

ELECTRICITY CONSUMERS RESOURCE COUNCIL (ELCON), AMERICAN CHEMISTRY COUNCIL (ACC), AMERICAN FOREST & PAPER ASSOCIATION (AF&PA), AMERICAN IRON AND STEEL INSTITUTE (AISI), CAROLINA UTILITY CUSTOMERS ASSOCIATION (CUCA), CONNECTICUT INDUSTRIAL ENERGY CONSUMERS (CIEC), ILLINOIS INDUSTRIAL ENERGY CONSUMERS (IIEC), INDIANA INDUSTRIAL ENERGY CONSUMERS, INC. (INDIEC), LOUISIANA ENERGY USERS GROUP (LEUG), MULTIPLE INTERVENORS (MI), TEXAS INDUSTRIAL ENERGY CONSUMERS (TIEC), AND WISCONSIN INDUSTRIAL ENERGY GROUP, INC. (WIEG)

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U.S. Manufacturers Say DOE NOPR a Job Killer

Washington, D.C. -- Saying the federal government should not pick winners and losers in energy markets, a group of large industrial users of electricity (U.S. Manufacturers) today urged the Federal Energy Regulatory Commission (FERC) to terminate the Department of Energy Notice of Proposed Rulemaking (DOE NOPR) to prop up unprofitable coal and nuclear plants calling it a “radical departure from the competitive markets” that would result in a “substantial loss of U.S. manufacturing capacity and jobs.”

The group included the Electricity Consumers Resource Council (ELCON), American Chemistry Council (ACC), American Forest & Paper Association (AF&PA), American Iron and Steel Institute (AISI), and a number of state industrial energy groups. The comments are attached.

“The U.S. manufacturing community strongly oppose the DOE NOPR and urges the FERC to terminate this proceeding,” U.S. Manufacturers said in comments filed today. “If implemented, the Proposal would override the market’s ability to select the most efficient units, increase the electricity costs by many millions of dollars for untold numbers of businesses and consumers, and result in substantial loss of U.S. manufacturing capacity of jobs.”

“The federal government should not pick winners and losers in the energy markets and must certainly not treat U.S. manufacturing jobs as inferior to the jobs at uneconomic power plants. The Proposal would subsidize coal and nuclear generation and their jobs, putting at risk a far larger number of U.S. manufacturing jobs that face considerable pressure from foreign competition.”

The comments called the fundamental premise of the proposal – that retirement of coal and nuclear generation currently is an imminent threat to the reliability and resiliency of the electric grid – “unfounded” and said the “gradual retirement of old, uneconomic generation units is an ongoing process that reflects the proper functioning of competitive markets.”

“Although the competitive markets are not perfect, the current historically low electricity prices that have resulted from their operation have substantially benefited that competitiveness of U.S. manufacturing sector that depends on affordable and reliable energy supplies. Those markets cannot be sustained if coal, nuclear, wind, and solar resources are all compensated with out-of-market payments.”