



Department for Energy Security & Net Zero

Michael Shanks MP
Minister of State for Energy

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Bill Esterson MP
Chair of the Energy Security and Net Zero Committee
House of Commons
London
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05/01/2026

Dear Bill,

I am writing to update you on the sale of the Prax Lindsey Oil Refinery (PLOR) site and its assets following the deeply disappointing news on 30 June 2025 that it had entered insolvency.

The insolvency process at PLOR is led by the court-appointed Official Receiver, who must act in accordance with his statutory duties and independently of Government.

Since the refinery entered insolvency, we have worked urgently with the Official Receiver to ensure the safety of the refinery site, security of fuel supplies and protect workers. This has also allowed time for bidders to express an interest in the site and its assets.

Sales process

After a thorough process to identify a buyer for the site, the Official Receiver has determined Phillips 66 Limited is the most credible bidder which can provide a viable future for this site. The sale is expected to complete in the first half of 2026.

Phillips 66 is an experienced and credible operator, and this sale allows them to quickly expand operations at its neighbouring Humber Refinery, with all remaining 250 staff guaranteed employment until the end of March 2026.

Phillips 66 plans to integrate key assets into its Humber Refinery operations. This will expand Phillips 66's ability to supply fuel to UK customers from the Humber Refinery, boosting domestic energy security, securing jobs including hundreds of new construction jobs over the next five years, and driving future growth opportunities for renewable and traditional fuels.

Workforce

We understand that this is a worrying time for workers, however, the remaining 250 directly employed workers are guaranteed employment until the end of March 2026. Phillips 66 will provide further information on the number of jobs that will be retained as they move towards completion of the sale in coming months.

The Government continues to support the 124 workers affected by redundancy (effective on 31 October 2025) following the Official Receiver's confirmation that none

of the offers were credibly put forward that would see a return to refining operations in the next few years and that would allow for all employees to be retained. This includes funding a Training Guarantee to ensure they have the skills they need and are supported to find long-term jobs which goes above and beyond the usual level of support offered in insolvency situations. I am pleased to see that many of the workers have taken up the Training Guarantee and already been booked onto training.

I believe that the agreement with Phillips 66 marks the next step in securing an industrial future for the site and the workers, who were badly let down by their former owners.

Best wishes,

A handwritten signature in black ink, appearing to read 'Michael Shanks', followed by a period. The signature is fluid and cursive.

Michael Shanks MP
Minister of State for Energy