taken by billionaires, oligarchs, and other wealthy individuals and families. People like Hong Kong's richest man Li Ka Shing, the biggest shareholder in UK Power Networks and other distribution companies. Or Czech billionaire Pavel Tykac, who owns gas power stations. Or Israeli billionaire Itshak Sharon Tshuva, the main investor in North Sea oil and gas company Ithaca.

Below we look at the ownership of each sector in detail. Using these sector figures, we also estimate how much of the energy system's £30 billion profit ends up with the different kinds of owners.

Around £13.8 billion (46%) went to institutional investors. £11.7 billion (39%) to foreign states. And £4.2 billion (14%) to billionaires and other wealthy individuals.



8.2 An estimated 39% of energy profits – £11.7 billion – goes to foreign states including Norway, Germany, France, Denmark and Qatar

One of the most striking features of this analysis is how much our privatised energy system is now controlled by *foreign* governments. Again, it seems like state ownership is fine after all, so long as it's not our state doing the owning.

By far the biggest state beneficiary from our energy system is Norway. In total, we estimate that at least 20% of profits from our energy system flow to this one government.

First of all, this is because the UK is now dependent on importing gas from Norway. And unlike the UK North Sea, the Norwegian government claims a public stake in all oil and gas it sells. We estimate that, including its tax revenue, the Norwegian government made **£5.9 billion in profit** from gas sales to the UK in 2024.

But Norway is also involved in other ways. Its national oil company, Equinor, has branched out into generation, including in the UK. And most importantly, Norway has invested the decades of profits from its oil and gas revenues in the world's biggest Sovereign Wealth Fund, called Norges Bank. This fund is currently worth £1.3 trillion.[41] (Compare this to the UK government's National Wealth Fund— with capital of just £28 billion.[42]) It invests this massive wealth buying shares in publicly listed companies all over the world, including many of the multinationals running our energy system.

The government of Qatar is a similar story. It also has a major Sovereign Wealth Fund (approximately £380 billion[43]), built up from profits of oil and gas stakes, and uses this to buy shareholdings in global companies. For example, Qatar is a top shareholder in the German company RWE, our biggest generator, and in Spanish company Iberdrola, which owns Scottish Power, the North Sea oil and gas company Enquest, and distribution monopoly Electricity North West.

In other cases, foreign states profit from our energy because their own national energy companies are now big players in the UK. In fact, four of our biggest five generators are owned by foreign states:

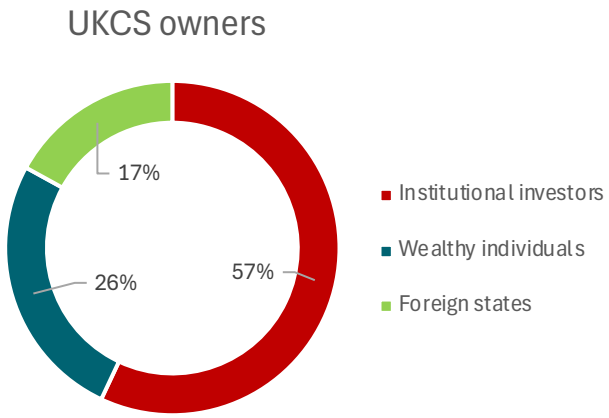
- Germany owns Uniper, our second-biggest gas-powered generator, as well as supply company SEFE Energy.
- France owns EDF (Électricité de France), which now generates all of the UK's nuclear power as well as running a major supply company. France also has a 24% stake in generator Engie Power.
- Denmark is the majority owner of generator Orsted, currently the fifth-biggest generator by capacity, and which is building the UK's largest new windfarms.
- Sweden owns the generation company Vattenfall.

8.3 Who owns the UK North Sea?

Technically, the UK North Sea (UKCS) is owned by "The Crown". The UK government issues licences to exploit the oil and gas in different zones. Licence-holding companies pay a peppercorn rent, the idea being that the government receives a share of the profits in tax. As discussed above, tax rates have gone up in the last two years with the "Energy Profits Levy" – but were historically as low as 10% a year.

The table opposite shows the top ten licence holders by their share of overall oil and gas production in 2024. Note that licence-holding companies often contract out production to other oil companies, and it is the contractors who directly employ much of the workforce. So revenues and profits will end up being split by licences, operators, contractors, and other companies along the supply chain.

The UKCS licence owners are mostly private rather than state-owned. The one exception in the top ten is Chinese state oil company CNOOC. Shareholders include private individuals, like Israeli billionaire Itshak Sharon Tshuva, and private equity funds. But many of the companies are PLCs owned by the same familiar global funds – particularly BlackRock and Vanguard.



Top 10 UKCS licence-holders by share of production (2024)

Licensee (parent company)	% UKCS Production	Ownership
Harbour Energy	17%	Harbour is a London-listed PLC which has grown through several recent mergers and acquisitions. German chemicals giant BASF now owns 40% of its shares following a 2024 deal.
Ithaca Energy	14%	London-listed PLC. Ithaca is majority owned by the Israeli oil company Delek, with a minority stake for italian oil company Eni (after incorporating Eni's UKCS assets), and other smaller investors. Delek's main shareholder is Israeli billionaire Itshak Sharon Tshuva.[44]
TotalEnergies	10%	French oil multinational. The largest shareholders are BlackRock and Vanguard as well as the Employee Share Ownership Programme.
Neo Energy	10%	Owned by Norwegian private equity investor HitecVision.[45]
Shell	7%	Anglo-Dutch multinational PLC. BlackRock, and Vanguard are the two largest shareholders.
BP	6%	London-based PLC. The largest shareholders are BlackRock, Vanguard, and the Norwegian national wealth fund Norges Bank.
Repsol	5%	Spanish PLC. Once again, the largest shareholders are BlackRock, Vanguard, and Norges Bank.

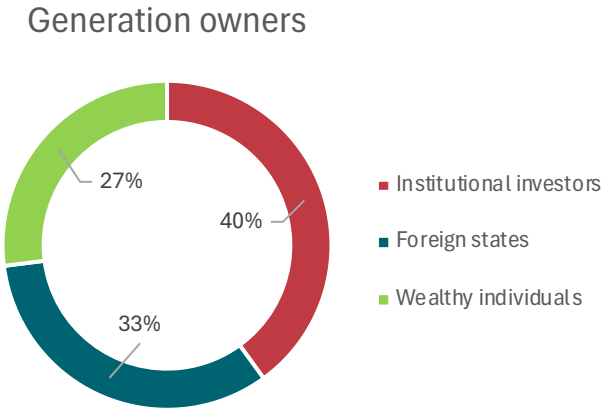
CNOOC International	4%	International division of Chinese oil company CNOOC. Majority owned by the Chinese state, with around 40% of the shares traded to private investors on the Hong Kong and Shanghai exchanges.
Apache (APA Corporation)	3%	US PLC. Vanguard is currently the biggest shareholder.
Waldorf	3%	A privately owned Aberdeen-based company.

The table above shows the top 10 UKCS companies (by production from licences held). Company share data is from Capital IQ and company information (accurate when downloaded in June 2025) unless otherwise noted.

8.4 Who owns the UK's generation facilities?

We estimate that one third of the UK's generation capacity is owned by foreign states. These are mainly state-owned generation companies of other countries: France's EDF (nuclear), Germany's Uniper (gas), Denmark's Orsted (wind), and Sweden's Vattenfall (wind). Qatar's sovereign wealth fund is the leading shareholder in two other companies in the list.

Apart from states, two Czech billionaires – Daniel Kretinsky[46] and Pavel Tykac[47] – also own important generation companies. And recently, numerous private equity investors from across Europe and the US have got into the game, building and buying new renewables infrastructure.



The following table shows the 15 largest generation companies by share of total UK generation capacity. The latest data is from May 2024. Company share data is from Capital IQ and company information (accurate when downloaded in June 2025) unless otherwise noted.

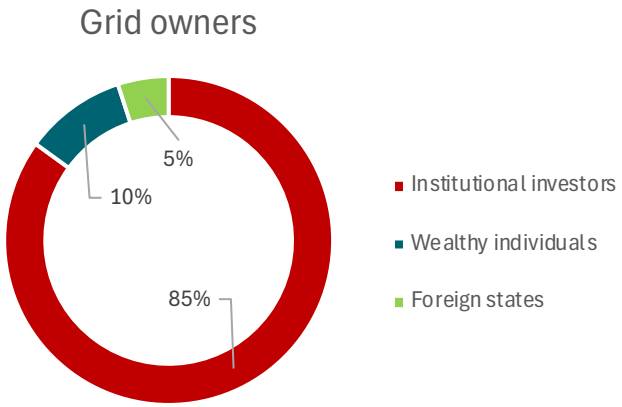
Top 15 generation companies

Company	Generation capacity	Owners
RWE	14%	German energy multinational PLC. The top shareholder is the government of Qatar. Others include big global investment funds such as BlackRock.
SSE Group	11%	PLC. Top owners are BlackRock and Vanguard.
EDF Energy	9%	The French government's national energy company.
Uniper UK	8%	Owned by the German government.
Orsted	7%	Majority owned by the Danish government (50.1%). Norwegian state oil company Equinor also has a 10% share.[48]
EPUKi	4%	Part of the investment group owned by Czech billionaire Daniel Kretinsky.
Vitol	4%	Swiss energy trading company owned by 450 employee partners.[49]
Drax Group	4%	PLC. Top owners include Invesco and Vanguard.
Anesco	3%	Controlled by US private equity fund Ara Advisors.[50]
Intergen	3%	Owned by Sev.en Group, the investment company of Czech billionaire Pavel Tykac.[51]
Scottish Power	3%	Subsidiary of Spanish multinational Iberdrola, which is a PLC. The biggest Shareholder is the government of Qatar, followed by BlackRock and Vanguard.
Greencoat Capital	3%	The parent company is now Schroders Greencoat, majority owned by London-based investment group Schroders PLC.[52] At least 40% of which is owned by the Schroders family.
Engie Power	3%	Subsidiary of French multinational Engie, which is 24% owned by the French government, plus institutional investors.
Energy Capital Partners	2%	US private equity investor.[53]
Vattenfall	1%	Government of Sweden (100%).[54]

8.5 Who owns the Grid?

The Grid is mainly owned by institutional investment funds. As well as the usual global giants like BlackRock and Vanguard, there is a strong presence of private equity and infrastructure funds. These include Australian infrastructure fund Macquarie, most (in)famous for their previous ownership of Thames Water.[55]

Li Ka Shing's CK Group is also a big player in the Grid, owning UKPN Networks, Northern Gas Network, and Wales and West Utilities. CK is a Hong-Kong global conglomerate that owns ports, property and infrastructure around the world. In the UK, its holdings include Felixstowe Docks, the 3 mobile phone network, and Greene King pubs.



The tables opposite and overleaf show all the main transmission and distribution companies in electricity and gas, and their ownership. Share data is from Capital IQ and company information (accurate when downloaded in June 2025) unless otherwise noted.

The tables below only cover the grid in Britain, as Northern Ireland has a different system. In Northern Ireland, the electricity grid is run by ESB, which is owned by the Republic of Ireland. The gas grid is run by five companies including Gas Networks Ireland (GNI), which is owned by the Republic of Ireland.

Electricity Transmission and Distribution licensees[56]

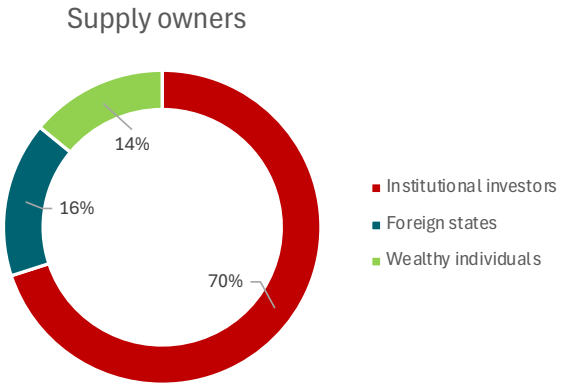
Parent company	Regional operators	Ownership
National Grid PLC	National Grid Transmission PLC National Grid Electricity Distribution (East Midlands) PLC; National Grid Electricity Distribution (West Midlands) PLC; National Grid Electricity Distribution (South Wales) PLC; National Grid Electricity Distribution (South West) PLC	PLC. Top shareholders are BlackRock and Vanguard.
Electricity North West Limited	Electricity North West LTD.	Recently bought by Scottish Power / Iberdrola.[57] Iberdrola's biggest shareholder is the government of Qatar, followed by BlackRock and Vanguard.
Northern Powergrid	Northern Powergrid (Northeast) PLC; Northern Powergrid (Yorkshire) PLC	Owned by Berkshire Hathaway, the investment firm run by US multi-billionaire Warren Buffet.
UK Power Networks	Eastern Power Networks PLC; London Power Networks PLC; South Eastern Power Networks PLC	Global conglomerate CK Group, whose top shareholder is Hong Kong's richest man Li Ka-Shing.
SP Energy Networks (part of Scottish Power)	SP Transmission PLC; SP Distribution PLC; SP Manweb PLC	Subsidiary of Spanish multinational Iberdrola, which is a PLC. The biggest shareholder is the government of Qatar, followed by BlackRock and Vanguard.
Scottish & Southern Electricity Networks	Scottish Hydro Electric Transmission PLC; Scottish Hydro Electric Power Distribution PLC; Southern Electric Power Distribution PLC	PLC. Top shareholders are BlackRock and Vanguard.

Gas transmission and distribution licensees

Parent company	Regional company	Ownership – top 3 shareholders
National Gas	Gas transmission network	A private consortium led by Australian investor Macquarie.
Cadent Gas Ltd	GDNs: North West; West Midlands; East Midlands; South Yorkshire, East of England and North London	Owned by a private Jersey-registered company. According to news reports, owners include Australian investor Macquarie, as well as the governments of Qatar and China.
Northern Gas Networks	NE England GDN	Majority owned by Li Ka-Shing's CK Group (via CK infrastructure and Power Asset Group).
Wales and West Utilities	Wales and SW England GDN	Global conglomerate CK Group, whose top shareholder is Hong Kong's richest man Li Ka-Shing.[58]
SGN (Scotia Gas Networks)	Scotland GDN; Southern England GDN	Private equity consortium including the Ontario Teachers' Pension Plan, and US private equity firm GIP. [59]

8.6 Who owns the supply companies?

The supply sector is dominated by listed companies (PLCs), which are mainly owned by global investment funds such as BlackRock and Vanguard. Governments like Qatar and Norway also hold shares in these companies through their Sovereign Wealth Funds.



Below is a list of the top 10 supply companies by 2023 revenue (revenue of the subsidiary that is licensed as a supplier by Ofgem). Some of these companies are domestic suppliers, some only supply businesses, and some do both. Company share data is from Capital IQ and company information (accurate when downloaded in June 2025) unless otherwise noted.

Parent company	Ownership
British Gas	Subsidiary of Centrica PLC. Top shareholders are BlackRock and Vanguard.
OVO Energy	Privately held company. The largest shareholder is founder Stephen Fitzpatrick.[60]
Scottish Power	Subsidiary of Spanish multinational Iberdrola, which is a PLC. The Biggest shareholder is the government of Qatar, followed by BlackRock and Vanguard.
Drax Energy Solutions Limited	Supply arm of Drax Goup. Top owners include Invesco and Vanguard.
SSE	PLC. Top owners are BlackRock and Vanguard
Octopus Energy	Private holding company. As of 2024, the group was 45% owned by its UK founders and their families.[61]
SEFE Energy	Government of Germany (100%)
Corona Energy	Australian infrastructure investor Macquarie.[63]
Electricity Plus	Subsidiary of Telecom Plus, aka Utility Warehouse.[64] London-listed PLC, investors include Aberdeen Group, chairman Charles Francis Wigoder, and Schroders. BlackRock, JP Morgan, and Vanguard are also some of the largest shareholders.
E.ON	German PLC. RWE (another German PLC, see above) has a 15% stake. Other top investors include the usual BlackRock and Vanguard.[65]

9 Analysis: how privatisation and deregulation have created a market mess.

In this section, we look at five factors that contribute to our sky-high energy prices and profits. These are:

- Factor 1: **dependence on global gas markets**, with their very high prices and profits.
- Factor 2: the **"rigged" wholesale electricity market** is set up in a way that creates high profits for generators.
- Factor 3: **profit subsidies:** we are locked into long-term subsidy contracts, particularly the Renewables Obligation (RO) scheme, which give extra windfalls to some generators.
- Factor 4: **grid monopoly "licences to print money"**: the grid, a natural monopoly, has been handed to private companies.
- Factor 5: the **toothless regulator:** in Britain, Ofgem has a narrow remit which avoids addressing these issues.

All of these factors have one underlying cause in common. The fact that, since the 1980s, governments have handed control of our energy system to private multinationals and foreign states.

Of course this is a problem across the UK economy, from broken sewers to PFI hospitals. But the energy system is extreme in the sheer level of market chaos, and the profit levels it has enabled. As we saw above, energy profits are four times higher than the economy-wide average.

It's not just that these companies have been given a free hand. Rather, successive governments have taken **active steps** that have enabled them in making excessive profits. Governments have sold off grid licences, set up "rigged" market structures, and set up subsidy schemes to boost company profits.

It's not just the "invisible hand of the market"; it's the helping hand of the state, colluding to deliver "corporate welfare" at our expense.

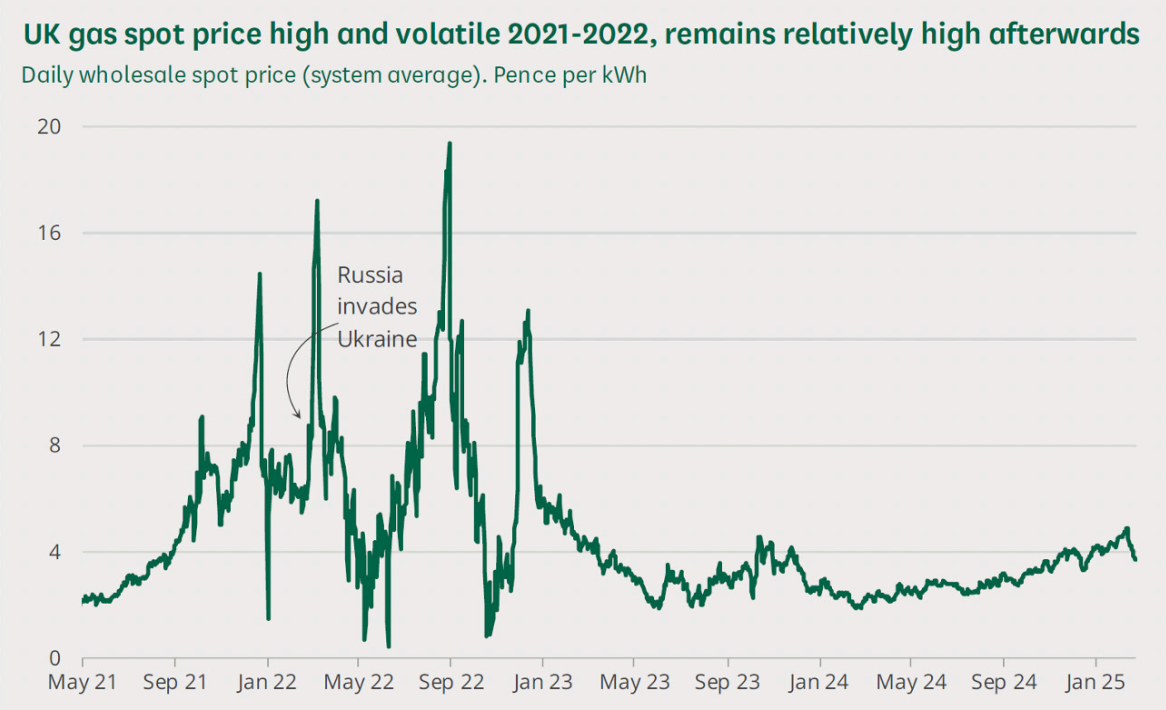
9.1 Factor 1: We are dependent on the global gas market, which fuels massive profits

The first factor is widely recognised. The UK is highly dependent on natural gas, particularly for electricity generation. As the table below shows, we generate a much higher share of our electricity from gas than other European countries – only Italy has a higher share. This means that we are particularly exposed to gas prices, which are set on global markets.

	Gas % of total energy supply 2023	Gas % of electricity generation mix 2023
UK	36.9	34.8
France	13.7	5.7
Germany	26.3	15.8

Source: International Energy Agency[66]

In 2021, the price of wholesale gas jumped from 2p per kWh in May to 15p per kWh in December, seven time higher. Then prices jumped even higher still in 2022. The initial spike was due to a number of factors, including a surge in demand for gas in Asia, and also in South America, while supply remained limited. The Ukraine war did not start the problem, but added to it in 2022.[67]



Source: House of Commons research[68]

We cannot solve this problem by using only UKCS gas: companies sell it on global markets for the highest price.

Why don't we just use more of the UK's North Sea (UKCS) gas, rather than importing gas at global high prices?

There are two problems. First, in the current "free market", gas is a global commodity, sold to the highest bidder at a price set on global markets. So UKCS prices are also set high on the same global market. North Sea gas extractors are private multinationals who have no interest in giving UK consumers a discount.

An alternative could be to nationalise the UK North Sea, taking it out of the global market system. The government could then redirect all supply to domestic use.

However, there is another problem. UKCS reserves and production are declining.

Even if the remaining gas is extracted as fast as possible, and all used domestically, it would still not meet the current high need. Production from UK fields peaked in 1999 and has been falling since. In 2023, oil and gas production was down 72% on 1999.[69] The government regulator NSTA estimates that 91% of North Sea oil and 92% of North Sea gas had been extracted by 2022.[70]

For the domestic energy system, the upshot is that we are no longer self-sufficient in gas, and increasingly depend on imports.

9.2 Factor 2: The wholesale electricity market creates windfall profits for generators

How the wholesale market works

The wholesale electricity market means electricity generators selling power either directly to big consumers or, more often, to supply companies. Electricity is a "free market", in which generators can sell the power they generate to whoever they want.

Of course, almost all electricity has to go through the same physical Grid. It is the job of an organisation called the Electricity System Operator (ESO), which was renationalised in 2024, to coordinate moving power through the system.[71] So basically: generators and their customers make contracts to trade electricity, then tell the ESO to arrange delivery.

These contracts can be made in various ways.

- Most electricity is traded in "over the counter" or bespoke deals, where generators and big customers make private longer-term contracts. These include "power purchase agreements". E.g., a generator like EDF or Uniper can agree with a supply company like Octopus or Ovo to sell them a certain quantity of electricity at a fixed price for the next 3 or 5 years.
- About 30% of electricity is traded on the **"spot market"**.[72] This is actually several electronic trading systems where generators and suppliers trade orders for "same day" or "day ahead" delivery. Even though the short-term spot market is a minority of all sales, it plays a key role in setting "reference" prices for all wholesale deals.

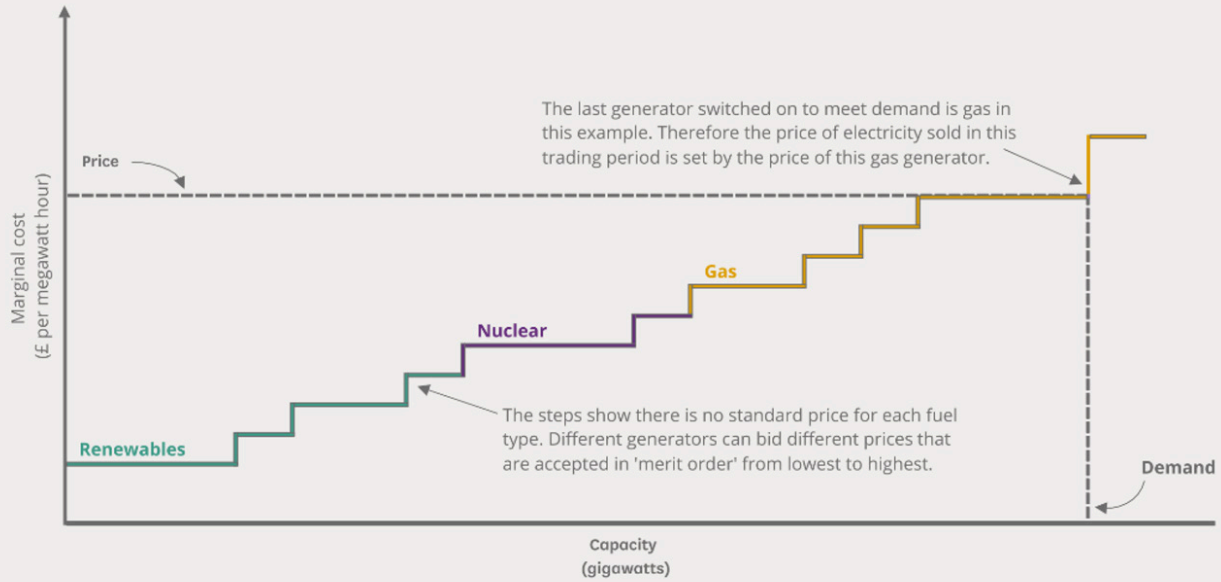
Marginal pricing

There is no such thing as a "natural" market. Markets are set up by people, and can be designed in lots of different ways. The electricity spot market was set up in the 1980s after privatisation, using a system called **"marginal pricing"**.[73]

Simplifying, it works like this. There is an auction every half hour. Generators send the operator (like an auctioneer) bids stating how much electricity they have to sell and how much they will accept for it. Suppliers tell the operator how much electricity they want to buy.

The Operator adds up the total demand, and ranks the generators by how much money they are asking – called the **"merit order"**. The most expensive generator whose electricity is needed to meet total demand is called the marginal generator, and their bid price is the **marginal price**.

Illustration of marginal pricing and the 'merit order' of electricity generators in the wholesale market



Now the operator sets the wholesale price, which is paid to all generators, equal to the marginal price. That is, every generator gets paid the same as the most expensive generator.

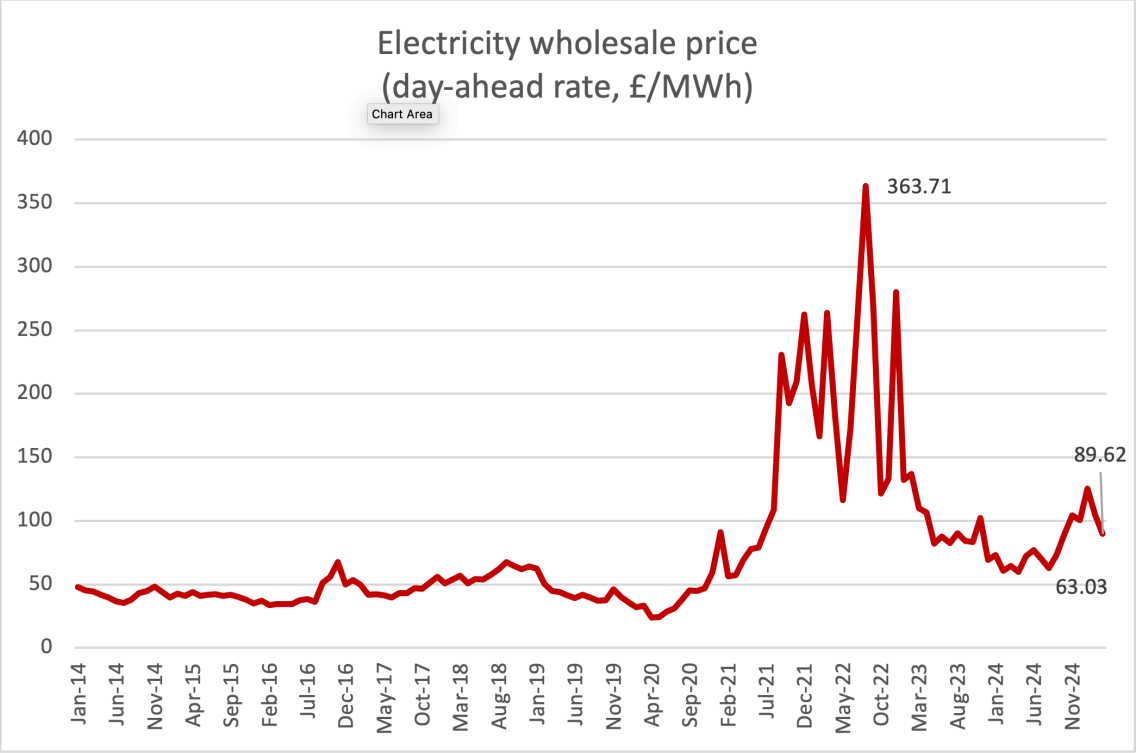
Different types of generation have different costs. Wind and solar, around 35% of the supply now, have the lowest operating costs – once they are set up, wind and sunshine are free. Nuclear, around 15% of generation, has slightly higher operating costs (and much higher capital costs).

But the most expensive of all is gas, which needs a constant supply of fuel. Although gas now fuels under a third of electricity, it still very often acts as the "marginal" fuel. In 2021, the marginal price was set by gas generation 98% of the time (compared to 58% in other European countries.)[74]

The wholesale market structure creates windfall profits for non-gas generators.

So, when gas prices jumped in 2021-2022, so did electricity prices in the spot market. And because the spot market is a "reference" for other contracts, their prices also shot up.[75]

This meant that non-gas generators selling on the wholesale market could get a **windfall** profit. They didn't have to pay the high cost of gas, but could still charge the same high price as gas generators.



Source: Ofgem[76]

But gas generators have also been able to boost their prices and profits, using their position setting the "marginal price".

The issue of marginal pricing "windfalls" is well known in the industry. But there is an additional puzzle. As our research shows, it isn't only non-gas generators who have been making very high profits. (See Section 6 above.) Gas-powered generators like RWE have also been extremely profitable.

Why is this, if they have to pay such high gas costs? Part of the answer is that, even though their gas costs have jumped, they have been able to raise their wholesale electricity prices by enough to cover this – or perhaps by even more. This may be an example of the "mark-up inflation" that has been widespread across the economy in the cost-of-living crisis, as previous Unite research has analysed.[77]

In fact, it can be argued that gas generators are able to use their key position in setting the marginal price to boost prices for all generators – including themselves. Adam Bell, former government (BEIS) head of energy strategy, has argued that dealing with the market power of gas generators may be "fundamental to driving down the cost of power."[78]

9.3 Factor 3: Subsidies have boosted profits for renewable generators

Renewable generation like wind and solar has extremely low ongoing costs – wind and sunshine are free. But it has relatively high initial capital costs.

In other countries, governments have encouraged development of renewables by investing directly in building wind farms and other facilities. But in the UK's fully privatised system, our government relies on the markets providing long-term investment. And when companies fail to invest on their own, the government tries to incentivise them by offering subsidies.

The Renewables Obligation (RO) scheme.

In 2002, the government began subsidising renewables generators through the "Renewables Obligation" (RO) scheme. This pays generators "financial support" on every unit of electricity they sell, at a rate fixed for 20 years. Generation companies under this scheme then get two sources of income: they sell their power on the wholesale market like other generators, and then they get an extra top-up.[79]

As we saw above, RO subsidy is then passed onto our bills. It makes up by far the biggest chunk of the "environmental levies" paid by both households and industry. The total cost was £7 billion in 2023.[80]

The RO scheme was closed to new generators in 2017. However, the 20-year deals mean that some generators will still benefit for years to come.

In the early days, the scheme could be justified by the need to subsidise the high costs of investing in new technologies. But the costs of building renewables have come down dramatically in recent years. So, basically, we are now subsidising profit.

To put it another way: this is not really a problem of "Net Zero". It is a problem of government inefficiency subsidising company profits.

Contracts for Difference.

The RO scheme is widely recognised as expensive. It was closed in 2017 and replaced with a new system: Contracts for Difference (CfD) auctions. The government has held six auctions since 2017.

In each auction, the government sets a target for how much new generation it wants built of different types (e.g., hydro, solar, offshore and onshore wind), and invites companies to bid for contracts. The contracts offer a guaranteed price (the "strike price") for the electricity they will generate, fixed for 15 years but adjusted for inflation. The government sets a maximum price ceiling in the auction. Companies submit sealed bids for contracts, and the lowest priced bids win – provided they are under the ceiling.[81]

The mechanism is more complex than the government just paying the companies. Instead, generators sell their electricity on the wholesale market as normal. But if the price they can get falls below the CfD "strike price", they get a top-up from a government body called the Low Carbon Contracts Company (LCCC). On the other hand, if the wholesale price is above the strike price, they pay the difference back to the LCCC.

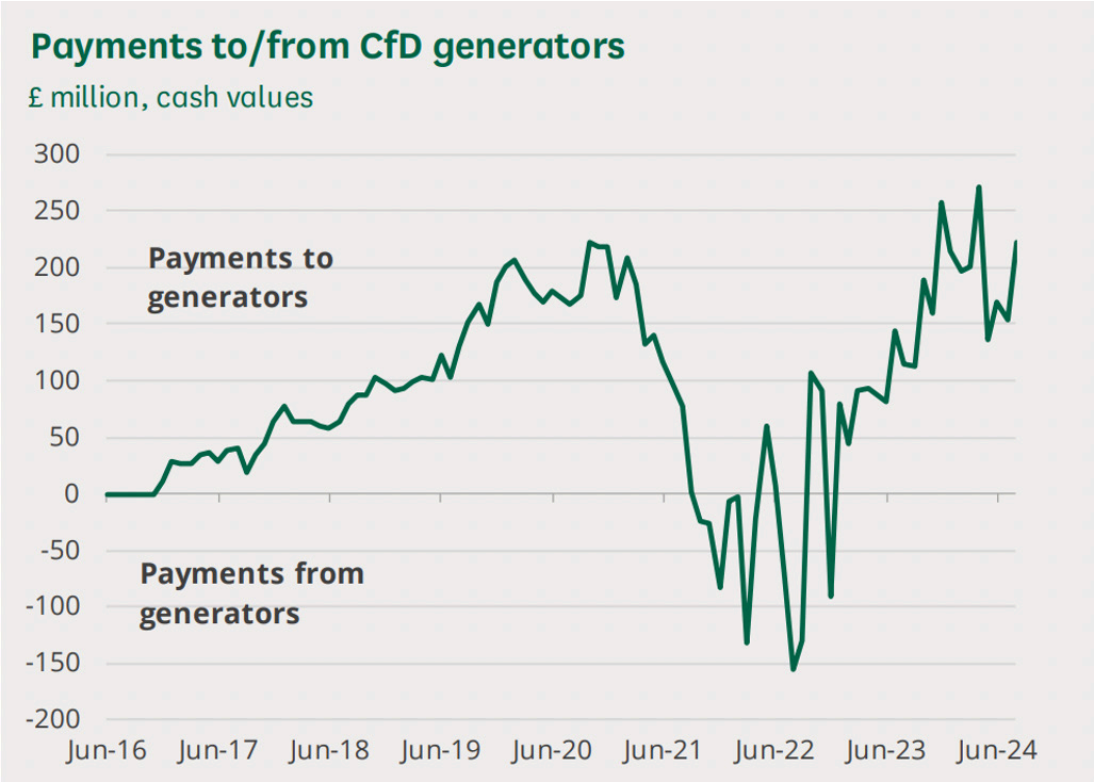
Again, the subsidy doesn't come from general taxation: the LCCC claims it back from suppliers, who pass it on to customers in our bills.[82] CfD costs made up £1.9 billion of the "environmental levies" in 2023.[83] Currently around 15% of renewable energy generation is on these CfD contracts, which amounts to 7% of total electricity.[84] The proportion will go up as auction rounds continue.

- **CfD costs are similar to or even higher than wholesale market prices.**

Although CfD subsidies are not as expensive as the older RO scheme, in practice they are still subsidising profits.

In theory, CfDs can also work the other way: if wholesale electricity prices go above the "strike price", generators end up paying us money. This actually happened in 2021-22, when the wholesale price soared to record levels.

But it is important to note that this was the only time overall CfD payments have been negative (i.e., the generators paid us). Over their history, they have very much been a subsidy – as the chart below shows. From 2017 on, the total paid out in CfD payments rose steadily to reach over £200 million per month in 2020. Since 2023 they have risen again to as high as £250 million per month.



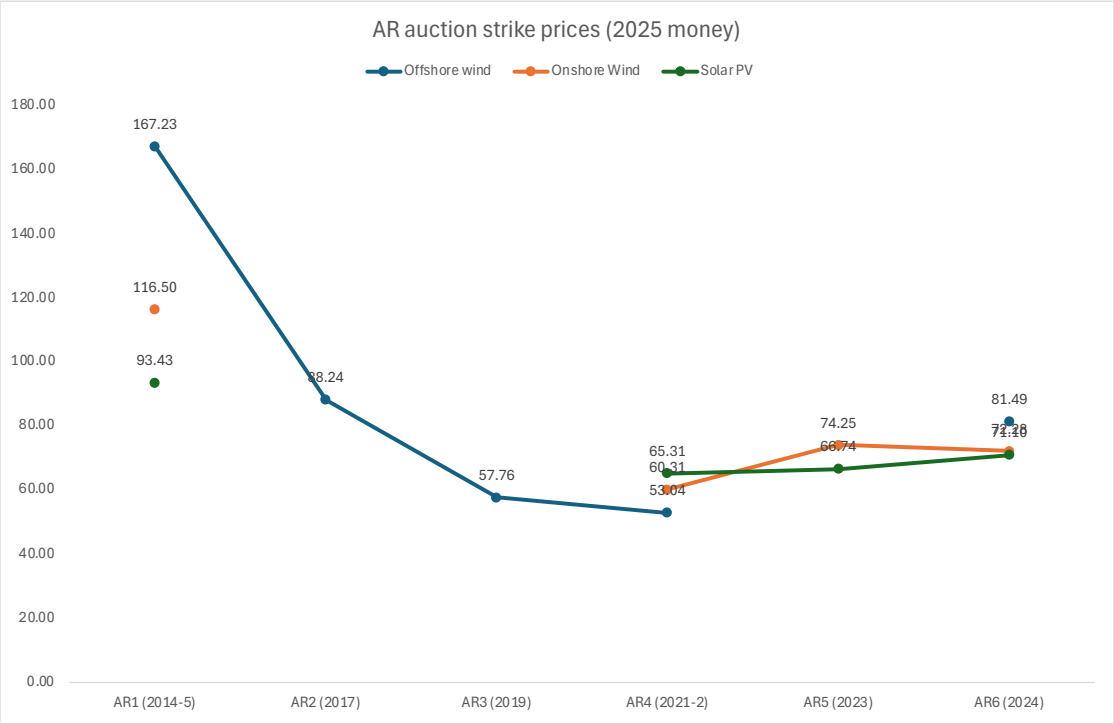
Source: LCCC, Actual CfD Generation and avoided GHG emissions

What this means is that, even though wholesale spot prices are now still very high, CfD fixed payments are even higher.

Why is this? One reason is that CfD prices in early auctions were higher than now: the costs of renewables technologies have come down rapidly since 2017. But, similar to ROs, we are locked into those high prices for 15 years.

Another reason is that, even despite falling costs, the generators have kept prices high. In fact, prices have gone up again in the last two auction rounds.

This is shown in the chart opposite. Note: the government, and media, usually report auction prices deflated back to "2012 money". This makes it easier to compare prices across auctions – but it can also hide how much we are actually paying the companies now, in today's actual money.



In September 2023, the government failed to auction a single offshore wind contract in the AR5 auction (they did auction onshore wind, solar, and some other smaller projects). This was because no company bid below its ceiling price of £44/MWh (in 2012 prices = £62.50 today). This led the new government to significantly raise the ceiling again in last year's round AR6.

The average strike price for offshore wind projects in this last auction was £57.39 in 2012 prices (£81.49 today). In September 2024, when the auction was awarded, this meant £80/MWh.[85] The average day-ahead spot market electricity price at this point was £73.[86]

This clearly suggests that the high cost of gas is not the **only** factor pushing up electricity prices. There is no direct link between gas costs and CfD auction rates, and yet CfD prices are also high.

So if renewables are getting cheaper to build, why are CfD subsidies going up?

The companies say it is all about their supply chain costs. In the 2023 auction, the companies argued that they needed higher prices because their materials and construction costs have gone up.

Recently, in May 2025 Orsted said it was pausing work on the giant Hornsea 4 offshore windfarm, which was agreed in last year's AR6 Auction. Again, the company said this was because of rising supply chain costs, as well as high interest rates and construction risks.[87]

There is no doubt that supply chains are being squeezed. For example, raw materials in wind turbines include steel (around 90%), copper, other metals and rare minerals. The prices of these have all risen considerably since 2021.[88] There may also be serious limits on manufacturing and construction capacity.

This is one reason why Unite has argued strongly that **we need to invest in domestic steel production, and in local manufacturing capacity**. But also, our research on profits shows there may be another crucial factor: the power of companies to push up profits through the recent cost of living crisis. Generation companies have been making high profits. This suggests costs can't have risen that high – or they'd be eating into their margins.

As well as supply chain and interest costs, part of the reason may be that there are only a few companies able to build major renewables projects. These few companies may have considerable **market power** to push up prices.

9.4 Factor 4: The grid monopolies have been given licences to print money

As shown above, after gas extraction profits, the highest margins are made by the Grid monopolies. This is no surprise, given basic economic theory. A transmission or distribution grid is a natural monopoly: no one is going to build a whole new network of pylons to try to undercut the National Grid network charges. So customers have to pay whatever National Grid PLC asks.

In theory, this is where Ofgem should step in to limit network charges. But Ofgem is a toothless regulator (see below). Year after year, these licensed monopolies have been allowed to make spectacular profit margins.

The government's "Supercharger" scheme has exempted around 500 energy-intensive industrial companies from 60% of network charges. In the June 2025 "Industrial Strategy", the government announced this will increase to 90%.[89] This is a welcome relief for heavy industry. But the worry is that industrial exemptions may be funded by households paying a bigger share. A fairer solution would be: **take the money back from the companies' excessive profits.**

9.5 Factor 5: Ofgem is a toothless regulator that ignores the real issues

In Britain, Ofgem monitors and regulates profits on just part of the system: domestic (not industrial) supply, and the grid where it sets long-term price controls. It has no remit to tackle the areas of biggest profit, gas production and generation. And while it is supposed to address grid profits, it is notably failing to do so.[90]

For example, research by the Citizens Advice Bureau (CAB) has shown how Ofgem allowed the grid companies to make even more money by over-estimating their borrowing costs in its price control calculations. The CAB says this dopped a "near £4 billion windfall into their laps" over the last four years.[91] And that is on top of the already high profit margins Ofgem allows the companies, even before any miscalculation.

It would be charitable to suppose that Ofgem's decisions are all the result of "misjudgement". The complexity of the energy system allows Ofgem to make extremely misleading claims. For example, in August 2023, Ofgem's CEO Jonathan Brearley appeared on BBC Breakfast defending the fact that the price cap had only come down 7%, even though wholesale gas and electricity prices had dropped much more. He argued that he had to leave prices high to allow energy companies to make higher profits.[92]

Brearley was asked: "why are the energy companies allowed to make such huge profits?" And he answered: *"let me talk about the part of the system that Ofgem regulates which is the retail market […] their profits were just above zero"*.[93]

Of course, Brearley knew full well that profits everywhere else in the energy system are sky-high. But Ofgem's narrow mandate means its managers keep their eyes tight shut to the big picture.

His claim that Ofgem only regulates "the retail market" is also misleading. The regulator's remit is supposed to include monitoring wholesale competition, as well as setting price limits on the transmission and distribution grids. Brearley, in this interview, didn't even seem to recognise that regulating the grid is supposed to be part of his job.[94]

10 The solution: Unite's proposals

10.1 Pay and conditions for energy workers

Energy is the most profitable of all industries. The least we can demand is that these high-profit companies deliver decent pay and good conditions for their workers. We must organise for:

- A significant pay rise for energy workers, and improvements in terms and conditions, including the re-opening of final salary pension schemes.
- In-housing and end of casualisation in energy sectors.
- Sectoral collective bargaining to deliver good pay and conditions in new renewables generation industries.
- Public investment to create a domestic renewables manufacturing industry. Secure the supply chain for new generation projects and create tens of thousands of new good jobs.

10.2 A genuine workers' transition: North Sea workers must not become the next coal miners

At the same time as organising the new energy industries, we must fight for the future of workers in the North Sea, and other parts of the energy system where jobs are under threat. We cannot allow oil and gas workers to become the new coal miners.

Unite's campaign is called "No Ban Without A Plan". No ban on new North Sea licences without a serious, concrete plan for new good quality jobs. Don't let go of one rope until we have hold of another

Workers and communities need to see spades in the ground and real, well-paid jobs delivered soon. Otherwise pledges on a just transition in the oil and gas sector are just so much hot air.

10.3 Public ownership is the obvious solution to profiteering, starting with the Grid

Unite's policy is to renationalise our energy system. Decades of market chaos have given us the highest energy costs in Europe, as well as crumbling energy infrastructure. The "free market" system has proved unable to deliver.

In Unite's 2023 report, we estimated the overall costs of renationalisation, including if the taxpayer were to buy back the system assets at their "book value". We estimated a book value of £90 billion, including all energy system assets including the North Sea, generation facilities, and the grid. So the cost would be less than three years' worth of energy profits.[95]

Unite has argued that the highest priority is taking back control of the Grid – both transmission and distribution networks.

- We urgently need long-term investment to rebuild and upgrade the grid. This can be paid for by reclaiming the more than £5 billion per year the network companies extract in monopoly profits.[96]
- As well as boosting investment, the proceeds from public ownership could cut network charges for industry – without pushing the burden onto households.

10.4 Properly fund GB Energy to lead on new generation projects and power industry

Unite backs the creation of Great British Energy, a new publicly owned company to lead the way in generation. But we need to get serious. The current £8.3 billion allocated to fund GBE is a drop in the ocean. That's not even a quarter of the profit made by private energy companies every year. A properly funded GBE could make a serious difference in shifting energy costs.

- GBE should lead and take a public stake (as an "investor of first resort") in major new generation projects. Currently governments "incentivise" investment in new projects by offering subsidies in CfD auctions, with the costs passed on to our bills. It would be much more cost-effective to use GBE as lead developer. And more secure: unlike Danish government-owned Orsted, we could ensure that GBE would not pull out of new schemes (like Hornsea 4) because it can make more profit elsewhere.
- GBE could target power to critical Industrial Clusters. GBE could bypass the wholesale market altogether by making affordable long-term power purchase agreements with industrial users.[97]
- GBE should have the mission of building a world-leading new renewables generation company.
- GBE projects should be backed by further capital from the National Wealth Fund (NWF). Again, the fund is a good idea that needs to be seriously scaled up: compare its £27.8 billion capital with the £580 billion of Germany's public investment bank KfW.
- GBE projects must create good, unionised jobs. It can spearhead rolling out collective bargaining, for decent pay and conditions, across the energy sector.

10.5 A future energy system: public stakes, our power

It's time to learn our lesson from the North Sea. In the UK, we handed out licences to multinationals for a peppercorn rent and ultra-low tax rates. They extracted hundreds of billions for shareholders, and left us with nothing. In Norway, the government took a public stake in every field, and put the resources into its Sovereign Wealth Fund, Norges Bank.

Now Norges Bank is the biggest state-owned fund in the world, currently worth £1.3 trillion.[98] The government saves the fund for Norway's long-term future, using it as an asset for investment projects. And it uses the annual profit from the Fund's investments to provide up to 20% of the country's budget.[99]

It's not too late to apply the Norwegian model to the green energy industries of the future. This is the first lesson: **public stakes are critical**.

Unfortunately, there is another lesson to learn too. We cannot trust politicians not to collude with the profiteers. Suppose we managed to nationalise the energy system, how can we guarantee that future governments won't asset-strip it again?

So the second lesson is: **the only guarantee is our power and organisation**. Workers and communities need to be directly involved in governing publicly owned companies like Great British Energy, not just as token board members, but with majority control.

And, most importantly, we need to build organisation in our workplaces and communities, so that we can defend our resources and our jobs, and set the pace of change.

Appendix: methodology and key sources

Profit calculations

For the generation, grid, and supply sectors, we calculated overall sector profits using 2024 company accounts. For companies who have not released 2024 accounts, we substituted these numbers for the latest data available. Accounting information was downloaded from proprietary databases (Orbis and Capital IQ) where possible, and then checked against company information filed with Companies House.

In generation, we estimated overall industry profit based on the accounts of the largest 71 companies (by revenue) with Ofgem generation licences in Britain. As some of these companies have revenues and profits that are not exclusively from generation, or not exclusively from the UK, we carried out detailed company-level research to identify or estimate only revenues and profits made from UK generation. Note that, although we only looked at Ofgem licences, many of these companies are also active in Northern Ireland.

We took a similar approach in the supply sector, but using all Ofgem licensed supply companies as the initial sample. We then excluded many of these whose main revenue sources are not UK energy supply.

In the Grid (transmission and distribution), we used reported accounts of all licensed companies in Britain. Although many of these companies are UK subsidiaries of multinationals, their accounts are on the whole much more clearly segmented than generation and supply companies, so there was no need for estimation. Note that we did not look at the companies in the Northern Ireland grid systems, which means that our figures are an under-estimate of the UK total.

There is very little transparency in the UKCS oil and gas sector. The majority of companies are multinationals, and almost none publish revenues or profits from UKCS activity. Instead, we estimated overall industry profits using data from the North Sea Transition Authority (NSTA), which conducts regular surveys of all licence-holding companies and publishes its calculations on overall income and expenditure. However, while the NSTA figures include company overheads, it is not clear to what extent they fully account for finance costs of companies. Thus, we further subtracted our own estimate of interest costs to estimate pre-tax profit, based on accounts of a sample of companies active in the UKCS.

In the Norwegian Continental Shelf (NCS), our profit estimates are based on the published accounts of Equinor, as this one company sells around 70% of all Norwegian gas (including the gas it sells on behalf of the State Direct Financial Interest).

Ownership calculations

Ownership figures are based on identified shareholdings in the parent companies of energy operators. Where possible, we used the CapitalIQ database (for PLCs) and Companies House accounts (for UK companies) to identify shareholders, and carried out further checks against company websites and media reports.

To identify the relative "ownership" of a sector, we used different measures. For the grid and supply, we weighted company information by revenue. In the case of the UKCS, we looked at the share of production by licences (calculated from NSTA data). In the case of generation, we looked at the share of overall generation capacity (calculated from DUKES major power generator data).

[1] https://assets.publishing.service.gov.uk/media/67e4f711d052ace7e89776e1/Energy_Trends_March_2025.pdf

https://www.gov.uk/government/statistics/natural-gas-chapter-4-digest-of-united-kingdom-energy-statistics-dukes

https://assets.publishing.service.gov.uk/media/66a76bf2ce1fd0da7b592e5d/UK_Energy_in_Brief_2024.pdf

[2] https://NSTA production forecasts

[3] https://NSTA historic estimates of oil and gas production

[4] https://oeuk.org.uk/offshore-energies-uk-oeuk-why-is-the-uk-exporting-gas-when-we-are-short-supply/

[5] https://www.gov.uk/government/statistics/gas-section-4-energy-trends

Note that this total gas supply is not all used in the UK, as some is exported or re-exported.

[6] https://www.ft.com/content/f2ca6690-0390-4374-a9d5-29caf2d651dd

[7] https://assets.publishing.service.gov.uk/media/66a76bf2ce1fd0da7b592e5d/UK_Energy_in_Brief_2024.pdf **p27**

[8] https://assets.publishing.service.gov.uk/media/67e4f711d052ace7e89776e1/Energy_Trends_March_2025.pdf

https://www.gov.uk/government/statistics/natural-gas-chapter-4-digest-of-united-kingdom-energy-statistics-dukes

https://assets.publishing.service.gov.uk/media/66a76bf2ce1fd0da7b592e5d/UK_Energy_in_Brief_2024.pdf

[9] https://www.ons.gov.uk/economy/economicoutputandproductivity/output/articles/theimpactofhigherenergycostsonukbusinesses/2021to2024

[10] https://www.gov.uk/government/statistical-data-sets/international-domestic-energy-prices

[11] https://www.gov.uk/government/statistical-data-sets/annual-domestic-energy-price-statistics

[12] https://www.ons.gov.uk/economy/economicoutputandproductivity/output/articles/theimpactofhigherenergycostsonukbusinesses/2021to2024

[13] https://assets.publishing.service.gov.uk/media/6762955acdb5e64b69e30703/quarterly-energy-prices-december-2024.pdf

Data here: https://www.gov.uk/government/statistical-data-sets/international-industrial-energy-prices

[14] https://assets.publishing.service.gov.uk/media/6762955acdb5e64b69e30703/quarterly-energy-prices-december-2024.pdf

Data here: https://www.gov.uk/government/statistical-data-sets/international-industrial-energy-prices

[15] **Source:** Unite research based on analysis of company accounts. Note this report was published in 2024, at which point only a minority of companies had reported 2023 data.

[16] Around 10% of the licensed generation subsidiaries have reported 2024 profits at the time of writing. Although several of the main parent companies have reported, these often do not segment their profits in a way that allows us to identify the profits from UK generation alone.

[17] This is even after accounting for the "Energy Generators' Levy", a form of "windfall tax" charged on profits from high electricity wholesale prices, introduced in 2023. We have not been able to analyse how all companies treated this levy, but at least some major generators accounted for it in their operating costs, so in this case it is already deducted from the profit before tax figures in this report.

[18] https://www.norskpetroleum.no/en/facts/companies-production-licence/

[19] https://www.petoro.no/home

[20] https://www.ofgem.gov.uk/sites/default/files/2024-01/CSS%20Decision%20Document%20February%202024.pdf

[21] Source for generation capacity shares: DUKES List of Major Power Stations in the UK operable as of May 2024

[22] https://www.sse.com/news-and-views/2025/05/sse-announces-full-year-202425-financial-results

[23] https://www.sse.com/news-and-views/2025/05/sse-announces-full-year-202425-financial-results

[24] https://find-and-update.company-information.service.gov.uk/company/03076445/filing-history

[25] https://find-and-update.company-information.service.gov.uk/company/03987817/filing-history We note that this subsidiary does not appear to consolidate all generation subsidiaries of RWE group, so the parent company's total generation profit may be higher.

[26] https://www.bbc.co.uk/news/articles/cdxnpzzjed1o

[27] https://www.theguardian.com/business/2025/apr/25/mps-question-value-of-billions-in-subsidies-granted-to-drax-power-plant

[28] https://www.drax.com/wp-content/uploads/2025/05/Drax_AR2024_Interactive.pdf **p167**. However, profit from generation activities of all Drax subsidiaries appears to be higher than this reported parent company total.

[29] https://ember-energy.org/latest-updates/drax-profits-rise-as-electricity-generation-falls-show-new-figures/

[30] https://www.scottishpower.com/userfiles/file/SPUK_2024_Annual_Accounts.pdf

[31] https://www.scottishpower.com/userfiles/file/SPUK_2024_Annual_Accounts.pdf **p21**

[32] https://find-and-update.company-information.service.gov.uk/company/02796628/filing-history

[33] https://www.ofgem.gov.uk/information-consumers/energy-advice-households/energy-price-cap

[34] https://www.gov.uk/government/statistical-data-sets/annual-domestic-energy-price-statistics

[35] https://energyadvicehub.org/eii-renewables-levy-exemption-scheme/

[36] https://obr.uk/docs/dlm_uploads/OBR_Economic_and_fiscal_outlook_March_2025.pdf **p162**

[37] https://obr.uk/docs/dlm_uploads/Detailed_forecast_tables_Receipts_March_2024.xlsx

[38] https://obr.uk/docs/dlm_uploads/OBR_Economic_and_fiscal_outlook_March_2025.pdf **p91**

Also: https://ember-energy.org/latest-insights/subsidies-for-drax-biomass/

[39] https://www.nbim.no/

[40] https://www.e3g.org/news/powering-up-the-national-wealth-fund-to-drive-investment-into-the-uk-s-green-economy/

[41] https://gfmag.com/economics-policy-regulation/qia-key-investments/

[42] https://www.ithacaenergy.com/people/itshak-sharon-tshuva

[43] https://www.neweuropeanoffshore.com/about/ownership/

[44] https://www.forbes.com/profile/daniel-kretinsky/

[45] https://www.forbes.com/profile/pavel-tykac/

[46] https://orsted.com/en/investors/shares

[47] https://www.swissinfo.ch/eng/vitol-hands-traders-record-%246.5-billion-payout-after-profit-boom/85370940

[48] https://www.arapartners.com/portfolio/

[49] https://www.7gi.com/media/2024/20240205.html & https://www.7gi.com/#beneficiary

[50] https://www.greencoat-renewables.com/

[51] https://www.ecpgp.com/about

[52] https://group.vattenfall.com/about-us

[53] https://www.theguardian.com/business/2025/apr/29/macquarie-thames-water-uk-debt

[54] https://www.ofgem.gov.uk/sites/default/files/2024-06/electricity_licencees.pdf

https://www.ofgem.gov.uk/sites/default/files/2025-04/RIIO-2%20Electricity%20Distribution%20Annual%20Report%202023%20to%202024.pdf

https://www.energynetworks.org/customers/find-my-network-operator

[55] https://news.enwl.co.uk/news/uk-cma-clears-iberdrolas-acquisition-of-electricity-north-west

[56] https://www.wwutilities.co.uk/media/5748/2556_wwu_modern-slavery-statement_2024_fnl.pdf **p4**

[57] https://www.sgn.co.uk/sites/default/files/media-entities/documents/2024-07/SGNAnnualReport2024.pdf **p41**

[58] https://find-and-update.company-information.service.gov.uk/company/14443869/filing-history

[59] https://octopusgroup.com/wp-content/uploads/sites/2/2024/03/Octopus-Group-Annual-Report-2022-2023.pdf

[60] https://octopusenergy.com/about

[61] https://find-and-update.company-information.service.gov.uk/company/03241012/persons-with-significant-control

https://find-and-update.company-information.service.gov.uk/company/04752472/persons-with-significant-control

62 https://www.telecomplus.co.uk/

63 https://www.eon.com/en/investor-relations/stock/shareholders-structure.html

64 https://www.iea.org/regions/europe/natural-gas; https://www.iea.org/countries/france/natural-gas;

https://www.iea.org/countries/germany/natural-gas; https://www.iea.org/countries/united-kingdom/natural-gas

65 **See Section 6 of our report "Profiteering Across The Economy" (March 2023) for more detail.** https://www.unitetheunion.org/media/5442/profiteering-across-the-economy-march-2023.pdf

66 https://researchbriefings.files.parliament.uk/documents/CBP-9714/CBP-9714.pdf **p4**

67 https://www.dropbox.com/scl/fi/dpwwfvj537vjtlkop3dha/NSTA-March-2024-production-forecasts.xlsx?rlkey=86p5nxysg5qt9r46glzcvd5q3&dl=0 ['Actual and forecast production' tab]

68 https://www.dropbox.com/scl/fi/nc5gmfv6nvqna6q1h2sf6/NSTA-historic-estimates-of-oil-and-gas-production-1973-2022.xlsx?rlkey=9rjs3zn48xea4n67a5sil17nr&dl=0 ['% of reserves consumed' tab]

69 https://www.gov.uk/government/news/new-publicly-owned-national-energy-system-operator-to-pave-the-way-to-a-clean-energy-future

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71 **For a detailed history of UK energy market structures since privatisation see:** https://ceepr.mit.edu/wp-content/uploads/2021/09/2018-004.pdf

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94 The Grid is one sector where we can calculate Net Income after tax – and this was £4.3 billion in 2023. All of that money would be available to the government for other uses if the Grid was public.

95 As has been argued by Stonehaven: https://assets.nationbuilder.com/stonehaven/pages/1051/attachments/original/1730477133/A_New_Energy_and_Industrial_Revolution_Making_GB_Energy_a_Success.pdf?1730477133

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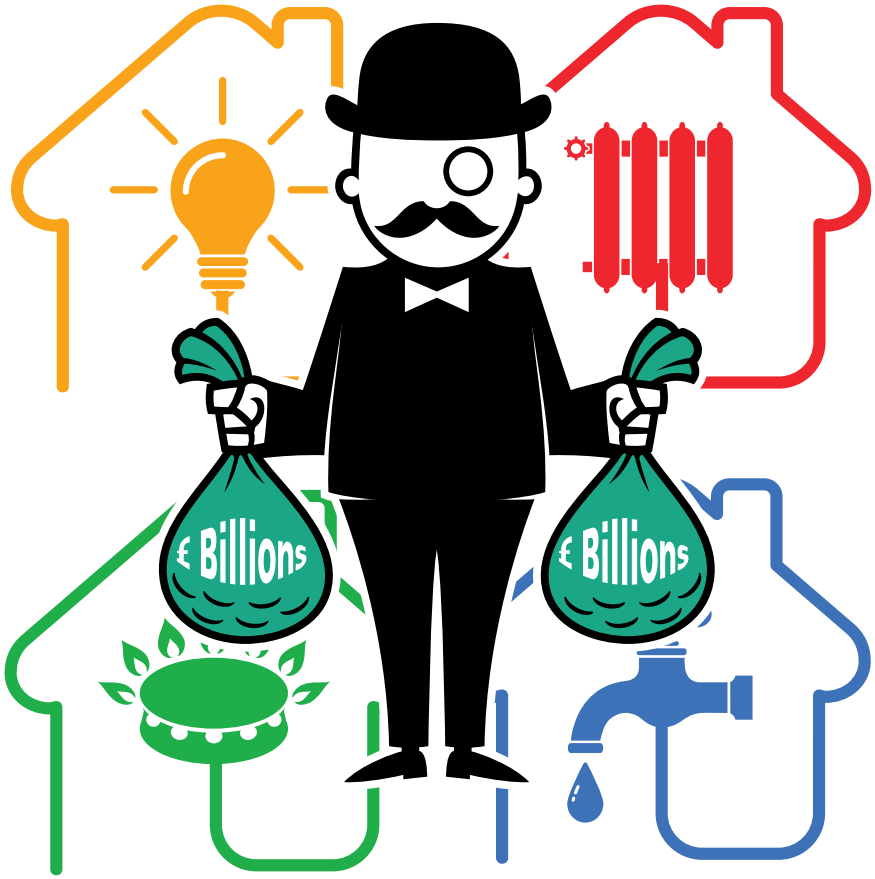
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