



Electricity  
Transmission  
Competition  
Coalition

March 10, 2025

Dr. Kevin Hassett  
Director  
National Economic Council  
1600 Pennsylvania Ave., N.W.  
Washington, DC 20500

Dear Dr. Hassett:

As you consider improvements to national economic policy under President Trump, we, the undersigned, respectfully request that you consider the importance of developing a cohesive policy to ensure competition in the construction and ownership of large electric transmission projects in order to support President Trump's promise to reduce energy costs for homeowners and businesses. At stake are billions of dollars in cost savings. At the heart of the problem are anti-market, anti-competitive and anti-consumer policies and practices that we urge you to address. The request is timely given anti-competition legislative action that is underway in Wisconsin, Iowa, Oklahoma and Arkansas.

Consumers across the country are faced with escalating electricity prices, driven by monopoly incumbent electric utilities spending, including on transmission. Without competition, there is no reason for them to reduce costs. Transmission costs are unique in that once they are included in consumers' rates, they increase the costs of electricity for periods of up to 40 years, saddling consumers with higher electricity costs for decades to come. Today, hundreds of billions of dollars of transmission projects are being planned and acted upon.

According to Edison Electric Institute, the trade association of electric utilities, from 2014 to 2020, annual electric utility capital spending increased by \$36.8 billion. From 2021 to 2025 (F), annual spending will increase from \$134 billion to 202.7 billion, a \$68.6 billion increase, all of which will be paid for by consumers. However, from 2014 to 2024, customers' electricity demand has only modestly increased.

A cohesive federal policy is critical to ensuring economic growth, reshoring manufacturing jobs maintaining national leadership in artificial intelligence (AI), and promoting the President's America First agenda. Indeed, President Trump's administration advocated for pro-consumer competition in 2019 when it stated that "right of first refusal" ("ROFR") laws that are "granted by state law can restrict entry to develop high-voltage transmission lines, particularly where there would otherwise be a competitive process," and therefore such laws can

“reduce competition,” “harm consumers,” and “also may interfere with interstate commerce.”<sup>1</sup> ROFRs are anti-competitive and anti-consumer. Consistent with the position of the first Trump Administration’s Department of Justice, which in 2019 expressed concerns about ROFR laws in Texas, the time is now to double down on the benefits of transmission competition.<sup>2</sup>

Therefore, we ask that the National Economic Council (NEC) make competition a national policy for transmission lines that are 100 kV or larger, and direct, to the extent permitted, the Federal Energy Regulatory Commission (FERC), Department of Justice, Department of Energy and the Federal Trade Commission to support and advance this principle of competition in order to ensure consumers all across the country benefit from competition to provide new electric transmission infrastructure in the most cost-effective manner.

Federal economic policy has promoted competition and innovation in the electric transmission sector since 2011, when the FERC issued Order 1000. This order required public utility transmission providers to remove the federal ROFR policy favoring incumbent utilities from FERC-approved tariffs and agreements for transmission facilities selected in a regional transmission plan for cost allocation. The primary goal of Order 1000 was to promote competition in the construction of new transmission infrastructure, which was expected to lead to cost savings and improve efficiency. By removing the ROFR, FERC intended to open the market to new entrants, thereby fostering innovation and reducing costs for consumers. During a recent rulemaking proceeding, both the Department of Justice and the Federal Trade Commission advised the FERC against reinstatement of the federal ROFR, emphasizing the crucial role of competition in the design and construction of interstate electric transmission facilities.<sup>3</sup> Analytical studies demonstrate that competitive transmission reduces the cost of new transmission projects by 20 to 30 percent.<sup>4</sup>

Despite this clear federal policy, self-evident benefits of competition, and the data demonstrating that competition lowers electricity prices for consumers and yields innovation in transmission planning,<sup>5</sup> incumbent utilities continue to advocate for state ROFR monopoly laws, undermining the opportunity for transmission competition. While their attempts to reinstate a federal ROFR have not succeeded, incumbent utilities have managed to convince some state

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<sup>1</sup> Letter from Daniel Haar, Acting Chief, Competition Pol’y & Advoc. Sec., Antitrust Division to Rep. Travis Clardy, Tex. House of Reps. (Apr. 19, 2019) (“Haar Letter”), <https://www.justice.gov/atr/page/file/1155881/download>.

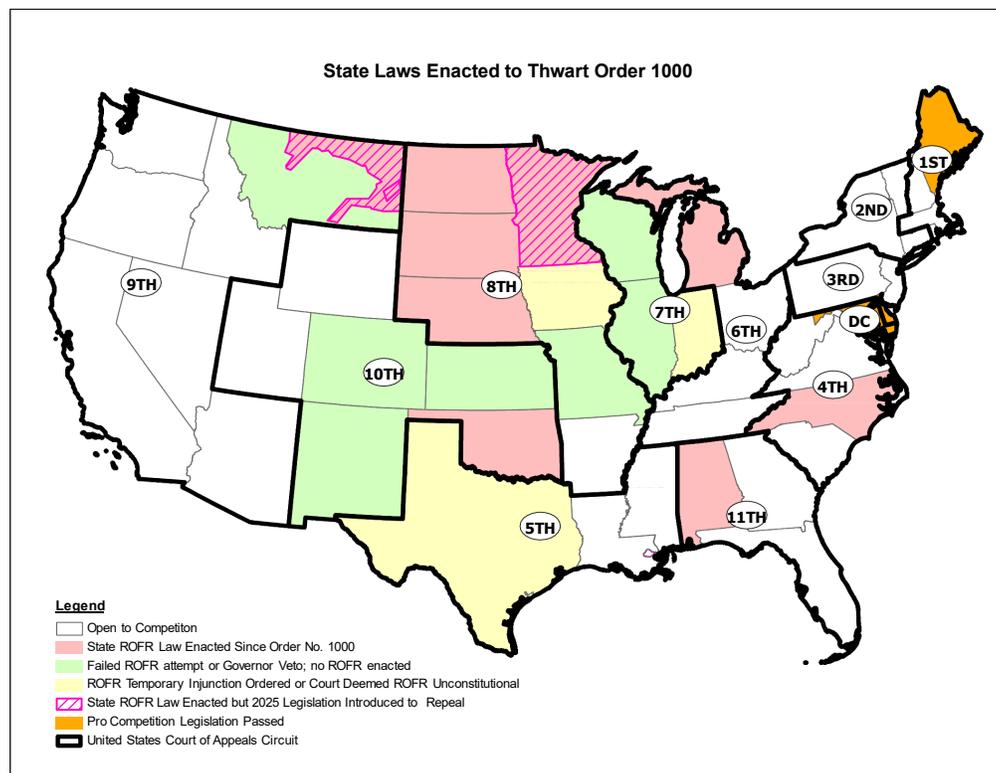
<sup>2</sup> Haar Letter, *supra*. The Trump Administration on behalf of the United States filed Statement of Interests in the appellate cases related to these laws in Texas and Minnesota. The 5<sup>th</sup> circuit later concurred with the Trump Administration’s Statement of Interest. 5<sup>th</sup> Circuit Opinion can be found here: <https://www.ca5.uscourts.gov/opinions/pub/20/20-50160-CV0.pdf>

<sup>3</sup> See “Comment of United States Department of Justice and Federal Trade Commission,” at p. 1, FERC Docket No. RM21-17 (filed Aug. 17, 2022) (“With a ROFR, consumers will lose the many benefits that competition can bring, including lower rates, improved service, and increased innovation...”).

<sup>4</sup> See Josiah Neeley, R Street, *How ROFR Laws Increase Electric Transmission Costs in Midwestern States*, Mar. 7, 2023, <https://www.rstreet.org/commentary/how-rofr-laws-increase-electric-transmission-costs-in-midwestern-states/> (analyzing a 2019 study by the Brattle Group); Josiah Neeley & Marc Marie, R Street, *Right of First Refusal Laws Benefit Utilities, Not Consumers*, Feb. 16, 2023, <https://www.rstreet.org/commentary/right-of-first-refusal-laws-benefit-utilities-not-consumers/>

<sup>5</sup> See <https://www.brattle.com/insights-events/publications/report-by-brattle-economists-discusses-the-benefits-of-competitive-transmission/>.

legislators and governors in the Midwest to support this policy and thwart competition for new projects.<sup>6</sup> The below map shows the national fight more clearly.



Importantly, the pernicious effects of state ROFR laws are not limited to the customers in those individual states. For example, through regional tariffs applied by MISO and under FERC jurisdiction, non-ROFR states are being forced to shoulder bloated costs due to ROFR laws in other states.

We write to you today because we believe the absence of a cohesive federal policy is permitting states that continue to prevent competition to negatively impact American consumers. As you develop a new and cohesive national economic policy, we ask you to consider the impact state-by-state ROFR laws have on homeowners, farmers, manufacturing, AI leadership, and President Trump’s America First agenda, and the qualitative and quantitative benefit competition can provide consumers.

We also emphasize that FERC’s recent rulemaking on transmission planning and cost allocation – Order No. 1920 – does not prevent state ROFR legislation efforts and does not provide any adequate mechanisms for electricity transmission cost containment. Furthermore, instead of maximizing competitive forces, Order No. 1920 instituted a new preferential right for incumbent monopolies to expand their transmission facilities without a competitive solicitation process.<sup>7</sup>

<sup>6</sup> See Josiah Neeley, R Street, *ROFR in the Midwest: 2023 Legislative After Action Analysis*, Aug. 28, 2023, <https://www.rstreet.org/commentary/rofr-in-the-midwest-2023-legislative-after-action-analysis/> (summarizing unsuccessful efforts to impose ROFR in Illinois, Iowa, Kansas, Montana, Oklahoma, and Wisconsin, and successful efforts to impose ROFR in Mississippi and Indiana).

<sup>7</sup> The future of FERC Order No. 1920 is uncertain as a rehearing order remains pending at FERC and FERC Order Nos. 1920 and 1920-A are pending on appeal. Proponents of electricity competition, including the ETCC, have

These state laws are rapidly emerging, and monopoly interests are pushing for imminent enactment and implementation to thwart competition, all while billions of dollars in new electric transmission lines are being planned and approved. Iowa, Oklahoma, Arkansas and Wisconsin are all considering new ROFR proposals that may be put to a vote in the next few weeks. As such, time is of the essence, and we respectfully request that you and other colleagues on the NEC consider the impact pending state ROFR laws would have on nation's economic policy.<sup>8</sup>

We request a meeting with you to discuss this incredibly important issue. Marnie Satterfield will be coordinating this meeting and she can be reached at 202-223-1420 or [msatterfield@ieca-us.org](mailto:msatterfield@ieca-us.org). Thank you.

Sincerely,

Paul N. Cicio  
Chairman, Electricity Transmission Competition Coalition  
President and CEO, Industrial Energy Consumers of America

1. Ag Processing Inc
2. Alliance of Western Energy Consumers
3. Aluminum Association
4. American Chemistry Council
5. American Forest & Paper Association
6. American Foundry Society
7. American Iron and Steel Institute
8. Americans for Prosperity
9. Ardagh Group
10. Arglass Yamamura
11. Arkansas Electric Energy Consumers, Inc.
12. Arkansas Forest and Paper Council
13. Association of Businesses Advocating for Tariff Equity
14. CalPortland Company
15. Can Manufacturers Institute
16. Cardinal Glass Industries
17. Carolina Industrial Group for Fair Utility Rates
18. Carolina Utility Customers Association, Inc.
19. Century Aluminum
20. Chemistry Council of New Jersey
21. Chemical Industry Council of Illinois
22. Coalition of MISO Transmission Customers
23. Coastal Energy Corporation
24. Commercial Metals Company
25. Consumers Council of Missouri
26. Council of Industrial Boilers Organization

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challenged FERC's determination to provide incumbent monopoly utilities with the opportunity to develop "right-sized" replacement transmission facilities to meet long-term regional needs outside of a competitive process.

<sup>8</sup> Support of more transmission competition is bipartisan and national, supported by both the current Chairman and Ranking Member of Senate Energy Committee, Senator Lee and Senator Heinrich.

[http://electricitytransmissioncompetitioncoalition.org/wp-content/uploads/2022.9.30-FINAL-Pro-Competition-Senate-ENR-letter-to-FERC\\_-Heinrich-Lee.pdf](http://electricitytransmissioncompetitioncoalition.org/wp-content/uploads/2022.9.30-FINAL-Pro-Competition-Senate-ENR-letter-to-FERC_-Heinrich-Lee.pdf)

27. Delaware Energy Users Group
28. Digital Realty
29. Divers Processing Company, Inc.
30. Domtar Corporation
31. Eramet Marietta Inc.
32. Formosa Plastics Corporation, USA
33. Foundry Association of Michigan
34. Gerdau Ameristeel, Inc.
35. Glass Packaging Institute
36. Illinois Industrial Energy Consumers
37. Indiana Cast Metals Association
38. Indiana Industrial Energy Consumers
39. Industrial Energy Consumers of America
40. Industrial Energy Consumers of Pennsylvania
41. Industrial Minerals Association-North America
42. Iowa Business Energy Coalition
43. Iowa Industrial Energy Group, Inc.
44. Iron Mining Association of Minnesota
45. Kansas Chamber of Commerce
46. Kansas Manufacturing Council
47. Kimberly-Clark Corporation
48. Large Energy Users Coalition (NJ)
49. Lehigh Hanson, Inc.
50. LS Power Development, LLC
51. Maine Industrial Energy Consumer Group
52. Marathon Petroleum Company
53. Messer Americas
54. Metalcasters of Minnesota
55. Michigan Chemistry Council
56. Midwest Food Products Association
57. Minnesota Large Industrial Group
58. Multiple Intervenors, NY
59. National Council of Textile Organizations
60. National Retail Federation
61. Niskanen Center
62. North Carolina Manufacturers Alliance
63. NovoHydrogen
64. Office of the People's Counsel for the District of Columbia
65. Ohio Cast Metals Association
66. Ohio Chemistry Technology Council
67. Ohio Energy Group
68. Ohio Energy Leadership Council
69. Ohio Manufacturers' Association
70. Oklahoma Industrial Energy Consumers
71. Olin Corporation
72. Owens-Illinois
73. PJM Industrial Customer Coalition
74. Portland Cement Association

75. Public Citizen, Inc.
76. Rain CII Carbon LLC
77. R Street
78. Resale Power Group of Iowa
79. Retail Industry Leaders Association
80. Riceland Foods, Inc.
81. Rio Tinto
82. Skana Aluminum Company
83. South Carolina Small Business Chamber of Commerce
84. Steel Manufacturers Association
85. Sylvamo
86. Texas Cast Metals Association
87. TimkenSteel Corporation
88. Vallourec STAR LP
89. Vinyl Institute
90. Virginia Manufacturers Association
91. West Virginia Energy Users Group
92. West Virginia Manufacturers Association
93. Wisconsin Cast Metals Association
94. Wisconsin Industrial Energy Group