

May 27, 2025

U.S Department of Justice Antitrust Division 950 Pennsylvania Ave, NW Washington, DC 20530

Re: Docket No. ATR-2025-0001, Anticompetitive Regulations Task Force

Ladies and Gentlemen:

#### Docket No. RM20-10-000, Electric Transmission Incentives Policy under Section 219 of the Federal Power Act

The Federal Power Act is said to be first and foremost, a consumer protection act. Furthermore, the Federal Energy Regulatory Commission's (FERC) stated mission is 'to assist consumers in obtaining reliable, safe, secure, and economically efficient energy services at a reasonable cost through appropriate regulatory and market means, and collaborative efforts.' This document provides examples that make clear why consumers do not feel that either the FPA or FERC's actions are serving consumers and providing just and reasonable rates.

Homeowners, farmers and businesses across the country have seen their electric costs increase from \$394 billion to \$491 billion from 2020 to 2023 or 24.8% during a time when electricity demand was relatively flat. (Figure 1)

President Trump has made lowering energy costs one of his top goals. Consumers need President Trump to focus on electricity costs that are escalating. The three FERC filings mentioned below are focused on transmission costs which are largely responsible for escalating prices nationwide. We urge you to apply a strong sense of urgency for action because decisions to invest hundreds of billions in new transmission projects are underway. Once a transmission rate goes into the consumer electricity rate base, they will pay for it up to 40 years.

I. Consumers are Denied the Right to Judicial Review of Electric Transmission Incentive

<sup>&</sup>lt;sup>1</sup> Energy Information Administration

On May 16, 2025, the Industrial Energy Consumers of America (IECA) and other consumers provided notice to the FERC of a recent appellate court decision that directly impacts FERC's electric transmission incentives policy under Section 219 of the Federal Power Act that warrants an expeditious change in policy as to how the FERC reviews, processes and authorizes an 'abandoned plant' incentive.<sup>2</sup>

The D.C. Circuit Court of Appeals dismissed the IECA petition for review challenging the 'abandonment plant' incentive to a transmission owner in MISO on the grounds that consumers lacked standing. Without the ability of consumers to challenge an incentive, electric utilities will be encouraged to take on higher risk projects because they know recovery of costs, even if the project is abandoned, will be passed onto consumers.

## II. FERC is denying just and reasonable consumer rates by not addressing the transmission incentives docket that is now five years old.

FERC has denied consumers just and reasonable transmission rates by not acting upon this docket and consumer comments filed on July 1, 2020.<sup>3</sup> Now, on April 3, 2025, entities representing powerful transmission monopoly incumbent utilities such as Edison Electric, WIRES and GridWise Alliance, Inc have collectively requested FERC to terminate the docket. How convenient.

Electric utility transmission monopolies are awarded as many as ten incentives to build electric transmission lines. The docket challenges several of the incentives as to whether they are needed and result in just and reasonable rates. One hundred percent of the cost of the incentives is automatically passed onto rate payers and has resulted in electricity price inflation.

Electric utilities who profit from higher electricity prices have the financial resources to directly participate in FERC legal proceedings and through their trade associations like Edison Electric Institute. Consumers on the other hand are under- represented. In fact, homeowners have no idea who FERC is or understand how it's failure to act affects them. Therefore, it is important for DOJ to intervene with consideration to the actions or inactions by FERC, and by electric utilities, to ensure that anti-competition, anti-market activities and regulations that create unjust and unreasonable rates are challenged and corrected.

### III. Complaint of Consumers for Independent Regional Transmission Planning for all FERC Jurisdictional Transmission Facilities at 100 KV or Above.<sup>4</sup>

Pursuant to Sections 206, 306, and 309 of the Federal Power Act ("FPA")1 and Rule 206 of the Rules of Practice and Procedure of the FERC, on December 19, 2024, IECA and other

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<sup>&</sup>lt;sup>2</sup> 05.15.25 Notice-of-Judicial-Opinion-and-Comments.pdf

<sup>&</sup>lt;sup>3</sup> https://elibrary.ferc.gov/eLibrary/filelist?accession\_number=20200701-5341&optimized=false&sid=0b6bea3d-7c9e-4923-9e7f-66aadf6b67a9

<sup>&</sup>lt;sup>4</sup> 12.19.24 Consumer-100-kV-Complaint FINAL.pdf

consumers submitted a Complaint against all FERC-jurisdictional public utility transmission providers with local planning tariffs – regional transmission organizations and independent system operators ("RTOs/ISOs") and FERC-jurisdictional public utility transmission owners that are not members of a FERC-jurisdictional RTO/ISO. Complainants demonstrate that provisions in the tariffs of the named public utilities and the RTOs/ISOs inappropriately authorize individual transmission owners to plan FERC-jurisdictional transmission facilities at 100 kilovolts ("kV") and above ("Local Planning") without regard to whether such Local Planning approach is the more efficient or cost-effective transmission project for the interconnected transmission grid and cost effective for electric consumers.

Local Planning, coupled with the absence of an independent transmission system planner, has produced inefficient planning and projects that are not cost-effective, resulting in unjust and unreasonable rates for both individual projects and cumulative regional transmission plans and portfolios. The Federal Power Act requires that the FERC address the tariff provisions causing unjust and unreasonable transmission rates.

#### **Industrial Energy Consumers of America (IECA)**

IECA is a non-profit 501 C 6 organization whose membership is exclusively manufacturing companies who are large consumers of natural gas and electricity. They are from energy intensive industries who compete globally and are energy price sensitive to the extent that the price of energy can dictate their ability to compete. 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). The member companies are from the following industries: 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.

Sincerely,

Paul N. Cicio

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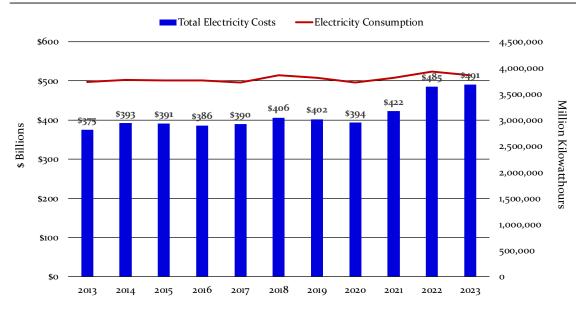
President & CEO

pcicio@ieca-us.org

703 216 7402

Figure 1.

# U.S. Electricity Costs Increased 24.8% in Three Years





Source: Electricity, U.S. Energy Information Administration (EIA), <a href="https://www.eia.gov/electricity/">https://www.eia.gov/electricity/</a>