

Email to:

eii.correspondence@businessandtrade.gov.uk

August 8, 2025

Dear Department for Business & Trade (DBT),

Response to Network Charging Compensation Scheme (NCC) uplift for Energy Intensive Industries (EII) consultation

Scottish Renewables is the voice of Scotland's renewable energy industry. The sectors we represent deliver investment, jobs and social benefits and reduce the carbon emissions which cause climate change. Our 370-plus members work across all renewable energy technologies, in Scotland, the UK, Europe and around the world. In representing them, we aim to lead and inform the debate on how the growth of renewable energy can help sustainably heat and power Scotland's homes and businesses.

The Government's commitment to turbocharging domestic industry and manufacturing is music to the ears of the renewable energy industry that needs a reliable and enduring supply chain to meet its ambitious targets. Scottish Renewables continually advocates for measures to unlock the UK's supply chain potential, and we warmly welcomed the Industrial Strategy's prioritisation of growth of the clean energy industry. The proposal to enhance the NCC scheme further positively reflects the ongoing commitment to review and ensure the conditions for domestic Ells are internationally competitive.

We are wholly supportive of the proposal to raise the level of compensation from 60% to 90% to attract the required inward investment for the supply chain to support projects that will fuel the Clean Power 2030 Action Plan (CP30) and the subsequent Strategic Spatial Energy Plan (SSEP). The supply chain landscape for renewables is known to be constrained in a number of critical areas as decarbonising countries compete for the same components, which is already resulting in some project delays. The quantities of materials in demand for large renewable and network projects, such as steel, concrete and cabling, are only forecast to increase as we race towards 2030 and beyond. Thus, removing barriers faced by manufacturers and large industrial plants, such as high electricity costs, to mirror the efforts of our European neighbours is key to growing the UK's domestic supply chain capabilities.

In terms of the conditions and framework behind the change, we are supportive of the outlined framework by which Ells could receive compensation reflecting their impact on the network, i.e., lower costs for reduced consumption in peak hours and being more favourably located. We also support the extension of application windows from one to two months to accommodate delays outside of Ells' control relating to the timely provision of information by suppliers.

Finally, we encourage DBT to consider updating and expanding the scope of parties eligible to benefit from the scheme to include port infrastructure and other important suppliers for offshore wind. The list



as it stands primarily targets manufacturers¹ and extending coverage to include ports would be a valuable acknowledgement of their crucial role in the energy transition and the challenges equally faced by high electricity costs. The inclusion of key suppliers, such as turbine component manufacturers, would provide a strong signal to inward investors and enable the UK to capture the economic opportunity arising from the delivery of our renewable energy projects. The importance of port infrastructure and the manufacturing supply chain cannot be underplayed in delivering our grid and renewable energy infrastructure build-out, with ports also playing a central role in the decarbonisation of transport by providing low-carbon solutions like renewable-fuelled shore power.

Combined with the proposed Connections Accelerator Service, we are pleased to see DESNZ and DBT acting decisively to support Ells and the supply chain through the development of efficient, immediate solutions. It is important that Government recognises and appropriately responds to the implications of not acting in terms of cost to consumer, carbon leakage, loss of jobs and investment and, critically, the slippage of our clean energy targets.

Scottish Renewables would be keen to engage further with this agenda and would be happy to discuss our response in more detail.

Yours sincerely,

Emma Harrick

Director of Energy Transition & Supply Chain Scottish Renewables

¹ As listed in Annex A of the original Energy Bills Discount Scheme and carried into this amendment