

The Rt Hon Ed Miliband MP
Secretary of State for Energy Security and Net Zero

8 August 2025

Department for Energy Security and Net Zero
55 Whitehall
London, SW1A 2HP

Dear Secretary of State,

We are writing to urge immediate clarity and action on the treatment of biomethane in the UK Emissions Trading Scheme (UK ETS). Without a clear decision to recognise biomethane as a net zero fuel within the ETS, we risk stalling a strategic net zero solution and losing more than £8bn in investment.

As you know, biomethane is a proven, homegrown, low-carbon gas already reducing emissions from heat, transport, waste and agriculture. It supports rural economies, displaces fossil fuels, and cuts methane emissions. Its role is clearly set out in NESO's Future Energy Scenarios and the Net Zero Growth Plan – yet current policy uncertainty is holding back investment and delaying sector-wide growth.

Biomethane also plays a critical role in decarbonising high-value industrial sectors that are essential to the UK's national security and economic resilience – including ceramics, food processing, glass, and the chemicals industry. These sectors rely on high-temperature processes that are difficult to electrify and need immediate, scalable alternatives to fossil gas. Biomethane is one of the few viable options available now.

This is not a technical or marginal issue. Government analysis suggests up to 30 TWh/year of biomethane could be produced by 2030, displacing fossil gas and cutting emissions by 6MtCO_{2e} annually as well as presenting the potential for a further 4MtCO_{2e} per year of greenhouse gas removals. But this will only be delivered if investment is unlocked now – and that won't happen without policy certainty.

The UK's biomethane sector is at a crossroads. A clear decision to recognise biomethane as a net zero fuel within the UK ETS is essential. Without it, we risk undermining delivery of our Nationally Determined Contribution (NDC) and losing a key part of the UK's net zero strategy and putting at risk our energy security.

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Developers and investors urgently need clarity and confirmation that the full net zero value of biomethane will be recognised. Further delays threaten to stall a sector that is ready to scale and deliver.

We are calling on you to:

- Confirm that biomethane will be eligible under the UK ETS as a net zero fuel when injected into the UK's gas grid
- Ensure UK ETS rules fully reflect biomethane's full value
- Set out a clear timeline for implementation to give the market confidence.

This is an immediate opportunity to unlock growth, accelerate decarbonisation, and bring forward billions in private investment. We urge you to act now.

Signed,



Charlotte Morton OBE
Chief Executive,
ADBA



Chris Huhne
Chair,
ADBA



The Anaerobic Digestion and Bioresources Association (ADBA) is the trade association for the UK anaerobic digestion (AD) and biogas industry. ADBA's vision is to unlock the full potential of the UK AD industry so it can help the UK achieve its emissions targets and other policy goals, creating a truly circular economy.

Co-signed,

ADBA members and the UK anaerobic digestion and biogas community

Letter signatories listed on the following page.

Signatories

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- GMB Union
- Chemical Industries Association
- IGEM
- Future Energy Networks
- Cadent Gas
- SGN
- Northern Gas Networks
- Wales and West Utilities
- Engie Renewable Gases UK
- PepsiCo UK and Ireland
- Marsh Commercial
- Firmus Energy
- Gravis
- Grissan
- Green Gas Task Force
- Future Biogas
- Generate Upcycle
- NGen
- JouleVert Ltd
- bioconstruct GmbH
- Lords Meadow Energy Ltd
- Yelspa Ltd
- John Thompson & Sons Ltd
- Encirc Ltd
- Carbon Zero Markets
- RenEco Ltd
- SBL-Automotive
- Biogen UK Ltd
- Mutual Energy
- Bohr Ltd
- Phoenix Energy
- Roeslein and Associates Ltd
- Cannington Enterprises Ltd
- Shropshire Energy (UK) Ltd
- Gas Data Ltd
- Dark Green Group (East Midlands Green Transit)
- Advanced Energy Management UK Ltd
- WASE Ltd
- Siracle Ltd
- Allison Engineering Ltd
- Carbon Incorporated
- JJ Davison & Sons
- HydrogenUnited.org
- Wolf Systems Construction Ltd
- United Utilities
- BioCapital Ltd
- Streetly Hall Farm
- AROL ENERGY
- Re-Gas BV
- Stour Energy
- Baytree Resource Management Ltd
- Local Generation Ltd
- THOENI Industriebetriebe GmbH
- Thomasson Farms
- Blended Products Ltd
- Robert Thomas Farms Ltd
- Kanadevia Inova Capital
- A.S.P. Electro-Technology Ltd
- Innovation Advantage Ltd
- Swancote Energy Ltd
- DAH Renewable Consulting Ltd
- Realistic Agri Ltd
- Potter Group
- Eco Verde Energy Limited
- Little Oak Energy Ltd
- VIDA bioenergy
- Echologika Ltd
- CooperÖstlund Ltd
- Resilient ESG Governance Services
- Ulster Shredders
- Agrii
- Aardvark Certification Ltd
- Prism Planning
- Foresight Group
- Bio-Drive Ltd
- Low Carbon Solutions
- Aquabio Ltd
- NFU Energy
- Roadgas Limited
- SNB AD Consultancy Services Ltd
- Servosol
- Bioelectric NV
- Global NRG Advisory
- Biogest
- Renewable Power Systems Ltd
- Greenacre Energy
- Raft Energy
- OMEX Environmental Ltd
- Vogelsang Ltd
- Fresh Air Fuels
- Barrow Green Gas
- Ceres Energy
- Eco Sustainable Solutions Ltd
- WRM Ltd
- DMT Environmental Technology
- Eliquo Hydrok
- Low Carbon Truck Consultancy
- agriKomp Ltd
- Negative Emission Solutions
- BACB Renewables
- Pro Gases UK Ltd
- CSO
- Mutual Energy