



## **Industrial Energy Consumers of America**

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### **News Release**

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**Headline: “Senate Cap and Trade Legislation - Wrong Policy Platform to Address Economic GHG Reductions”**

**(Washington D.C.)** – The Industrial Energy Consumers of America continues to urge Congress to address GHG emission reductions without using cap and trade policy. Cap and trade makes each increment of manufacturing product output more costly to produce, resulting in loss of competitiveness and jobs. We believe that there are more cost effective policy options available that will support economic growth and help manufacturing competitiveness and exports.

There are several reasons why the U.S. should not use a cap and trade system to address GHG emissions reductions. Here are just two. First, the U.S. should not consider imposing a cap and trade regulatory regime on the U.S. without the entire world simultaneously implementing a cap and trade system. Without global participation in the cap, it is impossible to achieve lower marginal GHG reduction costs. Without a global system, those without a cap are rewarded and incentivized to not accept a cap. Second, there are no remedies for imposing penalties on countries that would violate UNFCCC GHG agreements. They are unenforceable. It is unreasonable to think that we or other countries could force countries to comply with GHG reductions in the event lower GHG emissions means slower economic growth or higher energy costs to their consumers. For this reason, cap and trade is not a viable policy option.

IECA’s objective is to work with Congress to implement policies that reduce GHG emissions without loss of manufacturing competitiveness. We believe, if done correctly, will increase manufacturing competitiveness and exports.

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*IECA is a 501 (C) (6) nonprofit organization created to promote the interests of manufacturing companies 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: plastics, cement, paper, food processing, brick, chemicals, fertilizer, insulation, steel, glass, industrial gases, pharmaceutical, aluminum and brewing.*

