

To the attention of Energy Ministers of EU Member States*Brussels, 27 October 2026*

Dear Ministers,

Energy-intensive industries (EIIs) underpin Europe's critical and strategic value chains, supplying the materials and products essential to the energy and digital transitions, housing, defence, and the EU's strategic autonomy.

As these industries accelerate their decarbonisation efforts, access to globally competitive and reliable clean electricity is a fundamental prerequisite for maintaining industrial activity, investment and jobs in Europe.

Yet this objective is increasingly challenged by the rapid rise in network tariffs across the European Union, with many Member States already experiencing significant increases in network charges. This trend is expected to intensify as Europe accelerates its transition to a decarbonised economy. Even under the most optimistic scenarios, an estimated €1.2 trillion will need to be invested in grid modernisation and expansion by 2040¹.

While well-functioning, optimised and adequately financed grids are indispensable for the energy transition, **rising network costs are becoming a structural burden on European industry**. As network charges account for a rising share of industrial electricity bills, they further widen the electricity price gap between Europe and competing global regions, undermining the competitiveness, investment capacity and long-term viability of Europe's energy-intensive industries.

Ahead of the Energy Council meeting on 29 October, our organisations would like to draw your attention to three key priorities regarding the Regulation on future-proofing electricity bills.

1. Explicitly enable streamlined and predictable special tariff regimes for energy-intensive industries

The European legal framework should explicitly allow reduced network charges for vital energy consumers, such as energy-intensive industries and operators of industrial parks².

Special tariff regimes, as envisaged under Article 18(3), are an important instrument to support industrial competitiveness. By lowering electricity costs, special tariff regimes

¹ European Commission, Proposal for a Regulation of the European Parliament and of the Council on guidelines for trans-European energy infrastructure, amending Regulations (EU) 2019/942, (EU) 2019/943 and (EU) 2024/1789, COM(2025) 1006 final, Brussels, 10 December 2025, 2025/0399(COD);

² An industrial park corresponds to a geographically confined industrial site where certain utility services are provided to a group of undertakings

can strengthen the business case for industrial electrification and contribute to the efficient operation of the electricity system.

Particular care should be taken to avoid creating uncertainty regarding the continued application of existing national tariff regimes and to ensure that the effectiveness of future tariff regimes is not weakened by requirements to demonstrate the specific impact of users' consumption on network costs, as such assessments may prove difficult to implement or assess in practice.

In this regard, the Regulation should explicitly allow Member States and national regulatory authorities to take account of the broader benefits that both flexible and stable industrial demand can bring to the electricity system, including improved grid utilisation, renewable integration and overall system efficiency.

2. Ensure that industrial consumers are recognised for their contribution to the electricity system

Energy-intensive industries must optimise their processes for maximum energy efficiency, which means that providing demand-side flexibility services must remain voluntary and properly incentivised. While such flexibility can provide important benefits where technically and economically feasible, tariff methodologies should recognise both the value of voluntary flexibility and the contribution of stable and predictable industrial demand to efficient grid utilisation and system planning. Tariff methodologies should also remain capable of recognising demonstrable reductions in peak demand and network-capacity requirements resulting from end-use energy-efficiency measures.

In this context, time-of-use tariff elements, incentives for peak demand reduction and locational investment signals should remain voluntary tools at the discretion of national regulatory authorities and be solely applied where appropriate, taking into account the characteristics of their electricity systems, industrial consumers and their decarbonisation pathways. A one-size-fits-all approach would risk undermining industrial competitiveness without necessarily delivering equivalent benefits to the electricity system.

In addition, Member States should remain free to partially cover network costs, as envisaged under Article 18(4), especially for energy intensive industries that cannot offer flexibility for technical or economic reasons.

3. Introduce a cap on network tariffs for energy-intensive industries

We call for the introduction of a cap for energy-intensive industries and operators of industrial parks, drawing inspiration from the existing cap applicable to power producers under Commission Regulation 838/2010. Consistent with limits applying to power generators, the average network tariffs in every Member State should stay below a defined maximum threshold, for instance 1.2 EUR/MWh.

If EU legislation already recognises that significant divergences in network charges for generators risk fragmenting the internal market, the same principle should apply to energy-intensive consumers.

Such a cap would help in providing industry with the predictability required to support investment, electrification and decarbonisation.

We trust that the forthcoming discussions in the Energy Council will provide an opportunity to ensure that the Regulation supports both the energy transition and Europe's industrial competitiveness.

We thank you in advance for considering our recommendations.

List of signatories:



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