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Energy cost savings and the use of renewable energy are fundamental energy management objectives of pulp, paper, packaging, tissue and wood products manufacturers. The industry is a leader in the generation and use of renewable energy and highly-efficient combined heat and power (CHP) or cogeneration technology.

• Pulp, paper, packaging and wood products facilities account for 62 percent of the renewable biomass energy consumed by all manufacturing sector facilities.

• Pulp, paper, packaging and wood products mills produce one third of the CHP electricity generated by manufacturing facilities. In fact, 98.5 percent of electricity produced by the industry is CHP-generated.

Purchased energy is a major manufacturing cost for the paper and wood product industry even though the industry is the largest manufacturing sector producer and user of renewable biomass energy. In fact, in 2016, the industry spent almost $9 billion on purchased energy.

AF&PA supports policies that:

• Reduce the cost of energy and thereby enhance the industry’s competitiveness by encouraging fuel diversity, increasing access to supplies both on and offshore, investing in breakthrough technologies and promoting conservation.

• Encourage power generation from highly-efficient energy sources, such as CHP facilities.

• Fairly compensate demand response resources, which are a cost-effective way to reduce electricity demand, thereby reducing costs for all rate payers.

While the organized Regional Transmission Organization/Independent System Operator markets can be improved, their existing policies have ensured the reliability and resilience of the grid. Accordingly, we do not support resilience proposals, which would subsidize certain “baseload” power, driving up electricity costs for consumers and harming our competitiveness.