

ONE HUNDRED SEVENTEENTH CONGRESS
Congress of the United States
House of Representatives
COMMITTEE ON ENERGY AND COMMERCE
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WASHINGTON, DC 20515-6115

Majority (202) 225-2927
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July 1, 2021

Mr. Eric Hofmann
President, Utility Workers of America Local 132
Utility Workers of America AFL-CIO
1300 L Street NW #1200
Washington, DC 20005

Dear Mr. Hofmann:

Thank you for appearing before the Subcommittee on Energy on Wednesday, March 24, 2021, at the hearing entitled “The CLEAN Future Act: Powering a Resilient and Prosperous America.” I appreciate the time and effort you gave as a witness before the Committee on Energy and Commerce.

Pursuant to Rule 3 of the Committee on Energy and Commerce, members are permitted to submit additional questions to the witnesses for their responses, which will be included in the hearing record. Attached are questions directed to you from certain members of the Committee. In preparing your answers to these questions, please address your response to the member who has submitted the questions in the space provided.

To facilitate the printing of the hearing record, please submit your responses to these questions no later than the close of business on Friday, July 16, 2021. As previously noted, this transmittal letter and your responses, as well as the responses from the other witnesses appearing at the hearing, will all be included in the hearing record. Your written responses should be transmitted by e-mail in the Word document provided to Lino Peña-Martinez, Policy Analyst, at lino.pena-martinez@mail.house.gov. To help in maintaining the proper format for hearing records, please use the document provided to complete your responses.

Mr. Eric Hofmann

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Thank you for your prompt attention to this request. If you need additional information or have other questions, please contact Lino Peña-Martinez with the Committee staff at (202) 225-2927.

Sincerely,

A handwritten signature in blue ink that reads "Frank Pallone, Jr." in a cursive style.

Frank Pallone, Jr.
Chairman

Attachment

cc: The Honorable Cathy McMorris Rodgers
Ranking Member
Committee on Energy and Commerce

The Honorable Bobby L. Rush
Chairman
Subcommittee on Energy

The Honorable Fred Upton
Ranking Member
Subcommittee on Energy

Attachment—Additional Questions for the Record

**Subcommittee on Energy
Hearing on
“The CLEAN Future Act: Powering a Resilient and Prosperous America.”
Wednesday, March 24, 2021**

Eric Hofmann, President, Utility Workers of America Local 132, Utility Workers of America
AFL-CIO

The Honorable Dr. Michael C. Burgess (R-TX)

1. Do jobs in the wind or solar industries pay as much as those in traditional energy industries?

RESPONSE:

See Attachment.

2. Are the skills necessary to work in the oil and gas industry the same as those needed in the wind and solar industries?

RESPONSE:

See Attachment.

3. How long does it take to reskill from one energy industry to another?

RESPONSE:

See Attachment.

4. Would a more robust pipeline network improve the resilience of our energy system?

RESPONSE:

See Attachment.

5. Does the CLEAN Future Act improve the resilience of America’s natural gas infrastructure?

RESPONSE:

See Attachment.

The Honorable Jeff Duncan (R-SC)

Title III (3), Section 321 of the Clean Futures Act rolls back federal preemption of state appliance standards as established under the Energy Policy and Conservation Act (EPCA).

No other regulated industry has been subject to so many continuing standards and rulemakings on the same products. The underlying reason for this proposed change is a result of the Department of Energy's (DOE) inability to meet the deadlines EPCA requires. EPCA requires that each standard in the program be reviewed by the DOE for update every six years. Due to the wide scope of the program and the variety of products that fall within, it is extremely difficult for the DOE to meet these deadlines. Since 1989, the DOE has missed the majority of its statutory deadlines under each Administration.

The answer to this problem is not to take away federal preemption of state standards, which would undermine the effectiveness of the entire program. Without federal preemption, there would be a variety of patchwork state standards across the country. When manufacturing millions of products every year, having to meet 50 different state standards will be nearly impossible. Further, we can't have a state with a large marketplace end up setting the de-facto national standard. As we consider debating this legislation, I urge my colleagues to consider this concern.

I believe there is significant energy security and reliability issues with mass electrification earlier. While on the topic of home appliances, another tangible impact of electrification is forcing consumers to convert from affordable natural gas appliances to much more expensive electric appliances. We've seen county-wide natural gas bans in your home state of California.

1. From your perspective, is it reasonable to force this regressive anti-gas policy on consumers in the name of climate change?

RESPONSE:

See Attachment.

2. How will this impact at home electricity prices for consumers?

RESPONSE:

See Attachment.

Mr. Eric Hofmann

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3. Are there other benefits, in terms of heat content of fuels, that make use of gas for heating and cooking more desirable and cost-effective?

See Attachment.

RESPONSE:

See Attachment.

**RESPONSE OF ERIC HOFMANN
TO QUESTIONS FOR THE RECORD from CHAIRMAN PALLONE
ON BEHALF OF REPRESENTATIVES BURGESS and DUNCAN**

MR. CHAIRMAN, MEMBERS.

Thank you for the opportunity to respond on the record to questions propounded by Representatives Burgess and Russell in connection with the hearing of the Energy and Commerce Committee entitled “The CLEAN Future Act: Powering a Resilient and Prosperous America,” conducted on March 24, 2021.

As the President UWUA Local 132, I intend to answer the questions to the best of my ability and authority. Recognizing that the breadth of the questions of Reps. Burgess and Russell go beyond my direct experience and expertise I do not intend to present my answers as representative of our national union, nor of other unions or the labor movement as a whole. My statements represent my views as Local 132 President and the views of the members of our Local, based on statements about data publicly available and sourced as indicated in the answers.

I want to make three general points.

- (1) Employment impacts of decarbonization activities are directly affected by union density in the energy sector under scrutiny. Union workers in all sectors of the energy industries do better than non-union workers – whether in fossil fuels (coal, oil, gas); renewables (wind, solar, geothermal, hydroelectric, biofuels); transportation; or related support and services including customer outreach and communication.
- (2) Employment impacts of decarbonization activities in the energy sector should be viewed in a local and regional context. Oil, gas and coal production are mainly concentrated in a few states; transport of fuels (molecules) by rail, truck and pipe to points of consumption in all states is ubiquitous. Electric production from wind is currently concentrated in the center of the country; from solar on the two coasts; from hydroelectric in the West and Canada. Transport of energy by electrons by transmission and distribution from sources (points of production) to sinks (points of

consumption) is ubiquitous. Many jobs in all segments of the energy industry are support and staffing; they may be located anywhere.

(3) Workers want direct involvement in policy making and – through the institutions of collective bargaining - direct involvement in policy implementation. I and the members I represent are fully aware of the seriousness of the climate crisis and are prepared to do our part in addressing the problems for our families, children and future generations. We intend to bring our knowledge, experience and skills to solving problems.

ANSWERS TO SPECIFIC QUESTIONS

The Honorable Dr. Michael C. Burgess (R-TX)

1. ***Do jobs in the wind or solar industries pay as much as those in traditional energy industries?***

RESPONSE:

As indicated above, the answer may partly depend on location and partly on union density. In areas with lower union density, traditional oil and gas jobs pay significantly less than in areas with higher union density such as California. For example, workers on oil and gas rigs in the area of Texas roughly corresponding to the Barnett Shale make about \$30/hr. The same occupation in California's oil patch where my members provide pipeline support services pays about \$40/hr.¹ The Texas "traditional" jobs pay about as much as the lower-

¹ For the size and composition of the national oil and gas workforce see US Bureau of Labor Statistics (BLS), Industries at a Glance Oil and Gas Extraction subsector: NAICS 211 <https://www.bls.gov/iag/tgs/iag211.htm> accessed July 8, 2021.

The state comparative data referenced is from US Bureau of Labor Statistics, Occupational Employment and Wage Statistics, 47-5012 Rotary Drill Operators, Oil and Gas May 2020 <https://www.bls.gov/oes/CURRENT/oes475012.htm> accessed July 8, 2021 and the interactive graphic for annual mean wages.

For the size and composition of the coal mining workforce see US Bureau of Labor Statistics (BLS), May 2020 National Industry-Specific Occupational Employment and Wage Estimates: NAICS 212100 - Coal Mining https://www.bls.gov/oes/current/naics4_212100.htm accessed July 8, 2021

end California wind and solar jobs. In California higher-end construction and maintenance jobs on utility scale solar and wind, that are often subject to prevailing wage requirements or negotiated project labor wages, pay as well or better than oil field jobs. For example, median pay for oil field roustabouts is \$21.27/hr or about \$44,230 annually.² Clerical positions at Southern California Gas, represented by my local union, pay substantially more. About 60 % of employment in the coal industry is in “construction and extraction occupations” (26,250 of total 43,180 total employment), receiving wages of \$22.66/hr to \$29.50/hr. depending on the occupation, according the Bureau of Labor Statistics.³ This is not radically different from the wages of solar installers.⁴

A large proportion of jobs in both traditional energy industries and renewable electric industries are support services including lawyers, marketing, engineering, permitting, etc.⁵ The skills and products are the same; the level of compensation may depend on location, union density and demand.

The conditions of direct work in the field on plant and equipment, both construction and operation and maintenance, is dependent on the presence of a union.

The Biden plan anticipates the creation of new manufacturing industries and capabilities for making the equipment for both wind and solar, as well as batteries and storage systems. Terms and conditions of employment in manufacturing are directly dependent on the presence of a union. These will be good jobs if they are union jobs.

² BLS, NAIC 211 above

³ BLS NAICS 212100 above.

⁴ US Bureau of Labor Statistics (BLS), Occupational Employment and Wages, May 2020, 47-2231 Solar Photovoltaic Installers

<https://www.bls.gov/oes/current/oes472231.htm#nat> accessed July 8, 2021

⁵ For the overall size and composition of the wind energy workforce, see National Renewable Energy Laboratory (NREL), The Wind Energy Workforce in the United States (2019), Figure ES-1 at page iv. <https://www.nrel.gov/docs/fy19osti/73908.pdf>

For the overall size and composition of the solar workforce see The Solar Foundation, Eleventh Annual National Solar Jobs Census (2020) at page 9 <https://www.thesolarfoundation.org/national/>

2. *Are the skills necessary to work in the oil and gas industry the same as those needed in the wind and solar industries?*

RESPONSE:

The skills needed to build, operate and maintain a pipeline system are fundamentally different from the skills needed to build operate and maintain an electrical system, whether the electricity is produced by burning fossil fuels or hydrogen or harnessing natural forces like wind, sunlight, falling water or what have you.

The basic issue is whether the pipeline network for transporting molecules and the electrical grid for transporting electrons should be integrated and optimized, or made to appear antagonistic to each other. In California we are fighting over this very question: California law and policy is to integrate and optimize, but some advocates are arguing for decommissioning gas systems and transferring gas workers to do electrical work or work outside our industry. This is a false dichotomy, mistaken policy. It represents misguided aspirations not reflective of the law, the policy, or the common sense of working people. We should be deciding how to use our skills to make the pipeline system serve broader goals including reducing carbon by fixing leaks, capturing fugitive methane and blending in non-carbon fuels like hydrogen.

The skills needed to provide good customer service, honest accounting, legal compliance with laws and regulations, effective engineering and planning are basically the same for pipes and wires, although obviously the application of those skills to tasks in the respective industries may differ in detail and experience.

3. *How long does it take to re-skill from one energy industry to another?*

RESPONSE:

In the industry I work in, gas pipelines, acquiring and maintaining skills is a constant process because everyone who works with us must have the required “occupational qualifications” (OQs) to do the job (“covered task”). Our industry has a comprehensive set of regulatory requirements for skill development, skill refreshing, and skill testing. We address these issues through the institution of collective bargaining. Our challenges are to

see that the employers in our industry remain fully committed to a culture of safety that includes engagement of the workers, and to apply that culture of engagement to both safe operations (avoiding incidents) and reducing the environmental footprint of the pipeline system (finding and fixing methane leaks.) These are legal requirements in California⁶ and should be legal requirements throughout the country.

Electrical unions have similar imperatives for continuous skill acquisition and skill retention through their collectively bargained training and apprentice programs.

The wind industry has noted a consistent and stubborn shortage of skilled workers and is moving to address it.⁷

4. *Would a more robust pipeline network improve the resilience of our energy system?*

RESPONSE:

In a word: YES. Moving natural gas, crude oil and refined products by pipeline is a very efficient way to deliver them from where they are found to where they are refined to where they are consumed. We depend on these fuels for the heat, light and power that drive our economy and we need them to be available under any and all conditions including emergencies and interruptions. That said, the pipeline system needs to be robust in specific ways: it needs to be physically strong, virtually leak proof and safe. In order for those conditions to be met the gas system workforce needs to be adequate to the task – sufficiently numerous and properly skilled to keep us safe, reduce leaks and accidents, and responsive to extreme events. The pipeline system workforce has been hollowed out over the past twenty-five years. The workforce needs to be rebuilt and reconstituted as an essential element of building back better.

5. *Does the CLEAN Future Act improve the resilience of America’s natural gas infrastructure?*

RESPONSE:

⁶ CA Public Utilities Code sections 961, 963, 975, 977 and 978.

⁷ National Renewable Energy Laboratory (NREL), *The Wind Energy Workforce in the United States* (2019), at pages 23 ff.. <https://www.nrel.gov/docs/fy19osti/73908.pdf>

The CLEAN Future Act does not do enough to optimize the capabilities of the natural gas pipeline system, including the gas system workforce, and the use of natural gas to decarbonizes America's energy economy. CLEAN Future Act could do more to develop hydrogen, which is stored and transported by containers and pipelines. See below for a discussion about how federalization of hydrogen research, standards setting and deployment might advance this important area of decarbonization.

The Honorable Jeff Duncan (R-SC)

1. ***From your perspective, is it reasonable to force this regressive anti-gas policy on consumers in the name of climate change?***

RESPONSE:

I am a consistent opponent of proposals in California to ban or limit the use of natural gas for domestic purposes – heating, water heating, cooking in new buildings and existing buildings. I want to reiterate my direct testimony about the dangers of over-emphasizing building electrification.

The specific issue of federal pre-emption for setting appliance standards – substituting a national standard for state-developed or local standards – is complicated. There have been some debacles (compact fluorescent light bulbs) and some successes (improved refrigerator insulation and efficiency). For gas appliances, improvements in safety, efficiency, and emissions control (substituting electronic ignitions for standing pilot lights for example) are a good thing, whether they come from the national level or the local level. A prohibition on the use of gas for domestic purposes (space heating, water heating, cooking), wherever it comes from, is a bad thing.

One area where a national approach, including standard setting and pre-emption, might be helpful is the blending of hydrogen into the gas system supply. There is a great deal of interest from the gas utilities and gas workers in this approach to reducing the carbon content of natural gas service, since hydrogen does not produce carbon as it is consumed. In California the Public Utilities Commission has put a considerable amount of ratepayer money into studying this policy but it may be years before we see completion of research, testing and standard-setting for introducing hydrogen into the gas system. A concerted effort at the federal level to push for blending hydrogen into methane gas service, consistent with safety and efficiency principles would be a very good policy initiative.

2. ***How will this impact at home electricity prices for consumers?***

RESPONSE:

Ratepayers pay bills; in California electric bills are rising for a variety of reasons. I see no reason to make this matter worse by forcing consumers to switch to electricity when its price is rising and the price of gas is stable.

3. *Are there other benefits, in terms of heat content of fuels, that make use of gas for heating and cooking more desirable and cost-effective?*

RESPONSE:

The use of gas for space heating, water heating and cooking will continue to be the dominant form of energy for those uses, particularly as gas appliances become ever more efficient and, thus, ever more affordable. We are seeing more and more frequent electricity interruptions and blackouts in California and around the country. In California one response has been to install gas-fired electric back-up generators at homes and businesses. Having a robust gas pipeline system and an adequate workforce of dedicated and skilled workers to operate and maintain it will contribute to our confidence that our basic services – heat, light and power – will be robust, resilient and reliable.