

OVERVIEW

For over four decades, ELCON has been the premiere national association of industrial electricity consumers. ELCON is the only industrial trade association with technical electricity expertise, enabling a unique and continuous advocacy capability at FERC, NERC, EPA, and Capitol Hill, while earning respect with the media and other policy influencers. ELCON also serves as the glue in the industrial electricity ecosystem, such as hosting an annual state industrial roundtable, and engaging at NARUC and other forums to drive the multi-state industrial agenda.

ELCON adopted a forward-looking approach to 2020 priorities based on the preferences of ELCON membership and a regulatory and political climate assessment. This agenda harnesses ELCON's unique advantages, including engaging FERC and RTOs on technical market design and transmission policy issues. It also leverages ELCON's position as the only trade association representing Large Consumers at NERC to advance economically sound reliability policy.

PRIORITIES LIST

⚡ MARKET DESIGN

- Advance a blueprint for capacity market reform priorities in concert with regional industrial organizations.
- Key-in on incremental energy and ancillary service market improvements.
- Explore opportunities to better integrate industrial resources, such as demand response improvements.
- Align market design with reliability needs to minimize costs and out-of-market reliability actions.

⚡ SELF-SUPPLY AND MARKET ACCESS

- Lead the industrial effort to ensure PURPA reform enhances competition and protects industrial assets.
- Collaborate with state industrial groups and DOE state initiative to reduce barriers to industrial self-supply.
- Bolster participation in the CHP Alliance and partner with state industrials to address CHP stand-by rates, which builds upon the NARUC resolution ELCON and the Alliance helped pass in 2019.
- Collaborate with state allies to advance opportunities for industrial direct market access.

⚡ TRANSMISSION POLICY REFORM

- Foster industrial transmission policy positions that build on ELCON's two 2019 FERC testimonies.
- Lead transmission consumer coalition to reduce inflated ROEs and excessive incentives.
- Encourage FERC to introduce economic scrutiny of transmission line ratings.
- Improve competitive procurement and reduce transmission builds exempt from cost scrutiny.
- Develop prudency framework for grid resilience applicable to FERC transmission and state initiatives.
- Reduce barriers to low-cost transmission technologies and non-wires alternatives, such as demand response.

⚡ RTO GOVERNANCE REFORM

- Articulate a vision for RTO governance and explore mechanisms like revisiting FERC Order No. 719.
- Protect and enhance the role of independent market monitors.
- Proactively engage FERC and RTO/ISOs and collaborate with academic and think tank researchers.

⚡ RELIABILITY POLICY REFORM

- Subject NERC standards to cost-benefit analysis that value reliability consistent with consumer preferences.
- Minimize the burden of standards on Large Consumers, such as critical infrastructure protection.
- Streamline access for industrial-cited and other reliability-enhancing technologies and practices.
- Encourage NERC to adopt governance reform that protects fair representation of Large Consumer voices.
- Boost the quality of NERC analyses to promote "influence by information" in state and regional procurement.
- Enhance reliability institutions' understanding of markets and state regulation, such that issues like fuel security and cold weather readiness are achieved through economical processes not cost-agnostic standards.

⚡ ELCON MEMBER BENEFITS ⚡

This advocacy agenda holds tens to hundreds of billions in total avoided cost potential. Companies regularly find six to seven figure savings tied to a single priority, plus intangible benefits like greater procurement flexibility. ELCON members also benefit from ELCON's education and information services, access to policymakers, legal intervention savings, networking and peer interactions, and ability to influence electricity policy across state and federal levels.