



PRESS RELEASE

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ESCALATING TRANSMISSION COSTS DRIVES ELECTRICITY PRICE INFLATION

WASHINGTON, DC – The Industrial Energy Consumers of America (IECA) sent [comments for the record](#) to the House Subcommittee on Energy, Climate, and Grid Security on the hearing “From Gas to Groceries: Americans Pay the Price of the Biden-Harris Energy Agenda.”

Paul N. Cicio, President of IECA, made the following statement today:

Consumers face electricity price inflation because of escalating transmission costs. FERC is at fault by not enforcing Order 1000, awarding unnecessary financial transmission incentives and electricity monopoly utilities are evading competition when building new transmission lines, resulting in higher electricity prices.

U.S. electricity costs have increased from \$394 billion in 2020 to \$491 billion in 2023, up \$97 billion or 24.8 percent while demand was essentially flat. In July, electricity price inflation rose on an annual basis by 4.9 percent, well in excess of comparable rises in the average American grocery bill of 1.1 percent, as measured by the Consumer Price Index (CPI). Electricity price inflation continued to exceed the broader CPI, which increased by 2.9 percent on an annual basis. Electricity price inflation has routinely been more than the CPI and other key commodities even though electricity generation costs from natural gas, which makes up over 40 percent of total generation, is near an all-time low and renewable generation costs are low.

The Industrial Energy Consumers of America is a nonpartisan association of leading manufacturing companies with \$1.3 trillion in annual sales, over 12,000 facilities nationwide, and with more than 1.9 million employees worldwide. It is an organization created to promote the interests of manufacturing companies through advocacy and collaboration for which the availability, use and cost of energy, power or feedstock play a significant role in their ability to compete in domestic and world markets. IECA membership represents a diverse set of industries including: chemicals, plastics, steel, iron ore, aluminum, paper, food processing, fertilizer, insulation, glass, industrial gases, pharmaceutical, consumer goods, building products, automotive, independent oil refining, and cement.