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February 27, 2026

The Honorable Chris Wright
Secretary
U.S. Department of Energy
1000 Independence Ave., SW
Washington, DC 20585

The Honorable Doug Burgum
Secretary
U.S. Department of the Interior
1849 C Street, NW
Washington, DC 20240

Re: FERC PJM Large Load Rule Damages Manufacturing Self-Generation Economics

Dear Secretaries Wright and Burgum:

Manufacturing companies in PJM states urge you to take immediate action to hold harmless retail behind-the-meter generation (BTMG) from changes that are a result of the Federal Energy Regulatory Commission (FERC) Docket EL25-49, a rule whose purpose is to address data center loads. Without changes to protect longstanding PJM rules, these generation units will no longer be economic and the affected manufacturing companies will begin to purchase power from the grid at a time when more generation is needed, not less. The solution is to preserve the long-standing PJM practices to be billed on a “net basis” versus a “gross load basis.” We are not data centers.

President Trump’s State of the Union address on February 24 made a commitment that consumers would not be impacted by building out needed data centers. We take him at his word.

Furthermore, any artificial limitation on our ability to increase power generation in these or other facilities is inconsistent with the intent of the One Big Beautiful Bill (OB BB) provisions that encourage use of waste heat to power and the strategic national goal of reshoring manufacturing jobs and bolstering competitiveness.

In PJM states, manufacturing operates 53 behind the meter facilities with name plate generating capacity of 2,416 MWs and produces 11,122,273 MWhs behind the meter.¹ These are combined heat and power (CHP) facilities that economically generate electricity and steam that is used to operate manufacturing facilities that employ millions of employees.

On December 18, 2025, FERC’s Docket EL25-49 finds that PJM’s longstanding billing practices that ensure that manufacturers are not overcharged in the light of their on-site (BTMG) are unjust and unreasonable. FERC directed a paper hearing to determine the appropriate

¹ U.S. Energy Information Administration

megawatt threshold below which retail BTMG would be exempt from the new billing practice. FERC's new policy disallowing manufacturing to net out the BTMG from billing charges would make on-site generation uneconomic, create heightened risks of temporary and permanent facility closure, damage system reliability.

The unintended consequences of the FERC rule, if not changed, could set a nationwide precedent with severe implications for U.S. manufacturing competitiveness. We look forward to discussing this important issue with you.

Sincerely,
Paul N. Cicio
Paul N. Cicio
President & CEO

cc: Jim Robb, CEO, North American Electric Reliability Corporation
Senate Committee on Energy and Natural Resources
House Committee on Energy and Commerce

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. One hundred percent of IECA members are manufacturing companies whose competitiveness is largely determined by the cost and reliability of natural gas and electricity. IECA's sole mission is to reduce and avoid energy costs and increase energy reliability through advocacy in Congress and regulatory agencies, such as the Federal Energy Regulatory Commission (FERC). 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.