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Quadrennial Energy Review
Stakeholder Meeting #7
Atlanta, GA
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“Bulk Power Generation and Transmission: How Can We Plan, Build, and Operate the Appropriate Amount for Future Needs?”

Good morning. My name is Mike Langford. I am President of the Utility Workers Union of America, AFL-CIO (UWUA). We have over 50,000 members working in the electric, gas, water, and nuclear industries across the United States.

The UWUA occupies a unique position; our members are both the frontline workers for, and the customers of, our nation’s utilities. Because we occupy both these worlds, we have information and observations of significant value to industry, the public, legislators and regulators.

Over our more than 70-year history we take pride in being a union with solutions.

Given the terrible condition of our nation’s infrastructure and the challenges we face, we are on a mission to Reclaim, Retrain, Repower and Repair America.

Among other topics, this QER addresses the state of our aging physical and human infrastructure, and employment and workforce development. We know that the industry is going through a period of revolutionary change. My members are living it every day, as they are responsible for operating and maintaining our nation’s Bulk Power Generation and Transmission systems, the subject of this panel.

Participants at these stakeholder meetings bring a wealth of knowledge and experience to these very important discussions.

A quick search of the transcripts of the six previous stakeholder meetings this year finds very few reference to the keywords “jobs,” “workers,” and “training.” Therefore, I will focus my remarks on these areas.

Let me start, though, by saying we cannot build the 22nd Century grid on our 20th, and in some cases, 19th Century infrastructure.

In our changing energy landscape and the transition to a reduced carbon economy, we must learn from previous mistakes. Lack of planning can lead to disaster. For example, the rolling black outs in California due to Enron’s excesses, a blackout of the entire northeast due to a tree limb on an Ohio wire, or the fact that, as revealed by a recent FERC investigation, coordinated attacks on only nine key substations could plunge the country into darkness.

Following Hurricane Sandy, we conducted a performance assessment and, even more important, developed a set of recommendations for the future. While the assessment focused on Consolidated Edison, the issues raised are of national concern.

As revealed in our Hurricane Sandy White Paper, our members have worked on cable so old that it has paper insulation, and on utility poles that were installed in the 1930s and remain in service today.

But the problem runs far deeper than fixing rotting utility poles or mending frayed wires. Over the past two decades, and in part as a byproduct of aggressive deregulation, utilities have slashed their workforces, even as workloads have increased. This has made it increasingly difficult to keep the physical systems on which the grid of the future will rely on in acceptable working condition. These human infrastructure problems will only

intensify if we fail to take sensible measures to address our country's aging utility workforce.

Attracting, training and retaining the line workers of the future is a challenge we all face. That is why the UWUA has taken it upon itself to train the workforce of the future by creating the multi-employer Power for America Trust Fund.

In addition to training the workforce of the future, we believe that the changing energy landscape and the transition to a green energy economy offers the opportunity to create hundreds of thousands of good jobs.

What are the quality of the jobs being created? Are we training the next generation of utility workers for \$15 an hour jobs? What can be done to make sure the green jobs that are being created provide good family supporting incomes that people can buy homes and pay their taxes with? And, what can be done for workers who have put 20 years or more into a job that no longer exists due to market forces and policy decisions beyond their control?

These are important questions that must be addressed if we are to succeed.

Workers in the traditional Energy Sector are the most organized in the US, at about 22%. Jobs in this sector are the ones that are most likely to be negatively affected by market and policy based decisions now being made.

The "new" Energy Sector (renewables, energy efficiency, etc.) has a unionized workforce rate of about 6%. As a result, there is a significant gap in wages and benefits between the "new" and traditional sectors.

Jobs in the traditional Energy Sector create wealth. These jobs pay on average \$70,000/year, and with benefits at 50%, that puts the job value in the \$100,000 per year range. More with overtime. These jobs are the absolute foundation for an economy.

Department of Energy Secretary Ernest Moniz understands the importance of addressing concerns about the loss of good, family supporting jobs. He has created a DOE-Labor Working Group to help unions maximize job creation as states develop their compliance plans under President Obama's Clean Power Plan.

As our Nation transitions to low carbon energy, we need to figure out a funding mechanism to make "stranded workers" and "stranded communities" whole.

The UWUA and the BlueGreen Alliance have put forward numerous ideas on how best to create such a financing mechanism.

Our nation needs a Climate Jobs program to create good, high-road jobs for communities while reducing greenhouse gas emissions.

A Climate Jobs program that includes the establishment of a "Just Transition" Task Force could ensure a fair and equitable transition to a new, clean energy economy.

This Task Force could also recommend the job and training standards that are necessary to ensure jobs in the new, low-carbon economy are good, high-road jobs that help address growing inequality, rather than make it worse.

The best way to ensure the changing energy landscape helps solve the dual crises of inequity and climate is through investment in infrastructure, both physical and human.

For example, according to the DOE, the U. S. depends heavily on foreign suppliers for bulk power transformers. U. S. based transformer manufacturing as of 2010, only supplied 15% of the demand for new units. The demand for high-voltage grid transformers is even greater with foreign manufacturers. With increasing vulnerabilities to the grid and the need to build longer transmission lines, this is a major concern to national security.

For this reason, the U. S. needs a strategic transformer reserve program for bulk power transformers. If as a matter of national policy, the domestic supply was greater, it would improve both national security and domestic manufacturing.

In regards to jobs and job training, the type of jobs necessary to meet our nation's goals requires jobs of today equipped with existing and new skills as well as new job titles duties and roles. STEM skills and knowledge is critically important. There will be an increased need for field and line crews, customer service and marketing jobs to address a more interactive customer role. There will be a need for more engineering and technical skills necessary for upgrading both the generation and transmission systems.

The UWUA is well positioned for this work based on the skill sets its members currently possess, and the work we are doing with a number of our employer partners. These skills also provide a good road map for veterans returning to civilian life.

The need for a robust upgrade and modernization program on a national scale could provide significant family supporting job opportunities, and stimulate local, state and regional economies.

In conclusion, let me suggest that, in order to meet the challenges ahead and continue to provide safe, reliable, affordable electricity, we must consider re-regulating the industry. There are both national security and climate change reasons for doing so. Electricity is the backbone on which the rest of our economy rests. It is too important to leave to market forces that focus on short-term returns.

Thank you.