

Energy Industry Classifications

A new classification and definition system for the energy sector has been developed by Douglas Westwood Ltd. on behalf of the East of England Energy Group (EEEGr), taking a pragmatic approach to categorising the sectors.

To make the supply chain studies, and indeed the whole work of the POWER project, more comparable, the POWER partners have agreed to use these definitions in any industry related work in the project.

In Appendix 4.2, the report has also extracted specific classifications relating to onshore and offshore wind.

The background to the development of this classification is outlined in the final report:

"One specific problem (is the) lack of comparable information on companies active within the energy industry, the business sectors they specialise in and their geographic distribution. (...)

At present, the UK Standard Industry Classification of Economic Activities (UK SIC(92)), provides a broad coverage of supply chain activity, however, in seeking to capture the full range of company capabilities serving each and every industry it lacks the level of detail to fully reflect the specific competencies of the supply chain to the energy industry.

In contrast, current energy industry directories maintain a level of detail which while useful when searching for a highly specialised product are impractical for other purposes. For example, one such directory subdivides “cables” into 58 different products and services, while “consultants” are divided by subject sub-divisions. In total, this directory has 7,000 company entries in 3,200 categories, with the majority of categories populated by just a single company (possibly caused by companies’ own definition of their activities).

(...) It was thought necessary to code the companies according to their activities, with for example ‘project management’ companies servicing the ‘Oil and Gas’ or ‘Wind’ industries being displayed as such. However, for this to happen there is a need to produce a set of keywords to classify activities of companies in the energy supply chain in a pragmatic fashion."

Comments about the industry classifications are welcome, please send them to

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