UK Government

Social and environmental guidance to the Gas and Electricity Markets Authority: Electricity networks growth

Final guidance

Department for Energy Security and Net Zero (2026)

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1. Legislative context

This section sets out, for reference, the legislative context under which the Secretary of State is issuing this social and environmental guidance to the Gas and Electricity Markets Authority.

Background to the social and environmental guidance

1. The Secretary of State for Energy Security and Net Zero is issuing new guidance to the Gas and Electricity Markets Authority (the **Authority**) under Section 3B of the Electricity Act 1989 in support of growth in electricity networks through increased domestic manufacturing and supply chain capability. Further detail is set out in sections 2-5 of this document.

2. The statutory power to issue this guidance is conferred by Section 3B(1) of the Electricity Act 1989, which provides that "the Secretary of State shall from time-to-time issue guidance about the making by the Authority of a contribution towards the attainment of any social or environmental policies set out or referred to in the guidance" (**social and environmental guidance**). The Electricity Act 1989 states that the Gas and Electricity Markets Authority "shall, in carrying out its functions […] have regard to any guidance [so] issued".

3. The Authority's principal objective and duties include (but are not limited to):

    - The Authority's principal objective to protect the interests of existing and future consumers in relation to electricity conveyed by distribution or transmission systems, including in relation to the 2050 net zero target and five-year carbon budgets, and security of supply;
    - The Authority carrying out its functions in the manner it considers best calculated to further the principal objective, wherever appropriate by promoting effective competition;
    - The Authority having regard to the desirability of promoting economic growth;[1]
    - The Authority having regard to the interests of individuals who are disabled or chronically sick, of pensionable age, with low incomes, and residing in rural areas;

[1] As required by Section 108 of the Deregulation At 2015, application of which was extended to regulatory functions of the Authority pursuant to the Economic Growth (Regulatory Functions) (Amendment) Order 2024. The government's growth duty statutory guidance sets out how regulators should have regard to economic growth in performance of the section 108 duty. DBT (2024) 'Growth duty' (viewed on 24 August 2026)

- The Authority having regard to the need to contribute to the achievement of sustainable development; and
- The Authority having regard to the effect on the environment of activities connected with the generation, transmission, distribution or supply of electricity

4. The Authority's duty to have regard to social and environmental guidance issued under Section 3B(1) of the Electricity Act 1989 sits alongside its other statutory duties and responsibilities, and the government considers that the guidance set out herein is consistent with these. The government nevertheless recognises that, in having regard to this guidance, the Authority may need to consider trade-offs between the guidance and its other statutory duties and responsibilities. **Further detail on this is at paragraphs 16 and 25.**

Further considerations

5. The Energy Act (EA) 2013 also provides for the Secretary of State to designate a Strategy and Policy Statement (SPS) setting out, amongst other things, the government's strategic priorities in formulating its energy policy for Great Britain, as well as the policy outcomes to be achieved as a result of the implementation of that policy. EA 2013 requires the Authority to "have regard" to those strategic priorities, and requires the Secretary of State and the Authority to carry out their respective functions in the manner best calculated to further the delivery of the associated policy outcomes.[2] The intention of the EA provision was to enable the SPS to replace the existing mechanism for issuing social and environmental guidance, although the legislative power to issue that guidance remains in place and has not yet been repealed.[3]

6. The SPS is now the principal mechanism through which the Secretary of State communicates the government's strategic priorities to the Authority. In the longer term, the government intends to reform the Authority's legislative framework as set out in the Ofgem review.[4] The Secretary of State may nevertheless continue to issue social and environmental guidance from time to time, when required. The Authority should consider such guidance as supplementary to the SPS, and should continue to have regard to the SPS and take into account, as appropriate, the wider statutory and governance framework within which it operates.

7. If, at any point, the Authority foresees any actual or potential difficulties in reconciling the energy policy goals and targets set out in this guidance with its own regulatory responsibilities or policies, the government encourages the Authority to seek discussion of such issues with the Secretary of State.

[2] S131 Energy Act 2013 (viewed on 19 August 2026)
[3] DECC (2013) 'Energy Act: Ofgem Strategy and Policy Statement' (viewed on 19 August 2026)
[4] DESNZ (2026) 'Ofgem Review 2026: final report' (viewed on 19 August 2026)

8. The Secretary of State has the power to issue further guidance as she sees fit, and otherwise this guidance should last until a new Strategy and Policy Statement is issued or the guidance is revoked or replaced.

2. Growth as a government mission

This section sets out the policy context in which this guidance is being issued, and considerations for the Authority in relation to growth.

The Modern Industrial Strategy

9. In June 2025, the government published its Modern Industrial Strategy and Clean Energy Jobs Plan, setting out that the UK has major growth opportunities in Clean Energy Industries – across wind, nuclear fission and fusion, carbon capture usage and storage, hydrogen, and heat pumps – all of which are underpinned by electricity networks as a foundational enabler of growth. The Modern Industrial Strategy outlines that growth is driven by business investment in the UK and particularly in the UK's high growth sectors, increasing productivity and exports, and the creation of good jobs across the country.[5] It also sets out the absolute imperative of harnessing these opportunities by incentivising companies to build in Britain, thereby driving reindustrialisation, protecting the economy, and building an energy system that brings down bills for households and business for good.[6]

10. As set out in the Modern Industrial Strategy, electricity networks are essential enablers for whole economy growth, and electricity grid buildout offers a strong opportunity to boost sector domestic supply chain and skills capabilities. Supporting this remains a key government priority – as recently demonstrated by the National Wealth Fund's £600m in lending provided to Iberdrola/Scottish Power (mobilising £750m private finance) and £800m guarantee to SSEN Transmission – alongside the wider growth of the sector described in the Electricity Networks Sector Growth Plan Interim Report.[7]

11. Growth has significant potential to bring social and environmental benefits to the UK, including through reindustrialisation and in creating jobs across the UK. As outlined in the Clean Energy Jobs Plan, the government's goal is to create hundreds of thousands of good jobs across every nation and region of the UK driven by growth in the Clean Energy Industries.[8] Growing the UK's Clean Energy Industries and boosting domestic supply chains for electricity networks are fundamental to enabling clean power projects to connect to the grid and supporting wider industry to decarbonise – both of which carry

[5] DBT (2025) 'The UK's Modern Industrial Strategy', page 11 (viewed on 19 August 2026)
[6] DBT (2025) 'The UK's Modern Industrial Strategy', pages 14, 42, 122 (viewed on 19 August 2026)
[7] National Wealth Fund (2025) 'Scottish Power Factsheet' (viewed on 19 August 2026); National Wealth Fund (2025) 'SSEN Transmission Factsheet' (viewed on 19 August 2026); ENA/BEAMA (2025) 'Electricity Networks Sector Growth Plan: Interim Report' (viewed on 19 August 2026)
[8] DESNZ (2025) 'Clean Energy Jobs Plan: Creating a new generation of good jobs to deliver energy security' (viewed on 19 August 2026)

clear environmental benefits. Shorter supply chains can also carry wider environmental advantages, for instance by reducing emissions.[9]

Social value

12. In August 2026, the government issued Procurement Policy Notice (**PPN**) 026 on the Social Value Model (**PPN 026**), setting out the principle that social value is a key element of growth.[10] Social value for central government contracts is defined as taking account of how a supplier will work for our communities to provide good British jobs, skills and opportunities in every postcode.

13. The government wants public procurement to support British businesses, boost growth and help build a fairer economy so that people around the UK feel the full impact of this investment in their local communities. Including social value outcomes in procurement ensures that suppliers deliver good quality jobs, skills, and opportunities, and drives up growth and productivity across the country.

What this means for the Authority

14. Electricity network procurements are not in scope of these revised guidelines, given that Network Owners are not central government organisations within scope of PPN 026. However, in view of the scale of investment into electricity networks in the coming years, funded by billpayers, the government would encourage the Authority and the Network Owners to consider how similar principles could apply to them. Clean energy supply chains are global supply chains and the government welcomes the contribution which overseas companies play in our networks build-out, but contribution to UK growth and creation of UK social value also need to be taken into account.

15. PPN 026 also specifies that for procurements with a value greater than £5 million, a 20% social value weighting will be applied, with outcomes focused on good jobs and addressing skills shortages and barriers. The government welcomes ongoing discussion with the Network Owners around the potential to set a voluntary minimum 10% social value weighting in their procurements and looks forward to their response in the Electricity Networks Sector Growth Plan. The government maintains that a 10% minimum social value weighting for electricity networks is an important lever for delivering growth. The government notes that the higher 20% social value weighting is new central government policy and the government would therefore welcome the Authority working with the Network Owners and government to consider how they could work towards a 20% social value weighting as a longer-term ambition.

[9] The environmental benefits of shorter supply chains are a measurable outcome for the Clean Industry Bonus: DESNZ (2024) 'Contracts for Difference Scheme for Renewable Electricity Generation Allocation Round 7: Clean Industry Bonus Allocation Framework' (viewed on 19 August 2026)
[10] Cabinet Office (2026) 'PPN 026: The Social Value Model' (viewed on 24 August 2026)

16. In its support for voluntary alignment with a 10% minimum social value to balance the trade-off between its growth duty and its wider duties, including in relation to its principal objective to protect consumer interests. As set out in updated guidance issued when the Authority was brought into scope of the growth duty, the Authority as the independent regulator is best placed to balance its own decision making in this regard.[11] The government welcomes the Authority's consideration of this, including the development of guidance for Network Owners on how they can evidence social value, supply chain resilience, and growth in procurement.

17. The social value model set out in PPN 026 must be applied in a way that is proportionate, does not create unnecessary burdens for suppliers or barriers to participation, and does not discriminate against treaty state suppliers or violate the UK's international law obligations (including World Trade Organisation (**WTO**) laws). Contracting authorities must continue to comply with all requirements of applicable legislation relating to award criteria.

18. While the government will implement changes to the Authority's legislative framework in line with the Ofgem review in due course, including to underline the importance of growth, the government believes it is essential to act now by providing further guidance to the Authority on enabling growth from electricity networks buildout. This will enable us to maximise the upside opportunity in this sector and deliver growth for the UK as a whole.

[11] DBT (2024) 'Growth duty' (viewed on 24 August 2026)

3. Going further in electricity networks

This section sets out the government's objectives and desired outcomes for electricity networks in issuing this guidance, with considerations as to how the Authority might make a contribution to the attainment of economic growth in light of those objectives and outcomes.

The electricity networks sector

19. The government considers that the Authority has a critical role in supporting electricity networks to enable growth through increased domestic manufacturing and supply chain capability, in a way that is consistent with its principal objective, general duties, and functions.

20. The UK's electricity networks are the physical infrastructure that moves electricity from generators to homes, businesses and industry. They are split between two layers: Transmission Owners (**TOs**), who own the transmission grid, and Distribution Network Operators (**DNOs**) who own the local networks that deliver power to end users. The sector currently also includes Independent Distribution Network Operators (**IDNOs**) and Independent Connection Providers (**ICPs**).

21. The Authority, operating through the Office of Gas and Electricity Markets (**Ofgem**), is Great Britain's energy regulator, setting the regulatory framework for the power system in Great Britain, including the allowed revenues and network investment plans. The National Energy System Operator (**NESO**) is Great Britain's independent energy system planner and operator, responsible for planning the future energy system, operating the electricity grid in real time, and providing expert advice to government and regulators to deliver a secure, affordable, and decarbonised energy system. The Department for Energy Security and Net Zero (**DESNZ**) sets the overarching policy framework and strategic direction for the UK's energy system. This includes setting net zero targets, energy security objectives, and industrial strategy priorities.

22. This social and environmental guidance will directly affect the Authority's regulatory decisions that are relevant to TO and DNO approaches to procurement. The government recognises IDNOs and ICPs are also key contributors to the economic growth that electricity networks can deliver across the UK. They may choose to voluntarily align with elements of the guidance, such as a 10% social value weighting.

Government's growth objectives for electricity networks regulation

23. To achieve the significant opportunity that grid expansion provides, the government is clear that:

    a. More investment, contracts, and work should flow to UK businesses.

    b. A social value model for procurement supports British businesses, boosts growth, and helps build a fairer economy so people around the UK feel the full impact of this investment in their communities.[12]

    c. This can deliver long-term advantages, such as increased resilience in supply chains through increased domestic capability, long-term job creation that is rooted in specific places and regions, and therefore supports longer term sustainable development.

24. Increasing consideration of these long-term economic growth outcomes through procurement is in line with the Authority's existing growth duty, and the government expects these outcomes are deliverable within the Authority's existing frameworks.

25. The Authority should support the market to understand how it intends to achieve this and provide guidance and illustrative benefits for managing these trade-offs as part of implementing the considerations set out in this guidance, making it freely available across the sector.

26. The government correspondingly welcomes the views of the Authority on the appropriate factors it should consider, and the evidence companies may provide, to underpin an assessment of growth through procurement, as enabled by electricity networks. This range of factors and evidence should support the outcomes set out above in Paragraph 23; and ensure alignment with the objectives and definitions that will be set out in the forthcoming Electricity Networks Sector Growth Plan, where relevant.

Existing work in electricity networks

27. Government recognises TOs, DNOs, and IDNOs are already making significant positive progress towards developing procurement approaches that recognise and unlock growth across the UK electricity networks sector. These approaches take account of economic and resilience-based outcomes, including the creation of good long-term jobs across the UK; and are underpinned by wider facilitative activity and policies.

28. This guidance is intended to build on and give further strategic direction to support this ongoing delivery. This includes setting a clearer central policy direction for the sector as

[12] The government's definition of social value centres around the delivery of good jobs, skills and opportunities and is about taking into account the additional benefits that suppliers deliver through the way that they perform the contract. It is not a mandatory content requirement, and is compliant with the principles of equal treatment and non-discrimination set out in the Procurement Act 2023, and any other applicable legislation.

a whole and clarifying actions the Authority should take to enable long-term growth to be fully rewarded across its strategic plans, and legal and regulatory frameworks. It is government's policy intent that the Authority should enable activity across the sector which supports more investment flowing to UK firms, good job creation across the UK, and additional, technically credible and commercially disciplined productive supply chain capacity that reduces the expected cost of delay, shortage, outage and future supplier concentration.

29. The Authority should actively recognise that domestic firms winning contracts can be good for consumers where the location and continuity of domestic productive capability reduces the expected whole-system cost of delivering reliable energy infrastructure. The government recognises that this may come with a short-term cost trade-off.

30. The government's net zero and electrification policy is a significant direction of capital, investment, and labour. It is one of the largest ways the state is organising investment, developing technology, and determining where the gains from the transition accrue. The Authority should create the regulatory conditions in which network companies can design and implement procurement approaches that ensure competitive UK suppliers play a role in this transition. The government expects the Authority to demonstrate how it will balance these objectives in light of its statutory duties.

How the Authority can go further

31. Notwithstanding the anticipated changes that will be brought out by implementation of the Ofgem review report:

- The Authority should consider how its own strategic planning of its organisational priorities and objectives aligns with the desirability to promote growth through electricity network procurements across the UK.
- The Authority should consider where it can make changes to its own strategic planning of its organisational priorities and objectives to ensure that this is supporting growth through electricity network procurements, within the parameters set by the Authority's objective, duties, and functions.
- The Authority should consider where it can incorporate workforce and skills standards into its strategic plans and wider regulatory approach to procurement, learning from central government's approach in PPN 026. To support this and ensure sector consistency the Authority should consider how it can align with the objectives of the Clean Energy Jobs Plan, including ensuring good quality jobs.
- The Authority should consider how it can ensure that its regulation is enabling procurement approaches that strengthen domestic capability, improve energy security, and resilience in supply chains and skills, while supporting value for money for billpayers and delivery confidence.
- The Authority should explore setting clearer expectations for our regulated entities by considering the development of near-term guidance which outlines the

factors that it should consider, and the evidence that companies may provide, to support an assessment of growth benefits across the sector, for network owners to consider in their procurements. The Authority should provide illustrative benefits of how trade-offs between its principal objective and duties and the considerations in this guidance will be managed.

- The Authority should work with officials at DESNZ and the sector more broadly to consider how any future SPS can build on the aforementioned range of factors, evidence, and benefits to provide a clear expectation that works for government, the Authority, and industry.

32. The Authority should consider how, in line with its objective and duties, it could adopt an approach in which final UK assembly and actions to support the growth of the domestic high-value upstream supply chain are directly encouraged, with evaluation criteria and weighting designed to maximise supply chain resilience – generating positive economic industrial effects while fortifying and modernising our ability to produce goods within the UK.

4. Accountability

This section sets out the Authority's reporting requirements in view of this social and environmental guidance.

Reporting on the guidance

33. The government expects the Authority to demonstrate how it has helped the government make progress towards the considerations set out in this guidance and requests that the Authority discuss progress against them with senior officials and/or ministers on a quarterly basis. The government also requests that the Authority provide a further update on progress in writing for publication on an annual basis.

34. In preparing these updates, the Authority should work with the relevant regulated entities to increase transparency regarding the progress within the sector on the delivery of the government's desired outcomes, as described in this guidance. For example, this may include reporting of domestic versus overseas supply chain spend. When working with the TOs and DNOs to develop this information, the Authority should ensure that the design of any request is proportionate and carefully considers the types of information that it is feasible for TOs and DNOs to provide, so as not to increase the burden of reporting unnecessarily.

35. Recognising the potential value of increased demand certainty for investment in the electricity networks sector, the Authority should also, in developing this information request, consider how it can use this information to increase demand visibility and enable harmonised procurement approaches.

36. The Authority should likewise consider, in developing this information request, how it can support Network Owners to provide information on regional investment, with a breakdown by region where possible, and where this is in line with the principles articulated in Paragraph 34.

Managing the trade-offs

37. As detailed in paragraphs 16 and 25, separately to these updates, the Authority should explain how it will manage trade-offs between its principal objective and duties and the guidance (and the SPS where relevant), including illustrative benefits. This information should be made available to the sector and published by the new year.

5. Summary of considerations

You should use this template for most documents, including research and government responses. There are separate templates for consultations and independent reports.

Growth as a government mission

1. The government wants public procurement to support British businesses, boost growth and help build a fairer economy so that people around the UK feel the full impact of this investment in their local communities. Including social value outcomes in procurement ensures that suppliers deliver good quality jobs, skills, and opportunities, and drives up growth and productivity across the country. In view of the scale of investment into electricity networks in the coming years, funded by billpayers, the government would encourage the Authority and the Network Owners to consider how similar principles could apply to them.

2. The government welcomes ongoing discussion with the Network Owners around the potential to set a voluntary minimum 10% social value weighting in their procurements and looks forward to their response in the Electricity Networks Sector Growth Plan. The government maintains that a 10% minimum social value weighting for electricity networks is an important lever for delivering growth.

   The government notes that the higher 20% social value weighting is new central government policy and the government would therefore welcome the Authority working with the Network Owners and government to consider how they could work towards a 20% social value weighting as a longer-term ambition.

3. In its support for voluntary alignment with a 10% minimum social value weighting, and in working to consider a 20% weighting, the Authority will need to balance the trade-off between its growth duty and its wider duties, including in relation to its principal objective to protect the interests of consumers. As set out in updated guidance issued when the Authority was brought within scope of the growth duty, the Authority as the independent regulator is best placed to balance its own decision making in this regard.[13]

[13] DBT (2024) 'Growth duty' (viewed on 24 August 2026)

Going further in electricity networks

4. Increasing consideration of these long-term economic growth outcomes through procurement is in line with the Authority's existing growth duty, and the government expects these outcomes are deliverable within the Authority's existing frameworks. The Authority should support the market to understand how it intends to achieve this and provide guidance and illustrative benefits for managing these trade-offs as part of implementing the considerations set out in this guidance, making it freely available across the sector.

5. The government correspondingly welcomes the views of the Authority on appropriate factors it should consider, and the evidence companies may provide, to underpin an assessment of growth through procurement, as enabled by electricity networks. This range of factors and evidence should support the outcomes set out above in Paragraph 23; and ensure alignment with the objectives and definitions that will be set out in the forthcoming Electricity Networks Sector Growth Plan, where relevant.

6. The Authority should actively recognise that domestic firms winning contracts can be good for consumers where the location and continuity of domestic productive capability reduces the expected whole-system cost of delivering reliable energy infrastructure. The government recognises that this may come with a short-term cost trade-off.

7. The government's net zero and electrification policy is a significant direction of capital, investment, and labour. It is one of the largest ways the state is organising investment, developing technology, and determining where the gains from the transition accrue. The Authority has an explicit role to play in designing and promoting cost and procurement approaches that ensure competitive UK suppliers play a role in this transition. The government expects the Authority to demonstrate how it will balance these objectives in light of its statutory duties.

8. The Authority should consider how its own strategic planning aligns with the desirability to promote growth through electricity network procurements across the UK.

9. The Authority should consider where it can make changes to its own strategic planning to ensure that this is supporting growth through electricity network procurements, within the parameters set by the Authority's objective, duties, and functions.

10. The Authority should consider where it can incorporate workforce and skills standards into its strategic plans and wider regulatory approach to procurement, learning from central government's approach in PPN 026. To support this and ensure sector consistency the Authority should consider how it can align with the objectives of the Clean Energy Jobs Plan, including ensuring good quality jobs.

11. The Authority should consider how it can ensure that its regulation is enabling procurement approaches that strengthen domestic capability, improve energy security, and resilience in supply chains and skills, while supporting value for money for billpayers and delivery confidence.

12. In conjunction with Consideration #4, the Authority should explore setting clearer expectations for our regulated entities by considering the development of near-term guidance which outlines growth the factors that it should consider, and the evidence that companies may provide, to support an assessment of growth and benefits across the sector, for network owners to consider in their procurements. The Authority should provide illustrative benefits of how trade-offs between its principal objective and duties and the considerations in this guidance will be managed.

13. The Authority should work with officials at DESNZ and the sector more broadly to consider how any future SPS can build on the aforementioned range of factors, evidence, and benefits to provide a clear expectation that works for government, the Authority, and industry.

14. The Authority should consider how, in line with its objective and duties, it could adopt an approach in which final UK assembly and actions to support the growth of the high-value upstream supply chain are directly encouraged, with evaluation criteria and weighting designed to maximise supply chain resilience – generating positive economic industrial effects while fortifying and modernising our ability to produce goods within the UK.

Accountability

15. The government expects the Authority to demonstrate how it has helped the government make progress towards the considerations set out in this guidance and requests that the Authority discuss progress against them with senior officials and/or ministers on a quarterly basis. The government also requests that the Authority provide a further update on progress in writing for publication on an annual basis.

    In preparing these updates, the Authority should work with the relevant regulated entities to increase transparency regarding the progress within the sector on the delivery of the government's desired outcomes, as described in this guidance. For example, this may include reporting of domestic versus overseas supply chain spend. When developing this information working with the TOs and DNOs to develop this information, the Authority should ensure that the design of any request is proportionate and carefully considers the types of information that it is feasible for TOs and DNOs to provide, so as not to increase the burden of reporting unnecessarily.

    Recognising the potential value of increased demand certainty for investment in the electricity networks sector, the Authority should also, in developing this information request, consider how it can use this information to increase demand visibility and enable harmonised procurement approaches.

The Authority should likewise consider, in developing this information request, how it can support Network Owners to provide information on regional investment, with a breakdown by region where possible, and where this is in line with the principles articulated in Paragraph 34.

16. As detailed in paragraphs 16 and 25, separately to these updates, the Authority should explain how it will manage trade-offs between its principal objective and duties and the guidance (and the SPS where relevant), including illustrative benefits. This information should be made available to the sector and published by the new year.

6. Glossary

Word	Definition and/or Further References
Clean Energy Industries	The UK's frontier clean energy sectors, as described in the Modern Industrial Strategy. They include offshore wind, onshore wind, nuclear fission, nuclear fusion, carbon capture, utilisation, and storage, hydrogen, and heat pumps, all of which are underpinned by electricity networks as a foundational enabler of growth.[14]
Clean Energy Industries Sector Plan	The government's sector plan for the clean energy industries, forming part of the Modern Industrial Strategy. The plan sets out how the UK will create investment, growth, and good jobs in the clean energy industries. It targets a doubling of investment to over £30 billion per year by 2035.[15]
Clean Energy Jobs Plan	The government's plan setting out the workforce needed to deliver the UK's clean energy ambitions and how government will work with industry and trade unions to create a new generation of good jobs.[16]
Distribution Network Operators (DNOs)	The entities that own the local networks that deliver power to end users through the distribution grid.
Independent Distribution Network Operator (IDNOs)	Entities that deliver power to end users, but unlike DNOs are not tied to the operation of a specific regional network.
Electricity networks	The UK's electricity networks are the physical infrastructure that moves electricity from generators to homes, businesses and industry.
Electricity Networks Sector Growth Plan	An industry-led, government-backed plan jointly led by the Energy Networks Association (ENA) and BEAMA, with UK, Welsh, and Scottish government input, establishing a 10-year roadmap of actions and priorities to maximise the networks sector's contribution to UK growth. An interim report was published in December 2025, with the final plan due in Summer 2026.[17]
Gas and Electricity Markets Authority ('the Authority')	The governing body of Ofgem, established under the Utilities Act 2000.

[14] DESNZ (2025) 'Clean Energy Industries Sector Plan' (viewed on 24 August 2026)
[15] DESNZ (2025) 'Clean Energy Industries Sector Plan' (viewed on 24 August 2026)
[16] DESNZ (2025) 'Clean Energy Jobs Plan: Creating a new generation of good jobs to deliver energy security' (viewed on 24 August 2026)
[17] ENA/BEAMA (2025) 'Electricity Networks Sector Growth Plan: Interim Report' (viewed on 19 August 2026)

Word	Definition and/or Further References
Growth	Economic growth is a core government mission, as set out in the Modern Industrial Strategy. For electricity networks, this covers both the sector's direct contribution to the economy (including jobs and manufacturing) and its role as a foundational enabler of growth across the wider economy.[18]The Authority's growth duty is underpinned by statutory guidance to which all regulators must have regard.[19]
Good jobs	The concept, as set out in the Clean Energy Jobs Plan, of creating jobs that are well paid, safe, accessible to everyone, and have good working conditions, and which are accessible across every nation and region of the UK.[20]
High-value upstream supply chain	The high-value upstream supply chain refers to the manufacturing of goods using production processes that integrate advanced science and technology to manufacturing. These processes use R&D, innovation, the UK's extensive knowledge network, and a highly skilled population.
Modern Industrial Strategy	The government's 10-year plan to increase business investment and grow the industries of the future, backs eight priority sectors including the Clean Energy Industries.[21]
National Procurement Policy Statement (NPPS)	The statutory statement issued under Section 13 of the Procurement Act 2023, setting out the government's strategic priorities for public procurement, to which contracting authorities must have regard. Private utilities are not currently subject to Section 13 of the Procurement Act 23, nor the NPPS.[22]
Network Owners	A term describing both the transmission owners and the distribution network operators.
Ofgem	The Office of Gas and Electricity Markets, an independent, non-ministerial government department that regulates the gas and electricity markets in Great Britain.[23]
Ofgem review	The review of Ofgem launched in December 2024, examining the regulator's mandate, duties, remit, powers, and role in supporting growth and protecting consumers. The final report was published on 22 April 2026, and its recommendations are being taken forward by the government.[24]

[18] DBT (2025) 'The UK's Modern Industrial Strategy' (viewed on 19 August 2026)
[19] DBT (2024) 'Growth duty' (viewed on 24 August 2026)
[20] DESNZ (2025) 'Clean Energy Jobs Plan: Creating a new generation of good jobs to deliver energy security', page 44 (viewed on 24 August 2026)
[21] DBT (2025) 'The UK's Modern Industrial Strategy' (viewed on 19 August 2026)
[22] Government Commercial Function (2025) 'National Procurement Policy Statement' (viewed on 19 August 2026)
[23] Ofgem (GOV.UK page) (viewed on 24 August 2026)
[24] DESNZ (2026) 'Ofgem Review 2026: final report' (viewed on 19 August 2026)

Word	Definition and/or Further References
Social value	As set out in Procurement Policy Notice 026 on the Social Value Model (PPN 026), the government believes that social value is a key element of growth.[25] Social value for central government contracts is defined as taking account of how a supplier will work for our communities to provide good British jobs, skills and opportunities in every postcode.
Strategy and Policy Statement	The statement prepared under the Energy Act 2013, setting out the government's strategic priorities for energy policy in Great Britain, and the roles of the Secretary of State, Ofgem, and NESO in delivering them. The current SPS came into force in May 2024.[26]
Transmission owners (TOs)	The entities that own and operate the transmission grid.

[25] Cabinet Office (2026) 'PPN 026: The Social Value Model' (viewed on 24 August 2026)
[26] DESNZ (2024) 'Strategy and policy statement for energy policy in Great Britain' (viewed on 24 August 2026)

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