

Rt Hon Ed Miliband
55 Whitehall
London
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05 December 2025



Hydrogen Strategy

Dear Secretary of State,

As the Government prepares to publish its refreshed Hydrogen Strategy, we write as representatives of Britain's gas networks and the wider energy and industrial sector to make one thing clear: this is a make-or-break moment for our fledgling hydrogen industry.

Decisions taken now will determine whether the UK leads the global hydrogen race – unlocking growth, jobs, exports and decarbonisation across every region. Conversely, if the Government downgrades its ambitions in this area, it risks deterring tens of billions of pounds of international investment, with that money and potential to grow a future industry domestically gifted to the UK's global competitors.

The UK is already falling behind. Since 2021, the UK has slipped from second to eighth in the Global Hydrogen Potential Index. The global hydrogen market is forecast to reach \$2.5 trillion by 2050. Britain should be leading the hydrogen race – not watching from the sidelines as others move faster and allowing investment to slip through our fingers.

Hydrogen is not an abstract future technology. It is essential, alongside other green gases such as biomethane, to decarbonising the industries, businesses and communities that rely on gas and cannot electrify, for cost or technical reasons. Forecasts from the National Energy System Operator (NESO) and the Committee on Climate Change's Seventh Carbon Budget make clear the extensive role it should have in our future energy system. A thriving, mature market is not optional – it is essential.

Since taking office in July 2024, this government's commitment to green gases has been welcome and consistent. In the 'Update to Market' published this summer, the then Minister for Industry noted that *'from the moment we came into power... we were clear that hydrogen has a fundamental role to play in not one but two of our core Missions... a central pillar of the UK's clean energy future'*. Indeed, alongside the confirmation of £500m of funding over the summer, you were clear that *'by building hydrogen networks, [we] are securing homegrown energy that will power British industry for generations'* and, in your statement to the House launching the clean energy superpower mission, reaffirmed that *'the hydrogen economy is a really important part of our future'*.

That ambition must now be matched by a Strategy with the same scale and determination. This is the Government's chance to prove it is serious about delivering growth, investment and skilled jobs in every part of the country.

We are therefore concerned by recent comments from the Minister for Energy, which suggested hydrogen will play only a *'more focused role'* in the UK's future energy mix, signalling reduced ambition for the sector.

We recognise the importance of ensuring good use of public money and undertaking a robust assessment of industry's needs, supporting developers and investors to identify and pursue use cases that are likely to align with this government's strategic view of where hydrogen can deliver the greatest value. However, narrowing hydrogen's role and scope at this time, before the evidence is fully developed and costs of production reduced, is premature. Retaining flexibility to consider specific proposals on a case-by-case basis would not go far enough, limiting growth, weakening supply chains and adding further uncertainty to a sector that has already faced delays and a lack of joined up long-term planning.

With the right framework, we can lead again. Integrated planning of electricity and hydrogen infrastructure could save the UK £38 billion by 2050, support over 64,000 skilled jobs and unlock more than £11 billion in

private, regional investment by 2030. Delivering 10GW of hydrogen capacity could generate an export market worth up to £2.2 billion. This is real money, real jobs, and real growth on the table.

The UK can deliver at pace. By 2032, more than 90% of the network will be hydrogen-ready. Projects such as H100 Fife, LTS Futures, FutureGrid and East Coast Hydrogen show the capability, skills and technology are here – ready to go. What the sector needs is a Strategy bold enough to match that potential.

A clear, long-term commitment to hydrogen is not a roll-of-the dice – it is a down-payment on Britain's industrial future. To succeed, the Strategy must meet three tests:

1. **Retain investor confidence** – prescribing where hydrogen “can and cannot” be used, and only specific processes for its production, risks choking off further investment – investment necessary to scale production and reduce costs. Private capital will otherwise refocus their attention on the growing hydrogen economics in Europe and the US, offshoring skills and innovation;
2. **Unleash growth and jobs across the country** – a thriving hydrogen economy can anchor new supply chains, unlock regional opportunity and deliver high-quality jobs right across the country. The Strategy must back that vision, not limit it; and
3. **Expand the tools for decarbonisation** – hydrogen offers a practical solution for hard-to-abate sectors. With clear demand signals and a plan for transport infrastructure and storage, hydrogen can become a viable choice for the businesses that need it most – keeping costs down and protecting jobs.

This Strategy is about more than energy policy. It is about industrial renewal and the opportunity for growth – about whether Britain leads the clean energy revolution or is left importing other nations' technology.

We urge the Government to seize this moment and show the leadership that investors, workers and communities are looking for – to pursue a Strategy that is bold, credible and investable: a statement of Britain's intent to become a global hydrogen superpower.

We want to work with you and your department to make that vision a reality – to deliver projects at scale, train the workforce of the future, and build a hydrogen economy that facilitates decarbonisation and drives growth across the country.

Yours sincerely,



James Earl
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Dr Emma Guthrie
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Andy Prendergast
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