



Industrial Energy Consumers of America

The Voice of the Industrial Energy Consumers

1776 K Street, NW, Suite 720 • Washington, D.C. 20006
Telephone 202-223-1420 • www.ieca-us.org

September 30, 2016

The Honorable Dean Heller
U.S. Senate
324 Hart Senate Office Building
Washington, DC 20510

The Honorable Thomas R. Carper
U.S. Senate
513 Hart Senate Office Building
Washington, DC 20510

Re: IECA Supports Carper-Heller Amendment #1 to the Retirement and Enhancement Savings Act of 2016

Dear Senator Heller and Senator Carper:

On behalf of the Industrial Energy Consumers of America (IECA), we support passage the Carper-Heller Amendment #1 to the Retirement and Enhancement Savings Act of 2016. The amendment would extend the combined heat and power (CHP) investment tax credit (ITC) another five years by providing a one-time tax credit that supports investment in highly energy efficient technology. Because building a CHP facility is a more expensive alternative than generating steam in a standalone boiler, the ITC encourages use of a more efficient alternative.

Industrial CHP facilities improve U.S. manufacturing competitiveness by lowering steam energy and electricity operating costs while simultaneously reducing GHG and criteria pollutants. CHP can produce power at energy efficiency rates of up to 80 percent as compared to stand-alone power generation technology with efficiency rates of about 35 percent. As a distributive resource, CHP improves grid reliability in the event of a weather-related disaster. Also, CHP runs 24/7, which means it provides a higher quality of power, including power production when it is needed the most – at peak demand periods.

The industrial sector does not build CHP facilities to sell power. CHP helps to keep energy costs as low as possible to support global competitiveness and maintain/create high paying middle class jobs.

Thank you for your leadership on this important issue.

Sincerely,

Paul N. Cicio
President

cc: Senate Committee on Finance

The Industrial Energy Consumers of America is a nonpartisan association of leading manufacturing companies with \$1.0 trillion in annual sales, over 2,900 facilities nationwide, and with more than 1.6 million employees worldwide. It is an organization created to promote the interests of manufacturing companies through advocacy and collaboration 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: chemical, plastics, steel, iron ore, aluminum, paper, food processing, fertilizer, insulation, glass, industrial gases, pharmaceutical, building products, automotive, brewing, independent oil refining, and cement.