

# UTILITY WORKERS UNION OF AMERICA

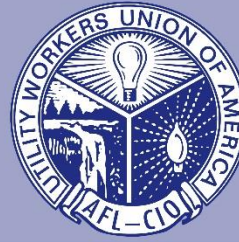
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March 21, 2022

Secretary Granholm  
U.S. Dept. of Energy

*Submitted Electronically:* [H2Hubs@hq.doe.gov](mailto:H2Hubs@hq.doe.gov)

Secretary Granholm,

On behalf of the 50,000 members of the Utility Workers Union of America (UWUA), AFL-CIO, we thank the Biden Administration for providing initiatives and pathways for the deployment of clean hydrogen technologies. These pathways are a critical component in decarbonizing our nation's energy infrastructure, while also significantly reducing emissions in the difficult to electrify sectors of the economy. We applaud the Administration's vision of bringing a clean hydrogen market to scale while understanding that our climate ambitions can be accomplished together while supporting and creating good-paying union jobs and building a stronger and fairer economy for all Americans. Additionally, we thank the U.S. Department of Energy (DOE) for seeking input on the implementation of the Hydrogen Hubs (H2Hubs) program as established by the Bipartisan Infrastructure Law (BIL).

The UWUA is a national labor organization whose members work in the electric, natural gas, water, wastewater, and municipal services sectors of our economy. Across 22 states, UWUA members operate and maintain natural gas transmission, storage, and distribution systems and operate and maintain coal-fired power plants, natural gas-fired power plants, nuclear power plants, hydro-electric power plants and energy storage facilities, onshore wind turbines and utility-scale solar farms. UWUA members also operate and maintain parts of this nation's electrical transmission and distribution grid.

The UWUA is committed to supporting the Administration in our shared goal of transforming our economy in a way that reduces greenhouse gas (GHG) emissions, improves health and environmental outcomes in communities, improves the economies of deindustrialized communities and regions and creates and maintains good, family-supporting union jobs across the United States. We believe the production, transportation and use of hydrogen can play a critical role in achieving these goals and establishing a cleaner, and more equitable economy.

The development of hydrogen hubs and the expansion of a clean hydrogen economy is an exciting opportunity to keep energy workers like UWUA members employed utilizing the skill sets they already possess, put other energy workers back to work who have faced unemployment and significant hardships due to the energy transition that has already occurred, thereby providing career opportunities in good-paying, union jobs in the clean economy for workers and communities historically left out. The expansion of clean hydrogen production and utilization across the economy will allow workers to retain jobs and progress toward our climate goals.

As discussed in greater detail below, to serve the Administration's goal of strengthening prosperity by expanding good, safe union jobs and supporting job growth through investments in domestic manufacturing, DOE should strategically target funding. This should include a focus on geographies that already have high union density in energy production or energy infrastructure, particularly areas that have a history of high union density history but which have experienced job losses due to previous energy transition. Further, this program should target hydrogen hub investment into deindustrialized regions and communities with dislocated workers or who are at risk of dislocation by coming energy transition, to help workers participate in the clean economy using skills they already have.

Our response to this RFI primarily addresses questions from Category 1 subsections 1, 3, 4, 5 and 7 as well as Category 2.

### **Category 1 (1): Proximity;**

The BIL defines a "regional clean hydrogen hub" as "a network of clean hydrogen producers, potential clean hydrogen consumers, and connective infrastructure located in close proximity." The UWUA believes that the definition of "close proximity" should take into account diverse and distributed markets within each hub. By distributing investment, a sustainable market can be realized. Therefore, each hub should, where possible, include aspects of all four target markets: industry, transportation, power generation, and commercial and residential heating. This focus can help to maximize the economic impact of the hub and allow for maximum benefit of market communication between producers and consumers. Many of these consumers would utilize existing energy infrastructure. This may mean that a "regional clean hydrogen hub" in "close proximity" could include a multi-state, intersectional region, especially if that region already consists of intertwined economies.

### **Category 1 (3): Feedstock diversity; Category 1 (4) End use Diversity; Category 2 H2Hubs Implementation Strategy**

The RFI asked for comments on whether DOE should prioritize repurposing historic fossil infrastructure in the regional hub(s) focused on production from fossil fuels. Focusing initial H2Hub investment in reducing emissions from existing hydrogen production facilities, and using existing fossil fuel infrastructure to transport hydrogen can be key strategies for achieving an energy transition that is fair for workers and communities. Done right, an energy transition can move forward without dislocating existing workforces or negatively impacting communities by focusing development in areas that have substantial fossil fuel infrastructure to create new, regional research and development opportunities. Regions that have highly experienced fossil energy workforces, facilities that qualify for 45Q carbon capture and sequestration tax credits, existing hydrogen and ammonia production facilities, large naturally occurring geologic formations for hydrogen or CO<sub>2</sub> storage, and existing fossil energy distribution infrastructure that can be adapted for hydrogen blending should be prioritized in order to both capitalize on these strengths and to avoid the alternative outcome which is mass deindustrialization and economic hardship.

Balancing against a need to sufficiently fund each hub, DOE should focus on maximizing the number of H2Hubs created under this program. Creating 4-8 hydrogen hubs around the country

would allow the program to demonstrate a number of different production pathways, transportation models, and end uses within each statutorily defined category (e.g., demonstrating H2 use for multiple varieties of industrial facilities). Maximizing the practicable number of H2Hubs would also help DOE to achieve the geographic diversity goal of the program.

Additionally, DOE should build flexibility into its solicitation process to ensure hydrogen end uses that are already feasible can be rolled out as soon as possible, such as transportation, power generation, steelmaking, refineries, chemical production, and paper mills while making space for hydrogen end uses that may take more time for successful implementation, like use of hydrogen in the maritime industry or in aviation.

### **Category 1 (5) Geographic Diversity**

In addition to what the UWUA has suggested above, as part of its focus on ensuring geographic diversity, DOE should target H2Hubs investment towards a workforce which already has the necessary skillsets to perform the work, and workers and communities experiencing the economic impacts of the energy transition. This is consistent with other provisions of the BIL that DOE will be implementing, such as the Advanced Energy Manufacturing and Recycling Grants program, which provides \$750 million to support Small and Medium-sized Enterprises (SMEs) to build new or retrofit existing manufacturing and industrial facilities to produce or recycle advanced energy products in communities where coal mines or coal power plants have closed – with a priority for low-income and dislocated worker communities and minority-owned facilities.

### **Category 1 (7): Employment**

The Bipartisan Infrastructure Law (BIL) directs DOE to “give priority to regional clean hydrogen hubs that are likely to create opportunities for skilled training and long-term employment to the greatest number of residents of the region.”

As DOE works to implement the H2Hubs program, we must ensure that these investments support workers and communities and translate into not only quality, family-sustaining, union jobs, but also accessible jobs for workers of color and other segments of the population historically underrepresented in these jobs.

This includes supporting existing jobs and growing pathways into high-quality union jobs in construction projects, operations and maintenance, and along the supply chain associated with hydrogen production, transportation, storage, and end-use as well as retaining these union jobs in industries that can use hydrogen as a pathway for emissions reduction.

To demonstrate a broad and strong commitment to these considerations, DOE should include the following measures in its implementation of the H2Hubs program.

- 1. Family-sustaining, union jobs must be created and retained across the clean hydrogen sector and the associated manufacturing supply chain.** To do this, high-road labor standards must be utilized, such as: union neutrality in organizing efforts;

family and community supporting wages and benefits, occupational health and safety standards and programs; and avoidance of misclassification or excess use of contracted or temporary employees. Any construction funded under the H2 Hubs Program must adhere to Davis Bacon prevailing wage provisions in the BIL and should require project labor agreements (PLAs) and other high-road labor standards.

Growing the clean hydrogen sector can also be a key strategy in mitigating the economic and workforce impact of transitioning to a clean economy **with a recognition that the best approach is one that prevents economic disruption and employment loss in the first place.** To achieve this goal, areas of the country where technologies and projects that use union jobs and skillsets associated with traditional energy production should be prioritized. Projects to deploy hydrogen in the industrial sector, for instance, should prioritize retention of industrial jobs and employment for workers dislocated from traditional energy sectors. Selecting hubs that include end users that are already union represented (e.g., a union-organized industrial facility or power plant) would create opportunities for skills adaptation and long-term employment to the greatest number of residents in the region. Targeting investment at geographies with already existing high union density in energy-intensive industries and the actual production of energy itself would help to ensure the creation of high-quality, union jobs in the hydrogen sector.

2. **Ensure use of domestic content in the construction of hydrogen hubs.** As the Build America, Buy America provisions in the BIL come into effect and strengthen the Buy America requirements associated with federal investments, the positive market and employment effects of the H2Hubs program will be further magnified. Supply chain reporting and disclosure should also be encouraged while incentivizing assembler/supplier labor commitments and accountability.
3. **Maximize benefits for workers and communities that need it most.** This should be done by:
  - a. Targeting investments in hard-hit communities with a focus on deindustrialized fossil energy, communities;
  - b. Utilizing hiring and procurement policies that benefit low-income communities, people of color, and women; and requiring or incentivizing community benefit/community workforce agreements that increase economic opportunities for communities and local workers—especially for people of color and low-income communities.
  - c. Ensure investments and policies are in line with the scale of change needed to meet global climate targets by prioritizing projects that will result in the greatest net decrease in GHG emissions;
4. **Training and jobs should be invested in together,** and the pathways into family-supporting manufacturing and technical careers must increase and improve.

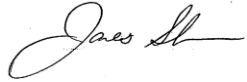
- a. To do this, the H2Hubs program should encourage investment in work-based training and retraining throughout workers' careers. When evaluating applicants, DOE should prioritize potential hubs that include training programs which:
  - i. Encourage a pipeline (starting in high school and including all adult entry points into a career) of education and vocational apprenticeships that result in national and sectoral recognition and accredited qualifications;
  - ii. Ensure sound, negotiated, and ongoing technical and on the job training and retraining in line with defined career paths in the clean hydrogen sector leading to family and community supporting wages and benefits;
  - iii. Utilize registered union apprenticeships, pre-apprenticeships, and/or labor management training programs; and
  - iv. Mandate investment in retraining existing workers where technology changes but skillsets remain similar.
- b. DOE should establish a joint hydrogen workforce development program with the Department of Labor and other federal agencies that supports workforce training, engaging with trade associations, labor unions, companies, and local vocational and higher education facilities, and community-based organizations to establish relevant training programs and curricula, including registered union apprenticeship programs. These programs should be accessible to all and cover relevant skill sets including construction, equipment manufacturing, facility operation, and regulatory requirements. Special attention should be placed on capacity-building and training programs in communities experiencing displacement from fossil energy-intensive sectors and in historically underserved communities, including through outreach to HBCUs, tribal universities and community-based organizations.
- c. Additionally, job access must increase and improve, and DOE must ensure equitable pathways into family-sustaining careers in the clean hydrogen sector. This can be supported by integrating training programs with community-based "wrap around" services to maximize retention of disadvantaged and underrepresented workers as they enter industrial and manufacturing careers

All of DOE's investments in H2Hubs made pursuant to this RFI should require, incentivize, or reward commitments that meet these kinds of high road labor standards and responsible labor and community benefit practices.

In closing, we thank DOE for the opportunity to provide public comment on the critical issue of investment in emerging technologies such as hydrogen. We view this as a once-in-a-generation opportunity to line up policy imperatives on climate with the economic and social imperatives growing in real time across the country as the nation transition toward a cleaner economy.

Getting this right can move the needle in the intertwined battles against both climate change and the effort to head off economic calamity caused by rapid, unplanned energy transitions.

Sincerely,

A handwritten signature in black ink, appearing to read "James T. Slevin". The signature is fluid and cursive, with a prominent initial "J" and a long, sweeping underline.

James T. Slevin  
National President  
Utility Workers Union of America, AFL-CIO