

# ELCON PRESS RELEASE

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## *ELCON TESTIFIES ON ENERGY EFFICIENCY*

John Anderson, president of the Electricity Consumers Resource Council (ELCON), testified today that industrial electricity consumers are “strong advocates – even activists in support of energy efficiency,” stating that “manufacturers make investments to improve energy efficiency on a regular basis.”

But, Anderson emphasized, “large industrial customers have historically not supported legislative or regulatory mandates for energy efficiency, because such programs have invariably called for the local utility to administer the program.” According to Anderson, ELCON members “believe this is both costly and not designed to achieve maximum efficiency gains.”

Anderson also elaborated on several other energy efficiency proposals. While he said that ELCON has not taken a formal position on an Energy Efficiency Resource Standard, he urged that “industrial facilities be exempt,” asserting that inclusion of manufacturing facilities “will only diminish their ability to increase efficiency.”

With regard to Revenue Decoupling, Anderson noted that “several states have found revenue decoupling to be a failure” and that Revenue Decoupling is opposed by “small and large consumers alike.”

Anderson offered the support of industrial power users for increased Demand Response, citing a FERC representative who recently said that only today’s minimal incentives, Demand Response reduced peak load by 5.8 percent reduction 2007. He observed that in several forums such as PJM and NAESB generators have successfully pushed policies that will hinder increased Demand Response.

And, finally, Anderson touted increased Combined Heat and Power production (CHP). But he stated that FERC’s recent rulemaking on this issue removed certain incentives for CHP providers and was inconsistent with an amendment enacted as part of the Energy Policy Act of 2005. Anderson urged to Congress to reconsider that amendment or to conduct oversight hearings on the implementation of the 2005 Act.

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ELCON, established in 1976, is the national association of large industrial users of electricity from virtually every manufacturing sector. ELCON members seek a reliable supply of electricity at competitive prices and have long supported federal and state efforts to achieve that objective. More information about ELCON is available at ELCON’s website, [www.elcon.org](http://www.elcon.org).