



Industrial Energy Consumers of America

The Voice of the Industrial Energy Consumers

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February 2, 2009

The Honorable Harry Reid
Majority Leader
United States Senate

The Honorable Mitch McConnell
Minority Leader
United States Senate

Re: Economic Stimulus Provision - Will Halt Investment in Energy Efficiency by the Manufacturing Sector – Impacting Competitiveness and Jobs

On behalf of the Industrial Energy Consumers of America (IECA) we request that the manufacturing sector be exempt from the provision in H.R. 1, the American Recovery and Reinvestment Act of 2009 that would provide a financial incentive to states to decouple utility revenues from the volume of electricity and natural gas that they sell - effectively allowing them to collect the same revenue while selling less electricity and natural gas.

Decoupling utility revenue from the volume they sell is a direct disincentive for manufacturers to implement energy efficiency projects that improve competitiveness, maintain jobs and reduce greenhouse gas emissions. Decoupling means if we reduce our electricity and natural gas consumption we will not see a reduction in the cost.

For many manufacturers, the cost of electricity and natural gas is significant and can determine whether they are competitive in global markets. We urge you to not pass legislation that increases electricity and natural gas costs and put more jobs at risk.

IECA strongly supports energy efficiency across all sectors of the economy and look forward to working with you to increase energy efficiency and to increase manufacturing competitiveness, exports and jobs.

Sincerely,

Paul N. Cicio
President

Cc: Senate

The Industrial Energy Consumers of America is an association of leading manufacturing companies with \$500 billion in annual sales and with more than 850,000 employees nationwide. It is an organization created to promote the interests of manufacturing companies for which the availability, use and cost of energy, power or feedstock play a significant role in their ability to compete in domestic and world markets. IECA membership represents a diverse set of industries including: plastics, cement, paper, food processing, brick, chemicals, fertilizer, insulation, steel, glass, industrial gases, pharmaceutical, aluminum, foundry resins and brewing.