EXPLANATORY MEMORANDUM TO

THE MOTOR FUEL PRICE (OPEN DATA) REGULATIONS 2025

2025 No. XXXX

1. Introduction

1.1 This Explanatory Memorandum has been prepared by the Department for Energy Security and Net Zero and is laid before Parliament by Command of His Majesty

2. Declaration

2.1 Minister McCluskey, Parliamentary Under Secretary of State (Minister for Energy Consumers) at the Department for Energy Security and Net Zero confirms that this Explanatory Memorandum meets the required standard.

2.2 Dan Micklethwaite, Director for Energy Security and Resilience, at the Department for Energy Security and Net Zero confirms that this Explanatory Memorandum meets the required standard.

3. Contact

3.1 Luna Hayduk at the Department for Energy Security and Net Zero- telephone: 07927579762 or email: roadfuelprices@energysecurity.gov.uk -can be contacted with any queries regarding the instrument.

Part One: Explanation, and context, of the Instrument

4. Overview of the Instrument

What does the legislation do?

4.1 The purpose of this instrument is to introduce a statutory open data scheme requiring a person who sells motor fuel from a petrol filling station in the UK (referred to as a PFS) to report fuel price changes within 30 minutes of that change occurring on an open and near real-time basis.

4.2 PFSs will be required, from 2 February 2026, to report this data to a government procured aggregator who collects and aggregates the data, whilst also sharing the data with any other information recipients who request access. Through the provisions in this instrument, an open data scheme is created from which information recipients are able to develop third party solutions which distribute the aggregated datasets to consumers in an accessible format, allowing drivers to easily compare prices to help them to find cheaper fuel.

Where does the legislation extend to, and apply?

4.3 The extent of this instrument (that is, the jurisdiction(s) which the instrument forms part of the law of) is the United Kingdom.

4.4 The territorial application of this instrument (that is, where the instrument produces a practical effect) is the United Kingdom.

5. Policy Context

What is being done and why?

Fuel Market Context

5.1 This instrument aims to improve fuel price transparency in order to increase competition between PFSs – a key priority for the government. Price transparency can be described in terms of the cost, time, and difficulty with which consumers can access retail pricing information. Where these factors are lower, a market will have greater price transparency.

5.2 Increased price transparency benefits consumers. For competition to exist and function effectively a certain level of price transparency needs to exist. There would be little incentive for PFSs to compete if consumers could not reasonably and easily compare prices.

5.3 Historically there has been an information asymmetry between PFSs and consumers. While real-time fuel prices were prominently displayed at forecourts, they were not typically provided by PFSs online. Therefore, in the absence of freely available high-quality data, consumers have needed to drive around to find cheaper fuel or rely on price comparison tools. Comparisons tools use data that may be charged for, restricted in use, infrequently updated, or does not provide the full picture of prices.

5.4 From 2021-2022, the price of petrol and diesel increased by over 60p per litre. Against this backdrop, the former Department for Business, Energy and Industrial Strategy (BEIS) Secretary of State requested that the Competition and Markets Authority (CMA) carry out an "urgent review" of the fuel market, which they published on 8 July 2022[1] as well as conducting a year-long market study which concluded on 3 July 2023[2].

5.5 The market study found three areas of concern: at a national level, competition between fuel retailers had weakened since 2019. At a local level the national weakening of competition appeared to have affected pricing in different parts of the UK in a similar way; however, longstanding patterns of variable pricing between different local areas remained. This means that consumers in some areas could pay significantly more for fuel than in others, and competition at motorway service areas remained weak, meaning that consumers without access to fuel cards pay significantly more to buy fuel on the motorway than off it.

5.6 As a result, the CMA found that consumers were paying generally higher prices than would otherwise have been the case, with estimated financial impact of an increased average supermarket fuel margin resulting in a combined additional cost of £900 million for consumers of the four supermarket retailers in 2022 alone.

5.7 As part of the market study the CMA made two recommendations: the introduction of a statutory open data scheme for prices in the retail motor fuel market and an ongoing road fuels price monitoring function within an appropriate public body.

5.8 Government accepted both recommendations and seeks to implement the statutory open data scheme (known as Fuel Finder) via this instrument.

5.9 The ongoing road fuels monitoring function, that was recommended as part of the market study, is already in statute through Chapter 1 of Part 5 of the Digital Markets,

[1] https://www.gov.uk/cma-cases/uk-fuel-retail-market-review

[2] https://assets.publishing.service.gov.uk/media/64a280e845b6a200123d46e7/Supply_of_road_fuel_in_the_United_Kingdom_market_study_Final_Report.pdf

Competition & Consumer Act 2024 (DMCCA) and provides the CMA with the powers to obtain information from undertakings operating in the motor fuel retail sector. These provisions commenced on 1 January 2025 and enable the CMA to assess and report on competition in the road fuels retail sector across the United Kingdom and advise the government whether further intervention is required to increase competition or to protect consumers.

Fuel Finder Background

5.10 The Fuel Finder scheme aims to increase motor fuel price transparency, making it easier for consumers to compare prices and find cheaper fuel, increasing competitive pressure on retailers to attract customers by lowering prices.

5.11 This instrument requires all PFSs to report static business data (e.g., PFS location, contact information) to a government appointed data aggregator (referred to in the instrument as the "aggregator"). This needs to be from 18 December 2025. From 2 February 2026, PFSs will be mandated to report price changes of all grades of petrol and diesel within 30 minutes of that change occurring to the aggregator.

5.12 The aggregator will act as an intermediary between the PFSs and other information recipients who wish to access the data. It will provide different reporting methods for PFSs to report data, validate and then share the data. Through this instrument, the data created via Fuel Finder will be made available openly and freely to all information recipients that wish to access it. It will be provided via two methods:

- A near real time Application Programming Interface (API), which will be updated within 5 minutes of the aggregator receiving the data from the PFSs, which is expected to be used mainly by price comparison, satnav websites and apps to provide near real time pricing for consumers.
- A flat file, which will be shared twice a day by email which is expected to be used mainly by individuals or research organisations.

5.13 There is no restriction on which information recipients can access the data from the aggregator. However, they will have to have registered with the aggregator in the first instance before the information is shared with them. Information recipients are able to access the data for free. Specific terms and conditions relating to the use of the data will be set out when they register with the aggregator.

5.14 This statutory instrument is made using powers in Part 1 of the Data (Use and Access) Act 2025.

5.15 On 16 January 2024, the Department for Energy Security and Net Zero published an 8-week public consultation on the design of Fuel Finder and the government response to this consultation on 30 October 2024. Further information on the government consultation and response can be found in section 7 of this Explanatory Memorandum.

Fuel Finder Enforcement

5.16 The success of Fuel Finder relies on having a clear enforcement approach which provides sufficient deterrence to ensure PFSs comply with the requirements whilst ensuring it is proportionate.

5.17 When considering whether to exercise its powers to impose a financial penalty or issue a compliance notice, the CMA may use its powers of investigation to obtain further information to understand the suspected breach. It may issue a compliance notice requiring compliance with a requirement imposed by or under the regulations

to the PFS and publish a public statement to the effect that it considers that a PFS is not complying with such a requirement.

5.18 Before imposing a financial penalty, the CMA will give a written notice (a "notice of intent") of the proposed financial penalty to the respective PFS.

5.19 Through this instrument, the CMA can impose financial penalties of a fixed amount up to 1% of worldwide annual turnover, a daily rate up to 5% of worldwide daily turnover or a combination of both in respect of: the provision of false or misleading information in response to a request made in accordance with the instrument, or a failure to comply with a requirement imposed by or under the instrument.

5.20 The relevant turnover for calculating the maximum penalty is that of the "undertaking" which the PFS constitutes or of which it forms part. "Undertaking" is defined for the purposes of these Regulations in the same way as it is for the purposes of the CMA's ongoing road fuel monitoring function described in paragraph 5.9. The term bears the same meaning as it does for the purposes of Part 1 of the Competition Act 1998, which has been interpreted by the Court of Justice of the European Union as a legal entity — irrespective of how it is financed — which is involved in any form of economic activity that exists in the world of commerce or manufacture. Entities which are in the same corporate group, such as parents and subsidiaries will not be regarded as separate undertakings (even if they have separate legal personality) if they form what may be considered as a single economic entity, so that agreements between them will not attract the application of competition rules. The provisions on calculating an undertaking's turnover reflect those which are in place in relation to breaches of obligations in connection with CMA's ongoing road fuel monitoring function[3].

5.21 The CMA must prepare and publish guidance in relation to its enforcement function and outline how the CMA will propose to exercise their discretion in determining proportionate financial penalties in response to non-compliance events.

5.22 The instrument also creates new offences for the provision of false or misleading information in response to a request made in accordance with the instrument and/or an act or omission (including falsification) which prevents the CMA or the aggregator from accessing information, documents, equipment or other material.

5.23 The offences are triable summarily and in England and Wales will be punishable with an unlimited fine, and in Scotland or Northern Ireland will be punishable with a fine not exceeding level 5 on the standard scale (currently £5,000).

5.24 As per the regulations, a motor fuel trader is able to appeal a decision by the CMA to impose a penalty for non-compliance through an application to the Competition Appeal Tribunal.

5.25 Further information on enforcement guidance can be found in section 8 of this Explanatory Memorandum.

What was the previous policy, how is this different?

5.26 Previously, there was no legislation in place that mandated PFSs to report price information to a single body or organisation. The existing powers of the CMA only allowed for information gathering in the context of an investigation or for other specific statutory purposes and do not extend to the collection and publication of real time business information for the purposes of public data consumption.

[3] See S.I. 2024/1243, Schedule 4.

5.27 Following a request from the Department for Energy Security and Net Zero, the CMA implemented a temporary pricing data scheme which relies on the voluntary cooperation of motor fuel retailers to bridge the gap ahead of the statutory scheme coming into force. The temporary pricing data scheme has 15 retailers participating, covering around 40% of UK forecourts and 65% of fuel sold.

5.28 The temporary pricing data scheme is limited, however, given that coverage is not comprehensive, and there will sometimes be a significant lag between the setting of forecourt prices and the prices displayed by the third-party price comparison websites.

5.29 To achieve increased fuel price transparency and give consumers the full information they need to make more informed decisions, full coverage of all PFSs is required with data being provided in an open, free, and near real-time basis. Additionally, a certain level of price transparency is needed for competition to exist and function effectively, and PFSs would have little incentive to compete if consumers could not reasonably and easily compare retail prices of all PFSs near to them.

5.30 The government's position is that it is best achieved if the requirements are mandated in legislation to ensure there is a level playing field between all PFSs. This legislation also provides for enforcement mechanisms to ensure compliance with the scheme.

6. Legislative and Legal Context

How has the law changed?

6.1 This instrument introduces a new area of regulation, requiring PFSs to report static business data (e.g., PFS location, contact information) alongside retail prices on all grades of petrol and diesel. PFSs will also be required to report price changes within 30 minutes of the price changing at the forecourt. PFSs will provide this information to the aggregator.

6.2 The instrument should be read in the context of the Data (Use and Access) Act 2025, which sets out the powers under which the instrument is made and establishes key concepts (such as "third party recipient", "business data" and "interface body").

6.3 The instrument is the first time that powers provided for under Part 1 of the Data (Use and Access) Act 2025 have been used. As noted above, there is currently no other legislative requirement for PFSs to provide near real time updates to pricing information. Non-statutory schemes have been explored with a voluntary scheme only providing partial information, therefore limiting the effectiveness of the scheme.

6.4 This instrument does not amend any existing legislation. However, when deciding to make regulations under Part 1 of the Data (Use and Access) Act 2025, the Secretary of State must have regard to a number of things: (a) the likely effects for existing and future customers; (b) the likely effects for data holders; (c) the likely effect on small businesses and micro businesses; (d) the likely effect on innovation in the supply or provision of goods, services and digital content affected by the regulations or other goods, services and digital content; and (e) the likely effect on competition in markets for goods, services and digital content affected by the regulations or other markets. These matters were considered as part of the government's consultation and response (see Section 7 of this Explanatory Memorandum), and impact assessment (see Section 9 of the Explanatory Memorandum) when developing the scheme.

Why was this approach taken to change the law?

6.5 As set out above, this is the first use of the powers in Part 1 of the Data (Use and Access) Act 2025, and there is no existing regulation in this area. A new set of

regulations to introduce the scheme is therefore considered appropriate to be able to implement this scheme.

6.6 When considering the statutory approach, the government considered several options including: do nothing, a voluntary approach and a statutory approach.

6.7 Doing nothing would leave consumers with a less transparent road fuels retail market, and reliance on needing to drive around to find cheaper fuel. Existing price comparison tools offer a helpful service; however, they do come with certain limitations. The data that underlines these tools is limited in terms of frequency with which it is updated and coverage, alongside this it can be expensive to buy. It would also mean the current weakened competition in the road fuels retail market identified by the CMA would not be addressed.

6.8 Introducing a voluntary open data scheme would be a quick and cost-effective solution that would deliver on some of the benefits of a statutory open data scheme. A voluntary scheme may also bolster the existing data that is available for information recipients to incorporate into their products, improving on the service they can offer to consumers.

6.9 The potential advantages, however, would not outweigh the disadvantages of implementing a voluntary open data scheme as a long-term solution. Such a scheme might not necessarily offer an effective means to gather fuel price data and enhance transparency, primarily because petrol and diesel providers would lack the incentive to co-operate.

6.10 This would likely lead to incomplete data and so may only provide limited additional benefit over doing nothing and relying on the existing data. There would be no enforcement possible for non-compliance or providing inaccurate prices other than social pressure to gain compliance.

6.11 The CMA indicated in its final market study[4] that with the nature of competition in the motor fuel market, which is mainly driven by several large competitors, prevents any incentives found in other sectors from working to encourage retailers to share their prices on a voluntary basis.

6.12 In the government's response to the 'Smart data: putting consumers and SMEs in control of their data and enabling innovation' consultation[5] it indicated that voluntary approaches would lead to continued slow progress, and possible duplication of work across sectors.

6.13 Therefore, to achieve the objectives of Fuel Finder, that being to achieve increased fuel price transparency and give consumers the full information they need to make more informed decisions, a statutory approach requiring participation from all PFSs is considered the best possible approach to make the necessary changes.

7. Consultation

Summary of consultation outcome and methodology

7.1 On 16 January 2024, the Department for Energy Security and Net Zero published an 8-week public consultation on the design of Fuel Finder. The consultation sought views from fuel trade associations, PFSs, wider industry members of the downstream

[4] https://assets.publishing.service.gov.uk/media/64a280e845b6a200123d46e7/Supply_of_road_fuel_in_the_United_Kingdom_market_study_Final_Report.pdf

[5] https://assets.publishing.service.gov.uk/media/5f57a4abe90e071462cf7026/smart-data-consultation-response.pdf

oil sector, consumer & motoring groups, potential users, developers, aggregators of open data platforms and the public.

7.2 There was a total of 79 respondents to the consultation with 48% of responses being from individuals, with the remainder from big fuel retailers, trade associations, potential users of the data and consumer or motoring groups. The key concerns raised during consultation and the government's approach is set out in the paragraphs below.

7.3 **Coverage of the Scheme** - Overall, nearly all responses agreed with all PFSs having to participate. However, some raised whether certain PFSs should be exempt given they are small/in rural/remote areas and unlikely to make a material difference in terms of competition. Government confirmed that the scheme will cover 100% of retail PFSs in the UK. Without full coverage, the level playing field and objective of price transparency would be undermined, limiting consumer awareness of prices. Full coverage will improve the existing pricing data available in the market, ensure that consumers across the UK can access near real time prices and ensure fair competition between PFSs. The design of Fuel Finder ensures that even the smallest retailers can participate in a cost and resource efficient way, mitigating the potential impact the reporting requirement may have.

7.4 **30-minute reporting deadline** - The majority of respondents agreed with the proposal to implement a 30-minute reporting window; however, some respondents suggested providing a longer timeframe of reporting to providing a phased approach, starting with a 24-hour reporting deadline and then reducing that over time to 30 minutes. In the consultation response government outlined that providing data that is fully accurate and as near real time as possible is a key objective of Fuel Finder. This will allow drivers to search based on the most up to date prices. Government recognised the concerns raised in the consultation relating to the relative impact this may have on small and rural PFSs, those with legacy technology and the diversity of price setting processes that exist across the market currently. These concerns can be mitigated with taking a holistic view of the whole design of the scheme. Therefore, central office or individual PFS sites need to report price changes within 30 minutes of the price changing at the forecourt.

7.5 **Data to be reported** - Responses to the consultation broadly agreed with the data types that government proposed to collect; however, some respondents suggested including other information such as if a fuel grade was not available and the amenities and facilities available at PFS whilst others wanted to report prices of standard petrol and diesel only (E10 and B7) but not the 'super fuels' (E5 and super diesel). Government also believes that consumers should have transparency of prices for all fuel grades sold and that these special or branded fuels are already collected as part of the CMA's interim voluntary scheme. As such the government has mandated the reporting of prices for all grades of petrol and diesel – this includes E10 (unleaded), E5 (super unleaded), B7 (diesel) and B10 (super/premium diesel), HVO (Hydrotreated Vegetable Oil) plus other fuels that may enter the market.

7.6 **Responsibility of reporting** - Consultation responses stated a desire to avoid a 'one size fits all' approach to reporting requirements for the scheme, considering the diverse makeup of the market and to allow either individual PFSs or central office to report prices where appropriate. Following consideration of consultation responses, government decided to enable a flexible reporting responsibility model. This means that where a company owns multiple PFSs, either the individual PFS or central office can report prices. To ensure there is clear liability of who is responsible in practice for

reporting prices, this is confirmed between the PFS site, central office and the aggregator from the outset as part of the registration and onboarding process.

7.7 **Enforcement** - Two recurring themes in the consultation responses were that penalties should be progressive with a tiered system of sanctions, or that it should be linked to the revenue or profit of the business. The government considers that turnover based penalties would be the most suitable solution to encourage compliance with Fuel Finder, providing sufficient deterrence and ensure penalties do not disproportionately impact small PFSs. The financial penalties for Fuel Finder will align with the turnover based penalties available to the CMA for the motor fuel monitoring function and wider competition regime in the DMCCA. The government also agreed with the majority of respondents that criminal offences should be possible, and in line with the DMCCA, as we see criminal sanctions as a necessary deterrent and to encourage compliance with the regulations.

7.8 **Support for PFSs -** The government recognised that imposing a new requirement to report can present certain challenges and welcomed suggestions on how best to support PFSs during the period leading up to the launch of the statutory open data scheme. The government response provided reassurances that a thorough procurement process would appoint a suitable supplier to deliver the aggregation service, and key performance indicators would be in place to ensure the scheme is delivered on time and to a high standard. The aggregator will provide training for PFSs and third parties to support compliance as well as publishing guidance on information and processes surrounding Fuel Finder. There was also a commitment that the CMA will publish guidance around enforcement of suspected breaches by motor fuel traders.

7.9 The Department for Energy Security and Net Zero set out in its consultation response[6], published on 30 October 2024, that it would seek to implement the scheme as per the consultation, with amendments made to proposals for the information to be reported and responsibility of reporting.

7.10 Before introducing these regulations, the government complied with the requirement to consult with the Information Commissioner under Article 36(4) of the General Data Protection Regulation.

7.11 The Devolved Administrations were sighted on the draft regulations, ensuring they were aware of the legislative requirements and proposals for Fuel Finder.

8. Applicable Guidance

8.1 Prior to the regulations coming into force, the aggregator will issue guidance relevant to the registration of the scheme and the obligations of Motor Fuel Traders.

8.2 In alignment with the laying of these regulations, the CMA will publish and consult on draft guidance in relation to their functions under The Motor Fuel Price (Open Data) Regulations 2025[7]. This draft guidance is intended to provide clarity on their approach to financial penalties and complaints relating to the exercise of the CMA's functions.

[6] Consultation on open data scheme and ongoing monitoring function for road fuel prices: government response - GOV.UK

[7] https://www.gov.uk/government/collections/road-fuel-price-data-scheme#consultations

Part Two: Impact and the Better Regulation Framework

9. Impact Assessment

9.1 A full Impact Assessment is submitted with this memorandum and published alongside the Explanatory Memorandum on the legislation.gov.uk website.

Impact on businesses, charities and voluntary bodies

9.2 The impact on business is an estimated Equivalent Annualised Net Direct Cost to Business £5.0m and no impact for charities or voluntary bodies over the 10-year appraisal period. Additionally, government may face implementation and operating costs, up to £5.3m over the appraisal period for contracting a data aggregator.

9.3 Under the open data scheme, businesses will be incentivised to compete with each other and are likely to adjust their prices downwards to remain competitive. This increase in price competition will then be transferred to consumers through net consumer fuel cost savings, which we estimate to be £10.4bn across the 10-year appraisal period. There is an inherent uncertainty in predicting how fuel prices will react to the introduction of the scheme which is reflected in the Impact Assessment by including a low and a high scenario. In the low scenario, prices go down by 1 penny per litre (ppl), in the central scenario by 3ppl and in the high scenario by 6ppl. The scenarios reflect retail spreads provided by CMA.

9.4 The scheme will provide PFSs with sufficient time to prepare for the reporting requirements before the statutory open data scheme is launched. There will be no exemptions for small or micro businesses.

9.5 One of the key objectives of Fuel Finder is to increase price transparency for consumers. Without full PFS coverage, the level playing field would be undermined and the objective of price transparency would fail to be met. In contrast, full coverage will improve the existing pricing data available in the market, ensure that consumers across the UK can access near real time prices and ensure fair competition between PFSs. As such all retail PFSs in the UK will be required to participate in Fuel Finder with no exemptions.

9.6 The aggregator will be required to provide guidance and training to PFSs ahead of Fuel Finder being launched and ongoing support during its operation. Fuel Finder will not be rolled out until it has undergone thorough testing in accordance with the government-mandated agile process requirements.

9.7 Whilst the scheme requirements may have an impact on smaller retailers and those in lower PFS density areas, the range of reporting methods proposed along with the transition period will help to ensure all PFSs can participate in a cost-effective and resource efficient way.

9.8 There is no, or no significant, impact on the public sector because the scheme is directed at privately owned PFSs.

10. Monitoring and review

What is the approach to monitoring and reviewing this legislation?

10.1 Monitoring and evaluation of the impacts of the legislation will be overseen by the Department for Energy Security and Net Zero.

10.2 The regulations will be reviewed before the end of the five-year period, beginning on 2 February 2026, and at subsequent intervals not exceeding five years.

10.3 The review will be informed by the Department's investigation of beneficial scheme design changes which would remain within scope of the current legislation. The minimum requirements for evaluation of the legislation and potential changes are as follows:

- The likely effects for existing and future customers
- The likely effects for data holders
- The likely effect on small and micro businesses
- The likely effect on innovation in the supply or provision of goods, services and digital content affected by the regulations or other goods, services and digital content
- The likely effect on competition in markets for goods, services and digital content affected by the regulations or other markets

10.4 The Secretary of State for the Department for Energy Security and Net Zero must prepare and publish a report setting out the findings of the review and lay a copy of any such report before Parliament.

10.5 A statutory review clause is included in the instrument.

Part Three: Statements and Matters of Particular Interest to Parliament

11. Matters of special interest to Parliament

11.1 None.

12. European Convention on Human Rights

12.1 The Parliamentary Under Secretary of State (Minister for Energy Consumers) has made the following statement regarding Human Rights:

"In my view the provisions of the Motor Fuel Price (Open Data) Regulations 2025 are compatible with the Convention rights."

13. The Relevant European Union Acts

13.1 This instrument is not made under the European Union (Withdrawal) Act 2018, the European Union (Future Relationship) Act 2020 or the Retained EU Law (Revocation and Reform) Act 2023 ("relevant European Union Acts").