



**Industrial Energy Consumers of America**  
*The Voice of the Industrial Energy Consumers*

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December 15, 2015

The Honorable Norman Bay  
Chairman  
Federal Energy Regulatory Commission  
888 First Street, NE  
Washington, DC 20426

Dear Chairman Bay:

Recently, Chairmen Murkowski, Upton, and Whitfield sent you a letter requesting that the Federal Energy Regulatory Commission (FERC) hold a Technical Conference to examine “the Commission’s implementation of the Public Utility Regulatory Policies Act of 1978 (PURPA).” We urge you not to do so, because it is not needed. Furthermore, the letter cites several areas to be covered by the Technical Conference that if changed, would potentially damage our ability to operate existing cogeneration units or build new ones. If you do proceed, we encourage you to advance an agenda that includes the opportunity for industrials to discuss the regulatory barriers in both regulated and unregulated markets that make it very difficult for industrials to build CHP units.

IECA is a nonpartisan association of leading manufacturing companies with \$1.0 trillion in annual sales, over 2,900 facilities nationwide, and with more than 1.4 million employees worldwide. 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, brewing, independent oil refining, and cement.

IECA member companies are exclusively large industrial consumers of energy, the majority of which use cogeneration technology to produce both steam and electricity, which is consumed in their operations. We do not build cogeneration units to sell power. Cogeneration of steam and power is critical to keeping our energy costs as low as possible to support global competitiveness and maintain and create middle class jobs.

We believe that electric generators have pushed the Committees of jurisdiction to request a Technical Conference because of several high-cost wind and solar projects. The industrial sector consumes about 26 percent of U.S. electricity. So, as large consumers of electricity, we are also concerned with power sales contracts executed at above market rates. The high-cost of wind and solar projects will be paid for by us, the consumer.

If the Commission decides to hold a Technical Conference, we request the opportunity to participate.

Sincerely,

Paul N. Cicio  
President

cc: The Honorable Cheryl LaFleur  
The Honorable Tony Clark  
The Honorable Colette Honorable

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*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 1.4 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, brewing, independent oil refining, and cement.*