

UTILITY WORKERS UNION OF AMERICA

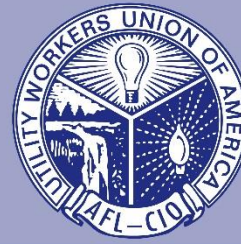
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June 13th, 2022

U.S. Department of Energy
Grid Deployment Office
VIA Federal eRulemaking Portal:
www.regulations.gov

In Re: Request for Information Regarding Establishment of a Transmission Facilitation Program

Madame Secretary:

On behalf of the 45,000 members of the Utility Workers Union of America, AFL-CIO, (UWUA), we thank the Biden Administration for creating pathways for the expansion of transmission infrastructure and for making investments aimed at equitable economic growth and enhanced electrical transmission system capacity, efficiency resilience and reliability. These pathways and investments are a critical component to decarbonizing our nation's energy infrastructure, while also significantly reducing interconnection queues and bottlenecks. We are confident that the Administration will do so in a way that is equitable for all communities and all workers.

We applaud the Administration's vision for designing a Transmission Facilitation Program at a scale that best serves the national interest. At the same time, we understand we can accomplish our climate and energy ambitions while supporting and creating good-paying union jobs and building a stronger and fairer economy for all Americans. We thank the U.S. Department of Energy (DOE) for seeking input on the implementation of a Transmission Facilitation Program as authorized 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, 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 areas and creates and maintains good, family-supporting union jobs across the United States. With a thoughtful and all-of-the-above approach, transmission and electric infrastructure investment is an excellent opportunity to create and maintain good-paying family and community-supporting union jobs.

The UWUA requests that DOE implement a project award process that advances the priorities detailed in the

“Even as our Nation emerges from profound public health and economic crises borne of a pandemic, we face a climate crisis that threatens our people and communities, public health and economy, and, starkly, our ability to live on planet Earth. Despite the peril that is already evident, there is promise in the solutions — opportunities to create well-paying union jobs to build a modern and sustainable infrastructure...

“It is the policy of my Administration to organize and deploy the full capacity of its agencies to combat the climate crisis to implement a government-wide approach that reduces climate pollution in every sector of the economy; increases resilience to the impacts of climate change; protects public health; conserves our lands, waters, and biodiversity; delivers environmental justice; and spurs well-paying union jobs and economic growth, especially through innovation, commercialization, and deployment of clean energy technologies and infrastructure.”

From a practical standpoint, workers are important stakeholders as we develop policies to advance and implement America's energy and climate goals. A nation's climate ambitions are nearly impossible to achieve without complementary policies that address economic inequalities, preserve high-road jobs and develop access to good-paying jobs in the “clean” or “green” energy economy. Developing incentives will help ensure the jobs created through transmission upgrades and investments are high-road jobs, which are at least equivalent to the fossil fuel jobs that are being lost. This matters because high-road jobs provide family-sustaining wages, access to affordable health care, attention to worker safety, and opportunities for skills training and advancement. Job quality is crucial in ensuring communities are supported.

In determining pathways for reforming the transmission planning and interconnection process thereby allowing for greater transmission buildout and generator and storage interconnection, attention needs to be given to the economic and employment impacts on existing generation and associated host communities. The UWUA believes that it should not be a federal policy to rob one community and set of workers to create beneficial job and economic opportunities for another set of workers and other communities.

With respect to these RFI questions from Category A, subsection 2:

Subsection (2) *When considering the merits of TFP applications, how should the DOE consider the impact a proposed project has on reliability and resilience, reducing greenhouse gas emissions, generating host community benefits, encouraging strong labor standards, the growth of union jobs and expanding career-track workforce development in various regions of the country, improving energy equity and achieving environmental justice goals, maximizing the use of products and materials made in the United States, and maintaining or improving energy security? How should DOE evaluate eligible projects that include benefits that may vary across the set of preferred impacts? To what extent should DOE consider additionality of outcome on these dimensions? What information should DOE seek from applicants to inform such considerations? What metrics and methods are available for conducting such evaluations?*

As stated in a recent DOE policy paper², “An all-of-government approach is crucial to fully realize the benefits of a modernized grid and move the nation forward to a more secure and equitable clean energy future for all Americans.” This ambition needs to ensure that “equitable benefits” are indeed equitable for all workers, including those workers and their communities who will see generation assets close due to increased “clean energy” capacity replacing them.

¹ January 27, 2021, Executive Order 14008 “Tackling the Climate Crisis at Home and Abroad” <https://www.whitehouse.gov/briefing-room/presidential-actions/2021/01/27/executive-order-on-tackling-the-climate-crisis-at-home-and-abroad/>

² U. S. Department of Energy Office of Policy: Queued Up . . . But in Need of Transmission

The UWUA is not suggesting that projects be awarded or rejected based solely on their direct or indirect impact on current jobs, however the UWUA does believe that DOE should consider, as a part of a Transmission Facilitation Program, impacts on existing generation workforces from either transmission buildout, or generation interconnection additions. We also urge a “whole-of-government” approach be instituted to assist workers and communities that may be negatively affected by existing generating plant closures.

According to a 2022 Lawrence Berkley National Laboratories report³ over 250 GW of solar generation, 30 GW of wind generation, and over 50 GW of storage capacity is proposed in the PJM and MISO transmission system alone. The UWUA has membership density in these transmission markets along with NY ISO and ISO-NE.

Many of the potentially affected jobs are high-paying union jobs which are certain to be replaced by non-union lower-wage “clean energy” jobs. This is especially true for long-term operation and maintenance jobs. Although jobs in the renewable energy sector pay better than jobs in the U. S. economy writ large, these jobs pay much less than the heavily unionized fossil and nuclear generating jobs. In 2021 the national medium hourly worker wage was \$19.14.⁴ The median hourly wage for nuclear reactor operators was \$50.12, \$38.87 for power plant operators, and \$27.05 for wind service technicians⁵. As of 2021, non-union workers on average had weekly earnings that were 17% lower than that of union workers.⁶

Roughly 4% of solar industry workers and 6% of wind workers are represented by a union,⁷ while almost 21% of utility-employed workers are represented by a union.⁸ This high percentage (by U. S. standards) holds true across the regulated utility spectrum. These are significant equity concerns that need to be considered and mitigated when developing policy and providing funding for the expansion of transmission infrastructure and freeing up interconnection queues.

Although renewables accounted for 20% of U. S. electricity generation in 2020⁹, 89% of solar generating capacity and 87.6% of wind generating capacity is owned by Independent Power Producers (IPPs) and not regulated investor-owned utilities, cooperatives or public power agencies¹⁰. To the UWUA’s knowledge, across the country only a handful of renewable energy power plants employ full-time, union workers. Without complementary policies from a whole-of-government approach built into a Transmission Facilitation Program, the issues identified here will be exacerbated. The UWUA believes that the DOE-housed Interagency Working Group on Coal and Power Plant Communities (IWG) is one such “whole-of-government” approach that should be utilized to address these issues.

Targeting investments in generation-affected or previously affected communities and existing infrastructure where possible is a way in which to provide positive economic and job outcomes.

To stem the tide of high-quality union jobs that are being eliminated as traditional power generation becomes a diminished source of these jobs, the UWUA supports strategically targeted funding for projects utilizing high-road labor standards, such as the use of project labor agreements (PLAs). Additionally, these investments can support good jobs across the supply chain through utilizing domestically sourced materials for the construction of high-powered transmission lines and associated equipment and materials.

³ Queued Up: Characteristics of Power Plants Seeking Transmission Interconnection as the End of 2021; April 2022

⁴ Reuters News, April 6, 2021

⁵ Bureau of Labor Statistics 2021 employment data

⁶ January 20, 2022 BLS News Release

⁷ Vox March 19, 2021 “Why Major Unions Are Wary of the Move to Wind and Solar Jobs, quoting 2020 U.S. Energy & Employment Report (USEER)

⁸ January 20, 2022 BLS News Release

⁹ CBS Morning Watch, February 18, 2021

¹⁰ Source: Hitachi Powergrids Energy Velocity, May 2021

But to move beyond construction and manufacturing and also support long-term, site-specific transmission jobs in operations and maintenance (O&M) work, DOE must also seek to utilize a menu of deeper high-road labor standards. For example, tying funding opportunities to the requirement of union neutrality agreements for organizing O&M workforces, would go a long way toward ensuring these long-term jobs can be made union. In most cases, they will not organically be so, they will have to be organized in the traditional manner, a process that has become deeply hindered by the state of U.S. labor law over many decades absent such agreements.

DOE must also avoid excess use of low-road, non-union contractors or temporary employees who offer low-quality jobs and, by their nature, displace the family and community-supporting jobs that are created in the context of collective bargaining. Further, taking care to ensure that employers are not misclassifying workers as contractors or temporary employees as a means of avoiding wage and benefit requirements is also critical to ensure that companies are not gaming the system at the expense of working families simply to add a few more dollars to their bottom line. In short, high-road wages and benefits as well as robust occupational health and safety standards and programs will be critical to ensure the economic and social success of construction funded by the Transmission Facilitation Program.

As referenced in a November 15, 2019, memorandum provided to U.S. Representative Kathy Castor, Chair of the House Select Committee on the Climate Crisis regarding “Policy Options for Attaching Labor Standards to Employment in the Clean Energy Technology Sector:”¹¹

“A report by the American Sustainable Business Council found that “[v]alues-based business leaders say incentives would help them adopt more high-road practices—and they believe incentives and regulations are needed to motivate other firms in their industries.”¹²

The UWUA does believe the DOE should apply incentives to eligible projects which give additional weight to, or credit for, bidders and/or developers who agree to high-road job standards which include the following:

- A. Locally Prevailing Wage and Fringe Benefits
- B. Project Labor Agreements (PLAs)
- C. Labor Peace Agreements (LPAs)
- D. Locally Sourced Employment
- E. Targeted Hiring – BIPOC, women, formerly incarcerated, displaced energy workers
- F. Responsible Contractor Provision, which also cover subcontractors¹³
- G. Community Benefit Agreements
- H. Workforce Skills – which include skill development across the supply chain, through the use of pre-apprenticeships, apprenticeships, other labor-management partnerships, and connections through local institutions of technology and higher learning

Expanding the transmission network can be a key strategy in mitigating the economic and workforce impacts of transitioning to a clean economy while also recognizing that the best approach to workforce transition is one that prevents economic disruption and employment loss in the first place. Projects that increase interconnection in a region with numerous clean energy projects, or in areas that historically have employment in the traditional energy sectors, should prioritize retention of those jobs. Employment for workers dislocated from traditional

¹¹https://law.uoregon.edu/sites/law1.uoregon.edu/files/policy_options_for_federal_energy_sector_final_11142019.pdf

¹² https://www.asbcouncil.org/sites/main/files/file-attachments/asbc_building_the_high_road_report_2017.pdf

¹³ Responsible contracting policies **establish a basic set of qualifications that all firms must meet in order to bid on public construction or private construction projects** that: receive public funding, require public approvals, or. benefit from public investment. See: <https://www.forworkingfamilies.org/page/policy-tools-responsible-contracting#:~:text=Responsible%20contracting%20policies%20establish%20a.benefit%20from%20public%20investment.>

energy sectors would create opportunities for skilled training and long-term employment and stem the erosion of high-quality jobs exiting the economy as traditional power generation assets are taken off-line.

Finally, the UWUA recommends that the DOE establish a DOE-Labor Working Group whose mission it is to help unions maximize job creation utilizing the DOE's technical expertise and assistance on how different energy technologies and policies can best preserve and create union jobs in the energy sector.

In closing, we thank DOE for the opportunity to provide public comment on the critical issue of investment in transmission infrastructure. 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 transitions toward a cleaner economy as our unions strives to be a part of the nation's clean energy solution going forward.

Sincerely,

A handwritten signature in cursive script, appearing to read "James T. Slevin".

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