

Huw Irranca-Davies AS/MS
Y Dirprwy Brif Weinidog ac Ysgrifennydd y Cabinet dros New
Hinsawdd a Materion Gwledig
Deputy First Minister and Cabinet Secretary for Climate
Change & Rural Affairs



Llywodraeth Cymru
Welsh Government

Ein cyf/Our ref: MA/HIDCC/2672/26

Mike Hedges MS
Chair
Legislation, Justice and Constitution Committee
Welsh Parliament
Cardiff Bay
CF99 1SN

12 March 2026

Dear Mike,

I am writing to inform you that the UK Emissions Trading Scheme (UK ETS) Authority (comprising of the Welsh Government, the UK Government, the Scottish Government, and the Northern Ireland Executive) has published a consultation today on regulating cross-boundary carbon capture and storage (CCS) pipelines¹. This is a short, technical consultation to simplify UK ETS regulation of CCS pipelines that cross into different jurisdictions in the UK. All the options aim to reduce regulatory burden and costs for CCS projects to support their economic viability

This will be important for Wales, with the Hynet CCS pipeline crossing England and Wales both off-shore and on-shore. As you're aware, Hynet represents a transformative economic opportunity for Wales, enabling deep emissions cuts in hard to abate sectors such as cement, power generation, and waste to energy.

This consultation will be followed by an Authority Response, which will be published prior to legislation being laid that will enact any changes resulting from the consultation. The Senedd, along with other UK Parliaments, will have the opportunity to scrutinise plans once they are finalised.

I believe that the UK ETS remains a highly influential policy lever in achieving net zero in Wales and I am keen that we ensure the scheme supports businesses investing in and adopting decarbonisation technologies. This consultation is key to exploring where regulations can be simplified and support the economic viability of CCS, which for some industries is the only decarbonisation option currently available.

I am also copying this letter to the Chair of the Climate Change, Environment and Infrastructure Committee.

Yours sincerely,

Huw Irranca-Davies AS/MS

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¹ [UK Emissions Trading Scheme: Regulating cross-boundary CCS pipelines - GOV.UK](https://www.gov.uk/government/consultations/uk-emissions-trading-scheme-regulating-cross-boundary-ccs-pipelines)

Canolfan Cyswllt Cyntaf / First Point of Contact Centre:
0300 0604400

Bae Caerdydd • Cardiff Bay
Caerdydd • Cardiff
CF99 1SN

Gohebiaeth.Huw.Irranca-Davies@llyw.cymru
Correspondence.Huw.Irranca-Davies@gov.wales

Rydym yn croesawu derbyn gohebiaeth yn Gymraeg. Byddwn yn ateb gohebiaeth a dderbynnir yn Gymraeg yn Gymraeg ac ni fydd gohebu yn Gymraeg yn arwain at oedi.

We welcome receiving correspondence in Welsh. Any correspondence received in Welsh will be answered in Welsh and corresponding in Welsh will not lead to a delay in responding.