



XOSERVE

DELIVERING
DECARB

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November has been another incredibly busy month, with Budget rumours dominating the news agenda. However, all speculation came to an end when Rachel Reeves stepped up to the despatch box on Wednesday 26 November to deliver a Budget that reduces energy bills, but leaves a lot of questions unanswered, especially how the Government will be implementing its commitment to improve the price of electricity relative to gas.

But beyond the Westminster bubble, the world did not stand still. From Ofgem confirming a total of £164 million in investment for three National Gas projects to accelerate the delivery of a core hydrogen network, to publication of the Government's Carbon Budget and Growth Delivery Plan, this month's newsletter will bring you all the key industry developments. You'll also get a sneak peek at our newly updated decarbonisation website and our latest "Managing Different Gases" webinar.

01 Notable news

£164 million investment in Britain's core hydrogen network

Ofgem has confirmed £164 million in funding for three National Gas projects to accelerate Project Union, Britain's planned 1,500-mile hydrogen backbone. The new £107 million announced in November builds on £57 million awarded earlier this year, allowing over half of the network to enter detailed engineering design.

Project Union will repurpose existing and build additional hydrogen-capable pipelines to link major industrial clusters across Scotland, the North East, the North West and the Humber. The core hydrogen network will support industrial decarbonisation, energy security, and future hydrogen production. Industry groups have welcomed the milestone, noting its potential to attract investment, create thousands of jobs, and help deliver the UK's wider net-zero goals.

[Read the full story here](#)

Wild Hydrogen looks to produce carbon negative hydrogen

Wild Hydrogen, founded in 2022, is raising £6 million to develop a 1MW commercial demonstrator of its patented Rising Pressure Reformer (RiPR) technology. The Gloucester-based company's process uses supercritical water gasification to turn a wide range of waste feedstocks into hydrogen, biomethane, CO₂ and biochar.

Wild Hydrogen says RiPR can produce carbon-negative "clear hydrogen" without large volumes of renewable electricity and at costs competitive with grey hydrogen production. After raising £2.3 million and building four prototypes, the firm plans to commission its first commercial demonstrator in 2027. The RiPR system does not use rare Earth minerals (a common component of other carbon capture technologies), can operate off-grid, and is adaptable to

produce different carbon removal products. Its crowdfunding campaign is now open for priority access.

[Read the full story here](#)



01 Notable news

UK gas storage hub bets on turquoise hydrogen as engineering studies begin

Engineering studies have begun upon a proposed turquoise hydrogen plant in the North West of England, linked to EnergyPathways' planned offshore Marram Energy Storage Hub (MESH). The project, developed by Hazer Group and KBR, plans to use methane pyrolysis to produce up to 20,000 tonnes of hydrogen a year, generating solid carbon instead of CO₂.

EnergyPathways says the shift from blue and green hydrogen production plans reflects rising production costs, with turquoise hydrogen offering a potentially more cost efficient option. The process is forecast to also supply up to 60,000 tonnes of graphite annually. This is a strategically valuable byproduct of the turquoise hydrogen production process, as the UK currently relies entirely upon imports of this advanced material. Engineering studies are due to

conclude in early 2026, with the technology seen as a promising but still early-stage solution for the UK's energy transition.

[Read the full story here](#)

UK Ammonia Alliance calls for action to make the UK a global leader in low-carbon ammonia

The UK Ammonia Alliance (UKAA) has launched its first report in Parliament, setting out eight actions to make the UK a global leader in low-carbon ammonia. The report highlights the economic, energy security and decarbonisation benefits of scaling low-carbon ammonia and calls for coordinated industry investment and supportive government policy.

At a parliamentary roundtable marking the launch, policymakers, academics and industry leaders discussed the UK's competitive advantages and the opportunities for ammonia as a maritime fuel, hydrogen

carrier, and clean power source. Speakers, including Energy Minister Michael Shanks MP, stressed that low-carbon ammonia could boost growth and strengthen national security, while UKAA urged joint action to capitalise on the UK's innovation and industrial expertise.

[Read the full story here](#)



01 Notable news

Carbon Budget and Growth Delivery Plan

The Government has published its Carbon Budget and Growth Delivery Plan, setting out how the UK will meet its carbon budgets while accelerating the transition to low-carbon gases. The plan highlights the central role of hydrogen, biomethane, and wider decarbonised gas infrastructure in delivering future carbon budgets and strengthening energy security.

Across fuel supply, industry, and power generation, the document recommends policies to expand low-carbon hydrogen production, scale transport and storage infrastructure, support industrial fuel-switching, and expand biomethane generation. The plan also recognises the importance of new technologies, such as hydrogen-ready networks, carbon capture, and engineered greenhouse gas removals, in reducing emissions from hard-to-abate sectors.

With enabling measures on innovation, skills and investment, and with strong public and industry momentum behind clean energy, the Government projects full delivery of the emissions reductions required for Carbon Budget 6. The plan reinforces that low-carbon gases will be essential to energy security, industrial competitiveness and achieving a cost-effective, resilient pathway to net zero.

[Read the full story here](#)

Industrial Hydrogen Accelerator Programme: Stream 2A projects

The Government has awarded almost £3 million through Stream 2A of the Industrial Hydrogen Accelerator Programme to nine feasibility studies exploring end-to-end industrial fuel switching to hydrogen.

The funded projects span multiple sectors and technologies, reflecting growing demand for practical hydrogen solutions that can replace fossil fuels in heavy industry. Together, they will build evidence on real-world hydrogen production, transport, storage and use, helping shape the infrastructure and commercial models needed to scale industrial hydrogen across the UK.

[Get the full story here](#)

02 Spotlight on... the Budget

UK Chancellor Rachel Reeves MP has delivered her 2026 Budget.

Vowing “to get a grip of the cost of living crisis”, the Chancellor unveiled a Budget that focused upon smaller tactical tweaks to reassure Labour Backbenchers, rather than larger strategic interventions to address the UK economy’s low productivity and investment challenges.

Reeves’ second Budget as Chancellor included over £26 billion in tax rises alongside several adjustments to the UK energy market, including:

- A commitment to cut average household energy bills by £150 from April 2026 through the scaping of Government levies – including the Electricity Company Obligation (ECO) – rather than actions to reduce wholesale energy costs
- Confirmation of a £1.5 billion Warm Homes Plan, aimed at improving home energy efficiency and lowering long-term heating demand for gas-heated properties.
- The Government also committed to “doing more to reduce electricity costs for all households and improve the price of electricity relative to gas.” The Warm Homes Plan will include additional details on how levy revenues will be replaced.
- Consultation on the future of gas network investment & decarbonisation pathways, this includes future demand scenarios, potential asset stranding, and decisions around the long-term role of gas networks (blending, hydrogen transition, decommissioning pathways).
- The Budget commits to exploring whether the UK has the appropriate market incentives for gas storage, following recent volatility in global gas markets.
- The Government announced that electricity used to produce hydrogen through electrolysis will be exempt from the Climate Change Levy (CCL) by Spring 2026.



03 Policy milestones

The path to a decarbonised energy system will be marked with significant policy milestones and project developments. As the gas industry continues its efforts to transition to net zero, understanding these key events is essential. Here we highlight key regulatory insights, policy milestones and consultations impacting the decarbonisation of gas.

Regulation and Policy insights

Markets Regulatory Strategy and Vision to 2030

Ofgem's [published](#) its 2030 vision, emphasising consumer-led flexibility, innovation, and investment to enable a low-cost transition to net zero. Gas remains central as markets adapt to decarbonisation, with regulatory frameworks supporting integration of low-carbon gases like hydrogen and biomethane. The strategy prioritises fair cost recovery, financial resilience, and incentives for flexible energy use, creating space for new entrants and technologies. By fostering predictable returns and

reducing barriers, Ofgem aims to accelerate adoption of clean gas solutions alongside electrification, ensuring all consumers benefit from a diversified, sustainable energy mix.

Ofgem's 2030 vision has been published shortly before its final RIIO-GD/T3 determination – expect in December. This determination will set the level of funding available for gas network upgrades and decarbonisation throughout the next price control period.

Centralised Strategic Network Plan

Ofgem has issued [guidance](#) on the requirements for NESO to produce the Centralised Strategic Network Plan (CSNP) and the Centralised Strategic Network Plan Methodology. The CSNP will be an independent, coordinated, and long-term whole-system approach to planning the electricity and natural gas transmission networks as well as hydrogen transport and storage networks across Great Britain to help meet the government's net zero ambitions.

During its previous future network scenarios, NESO has underlined the continued role of gas within the UK's energy mix.

Decarbonisation readiness in environmental permits

The UK government has [published](#) guidance to ensure new industrial projects are “decarbonisation ready”, encouraging early planning for low-carbon fuels, including hydrogen. This helps facilities transition in the future and supports the UK's net-zero goals.

03 Policy milestones

Upcoming opportunities to influence energy policymaking

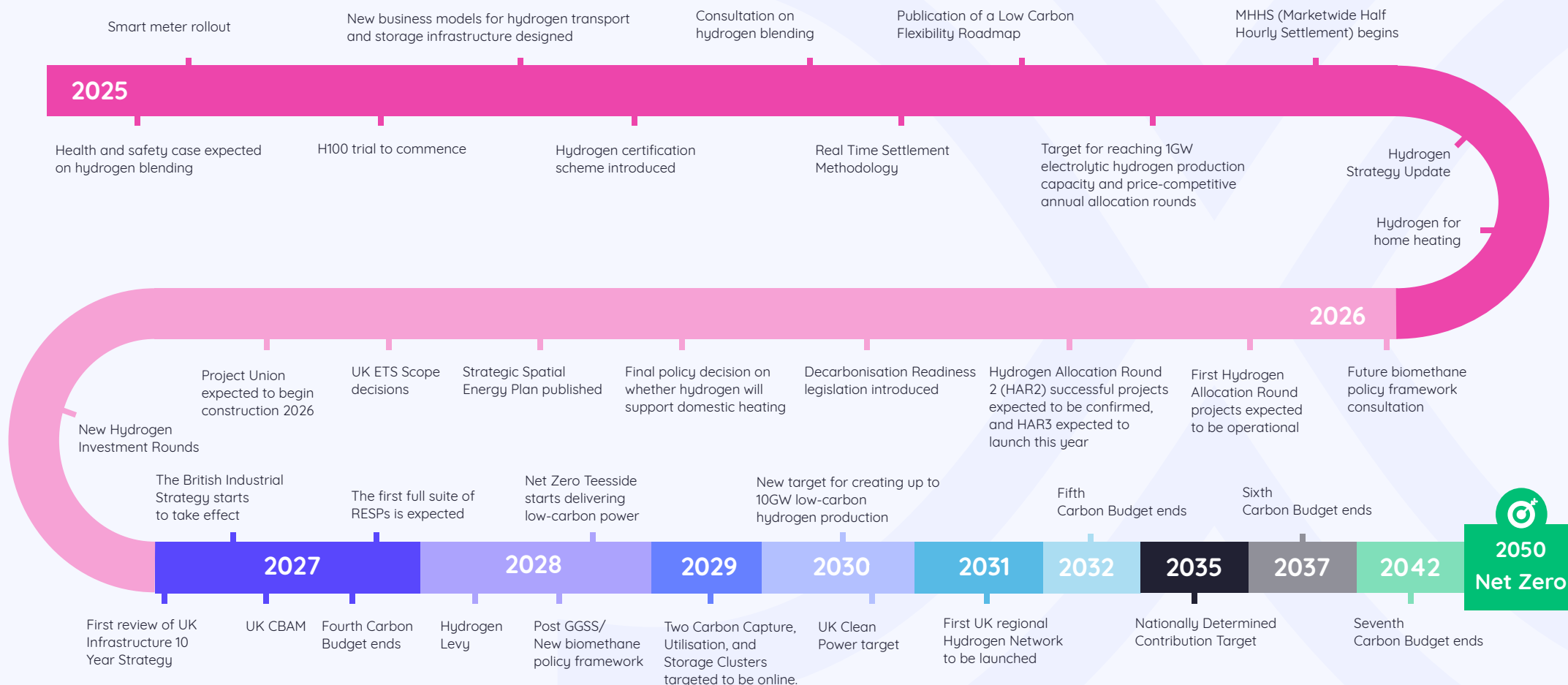
Several important consultations are currently open or closing soon, offering stakeholders a chance to provide expert input on key aspects of the decarbonisation transition:

- 1. Sustainable, Regional Approach for the production, storage, transport and use of hydrogen as fuel** - The Northern Irish Department for the Economy has [launched](#) a consultation on production, storage and transport of hydrogen in the province. The consultation closes on Thursday 18 December.
- 2. Managing the future of UK oil and gas** - The Energy Security and net Zero Committee has [launched](#) a new inquiry and call for evidence into the role of oil and gas in the energy transition, the management of the UK's North Sea energy basin and how the transition away from gas in home heating might be achieved. Evidence can be submitted until 7 January 2026.
- 3. A review of shrinkage volumes on the National Transmission System (NTS)** - Ofgem is [launching](#) a review of NTS Shrinkage with the intention to consider options to reduce gas volumes that are lost on the network. Responses can be submitted until the 7 January 2026.
- 4. Draft Climate Change Plan** - The Scottish government has [launched](#) its draft Climate Change Plan and invited stakeholders to submit their views on the plan which lays out how Scotland can stop its contribution to increasing global emissions. Responses can be submitted until 29 January 2026.
- 5. Regional Energy Strategic Planning (RESP)** - NESO has [published](#) a consultation on its Regional Energy Strategic Planning Methodology ahead of the final RESP Methodology publication in Summer 2026. Responses can be submitted until 16 January 2026.
- 6. Gas System in Transition: security of supply** - DESNZ has [published](#) a consultation seeking views on their assessment of GB's long-term supply of gas, and proposed policy actions to protect gas and energy security during the transition. Responses can be submitted until 18 February 2026.



03 Policy milestones

Key Government energy policy/regulatory milestones:



04 Things to look out for

December's DeliveringDecarb edition will keep you informed of any new announcements, consultations or research on the potential future role and benefits of biomethane, hydrogen, gas blending and CCUS.



For now, here are some upcoming publications to keep an eye on in the near term:

Expected in the coming month's:

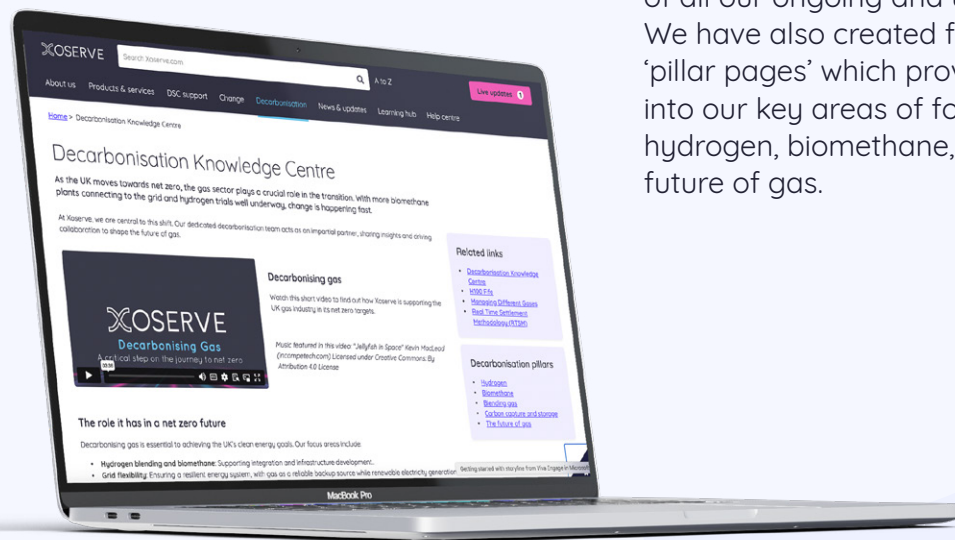
- UK Government's updated hydrogen strategy.
- Gas Shipper Obligation consultation response.
- Consultation on hydrogen for home heating.
- Hydrogen transport and storage market framework consultation response.
- Network investment and cost recovery call for evidence.
- SSEP Pathway Decision.
- NESO's Gas Options Advice document.
- RIIO-3 Determinations.

Beyond these, there will be a number of consultations published following the budget.

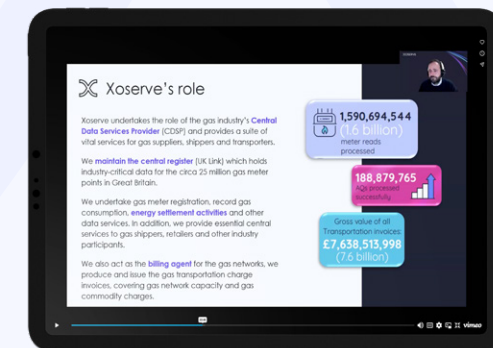
If you can't wait until next month's edition of DeliveringDecarb, be sure to [Xoserve on LinkedIn](#) for comments and key takeaways as they happen.

05 Xoserve milestones

It hasn't only been a busy month in the news and Westminster, but also for us at Xoserve as we have been giving our [decarbonisation website](#) a big update. On our Decarbonisation Knowledge Centre, you can now find everything Decarbonisation in one place, from key policy milestones, to our Decarb Discussion podcast to an overview of all our ongoing and upcoming projects. We have also created five decarbonisation 'pillar pages' which provide deeper insights into our key areas of focus including: hydrogen, biomethane, blending, CCS, and the future of gas.



Furthermore, we were pleased to discuss our Managing Different Gases programme as part of the I-SEE Sustainable Energy & the Environment Webinar series. Orlando Minervino, Xoserve's Decarbonisation Strategy Manager talked about how the introduction of biomethane, hydrogen blends, and 100% hydrogen will impact billing, settlement, and system design, and how the decarb team are preparing for this transition.



You can watch the full webinar [here](#)

06 Dates for your diary

Here are some upcoming dates in December when you can meet the Decarbonisation Team. We'd love to see you there.

Network monthly decarbonisation meeting	Monday 1 December 2025 Online
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Hydrogen Information Sharing Group	Friday 12 December 2025 Online
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Shipper Hydrogen Implementation Forum meeting	Friday 19 December 2025 Online
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IGT Hydrogen Implementation Forum meeting	Friday 19 December 2025 Online
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Metering Hydrogen Implementation Forum meeting	Friday 19 December 2025 Online
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To enquire about or ask to join our meetings above, please email decarbonisation@xoserve.com



07 Keeping in touch

If you've found any of the topics in this month's newsletter particularly interesting, please get in touch or share your comments on [LinkedIn](#), tagging @Xoserve.

You can also delve deeper into decarbonisation with our Decarb Discussions podcast, which covers topics from different industry perspectives. To get involved and have your voice heard on our podcast channel, please get in touch.

To help you stay ahead of the curve, we've created the Decarbonisation Knowledge Centre, for the latest news, exciting new projects, and important policy updates. We're confident you'll find a wealth of valuable resources on decarbonisation.

If you'd like to suggest any ideas, please contact: decarbonisation@xoserve.com



Orlando Minervino

Business Development Manager
and Decarbonisation Strategy Lead

