



Industrial Energy Consumers of Pennsylvania

The Voice of Large Energy Consumers

Pennsylvania House Republican Policy Committee's Hearing on "Stopping New Energy Taxes"

**Testimony of
Rod Williamson
Executive Director
Industrial Energy Consumers of Pennsylvania
February 20, 2025**

Good afternoon, Chairman David Rowe and Members of the House Republican Policy Committee. My name is Rod Williamson, and I am Executive Director of the Industrial Energy Consumers of Pennsylvania ("IECPA"), a trade organization formed in 1982 by large, energy-intensive customers with one or more facilities in the Commonwealth of Pennsylvania. Thank you for the opportunity to testify this morning about energy affordability for Pennsylvania consumers.

IECPA represents companies¹ operating at more than 30 locations in Pennsylvania providing family-sustaining jobs. IECPA members spend millions of dollars on energy every year at their Pennsylvania facilities. As energy-intensive, trade-exposed manufacturers, IECPA members' production processes require so much energy that small increases in energy price translate into large changes in costs which can negatively impact their ability to compete against many similar businesses in other states or in other countries for the same customers. Therefore, Pennsylvania's large industrial customers maintain a focus on labor, raw materials, capital and all other production costs, but especially energy.

At this time, I am going to run through a PowerPoint presentation offering more detail on the Commonwealth's electricity prices.

¹ IECPA Members include: Air Products & Chemicals, Inc.; Airgas USA, LLC; Benton Foundry, Inc; East Penn Manufacturing Company; Go Carlson, Inc; Keystone Cement Company; Kimberly-Clark Corporation; Knouse Foods Cooperative, Inc.; Linde, Inc.; Merck & Co, Inc.; Messer LLC; Nestle Purina Petcare Company; Pixelle Specialty Solutions, LLC; Procter & Gamble Paper Products Co.; United States Gypsum Company



Industrial Energy Consumers of Pennsylvania

The Voice of Large Energy Consumers

In summary, IECPA appreciates the Committee's interest, early in the session, to examine the cost of energy for Pennsylvania consumers. To that end, we encourage Pennsylvania lawmakers to consider the following:

- The increased electricity cost from RGGI or similar carbon pricing approach is unnecessary because energy-related carbon dioxide emissions in Pennsylvania have decreased just as much on a percentage basis as the other states participating in RGGI and have decreased MORE than other RGGI states on an absolute basis without the added cost of the RGGI program! This has occurred in large part because of the competitive retail choice market in Pennsylvania driving the development of lower carbon emitting generation.
- Electricity retail choice has benefited large energy users helping their Pennsylvania facilities to remain competitive in a global market. Maintaining a robust retail choice market to drive innovation and efficiencies is paramount to our members.
- Most large industrial energy consumers support the increase of carbon free generation while also having production processes that need reliable energy around the clock, which requires continued reliance upon natural gas generation for the foreseeable future.
- Natural gas and electricity generation siting and regulatory reform should be explored to ensure the availability of natural gas and electricity infrastructure for reliable electricity supply.
- Additional costs that are created by legislative policy not the market such as the Alternative Energy Portfolio Standard, Act 129 and the Gross Receipt Tax should be significantly reformed in order to make Pennsylvania's industrial electricity rate more competitive. For instance, Tier II of the AEPS should be expanded to include Combined Heat and Power (CHP) generation facilities installed by industrial customers.

For further information or to answer any questions, please contact Rod Williamson, Executive Director of the Industrial Energy Consumers of Pennsylvania, at rwilliamson@clarkhill.com