Iran, the Middle East and UK energy: factsheet

6.3.2026 - | Her Majesty's Revenue and Customs

Your questions answered on the impact of recent conflict in the Middle East.

UK gas supply

The UK’s gas supply will not be disrupted.

While the UK does import some liquified natural gas (LNG) from the Gulf, we benefit from strong and diverse energy supplies.

This includes our own North Sea production, pipelines with Norway, interconnectors with continental Europe and three LNG terminals.

Only about 1% of the UK’s gas supply in 2025 came from Qatar. We have no reason to expect it would be significantly different in 2026 or beyond.

UK energy security

The biggest threat to energy security for families and businesses in the UK is continued reliance on unstable fossil fuel markets. That is why we’re taking back control with clean, homegrown power to ensure our energy security, protect the British people and bring down bills for good.

To support this mission, we’re delivering the biggest ever investment in homegrown clean power in British history.

That includes securing the cheapest sources of energy for our country - from this year’s record-breaking renewables auction, which shows offshore wind is 40% cheaper to build and operate than new gas power stations - to consenting enough wind and solar to power the equivalent of 8.5 million homes.

We’re also welcoming in a new golden era for nuclear with a record investment in the biggest nuclear building programme in half a century.

North Sea oil and gas

Increasing domestic oil and gas production would not help with supply and prices.

Regardless of where it comes from, the price of oil and gas is determined by international markets, not the UK. We are price-takers, not price-makers.

Future exploration in the North Sea is too marginal to make a difference to the overall supply in an international market. It is a maturing basin and accounts for less than 0.7% of global oil and gas production.

New licences to explore new fields would also take years to be developed and wouldn’t make any difference to the prices set by international markets and paid by UK billpayers.

However, we are taking a pragmatic approach to ensure existing North Sea production continues to play an important and valuable role in our energy system. This includes the introduction of Transitional Energy Certificates to ensure existing fields remain economically viable for their whole lifespan as we transition to our clean energy future.

Our plans are laid out in the North Sea Future Plan.

Fuel prices

International prices are changing and we are monitoring them. However, it is too soon to say how they will translate to local prices at the pump. Changes in crude oil price tend to feed through gradually over the course of a number of weeks. Fuels Industry UK reports that fuels production and imports are continuing across the UK as usual. As motorist organisations the AA and RAC have advised, “there is no need for drivers to break their refuelling routine.”

Energy bills

The energy price cap will provide protection for households until the start of July, regardless of developments in the Middle East.

This is the maximum rate you can be charged by your energy company for default tariffs – and as a result of government action in the Budget, the price cap will fall by 7% or £117 annually for the period covering April to June. So, households will see their energy bills go down in April.

However, the biggest driver of energy prices for homes and businesses is the cost of wholesale gas set by international markets. If this remains high, it could have an impact on bills in the future. This means that moving to clean, secure, homegrown power is the best way to protect bills for good.

Government help for bills

We announced in the Autumn Budget that we would cut the cost of living, including by taking an average of £150 of costs off energy bills from April. This will help millions of families with their energy bills.

This change comes on top of the expansion of the Warm Home Discount - a £150 discount off electricity bills for eligible households - part of a wider package of cost of living measures.

The government is also helping people to lower their energy bills by upgrading their homes with insulation and clean energy products. The £15 billion Warm Homes Plan will help lift up to one million families out of fuel poverty.

There is further advice for households wanting to take action themselves to cut costs through the government’s Clean Energy Campaign.

https://www.gov.uk/government/news/iran-the-middle-east-and-uk-energy-factsheet