Industrial Energy Consumers of America (IECA)
The Voice of the Industrial Energy Consumers

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November 14, 2025

Grid Deployment Office
U.S. Department of Energy
1000 Independence Avenue, SW
Washington, DC 20585
SpeedtoPowerRFI@hq.doe.gov

Re: Request for Information – Accelerating Speed to Power/Winning the Artificial Intelligence Race: Federal Action to Rapidly Expand Grid Capacity and Enable Electricity Demand Growth

Respondents must provide the following information at the start of their response to this RFI:

Company / institution name: Industrial Energy Consumers of America
Company / institution point of contact: Paul Cicio, President & CEO
Contact's address, phone number, and e-mail address: 1050 Connecticut Avenue, NW, Suite 500, Washington, DC 20036, 703-216-7402, pcicio@ieca-us.org
Company / institution's primary area of expertise or focus relevant to this RFI: (e.g., IECA's member companies are large energy intensive manufacturing)

EXECUTIVE SUMMARY

The manufacturing sector is an untapped source of power generation. The manufacturing sector impacts on power consumption and generation is significant. We consume 29 percent of U.S. electricity and generate 55 GWs of power via combined heat and power (CHP) and waste heat to power (WHP) that operates at roughly 55 percent of capacity. The majority of the power is consumed internally.

There is significant potential to produce much more but there is no financial incentive to do so. When we sell power to the utility, we are paid their avoided costs which is insufficient to justify investing in power generation.

Importantly, since 2016, over 10 GWs of manufacturing CHP capacity have been retired and replaced by less efficient boiler and grid power solutions, with another 5 GWs scheduled for retirement through 2028. Because of these retirements, manufacturers are going to buy more power from the grid at a time when the U.S. needs more generation capacity to meet surging demand.

The solution is for manufacturing to have access to the One Big Beautiful Bill Act 45Y tax credits for production of energy/electricity. The tax credits are a sufficient financial incentive to both repower existing generation units and build new generation capacity. This has a significant additional effect of increasing manufacturing competitiveness and reshoring of high paying jobs.

We request the U.S. Department of Energy (DOE) and the National Energy Dominance Council (NEDC) to support IECA's efforts to have the Secretary of the Treasury expedite the pre-construction PER Process and annual listing of combustion and gasification technologies under 45Y.

IECA/US MANUFACTURING REQUEST FOR SUPPORT BY DOE/NEDC

On behalf of the Industrial Energy Consumers of America (IECA) and our member companies, which collectively represent a substantial share of U.S. manufacturing energy demand, urge the DOE and NEDC to work with the Department of Treasury and the Internal Revenue Service (IRS) to establish an expedited pre-construction Provisional Emissions Rate (PER) process specifically for combustion and gasification facilities under Section §45Y of the Internal Revenue Code.

Although Treasury's final §45Y regulations allow PERs to determine project eligibility, they do not yet permit manufacturers to obtain these determinations prior to construction. This gap is a significant barrier to advancing high-efficiency, combustion and gasification electric generation technology, combined heat and power (CHP), and waste heat-to-power (WHP) projects that deliver firm, reliable, and domestically sourced energy, core components of U.S. industrial strength and energy dominance.

Combustion and gasification facilities are the only technology category under §45Y required to establish a lifecycle emissions rate. Without a pre-construction PER approval, manufacturers cannot commit capital or secure financing. Establishing an expedited process, analogous to the long-standing "begin construction" safe harbor for renewable tax credits, would provide the regulatory certainty needed to advance shovel-ready projects.

DOE's lifecycle analysis (LCA) expertise, supported by the national laboratories, makes it uniquely positioned to collaborate with Treasury in implementing this process. Early validation of lifecycle assumptions, with reconciliation post-commissioning, would ensure scientific integrity while avoiding unnecessary delay.

At the same time, the most effective and administratively efficient step is for DOE and NEDC to work with the Treasury to add combustion and gasification-based CHP and WHP technologies to the §45Y annual list of qualified facilities. This would eliminate project-by-project lifecycle analysis and clearly signal that the U.S. intends to leverage its existing industrial energy infrastructure to strengthen national competitiveness and energy security.

In addition, repowered combustion and gasification projects must include at least 80 percent new equipment to qualify for §45Y, ensuring that each project represents a substantial capital reinvestment in domestic energy infrastructure. This requirement underscores the §45Y projects are not retroactive subsidies, but forward-looking manufacturing reinvestments that strengthen U.S. energy security, supply chains, and skilled manufacturing employment.

Although CHP is expressly included under §45Y, the carbon accounting guidance issued under the Biden Administration effectively disqualifies these projects simply because they use combustion, ignoring lifecycle-based methodologies that reflect their true emissions performance when displaced emissions are properly recognized. The 'Existing Studies Amendment' in the OBBBA corrects this flaw and adding combustion and gasification CHP and WHP to Treasury's annual list would achieve the same corrective effect to restoring parity and enabling immediate investment in these modern, high-value industrial assets.

Adding these technologies to the annual list would be the fastest, most direct route to catalyzing tens of billions of dollars in investment to modernize, repower, uprate, and develop new industrial power generation projects. However, this clarification should not delay the establishment of the expedited pre-construction PER process, as dozens of projects are ready to submit lifecycle analysis and pre-construction PER applications today.

We respectfully request that the DOE and NEDC:

1. Establish an expedited pre-construction PER process for §45Y-eligible combustion & gasification, CHP, and WHP technologies; and

2. Clarify that projects securing such PERs remain eligible for the full 10-year credit period, regardless of future grid emissions projections; and

3. Add combustion & gasification-based CHP and WHP systems to Treasury's annual list of §45Y-qualified facilities to reduce administrative burden and enable immediate investment.

IECA and its members stand ready to assist the DOE and NEDC in developing and implementing this pragmatic, investment-enabling framework to repower existing units and build new generation.

Sincerely,

Paul N. Cicio
Paul N. Cicio
President & CEO

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.