metals forum

Metals Forum Meeting with Gregory Barker MP
Minister of State for Energy and Climate Change
Wednesday 13 October 2010, House of Commons

Present:

[redacted]

Ian Rodgers, Chairman Metals Forum and Director, UK Steel
John Houseman Metals Forum, Director General, Confederation of British Metalforming
Rupert Hodges, Secretary, Metals Forum

1. The meeting was severely shortened as the minister had to attend three divisions in the lobby from 2.30pm which was the time originally schedule for the start time of the meeting.

2. While he was voting, JH asked officials to establish feed in tariff eligibility criteria and whether waste heat recovery and waste heat electrical generation could become eligible for FiTs.

3. On CCAs and the Levy the minister said that the Coalition Government is committed to setting a floor price for carbon to ensure that the power industry has what it needs in terms of basic guarantees to make fundamental long term decisions about investing in non-carbon emitting power generation (e.g. nuclear, marine and wind). There will be an announcement during or more likely a bit after the CSR statement on 20 October.

4. He advised MF to contribute fully to the HM Treasury consultation that would follow and agreed to see MF again at a suitable time in the shadow of that consultation.

5. He gave nothing away on whether they will continue CCAs, only repeating that there will be full consultation on CCL reform in due course. He did however hint that competitiveness concerns will be addressed as part of the new package.

6. He said that CCAs are costly to administer, which is one of the reasons for a full review of the cost/benefit.

7. He heard MF's proposal that one way to reduce the admin burden would be to push the target setting to every three years in place of the current two and the now mooted one year cycle. The Minister said that he believed that reporting and transparency were important.

8. On the CRC the minister said that he was not happy about the perverse and unintended consequences that flowed from these regulations. The Coalition wants something that is simpler and is more business friendly - although not necessarily less challenging.

9. He also heard MF's view that CRC isn't appropriate for manufacturing, although it might be for other sectors. The Minister indicated that he didn't necessarily agree with this.

10. Finally the minister encouraged MF to make a formal submission on CRC.

11. Subsequent discussions with officials suggested that RHI is also subject to review.