Recent trends in energy disputes

AUGUST 2026

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Introduction

Recent events such as the ongoing conflicts in Ukraine and Iran have highlighted how fragile aspects of our energy supply are in Western Europe. The Net Zero agenda adopted by many assumes that supply of energy is a given and that the variables are only price and carbon intensity. That isn't the case: the intermittency of renewables and the potential interruption of supplies of imported fuels (gas and heavy oil derivatives in particular) must also be addressed.

A deeper analysis of the current situation suggests that energy has the potential to be the source of significant volumes of litigation if the key actors do not work in a more co-ordinated manner with honest communication around sources of energy and the consequences of consumption. This is a risk that should be firmly on the radar of leaders in organisations throughout the supply chain.

Against that backdrop, we have worked with Solomonic to review key trends in energy disputes[1] in the High Court (England & Wales)[2] in the period from 1 January 2020 to 31 December 2025.

In this report we set out the findings of that research and examine the increase in environmental-related litigation and disputes arising out of the transition towards renewables, industry mergers and consolidation, and geopolitical tensions – all underpinned by data from the High Court and drawing on the experience of Burness Paull's English law disputes team and energy sector experts.

1 By "energy disputes", we mean any dispute within the Solomonic database (which tracks litigation data in England & Wales) tagged as related to: "Utilities & Power Generation", "Oil & Gas", "Oil industry", "Oil drilling equipment", "Oil equipment", "Oil and gas", "Oil and gas and other natural resources", "Oil rigs", "Oil tankers", "Oil refineries", "Natural gas", "Energy sector", "Energy pricing", "Energy storage", "Energy supply", "Energy", "Energy and renewables", "Energy contract broking", "Energy trading", "Energy procurement specialists", "Electricity cables", "Electricity supply", "Electricity distribution network", "Solar parks", "Solar farms", "Solar panels", "Wind energy", "Wind farms", and/or "Nuclear industry".

2 Our analysis includes all courts covered by Solomonic save for Company & Insolvency, Personal Injury, Clinical Negligence and the Asbestos List

"Whilst disputes between companies in the energy supply chain are inevitable, the frequency of those disputes are only likely to increase if the key actors in the industry and across borders do not work in a more co-ordinated manner with honest communication around sources of energy and the consequences of consumption. Whereas these sorts of disputes have historically been centred on the non-renewable energy sector, the ongoing transition from fossil fuels to renewable sources will result in these disputes increasing in respect of renewable energy and in different types of disputes coming to the fore."

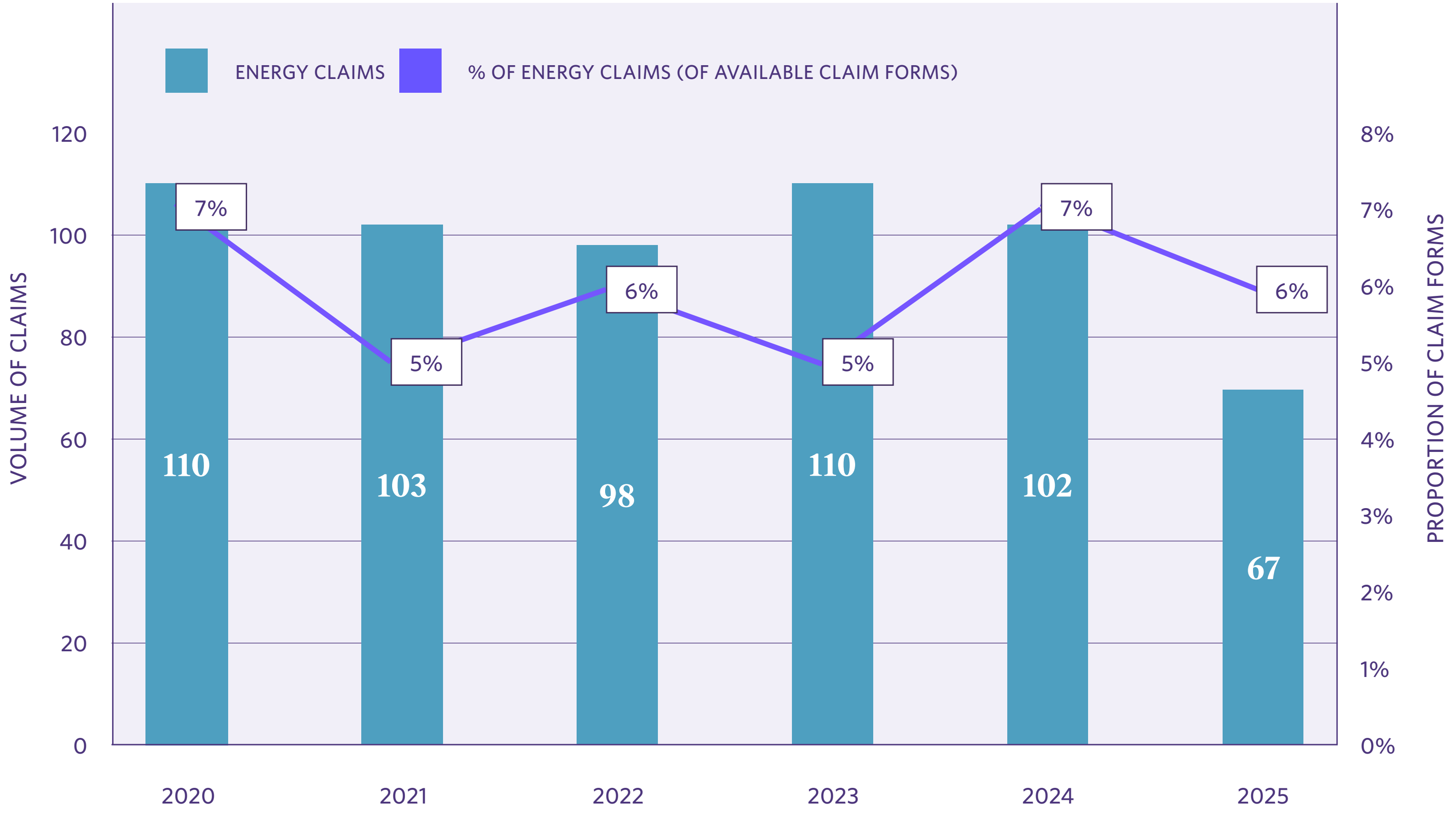
Nick Warrillow

PARTNER

1. Claim volumes

Notwithstanding the factors above, the volume of energy disputes issued each year from 2020 to 2024 has remained relatively static, with a slight dip in 2025. However, as a proportion of available claims forms (which provides a more accurate picture), the busiest periods for energy disputes were 2020 and 2024, at around 7% of claims, and 2025, at 6%.

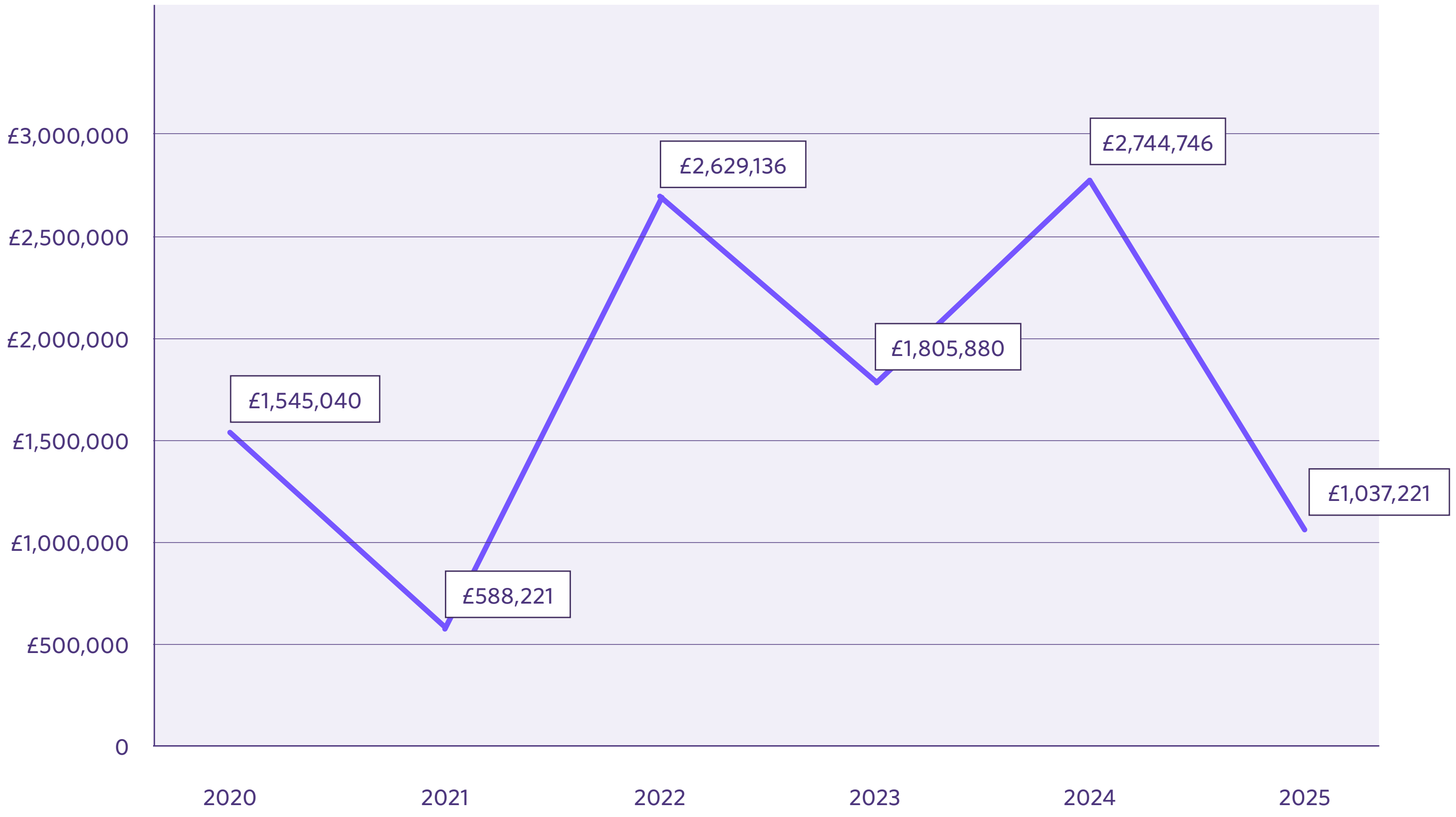
ENERGY DISPUTE CLAIMS ISSUED 2020-2025



2. Claim values

The median value[3] of energy disputes issued each year from 2020 to 2025 has fluctuated. Overall, the median sits at over £1.5 million.

MEDIAN VALUE OF CLAIMS BY ISSUE YEAR

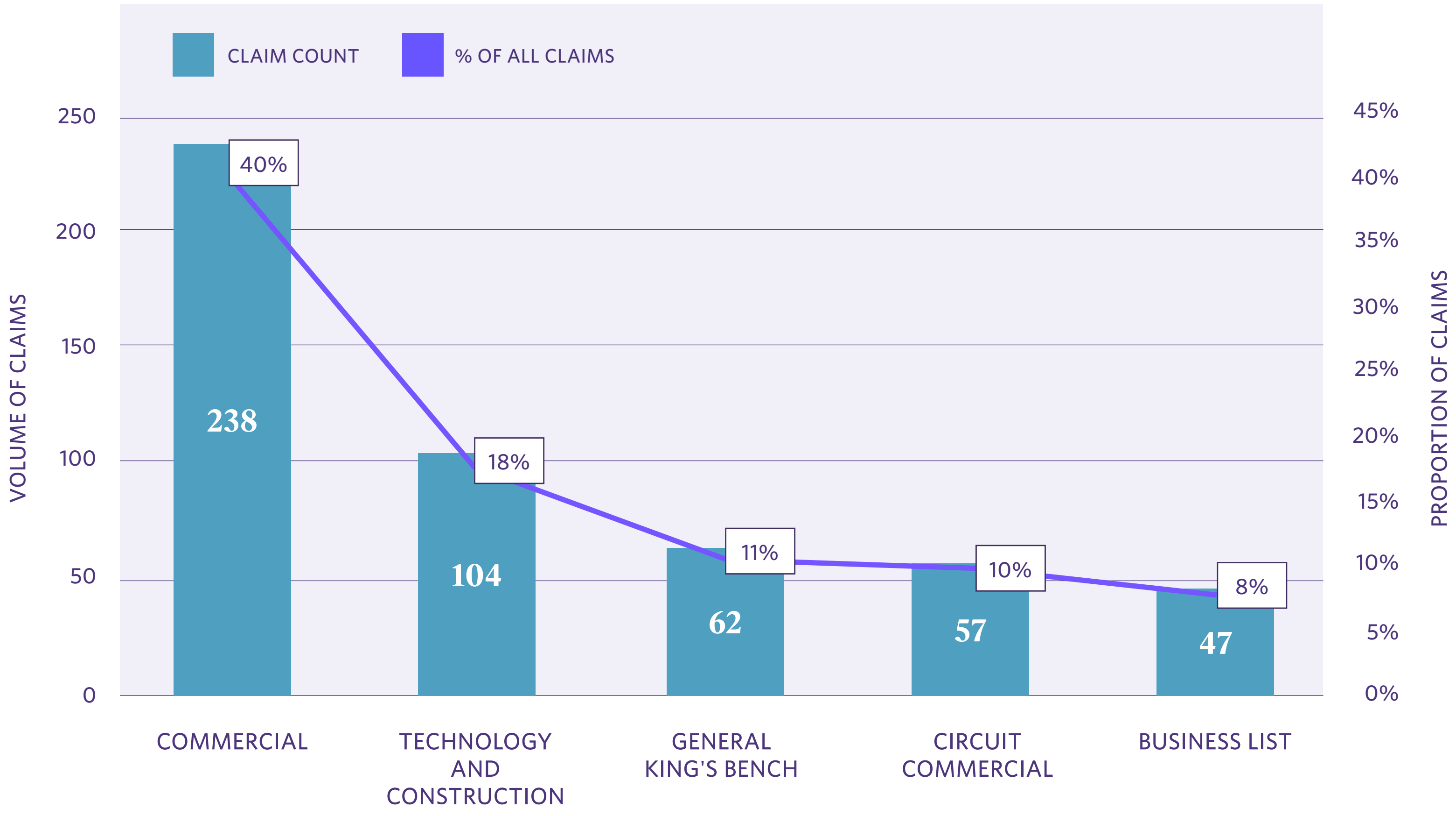


3. The median is the middle point of the distribution of claim values. This data point is impacted less by unusual outliers, such as extremely high value claims, than using the average (mean).

3. Which courts?

The Commercial Court and the Circuit Commercial Court are by some distance the most popular courts in which to issue energy disputes, together comprising the destination for half of all the disputes issued between 2020 and 2025. They are followed by the Technology and Construction Court, where over the same period a further 18% of disputes found a home.

TOP 5 COURTS



"England and Wales (and its courts) is a leading jurisdiction for the resolution of complex disputes. Equally, London is regarded as a world leading seat for International Arbitration – supported by courts which maintain a pro-arbitration stance with minimal intervention."

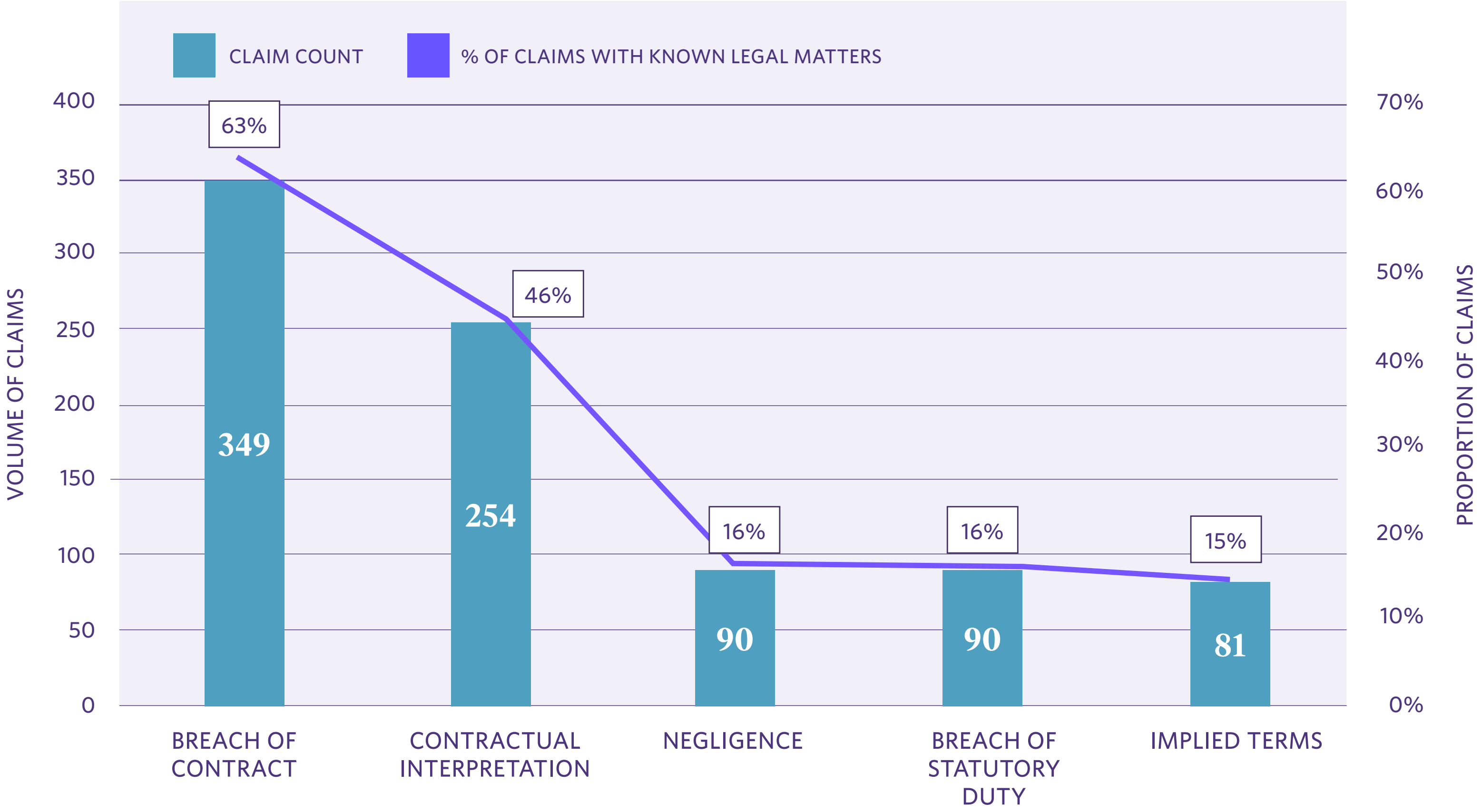
Jody Crockett

PARTNER

4. Claim subject matter

As expected, a large proportion of the energy disputes issued related to contractual matters, including breaches of contract, and matters of contractual interpretation or the implication of terms. The next largest categories were negligence claims and claims for breach of statutory duty. This fits with our experience. Outside the English courts, we have seen significant activity by regulators in the oil and gas sphere and, although that activity is not captured in this report, the same set of circumstances that give rise to regulatory action will also often lead to civil claims – including claims for breach of statutory duty.

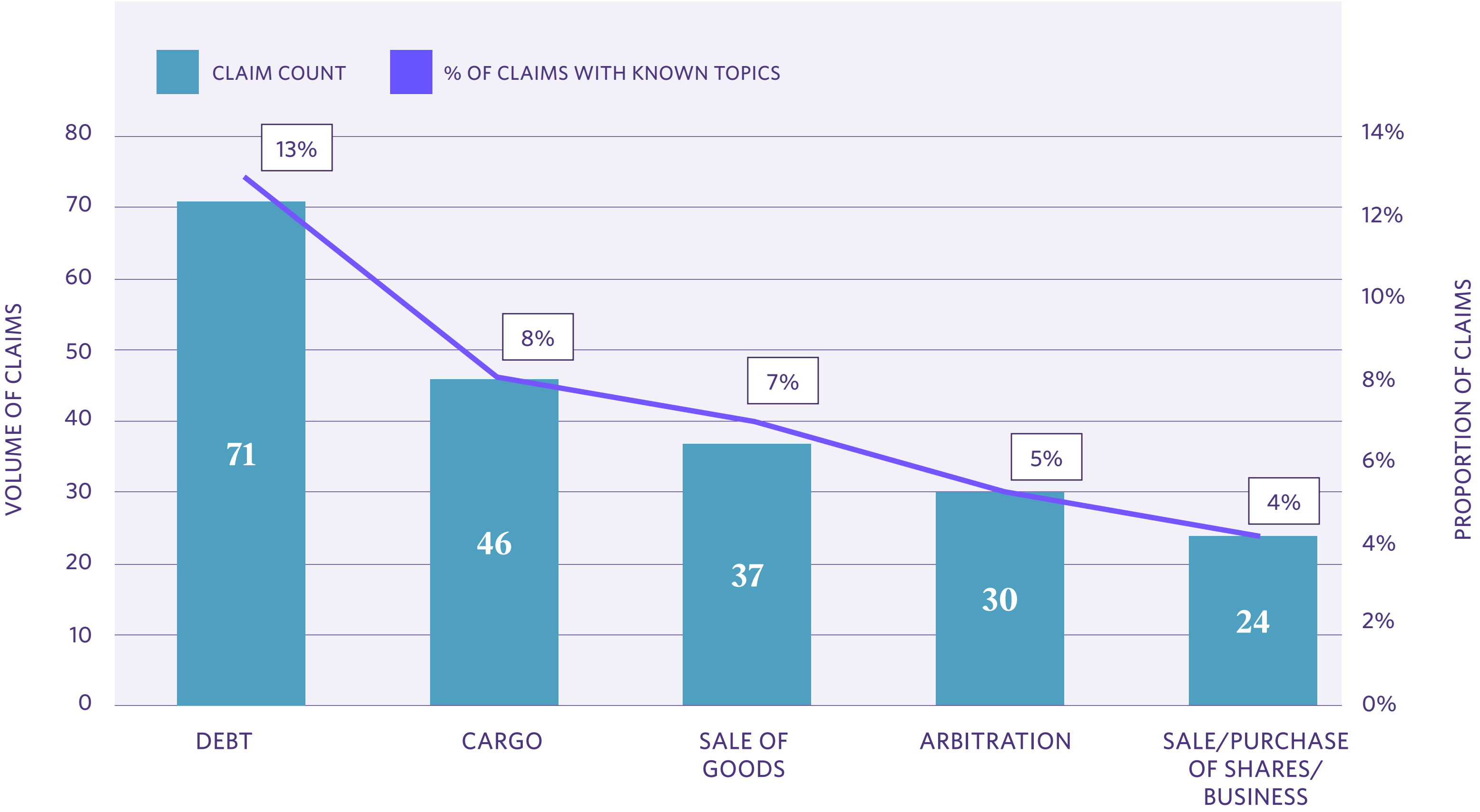
TOP 5 LEGAL MATTERS



The most popular claim subject matter was debt, followed by cargo, sale of goods and charterparty disputes.

That said, the data in this area does not necessarily tell the full story and in our experience, several areas have recently proved to be fertile ground for disputes, and/or are likely to do so in future.

TOP 5 TOPICS

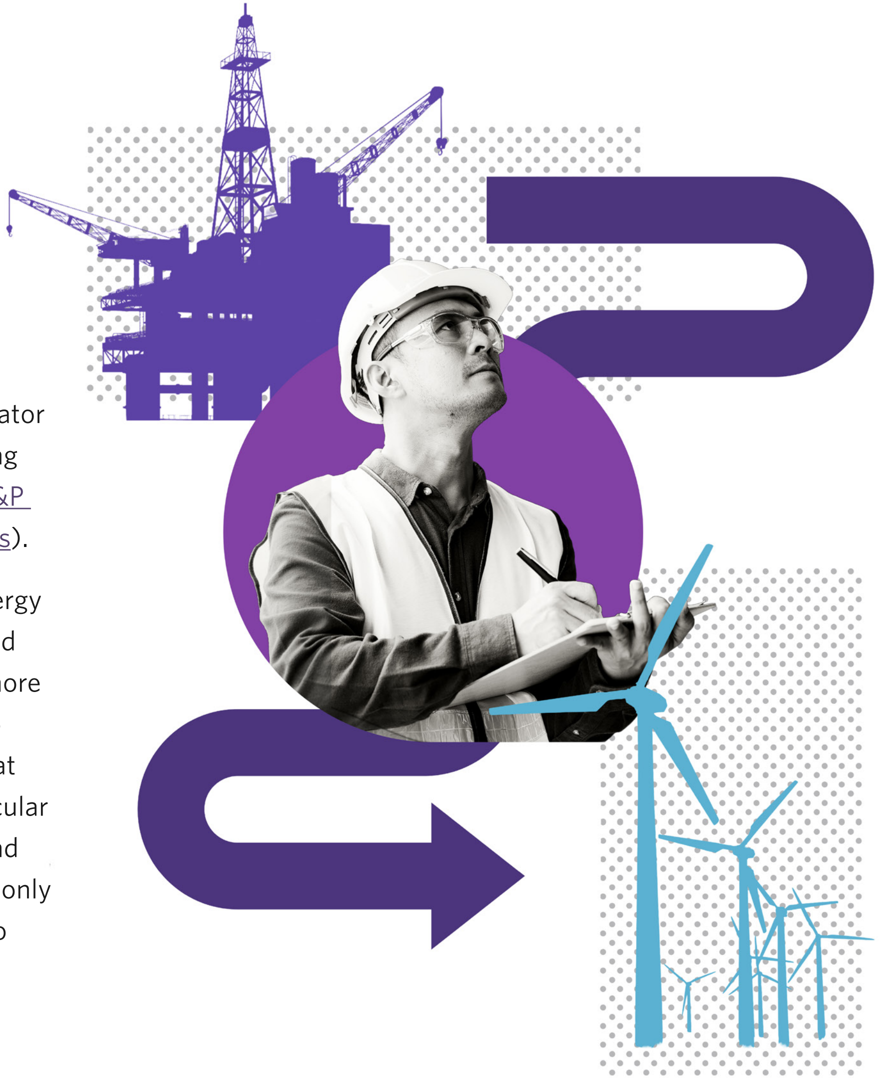


Energy transition disputes

The ongoing energy transition away from fossil fuels to renewable sources has resulted in different types of disputes coming to the fore.

We have seen a rise in the decommissioning of offshore oil and gas infrastructure, facilities and assets reaching end-of-life. Decommissioning is a technically complex and expensive process, often involving multiple stakeholders, which is underpinned by strict environmental and health and safety obligations. As a result, disputes could emerge (and we have seen some already) relating to, for example, (1) liabilities for payment of the significant costs involved, (2) technical and operational challenges encountered while conducting decommissioning and the losses/damages caused as a result, (3) health and safety accidents/incidents, (4) environmental damage and (5) issues with the regulator relating to the approval of proposed decommissioning programmes and plans (for example, R (Nobel Oil E&P North Sea Ltd) v Oil and Gas Authority, TotalEnergies).

The shift in government policies towards cleaner energy has also caused an increase in both investment in and the number of renewable energy projects (both onshore and offshore). This has created scope for disputes to occur in these projects over a broad range of issues at various points of the supply chain, including in particular construction related disputes, regulatory disputes and joint venture disputes. We expect such disputes will only increase further as the energy transition continues to gather pace.



Disputes arising from industry mergers/consolidation

A combination of factors, including the mature basin in the North Sea, a commercially unhelpful tax regime and a government prioritising energy transition, have all been factors in significant consolidation in the UK oil and gas market. In the last 18 months, there has been the formation of Adura, a JV between Equinor and Shell, the creation and growth of NEO NEXT+ Energy (incorporating NEO Energy and the upstream oil and gas businesses of Repsol Resources UK and TotalEnergies UK) and the continued growth of both Harbour Energy and Ithaca Energy.

This is being seen in the courts and cases arising from the interplay between contractual obligations and the changing political and social perspectives on further oil and gas development in the region have resolved extrajudicially.

It seems inevitable that warranties and indemnities in recent deals, along with existing contractual obligations on projects, will continue to be monitored closely. In addition, there are the inevitable pressures which will come with decommissioning obligations, fluctuating commodity prices and future political instability from wider world events.

Disputes arising from geopolitical tensions

Geopolitical tensions and government strategy in recent years have led to a notable upsurge in legal disputes, as well as a shift in the basis of such disputes.

Global instability, and geopolitical shocks (such as the Ukraine and Iran conflicts) have destabilised energy markets and led to disputes in energy projects focussed on issues such as supply disruption, force majeure clauses, pricing clauses and hedging arrangements.

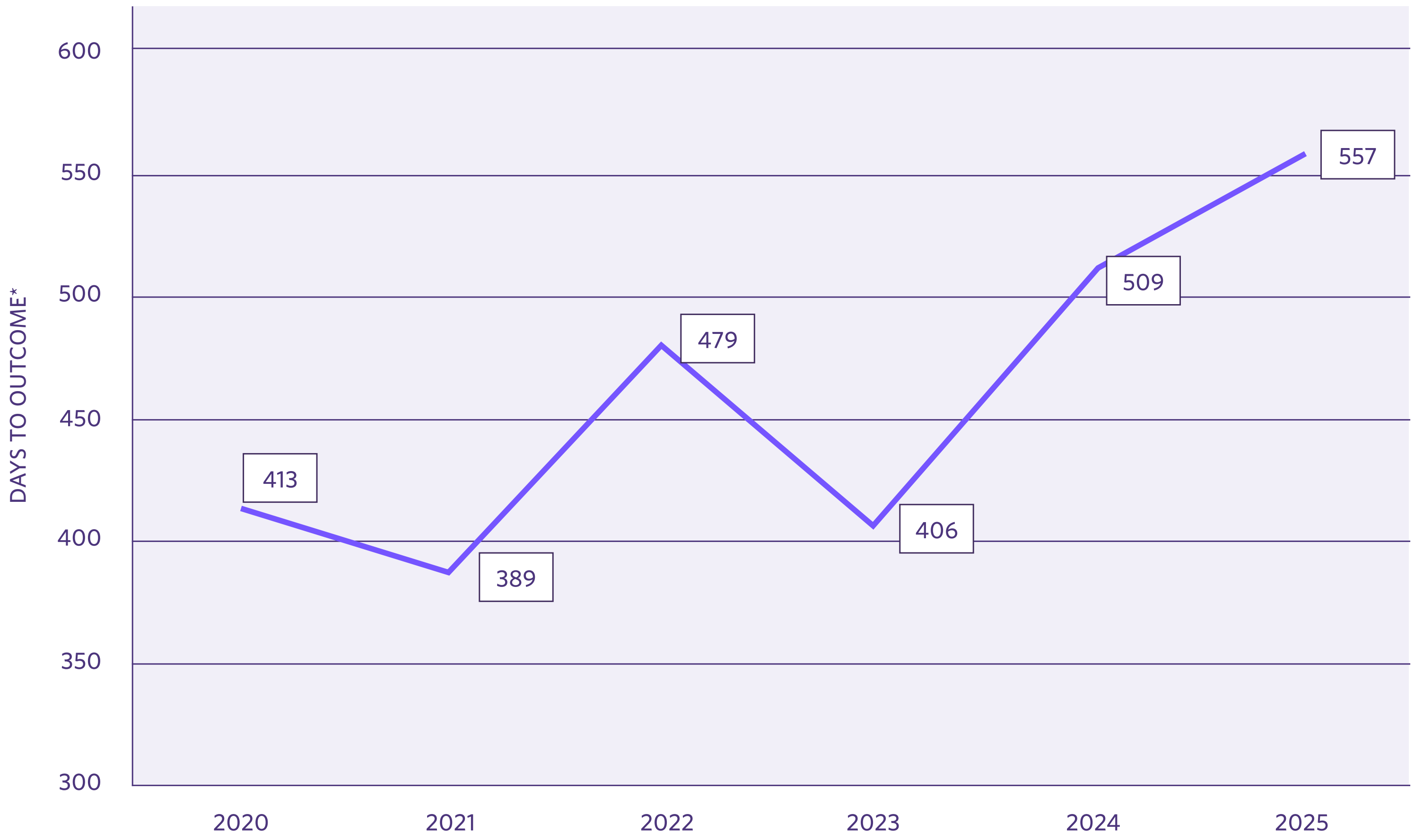
In addition, interventionist UK government policy (focussed on energy security and net zero commitments) has provoked a shift towards public law claims, such as judicial reviews of government decisions, and investor-state disputes.

In 2024, in the "Finch" case, environmental campaigners successfully overturned the government's drilling approval, on the basis that the emissions assessments failed to take into account downstream emissions.

5. Claim length

The median length of an energy dispute (by outcome year) has increased from around 1 year and 2 months in 2020 (413 days) to approximately 1 year and 6 months in 2025 (557 days). This trend of longer claims lengths can be seen across the board for Solomonic's entire dataset, and suggests all types of dispute – including energy disputes - are generally taking longer than previously to progress through the court system.

MEDIAN CLAIM LENGTH BY YEAR OF OUTCOME

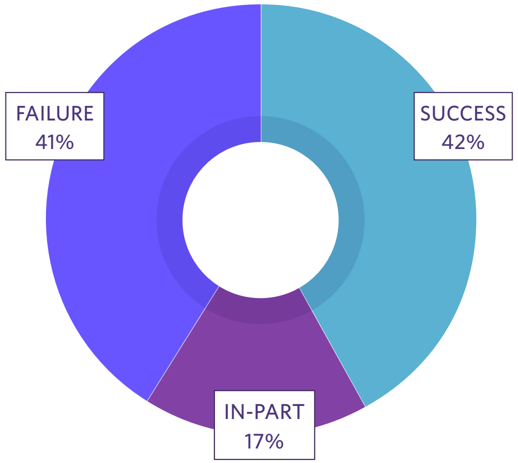


** Outcome via judgment or confirmed settlement*

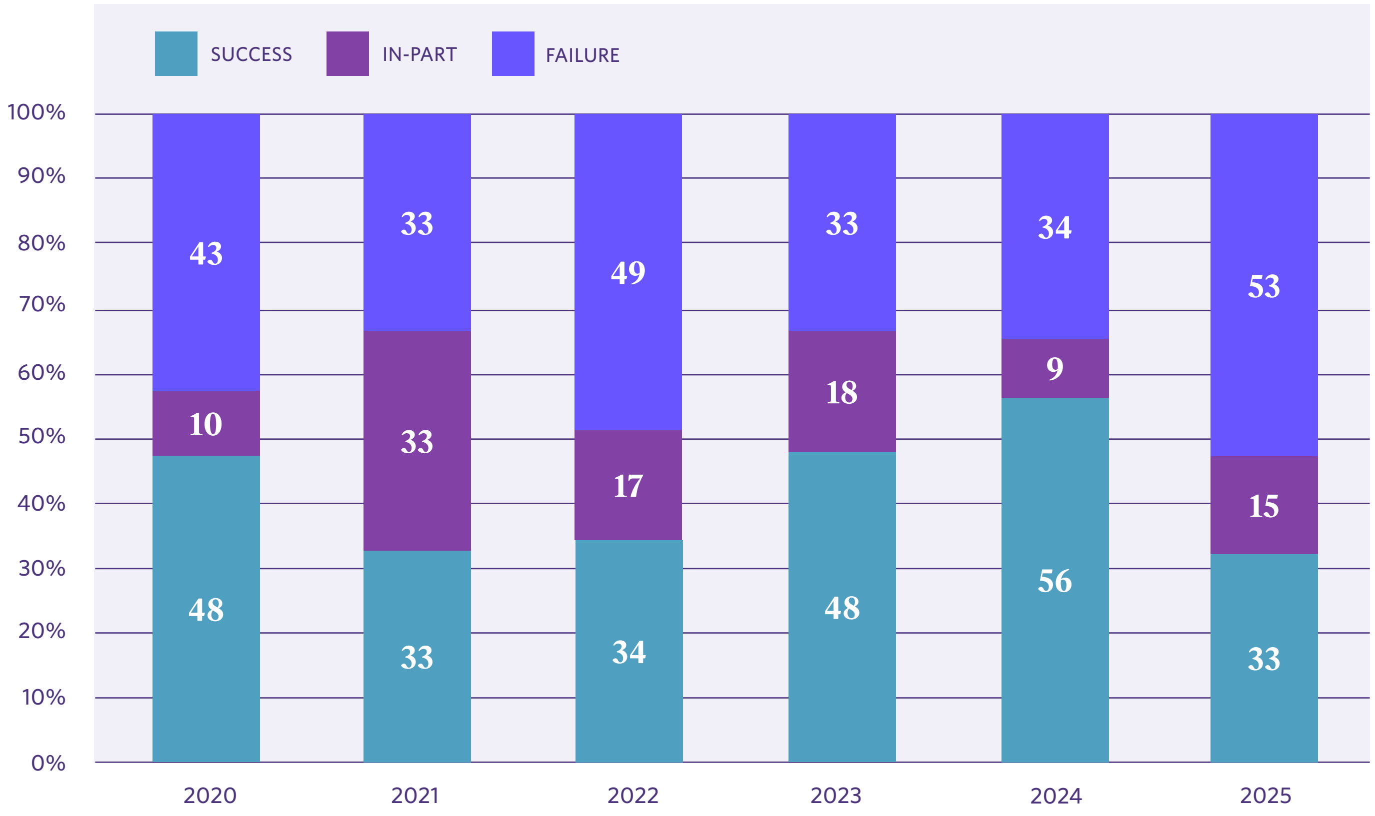
6. Claim outcomes

Since 2014 (Solomonic's complete judicial dataset), claimants have achieved success or partial success in 59% of those energy disputes which have proceeded to judgment[4]. The success rate for claimants in energy disputes is greater than that seen for claimants across the dataset as a whole, which sits at c.54%.

CLAIM OUTCOMES RESULTS (%)



CLAIM OUTCOMES BY OUTCOME YEAR (%)



4. A claim is judged to have succeeded where a claimant gets all or most of what it sought, to have succeeded in part where a claimant obtains only some of the remedies sought or only part of the monetary sum sought, and to have failed where a claimant obtains very little or none of what it sought, or nominal damages only.

7. Environmental-related litigation

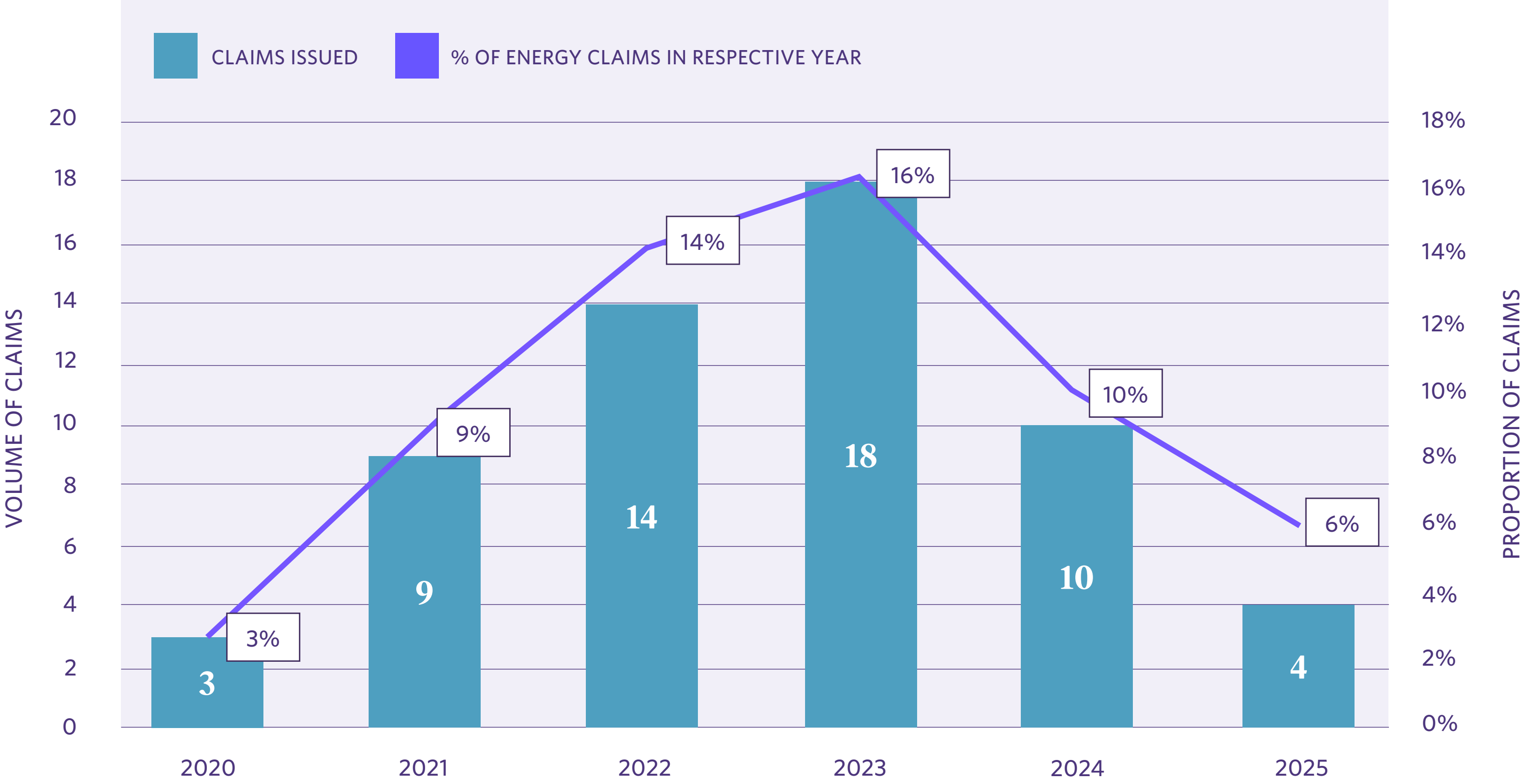
Overall, 8% of the energy disputes we analysed related to environmental issues.

The number of environmental-related claims issued rose steeply from 2020 onwards, albeit with a dip more recently.

As above, our experience is that activity by regulators in this area, including environmental enforcement, is picking up. The circumstances leading to regulator action will often also found civil claims.

As of now, a relatively small proportion of the claims in this data will relate to climate issues. However, this recent LSE report shows climate litigation accelerating following the signing of the Paris Agreement in 2015, albeit with a dip last year. This is a trend we very much expect to see in England & Wales too.

ENVIRONMENTAL-RELATED CLAIMS



Climate cases can come in many guises, including claims against directors seeking to force them to change a corporate's climate strategy, direct claims against a corporate involving allegations of environmental harm, or judicial reviews against government decisions which may have a climate impact.

Claims against directors

2023 saw the failure of two separate high profile derivative claims brought against the boards of both Shell and Universities Superannuation Scheme Ltd (the trustee company of a large pension scheme), in an attempt to force those companies to change their climate strategies. Both claims failed at the permission stage, with the courts proving unwilling to step in and second guess decisions of directors in relation to climate strategy. However, they nonetheless generated significant publicity for the claimants' causes and may not be the last such claims we see in this area.

Claims in negligence

We have also over the last few years seen novel claims brought against companies in the English courts seeking to hold them to account if their activities have an adverse impact on the environment or human rights. Historically, these claims have been based on environmental damage arising from mining operations and oil pipelines. However, we are now starting to see allegations of harms arising from climate change said to have been caused or contributed to by a company. For example, in Casquejo & Ors v Shell Plc & Anor, a group of individuals has recently brought proceedings against Shell seeking to hold it liable for its alleged contribution to extreme weather events in the Philippines.

These claims are typically founded on the tort of negligence but seek to extend the scope of the duty of care owed by alleged polluters in novel ways. Following the recent increase in climate-related claims against states and public authorities based on breaches of human rights, including the high profile Verin KlimaSeniorinnen Schweiz & Ors v Switzerland, we may start to see human rights concepts imported into these claims too.

Judicial reviews

We have also seen numerous examples of NGOs challenging UK government decisions that adversely impact climate, via judicial review. As above, in 2024, the UK Supreme Court's decision in Finch marked a major shift in environmental and planning law, ruling that emissions from the eventual combustion of extracted oil count as environmental "effects of" a development. In 2025, climate change litigation kick-started in Scotland with UK-based environmental campaign organisations Uplift and Greenpeace UK successfully challenging previously governmentally approved oil and gas fields in the North Sea, on similar grounds. In contrast, in November 2025, the High Court ruled in favour of the UK government in marine conservation group Oceana UK's action against the grant of exploration licences in the North and Irish Seas.

The future

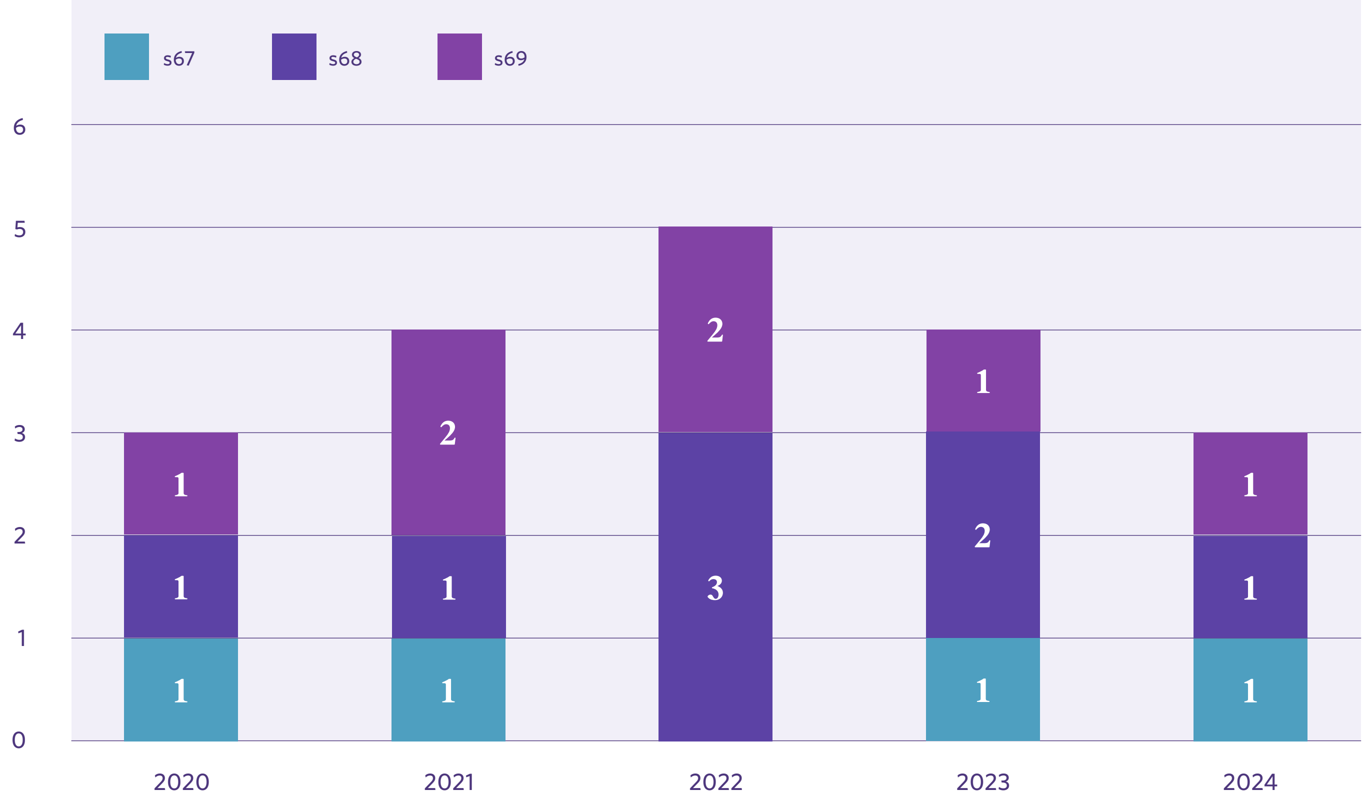
We expect to see more of all of these types of claims in future. Another area of potential future activity is "climate washing" – the act of misleading third parties by overstating the positive climate impact of a product, service, process, brand or business. This could lead to claims by both consumers and shareholders, including potentially mass claims, and is an area to watch.

8. Arbitration

Data relating to court challenges to arbitral awards will not necessarily give the full picture in relation to the use of arbitration in energy disputes. However, our energy disputes data does show a small but steady flow of challenges under sections 67, 68 and 69 of the Arbitration Act 1996 – underscoring that arbitration is used regularly in this area.

Broadly, in our experience, the High Court (often the Commercial Court and the Technology and Construction Court) and International Arbitration are the primary substantive dispute resolution mechanisms in energy disputes. Where clients actively engage on the resolution mechanism, as opposed to adopting house or industry styles, we find that is often because they have a particular desire for, among other things, confidentiality, flexibility and/or ease of enforcement (in which case International Arbitration is often preferred) or consistency of decision maker(s), procedural rigour and/or public scrutiny (in which case the English courts are often preferred). That decision can also be impacted by whether a party thinks that

ARBITRATION ACT APPEAL CLAIM VOLUMES



they may be the claimant or defendant to any dispute – to the extent that may be possible to tell at the point of selecting a dispute mechanism.

Clients (where the related dispute is contract related, as they often are in the energy sector) have the benefit in England and Wales of selecting either mechanism. England and Wales (and its courts) is a leading jurisdiction for the resolution of complex disputes. Equally, London is regarded as a world leading seat for International Arbitration – supported by courts which maintain a pro-arbitration stance with minimal intervention. This was highlighted again last year in Star Hydro Power Limited v National Transmission and Despatch Company Limited, in which the Court of Appeal permitted an anti-suit injunction to restrain proceedings by the Defendant in Pakistan which, while premised as enforcement proceedings, were considered to amount to a challenge to the substantive award (permission to appeal this decision has been granted, with the Supreme Court currently considering it).

In relation to renewable and nuclear energy, in our experience there has tended to be a greater prevalence of International Arbitration as the dispute resolution mechanism for commercial disputes.

Conclusion

As can be seen above, the energy sector continues to generate steady activity before the English courts.

Our expectation is that this activity will only increase as a confluence of geopolitical factors, industry consolidation, decommissioning projects, regulatory activity, and a heightened focus on environmental and climate issues, continue to come to the fore.

The English courts have long been a chosen forum for, and show a willingness to take jurisdiction over, high profile claims in the latter sphere. They are also known for the support they provide to International Arbitrations.

There is every indication that more is to come.

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About Burness Paull

Burness Paull is a leading commercial law firm advising clients across Scotland, the UK and beyond.

We have a specialist English law dispute resolution team with extensive experience handling complex, high-value domestic and international disputes. Led by lawyers who have trained and practised at some of the world's leading firms, including several Magic Circle firms, the team advises clients across multiple jurisdictions and is recognised for its expertise in energy and oil & gas disputes, civil fraud and asset tracing, commercial and contractual disputes, M&A, partnership and shareholder disputes, banking and finance litigation, and real estate litigation.

About Solomonic

In preparing this report we are pleased to have worked with Solomonic, a market-leading litigation intelligence and analytics company dedicated to bringing structured data to the world of high-value legal disputes. Solomonic helps lawyers, litigation funders, insurers and in-house counsel obtain competitive advantage when managing disputes.

Drawing on proprietary machine learning and expert input from qualified practitioners, Solomonic analyses thousands of High Court claims, documents and court hearings to deliver data to see trends, identify risk and improve the quality of litigation decisions and predictions. Solomonic is the UK’s most comprehensive litigation database, providing previously unseen insights and actionable information published in near real time.

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