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Could you please reply by email to the ETG Secretariat at john.craven@etg.uk.com

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14 August 2025
By email

Dear Gary,

Follow up to CCA concerns expressed at the Non-ETS Measures WG meeting on 23 July 2025

As you will recall from discussion at the Non-ETS Measures WG meeting on 23 July, ETG members expressed concern about various aspects of the process, including negotiating targets in the CCA scheme's renewal for the period 2026-2030. This particularly focused on the need for further detailed analysis about how the proposed targets were set in order to assist in putting forward robust counter proposals.

The widespread impression is that whilst members responded positively in making assessments of what efficiency achievements were possible, decisions have been taken based on subjective considerations that bear no relation to the economic and competitiveness realities that businesses face. The strength of the CCA scheme is a focus on the ability of each sector to achieve energy efficiency improvements.

The result is that the initial target proposals, together with an increase to the fee incurred by sites that miss their target, represent an effective increase to UK industrial energy cost. This is counter to the Government's Industrial Strategy that recognises UK energy cost as a significant barrier to investment and brings forward new measures to mitigate some of those costs. Members are also concerned about the condensed timetable in which they now have to supply quantitative data in response, especially given industry summer shutdowns.

There is very strong feeling amongst the membership about these issues, and we understand that several members are writing to Ministers setting out concerns both about the process and requesting that the data provided by members be used by officials in the derivation of each sector target. Similarly, members seek access to the data developed by the CCA Team's technical consultants on sector-specific energy intensity improvements.

You agreed on 23 July to consider whether there was further information that could be shared to assist the negotiation discussions and to propose suggested dates for meetings with sectors to resolve their concerns. We look forward to confirmation that this follow-up is underway.

Yours sincerely,



Will Webster
Chair UK ETG