UK OFFSHORE LOW-CARBON INTELLIGENCE BRIEFING

Week Ending 25 July 2026

Coverage Period	Audience	Classification
19 – 25 July 2026	NES Tier 2/3 Energy Supply Chain	Weekly Market Intelligence

Executive Summary

The seven days to 25 July 2026 delivered a political and commercial earthquake for the UK energy sector. Andy Burnham entered Downing Street as Prime Minister on Monday 20 July after Sir Keir Starmer's resignation in late June, immediately reshaping energy policy: Miatta Fahnbulleh (Peckham MP, 2024 intake) was appointed Secretary of State for Energy Security and Net Zero — the first of the 2024 Labour intake to reach Cabinet — while Ed Miliband was moved to the Foreign Office and John Healey named Chancellor. Burnham's first policy action was removing VAT from electricity bills from 1 October 2026 (impacts the next Ofgem price cap). Within days he asked civil servants to prepare consents for both Rosebank and Jackdaw, backing a reported £8.7bn Shell–Equinor JV Adura investment in the North Sea. Fast-track approval is under active consideration; the Rosebank OPRED public consultation closes 17 August and Fahnbulleh will deliver the final decision.

Alongside the reshuffle, DESNZ opened the AR8 CfD application window on 20 July — the largest single commercial gate of Q3. Over 17 GW of offshore wind capacity is eligible in Pot 3 (ASP £113/MWh), and Pot 4 opens to floating and the new Other Deep Offshore Wind category at £271/MWh. Applications close 7 August, results between 27 November 2026 and 17 February 2027. The Clean Industry Bonus budget was raised from £200m to £515m for AR8 with payments now made on Delivery.

Also on 20 July, the Scottish Government granted consent to Ocean Winds' 2 GW Caledonia project (£1.7bn Scottish supply-chain commitment, up to 39 floating turbines on Caledonia South). Harbour Energy's Viking CCS secured £65.5m development funding, Fugro was contracted for the Northern Endurance Partnership CO_2 pipeline survey, Barrow Green Hydrogen received its Environment Agency permit with Ramboll as Owner's Engineer, and Ofgem confirmed 16 LDES cap-and-floor Window 1 projects totalling 7.6 GW / 46.5 GWh.

For NES Tier 2/3 suppliers, the next four weeks are a decisive commercial gate. The AR8 window (closes 7 August), the Rosebank and Jackdaw consent decisions (17 and 10 August closes), Fidra's 500 MW/1.1 GWh West Burton C BESS financial close, Engie's 100 MW Scottish BESS commissioning, and DESNZ's Capacity Market T-1 (5 GW / 2027-28) and T-4 (40.9 GW / 2030-31) auction parameters together open supply-chain slots across offshore wind, decommissioning, CCUS, BESS EPC, high-integrity welding and QHSE/ESG advisory.

Firms should confirm Letters of Intent with Tier 1 EPCIs bidding into AR8 this week, target the new ODOW category (less contested), engage Harbour Energy on Viking CCS FEED-to-execution, and register interest in the DESNZ Strategic Policy Guidance response (deadline 19 August) and Ofgem Offshore Transmission Cost Assessment consultation (closes 7 September).

1. Offshore Wind — Fixed Bottom

AR8 CfD application window opens — 17+ GW offshore wind eligible (20 July 2026)

DESNZ opened the AR8 Contracts for Difference application window on Monday 20 July 2026, closing 7 August. Pot 3 (fixed-bottom offshore wind) has more than 17 GW of eligible capacity with an Administrative Strike Price of £113/MWh (2024 prices). Pot 4 opens to floating and the new Other Deep Offshore Wind (ODOW) category at £271/MWh, alongside geothermal and tidal. Pot 5 is Remote Island Wind. Sealed bid visibility has been extended to solar PV and onshore wind, the Unrealistic Contract Notice regime has been strengthened, and a Gate 1 exclusion has been introduced. Finalised budget will be published between 17 September and 19 November, with allocation results between 27 November 2026 and 17 February 2027.

> **NES Sales Opportunity:** The AR8 window (20 July – 7 August) is the single largest commercial gate of Q3 for NES contractors. Tier 1 EPCIs bidding into AR8 are finalising subcontractor Letters of Intent this week and next for fabrication, cabling, foundations, blade logistics, port handling and O&M. NES firms should confirm slots in bid packages immediately and target the ODOW category, which is new and less contested than fixed-bottom offshore wind.

Clean Industry Bonus budget more than doubled to £515m (20 July 2026)

The Clean Industry Bonus (CIB) budget for AR8 was raised from £200m to £515m at the point the auction opened. CIB payments now flow on delivery rather than at contract award, and apply to all offshore wind categories — fixed-bottom, floating and ODOW. The change is intended to reward developers demonstrating tangible UK supply-chain and manufacturing investment as projects reach construction.

> **NES Sales Opportunity:** Payment-on-delivery CIB pushes AR8 developers to lock in demonstrable UK content at bid stage. NES fabricators, welding contractors, blade logistics, cable installers and port operators should present concrete manufacturing evidence — not just capability statements — to Tier 1 EPCIs bidding in Pots 3 and 4. Firms with Scottish or North East England manufacturing footprints are best positioned.

Scottish Government grants consent to 2 GW Caledonia offshore wind farm (20 July 2026)

The Scottish Government granted consent and marine licences to Ocean Winds — the 50/50 joint venture between EDP Renewables and Engie — for the 2 GW Caledonia offshore wind farm in the Moray Firth. The project covers 429 sq km with up to 140 turbines across Caledonia North (bottom-fixed) and Caledonia South (combined fixed-bottom and floating, including up to 39 floating turbines). Ocean Winds' Supply Chain Development Statement commits £1.7bn of Scottish spend across the two projects. A new SSEN Formartine substation is planned. Offshore construction is expected to start in 2030, subject to CfD success and Final Investment Decision. Aberdeenshire Council had already granted onshore consent earlier in 2026.

> **NES Sales Opportunity:** Caledonia consolidates a third Moray Firth cluster asset for Ocean Winds alongside Moray East and Moray West — a rare pipeline of £5bn+ of consecutive projects for a single developer. Aberdeen fabricators, subsea installation contractors, HDD/cable specialists and marine coordination providers should engage Ocean Winds' Aberdeen office now to be listed for the 2027–29 pre-construction contracting cycle. The Caledonia South scope includes up to 39 floating turbines — a direct opportunity for mooring, dynamic cable and floating foundation suppliers.

SSEN Transmission signs framework with Sumitomo Electric and Van Oord for HVDC subsea cables (20 July 2026)

SSEN Transmission signed a long-term framework agreement with Sumitomo Electric Industries and Van Oord Offshore Wind UK covering engineering, supply, transportation and installation of high-voltage direct current subsea cable systems for future strategic transmission projects across the north of Scotland. The anchor opportunity is the proposed Shetland 2 HVDC link, which is supporting Sumitomo Electric's investment in a new subsea cable manufacturing facility at the Port of Nigg in the Highlands. Sumitomo will provide cable-system engineering, procurement and manufacturing; Van Oord will provide offshore transportation and installation. A project-specific call-off contract for 525 kV Shetland 2 cables is expected during 2026, subject to regulatory approvals.

> **NES Sales Opportunity:** Sumitomo's new Port of Nigg cable manufacturing facility creates local NES supply-chain opportunities across civils, hazardous-area electrical, testing and commissioning, coating and quayside logistics. NES firms should engage Sumitomo Electric UK and Van Oord Offshore Wind UK Aberdeen offices to secure sub-tier positions on the Shetland 2 call-off and future north-Scotland HVDC projects.

PALFINGER wins 64 davit crane order for East Anglia TWO from Smulders (22 July 2026)

PALFINGER secured an order from Smulders — the Belgian steel construction specialist — to supply 64 PF 160-5m davit cranes for ScottishPower Renewables' 960 MW East Anglia TWO offshore wind farm in the southern North Sea off Suffolk. One crane will be installed on each of the 64 turbines for material handling, maintenance and service operations on turbine platforms. Deliveries are scheduled for completion by end-2026. Cadeler's newly delivered Wind Ace vessel (11th in fleet, delivered 17 July from COSCO Qidong) will be deployed on East Anglia TWO from 2027 for foundation and turbine installation.

> **NES Sales Opportunity:** East Anglia TWO enters full offshore construction mobilisation in 2027 with Cadeler's Wind Ace as lead installation vessel. NES fabricators, welding contractors, coatings, marine coordination and QHSE providers should approach Smulders, ScottishPower Renewables' Glasgow office, and Cadeler's UK supply-chain team on subassembly and O&M mobilisation packages.

Bellrock floating wind farm advances — XOCEAN geophysical survey begins 26 July (21 July 2026)

Nadara appointed Aker Solutions (via consultancy Entr and subsidiary Unitech Power Systems) to develop the electrical infrastructure concept for the proposed 1.8 GW Bellrock floating offshore wind farm, located approximately 120 km east of Stonehaven off the Aberdeenshire coast. The study covers offshore generation to onshore grid connection: transmission configurations, inter-array cables, offshore and onshore substations, export cables, grid integration, cost, schedule and supply-chain analysis. Separately, XOCEAN begins a geophysical survey of the potential offshore export cable corridor no earlier than 26 July, running to 30 November using one geophysical survey vessel, up to four uncrewed surface vessels and one support vessel. Construction start is anticipated in 2031, subject to consent.

> **NES Sales Opportunity:** Bellrock's 1.8 GW pipeline offers a second major floating opportunity alongside Green Volt, Cenos, and Caledonia South. NES firms in dynamic cable, mooring, floating foundation fabrication, marine coordination, ROV support and subsea installation should approach Aker Solutions Aberdeen, Unitech Power Systems, Entr and Nadara on early supply-chain positioning. XOCEAN's survey campaign also creates immediate USV support opportunities.

Fugro awarded geotechnical contract for Berwick Bank B offshore wind (July 2026)

Fugro was awarded a major geotechnical survey contract by SSE Renewables for Berwick Bank B in the North Sea off Scotland. Berwick Bank B forms part of the wider 4.1 GW Berwick Bank development, which if completed at full scale could rank as the world's largest offshore wind farm. The contract covers a full geotechnical investigation campaign supporting foundation design for planned fixed-bottom turbines.

Good Energy signs 400 GWh two-year PPA with Ørsted for Walney (22 July 2026)

Good Energy signed a 400 GWh two-year Power Purchase Agreement with Ørsted for output from Walney 1 and 2 offshore wind farms, running October 2026 to October 2028. The corporate PPA market remains a growing route to market for merchant and post-CfD offshore wind assets.

OWGP appoints Irene Graham OBE and Andrew Duncan to Board (23 July 2026)

The Offshore Wind Growth Partnership (OWGP) announced Irene Graham OBE and Andrew Duncan as new Board members. OWGP is the primary supply-chain development body for the UK offshore wind sector and continues to run targeted grant, mentoring and market development programmes for UK Tier 2/3 suppliers.

ScottishPower announces £1.5bn Whitelee onshore repowering plan (22 July 2026)

ScottishPower announced plans to double the capacity of Whitelee — the UK's largest onshore wind farm — in a £1.5bn repowering project. A planning application is targeted for December 2027, with operations expected in 2035. ScottishPower estimates £500m of supply-chain spend. Whitelee is located south of Glasgow.

Wind Orca vessel collision at Port of Tyne (19–22 July 2026)

Cadeler's Wind Orca jack-up vessel was involved in a collision with the berthed container ship BG Orange at Port of Tyne on Sunday 19 July. A quayside gantry crane sustained significant damage and one person was hospitalised. Cadeler has not publicly detailed the cause. This is the second recent incident involving a Cadeler installation vessel. Port of Tyne is a strategic UK offshore wind port; the incident is under investigation.

2. Floating Offshore Wind

AR8 floating parameters and ODOW category live from 20 July (20 July 2026)

The AR8 window opened with confirmed floating-specific parameters: 24-month longstop, 85% Relevant Installed Capacity threshold (aligning with fixed-bottom), and the new Other Deep Offshore Wind (ODOW) category at £271/MWh ASP. ODOW is intended to capture projects in deeper water that use fixed-bottom foundations of novel types (jackets, gravity-based, moored monopiles, tension-leg platforms) or emerging semi-submersible concepts that do not fit strict floating definitions. Over 500 MW of floating capacity is eligible in Pot 4 for this round.

> **NES Sales Opportunity:** ODOW is a new category with no incumbents — NES foundation fabricators, mooring specialists, deep-water anchoring providers, subsea cable installers and vessel fleet renters should proactively identify projects likely to bid into ODOW and secure early Letters of Intent.

Aker Solutions joins 1.8 GW Bellrock floating wind farm (see Section 1)

Aker Solutions (Entr, Unitech Power Systems) has been appointed by Nadara to lead the Bellrock electrical infrastructure concept development (see Fixed-Bottom section for full detail). Bellrock is one of the largest floating offshore wind projects currently in UK development, alongside Green Volt, Cenos, MarramWind, Salamander and the floating portion of Caledonia South.

3. Hydrogen

Ramboll appointed Owner's Engineer for Barrow Green Hydrogen (21 July 2026)

Ramboll was appointed Owner's Engineer for Barrow Green Hydrogen — a 30 MW HAR1 project supplying Kimberly Clark. Barrow Green Hydrogen is expected to be the first HAR1 project to reach Final Investment Decision. The project will displace approximately 50% of Kimberly Clark's natural gas use at the Barrow site, reducing emissions by around 18,300 tonnes of CO_2 per year. Ramboll will provide engineering services through construction, commissioning and handover.

> **NES Sales Opportunity:** Barrow Green Hydrogen represents the tangible operational start of HAR1. NES firms in high-integrity pipeline welding, hazardous-area electrical, control systems, QHSE and coatings

> should approach Ramboll and the Barrow Green Hydrogen consortium on subcontracting slots with directly transferable credentials.

Environment Agency issues environmental permit for Barrow Green Hydrogen (22 July 2026)

The Environment Agency issued environmental permit EPR/YP3425MZ/A001 to Barrow Green Hydrogen Limited on 22 July, covering hydrogen production operations at the Barrow-in-Furness (LA14 4TL) site. This clears a major regulatory milestone ahead of FID and construction mobilisation.

UK CAA publishes Hydrogen Challenge findings and regulatory roadmap (July 2026)

The UK Civil Aviation Authority published the findings from its Hydrogen Challenge programme along with a regulatory roadmap targeting small hydrogen aircraft operations by 2035. The roadmap sets out certification pathways for hydrogen fuel-cell propulsion, cryogenic H_2 storage and airport refuelling infrastructure. This aligns with Intelligent Energy's completion of the £54m H2GEAR aviation programme with GKN Aerospace, announced this week.

> **NES Sales Opportunity:** The 2035 aviation H_2 timeline creates a decade-long infrastructure market: airport refuelling, cryogenic storage, safety systems and hazardous-area electrical. NES firms with high-purity welding, cryogenic experience and QHSE credentials should engage the CAA industry consultation and target airport operators (Aberdeen, Prestwick, Edinburgh) on early infrastructure trials.

£7.3m awarded to eight UK zero-emission flight projects (23 July 2026)

The Government awarded £7.3m to eight UK zero-emission flight projects on 23 July, part of a wider £43m package. Beta Technologies and Vertical Aerospace received up to £3.2m combined. The funding accelerates UK electric and hydrogen aviation propulsion R&D across airframe, powertrain and battery integration.

Intelligent Energy completes UK £54m H2GEAR aviation programme with GKN Aerospace (July 2026)

Loughborough-based Intelligent Energy completed the UK £54m H2GEAR aviation programme with GKN Aerospace. H2GEAR developed a hydrogen fuel-cell electric propulsion system for regional aircraft. The successful programme completion strengthens the UK's position in the emerging H_2 aviation supply chain.

Scottish Enterprise SHINe co-creation workshop — hydrogen aggregation under HAR (July 2026)

Scottish Enterprise held the second SHINe (Scottish Hydrogen Innovation Network) co-creation workshop. A key issue raised was that hydrogen aggregation models are currently prohibited under HAR rules; industry is pushing DESNZ for a HAR3 rule change to enable aggregated small-scale projects to reach commercial viability.

4. CCUS

Harbour Energy Viking CCS £65.5m development funding approved (July 2026)

Harbour Energy's Viking CCS project received £65.5m in development funding approval. Viking CCS is designed to transport and store 4 million tonnes of CO_2 per year initially, scaling to 10 million tonnes by the mid-2030s, with total investment potential of up to £7bn. The project is a joint venture between Harbour Energy (60%) and BP (40%). Infrastructure includes a 55 km onshore pipeline from Immingham to Theddlethorpe and offshore storage in the depleted Viking gas fields. Viking CCS was selected as part of the UK's Track 2 CCUS cluster programme.

> **NES Sales Opportunity:** Viking CCS FEED-to-execution transition is now live. NES fabricators (topsides), welding contractors (high-integrity CO_2 pipeline welds), subsea specialists (CO_2 injection well tie-backs),

> QHSE providers (COMAH-level CO_2 handling) and NDT firms should approach Harbour Energy's Aberdeen team and Wood/Petrofac/Worley as likely Tier 1 EPCIs. Onshore pipeline construction begins after FID; the offshore scope reuses Viking gas-field infrastructure knowledge that Aberdeen firms have in abundance.

Fugro awarded Northern Endurance Partnership CO_2 pipeline survey contract (20 July 2026)

Fugro was contracted by Saipem to deliver integrated marine survey and inspection services for the Northern Endurance Partnership (NEP) — the UK's first CO_2 transportation and storage infrastructure project. NEP is a joint venture between BP, Equinor and TotalEnergies, developing pipeline infrastructure with access to up to 1 billion tonnes of CO_2 storage capacity beneath the North Sea. Saipem is leading EPCI for the offshore pipeline and associated infrastructure. Fugro's scope covers the full pipeline route — from landfall tunnel exit to connection with existing offshore infrastructure — including nearshore pre-lay surveys extending several miles offshore.

> **NES Sales Opportunity:** The NEP CO_2 pipeline is under active offshore mobilisation. NES subsea, ROV, geotechnical, marine coordination and vessel-support firms should approach Saipem and Fugro on second-tier scope: subcontracted survey vessels, ROV operations, geotechnical sampling, hydrographic services, and shorebased data-processing support.

NSTA/OPRED 2nd Offshore CO_2 Storage Licensing Round Appropriate Assessment opens (20 July 2026)

The 2nd Offshore Carbon Dioxide Storage Licensing Round Appropriate Assessment consultation opened on 20 July. Of the 14 areas offered in the round, 9 required Appropriate Assessment; applications were received for 6 areas, and 3 of those subject to AA are being consulted on now. The 2nd round originally closed for applications on 24 March 2026. AA responses are directed to sea.aa@energysecurity.gov.uk.

> **NES Sales Opportunity:** Successful licensees from the 2nd CO_2 Storage Round will need site characterisation, seismic reprocessing, well planning and monitoring services. Aberdeen firms should track the AA outcome and target awarded licensees with tailored well-integrity and QHSE compliance packages for early lifecycle planning.

5. Marine & Tidal

Orkney Orbital O2 tidal turbine — drone research published (July 2026)

New drone research on the Orbital O2 tidal turbine — the world's most powerful tidal turbine, at Orkney's European Marine Energy Centre — was published this week. The O2 generates enough electricity for approximately 550 US homes per year and tidal power is now estimated to be capable of supplying up to 11% of the UK electricity grid over the long term. The AR8 tidal ringfence remains active in the 20 July – 7 August application window.

> **NES Sales Opportunity:** The AR8 tidal ringfence is confirmed and active. NES marine contractors, subsea installation firms, cable specialists and welding contractors should reach out to MeyGen, Orbital, Nova Innovation and Magallanes this week to be listed in bid supply-chain plans. Contract award notices typically follow within 6–12 weeks of AR8 results (Nov 2026 – Feb 2027).

6. Geothermal

No new UK geothermal-specific announcements in the 19–25 July window. Geothermal remains eligible in AR8 Pot 4 alongside FLOW, ODOW and tidal. The Northern Ireland Department for the Economy consultation on deep geothermal remains open, closing 7 August 2026.

> **NES Sales Opportunity:** Geothermal-eligible projects can bid into AR8 Pot 4 at the same £271/MWh ASP as floating. UK deep geothermal specialists such as Ceraphi Energy and CeraPhi Wells should be tracked; NES drilling, well-integrity and subsea equipment firms have directly transferable credentials for enhanced geothermal well installation.

7. Decommissioning

DeepOcean completes Spirit Energy Seven Seas and Grove West subsea decom (July 2026)

DeepOcean wrapped up subsea decommissioning at Spirit Energy's Seven Seas and Grove West fields in the UK North Sea. The campaign deployed the Edda Freya construction support vessel and successfully retrieved a 100+ tonne wellhead protection structure among other subsea infrastructure. The programme was managed from Aberdeen and further builds DeepOcean's southern-basin decom track record.

> **NES Sales Opportunity:** Southern North Sea gas decom is moving from planning to execution. Aberdeen ROV firms, subsea tooling providers, rental fleet operators should approach DeepOcean and Spirit Energy on the next campaign package. Reuse of tooling from this scope reduces mobilisation costs, favouring Aberdeen-based providers with existing subsea kit.

CB&I extends Kittiwake life-of-field contract with EnQuest (July 2026)

CB&I extended its life-of-field contract with EnQuest for the Kittiwake field, continuing a 23-year partnership through Cessation of Production and into decommissioning. This confirms the Duty Holder late-life contract model as the preferred procurement pathway for late-life UKCS assets, wrapping operations, maintenance and decommissioning into single Tier 1 packages.

> **NES Sales Opportunity:** Duty Holder late-life contracts consolidate operations, integrity management and decom into single Tier 1 packages. Aberdeen firms in QHSE, integrity, welding, NDT and subsea inspection should target subcontracting slots with CB&I on Kittiwake, and mirror the model with EnQuest and other operators on similar assets (e.g. Alma, Galia, Scolty).

Ocean Installer wins North Sea development and decom contracts (July 2026)

Ocean Installer won multiple North Sea contracts spanning development and decommissioning work. The awards further underline the current strong offshore subsea contracting pipeline across the UKCS. Ocean Installer typically packages IRM, hook-up, tie-in and end-of-field services.

Well-Safe Solutions to oversee Beryl Field decommissioning (July 2026)

Well-Safe Solutions was appointed to oversee decommissioning of the Beryl Field offshore UK, expanding after its earlier work on the Apache Forties campaign. Well-Safe operates the semi-submersible rigs Well-Safe Guardian, Defender, Protector and Voyager, all previously converted for P&A work.

Odfjell Technology UK LoI to extend North Sea drilling to Nov 2028 (July 2026)

Odfjell Technology signed a Letter of Intent to extend a UK North Sea drilling contract through to November 2028. The extension provides continuity of platform drilling activity through the transition to decommissioning P&A campaigns on affected assets.

New Offshore Oil and Gas Abandonment Fee Rules commence 30 September 2026 (21 July 2026)

The Energy Act 2023 (Commencement No. 5, Saving Provisions) Regulations 2026 were published on 21 July 2026, bringing new Offshore Oil and Gas Abandonment Fee Rules into force on 30 September 2026. The rules formalise the treatment of section 29 notices and financial security for late-life UKCS assets.

> **NES Sales Opportunity:** The new abandonment fee regime from 30 September will accelerate decom planning decisions across the UKCS. Operators facing tightened financial security requirements will look to Aberdeen QHSE, engineering, well planning and integrity providers to build accurate abandonment cost estimates and progress P&A programmes. Firms should offer bundled cost-estimation and abandonment planning packages this quarter.

8. Hydropower & Pumped Storage / BESS

Ofgem selects 16 LDES cap-and-floor Window 1 projects — 7.6 GW / 46.5 GWh (21 July 2026)

Ofgem published its final selection of Long Duration Electricity Storage cap-and-floor Window 1 projects: 16 projects totalling 7.6 GW / 46.5 GWh. The portfolio nearly triples current UK long-duration storage capacity. The mix includes: three pumped storage hydro projects in Scotland representing about half the total capacity; 11 lithium-ion BESS projects across Scotland and England with durations up to 18 hours; and novel technologies including Tees CAES (compressed air energy storage) and Frontier Legacy (vanadium flow / zinc battery). Ofgem is now consulting on the special licence conditions until 18 August 2026, with guidance to be published on 28 July.

> **NES Sales Opportunity:** Pumped hydro projects will be predominantly in Northern Scotland (Earba, Coire Glas, Loch Kemp expansion). NES civils, tunnelling, penstock fabrication, hazardous-area electrical and QHSE contractors should engage Gilkes Energy, SSE Renewables, ILI Group and Drax on Window 1 delivery contracting. Construction workforce demand from 2027 will be enormous and predominantly Scottish. Firms should also target Tees CAES and Frontier Legacy for novel-tech installation and integration scope.

SSE secures planning consent to convert Sloy Power Station to pumped storage (23 July 2026)

SSE Renewables secured planning permission from Argyll and Bute Council to convert Sloy Power Station on Loch Lomond into a pumped storage hydro scheme. Sloy is currently a conventional hydro station commissioned in 1950; the pumped storage upgrade will increase energy storage capability and generation flexibility. The consent is a further boost to Scottish pumped hydro delivery alongside the LDES cap-and-floor Window 1 pipeline.

Engie commissions 100 MW BESS in Scotland — Cathkin and Broxburn (July 2026)

Engie started commercial operations at 100 MW of BESS capacity in Scotland: Cathkin (50 MW / 100 MWh) and Broxburn (50 MW / 100 MWh), each 2-hour duration. Both sites use Engie's Orus AI optimisation platform. The dual project entry underlines the strength of the Scottish grid-connected BESS pipeline.

> **NES Sales Opportunity:** Engie is emerging as an active Scottish BESS developer alongside its offshore-wind portfolio through Ocean Winds. NES electrical, civils, HV switchgear, fire safety and O&M providers should approach Engie Scotland Aberdeen and Glasgow teams on future Scottish BESS awards. Cathkin and Broxburn establish a template for further 50 MW modular sites across the Scottish grid.

Fidra Energy reaches financial close on 500 MW / 1.1 GWh West Burton C BESS (July 2026)

Fidra Energy achieved financial close on the 500 MW / 1.1 GWh West Burton C BESS project, one of the largest single UK BESS assets. £231m of debt facilities were secured. Sungrow will supply batteries; H&MV Engineering will deliver the 400 kV grid connection; Drax has a 50% offtake agreement. The project holds a 15-year Capacity Market contract from October 2028.

> **NES Sales Opportunity:** West Burton C construction contracting will accelerate through H2 2026. NES firms in civils, foundations, HV switchgear installation, cable termination, fire suppression, security fencing and QHSE compliance should approach Fidra Energy, Sungrow UK and H&MV Engineering on subcontracting slots. The 15-year Capacity Market contract secures a long revenue tail and steady O&M work.

Field reaches financial close on 1 GWh UK BESS portfolio (July 2026)

Field, the UK BESS developer, reached financial close on a 1 GWh UK BESS portfolio. Combined with West Burton C, Cathkin, Broxburn and the LDES cap-and-floor pipeline, the past seven days represent the busiest week of the year for UK BESS financial close activity.

BESS developers win 81% of planning appeals in England (July 2026)

New analysis showed BESS developers won 81% of planning appeals in England during 2025-26 as the green-belt objection to BESS development is collapsing. Refusal reasons based on landscape or agricultural land classifications are increasingly being overturned at appeal, providing a stronger planning template for future BESS applications on green-belt or agricultural sites.

9. Policy

Andy Burnham enters Downing Street as Prime Minister (20 July 2026)

Andy Burnham was formally appointed Prime Minister on Monday 20 July 2026 following Sir Keir Starmer’s resignation in late June. Burnham reshuffled the Cabinet immediately: Miatta Fahnbulleh (Peckham MP, 2024 intake — the first from that intake to reach Cabinet) was appointed Secretary of State for Energy Security and Net Zero. Ed Miliband was moved to the Foreign Office; John Healey was appointed Chancellor of the Exchequer.

> **NES Sales Opportunity:** The reshuffle materially changes the energy policy trajectory. Fahnbulleh will deliver the Rosebank and Jackdaw decisions, oversee AR8 results, and inherit the Clean Power 2030 delivery challenge with less than 4.5 years to go. Aberdeen political engagement should now pivot to Fahnbulleh’s DESNZ team, the new Chancellor’s Treasury (relevant for GBE funding and Capacity Market), and the Downing Street energy special advisers.

Burnham removes VAT from electricity bills from 1 October 2026 (July 2026)

The new PM’s first energy policy action was removing VAT (currently 5%) from electricity bills, effective 1 October 2026. The change will feed directly into the Ofgem price cap for Q4 2026 and Q1 2027 and is expected to reduce typical household electricity bills by around £40–50 per year. It is understood to be funded through general taxation.

Burnham asks civil servants to prepare Rosebank and Jackdaw consents — fast-track under review (July 2026)

Andy Burnham asked civil servants to prepare consents for the Rosebank and Jackdaw fields — backing what is reported to be an £8.7bn Shell–Equinor JV Adura investment in the North Sea. The Rosebank OPRED public consultation opened 16 July and closes 17 August 2026; Secretary of State Fahnbulleh will deliver the final decision. The Jackdaw consultation closes 10 August. Fast-track approval of both fields within weeks is under active government consideration.

NES Sales Opportunity: Rosebank and Jackdaw approvals would unlock the largest single wave of UKCS field development contracting in a decade. Aberdeen fabricators, subsea specialists, HDD/pipeline contractors, welding, coating, QHSE, well services and integrity providers should engage Equinor, Shell and Ithaca Energy on preliminary supply chain positioning. Even under normal (non-fast-track) timelines, project mobilisation would begin from Q4 2026.

DESNZ publishes Capacity Market auction parameters (21 July 2026)

DESNZ sent NESO its Capacity Market auction parameters letter for the 2026 auctions. The T-1 auction is set at 5.0 GW for delivery year 2027-28. The T-4 auction is set at 40.9 GW for delivery year 2030-31. The Loss of Load Expectation reliability standard remains at 3 hours. Interconnector de-rating factors were published in the accompanying letter.

NES Sales Opportunity: The T-4 40.9 GW target for 2030-31 is the largest Capacity Market volume in the scheme's history, reflecting the phase-out of coal and older gas plant. NES BESS, gas-peaking, backup generation and DSR aggregation supply-chain firms should target the auctions (typically January–February). Firms with Capacity Market track records can also offer advisory services to smaller BESS developers seeking prequalification.

CMA Subsidy Advice Unit accepts DESNZ referral on EDF Sizewell B subsidy (22 July 2026)

The CMA Subsidy Advice Unit accepted a DESNZ request to review a proposed subsidy for EDF Energy Nuclear Generation Ltd, supporting long-term operation of Sizewell B. The referral triggers formal SAU review. Sizewell B is the UK's only operational PWR reactor and its life-extension is critical to UK nuclear generation through the 2030s.

UK grid project costs soar 500% — "next HS2" concern (July 2026)

New reporting indicated UK grid project costs are up around 500% compared to original estimates, with warnings the transmission programme could become "the next HS2" in terms of budget overruns. Billions of pounds of additional cost is expected to be recovered from consumer bills. National Grid separately confirmed plans to expand Dynamic Line Rating (DLR) technology to 585 km of transmission to relieve constraints.

UK plug-in solar becomes legal 27 August 2026 (July 2026)

Statutory Instrument 2026/848 confirms UK plug-in solar becomes legal on 27 August 2026 — 800W maximum, using a standard BS 1363 3-pin plug. This opens a new small-scale residential distributed generation market. Suppliers will need MCS-equivalent certification or CE-marked micro-inverters.

Ofgem grid connection reform — Gate 2 Phase 1 firm offers land summer 2026 (July 2026)

Ofgem's grid connection reform continues, with Gate 2 Phase 1 firm connection offers landing this summer. Gate 2 is expected to bring more disciplined queue management and faster firm-date signalling for prioritised projects, with clear implications for datacenter, BESS and gigafactory site selection.

10. Key Upcoming Events for NES Companies

Date	Event	Location	Why It Matters for NES
28 July	Ofgem LDES special licence conditions guidance published	UK-wide	Detailed rules for pumped hydro / LDES delivery contracts
31 July	Ofgem frequency response Tranche 1 effective	UK-wide	BESS operators see revised revenue stack

Date	Event	Location	Why It Matters for NES
7 August	AR8 CfD applications close	UK-wide	Q3 commercial gate — confirm subcontracting LOIs
7 August	Ofgem LDES Window 1 consultation closes	UK-wide	Final input for pumped hydro / LDES construction
7 August	NI deep-geothermal consultation closes	Northern Ireland	Geothermal policy pathway confirmed
10 August	Jackdaw field OPRED consultation closes	North Sea	Fast-track decision expected within weeks
14 August	NSTA ACE production consent applications close	UKCS	Well-integrity and subsea contracting pipeline
17 August	Rosebank OPRED consultation closes	North Sea	Fahnbulleh delivers decision — largest UKCS undeveloped field
18 August	Ofgem LDES revised special licence conditions consultation closes	UK-wide	Cap-and-floor delivery terms locked in
18–20 August	Floating OW Conference & Exhibition	Aberdeen P&J Live	Priority NES networking event of Q3
19 August	DESNZ Strategic Policy Guidance response deadline	UK-wide	Shape network investment priorities for next CfD round
27 August	UK plug-in solar becomes legal (SI 2026/848)	UK-wide	Small residential distributed generation market opens
7 September	Ofgem Offshore Transmission Cost Assessment consultation closes	UK-wide	Subsea, cable, offshore substation cost benchmarks
17 Sep – 19 Nov	AR8 budget publication window	UK-wide	Adjusted budget scenarios released
30 September	GBE Supply Chain Fund Round 3 closes	UK-wide	Grant opportunity for supply chain investment
30 September	New Offshore Oil & Gas Abandonment Fee Rules commence	UKCS	Accelerates decom planning across ageing assets
1 October	VAT removed from electricity bills (Burnham first policy)	UK-wide	Feeds into Ofgem Q4 price cap
27 Nov – 17 Feb 2027	AR8 CfD allocation results window	UK-wide	Contract awards trigger construction contracting

11. Grant Funding & Support Mechanisms Active This Week

Programme	Status	Value / Scope	NES Relevance
AR8 CfD	OPEN 20 Jul – 7 Aug	Pot 3 OW £113, Pot 4 FLOW/ODOW £271, tidal ringfenced, solar £75 (2024 prices)	All offshore wind, tidal, geothermal, novel-foundation projects

Programme	Status	Value / Scope	NES Relevance
Clean Industry Bonus (CIB) AR8	OPEN, payments on Delivery	£515m (up from £200m)	Rewards demonstrable UK fabrication and manufacturing content
LDES Cap-and-Floor Window 1	Selection published; SLC consultation closes 7/18 Aug	7.6 GW / 46.5 GWh, 16 projects (PSH, Li-ion, CAES, flow)	Pumped hydro, LDES BESS construction from 2027
Viking CCS development funding	APPROVED	£65.5m	Aberdeen subsea, welding, QHSE, ESG contractors
GBE Supply Chain Fund Round 3	OPEN, closes 30 Sep	Grants for UK supply chain investment	Fabrication, welding, cable, subsea manufacturing capex
GBE Supply Chain Fund Round 4	ANNOUNCED, closes 10 Dec	Fourth annual round	Continued grant runway for NES fabricators / integrators
UK ZEF Programme (£143m)	£7.3m awarded 23 Jul; wider £43m package	Beta Technologies and Vertical Aerospace up to £3.2m	H_2 aviation propulsion, cryogenic storage, airport infrastructure
Clean Maritime Demonstration Competition 7	OPEN, apply by 17 Jul	Deployment trials £3–15m, pre-deployment £750k–£6m; £121m total	Maritime decarbonisation, port electrification
MaLaMi Round 3	OPEN, apply by 9 Oct	Maritime and Last Mile Net Zero	Zero-emission short sea shipping / port vessels
Capacity Market T-1 (2027-28)	ANNOUNCED, 5 GW	Auction typically Jan-Feb 2027	BESS, backup generation, DSR supply chain
Capacity Market T-4 (2030-31)	ANNOUNCED, 40.9 GW	Auction typically Feb 2027	BESS, new gas-peaking, DSR supply chain

12. Sales Opportunity Summary for NES Supply Chain Companies

Opportunity	What It Means for NES Firms	Priority	Timing
AR8 CfD supply chain slots	Tier 1 EPCIs finalising subcontractor LOIs for fabrication, cabling, foundations, blade logistics, port handling, O&M. ODOW category new and less contested. CIB payment-on-delivery demands documented UK content.	★★★★★	20 Jul – 7 Aug 2026
Rosebank & Jackdaw fast-track approvals	Under active government consideration. Adura JV (Shell/Equinor) £8.7bn programme in the North Sea. Aberdeen fabricators, subsea, HDD/pipeline, welding, QHSE, well services, integrity. Mobilisation from Q4 2026.	★★★★★	Aug–Sep 2026 decisions
Caledonia 2 GW pre-construction	Ocean Winds Aberdeen team building 2027–29 pre-construction contracting cycle. Moray Firth cluster (East, West, Caledonia). Up to 39 floating turbines on Caledonia South.	★★★★★	2026–2029

Opportunity	What It Means for NES Firms	Priority	Timing
Viking CCS Tier 1 EPCI subcontracting	£65.5m development funding approved. High-integrity CO_2 welds, subsea injection wells, COMAH QHSE, NDT, ESG advisory. Onshore pipeline (Immingham–Theddlethorpe) and offshore Viking gas-field CO_2 injection.	★★★★★	H2 2026 – FID 2027
Northern Endurance Partnership CO_2 pipeline	Fugro contracted by Saipem for full pipeline route survey. NES subsea, ROV, geotechnical, marine coordination, USV support opportunities via Fugro / Saipem.	★★★★★	H2 2026 – 2028
Sumitomo Port of Nigg cable factory + Shetland 2 HVDC	SSEN Transmission framework with Sumitomo Electric and Van Oord. Civils, hazardous-area electrical, testing, coating, quayside logistics at Nigg. 525 kV project call-off during 2026.	★★★★★	2026–2028
Bellrock 1.8 GW floating wind farm	Aker Solutions leading electrical infrastructure concept. Dynamic cable, mooring, floating foundation fabrication, marine coordination, ROV, subsea installation. XOCEAN geo survey begins 26 Jul.	★★★★	Q4 2026 onwards
LDES pumped hydro construction pipeline	Northern Scotland (Earba, Coire Glas, Loch Kemp, Sloy conversion). Civils, tunnelling, penstock fabrication, hazardous-area electrical, QHSE. Cap-and-floor SLCs land Aug.	★★★★	2027 construction start
Fidra West Burton C 500 MW / 1.1 GWh BESS	£231m financial close. Sungrow batteries, H&MV Engineering 400 kV grid. Civils, foundations, HV switchgear, cable termination, fire suppression, security, QHSE. 15-year CM contract from Oct 2028.	★★★★	H2 2026 – 2028
Barrow Green Hydrogen FID delivery	Ramboll Owner's Engineer; EA permit issued. High-integrity welding, hazardous-area electrical, control systems, QHSE, coatings.	★★★★	H2 2026 – 2027
CB&I Kittiwake life-of-field subcontracting	Aberdeen Duty Holder wrap. QHSE, integrity, welding, NDT, subsea inspection subcontractors.	★★★★	Q3–Q4 2026
DeepOcean southern basin subsea decom follow-on	Seven Seas / Grove West campaign proves tooling reuse model. Next campaign package likely H2 2026.	★★★★	H2 2026
East Anglia TWO mobilisation (Cadeler Wind Ace)	PALFINGER 64 davit cranes end-2026 delivery. 2027 offshore mobilisation. Fabrication, welding, coatings, marine coordination, QHSE.	★★★★	2026 through 2027
Berwick Bank B geotechnical support	Fugro-led campaign for SSE Renewables. NES vessel-support, ROV, geophysical support opportunities.	★★★	H2 2026
Engie Cathkin & Broxburn BESS follow-on	Engie establishing Scottish 50 MW modular BESS template. Electrical, civils, HV switchgear, fire, O&M providers.	★★★	H2 2026 – 2027

Opportunity	What It Means for NES Firms	Priority	Timing
ScottishPower Whitelee repowering scoping	£1.5bn onshore project; planning app Dec 2027; operational 2035. Early-stage scoping and consenting-support opportunities.	★★★	2026–2027 scoping
NSTA 2nd CO_2 Storage Round licensees	Six areas applied for; three under AA. Site characterisation, seismic reprocessing, well planning, monitoring services on new licensees.	★★★	Q4 2026 onwards
Capacity Market T-1 & T-4 supply chain	T-1 5 GW / T-4 40.9 GW. BESS, gas-peaking, DSR aggregation, prequalification advisory.	★★★	Auctions Jan–Feb 2027
AR8 tidal ringfence supply	MeyGen, Orbital, Nova, Magallanes bidding. Marine, subsea installation, cable for bid supply chain plans.	★★★	20 Jul – 7 Aug 2026
UK Hydrogen Backbone / HAR3 rule change	National Gas Transmission pipeline programme; SHINe pushing DESNZ for aggregation model. WB Alloy Welding, Dron & Dickson, Hi-Galv, coating.	★★★	2026–2030 concept
Ofgem OFTO Cost Assessment response	NES cable, subsea, offshore substation contractors submit UK cost benchmark evidence.	★★★	Closes 7 Sep 2026
DESNZ Strategic Policy Guidance response	Shape network investment priorities for next CfD round.	★★★	Response by 19 Aug
GBE Supply Chain Fund Rounds 3 & 4	Grants for UK supply chain investment.	★★★	Close 30 Sep / 10 Dec
Floating OW Conference (Aberdeen)	Priority NES networking event of Q3.	★★★	18–20 August 2026
UK plug-in solar market opens (27 Aug)	800W plug-in PV. Distribution, retail, MCS certification, micro-inverter supply.	★★	From 27 Aug 2026

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