



Industrial Energy Consumers of America

The Voice of the Industrial Energy Consumers

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November 18, 2020

David Meyer
Office of Electricity
U.S. Department of Energy
1000 Independence Avenue, SW
Washington, DC 20585

***Re: Request for Public Comment on the 2020 National Electric Transmission Congestion Study,
Docket No. 2020-21040***

Dear Mr. Meyer:

On behalf of the member companies of the Industrial Energy Consumers of America (IECA), we are providing the following response to the “Request for Public Comment on the 2020 National Electric Transmission Congestion Study.” In summary, the report fails to consider electric congestion and transmission expansion from the perspective of the ratepayer that pays the bills. Manufacturing companies are price sensitive and the cost of transmission that gets rolled into electricity prices is an important competitiveness issue.

Key Points:

1. The report does not address consumer electricity costs that have substantially increased due to transmission spending increases from approximately \$8 billion in 2008 to \$22 billion in 2018, during an era when electricity demand has not increased. Had the cost of fossil energy not substantially decreased, consumers would have experienced even higher electricity costs. The report does not address the disconnect between demand and increased transmission spending, and ratepayer costs in relation to congestion.
2. The historic and unprecedented increase in transmission investment is not the primary driver of reduced congestion as the report contends. In some cases, transmission projects, when coupled with remotely located intermittent generation, have increased congestion.
3. Low demand and a substantial decrease in fossil fuel costs are the primary drivers of mitigating congestion because there is greater parity in dispatch costs of more dispatchable energy resources.
4. There has been substantial investment in transmission, not designed to reduce congestion, but to accommodate the intermittency of renewables due to how their sine wave is manufactured. Conventional power creates a natural smooth frequency of

waves. Solar and wind turbines is extremely volatile and there is loss of wave inertia. Increased transmission is the solution to the intermittency.

5. The report does not include the role of industrial self-generation as playing an important role in avoiding congestion.

We welcome to be included as a stakeholder to provide the industrial consumer perspective.

Sincerely,

Paul N. Cicio

Paul N. Cicio
President

The Industrial Energy Consumers of America is a nonpartisan association of leading manufacturing companies with \$1.1 trillion in annual sales, over 4,200 facilities nationwide, and with more than 1.8 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: chemicals, plastics, steel, iron ore, aluminum, paper, food processing, fertilizer, insulation, glass, industrial gases, pharmaceutical, building products, automotive, brewing, independent oil refining, and cement.