# Gary Arnold, Business Manager, Pipefitters Local 208, Denver Colorado Responses to Questions for the Record

#### The Honorable Gary Palmer

### 1. How do we utilize hydrocarbon energy as we advance our energy production through nuclear?

We will need to continue to use traditional power generation technologies like Combined-Cycle Natural Gas Fired Power Plants along with Simple Cycle Natural Gas Turbines to ensure reliable and affordable energy. These types of power plants can be constructed in fairly short time and partner extremely well with traditional renewable sources like Wind and PV Solar due to their ability to adjust output quickly to match grid demand with the intermittent generation delivered by renewable sources. When outfitted with carbon capture technologies, gas-fired power plants also can operate with little to no emissions.

Taking these steps will allow us to meet immediate energy, and reliability needs while we undertake long term planning for nuclear facilities that will supply critical base load generation for industrial processes and increased future grid demand. Moreover, given that natural gas is 3.5 times cheaper than electricity for residential use, and more than 2 times cheaper than other residential energy sources, investing in gas-fired plants is a tried-and-tested way to keep energy costs down for everyday Americans.

#### The Honorable Mariannette Miller-Meeks

- 1. As utilities face critical decisions about replacing aging infrastructure:
- a. How should they balance immediate grid reliability needs with long-term planning for extreme weather events and evolving energy technologies?
- Immediate generation and distribution needs should be addressed by prioritizing projects that can be completed in the short-term while undertaking robust longer-term planning for major transmission and large base load demands. As most problems with grid reliability manifest in distribution systems, projects that improve distribution, including in preparation for extreme weather, should be further prioritized.

<sup>&</sup>lt;sup>1</sup> Department of Energy Federal Register Notice, Energy Conservation Program for Consumer Products: Representative Average Unit Costs of Energy, October 17, 2024.

To the maximum extent possible, these short- and longer-term efforts should be aligned so that all infrastructure capital investment assets work together.

Utilities must also recognize that the historic levels of infrastructure investment in our country has created a tight craft labor market. That is why I underscored in my testimony that, in our industry, every project is—and must be—an opportunity to deliver important on-the-job training to apprentices that will produce more qualified journeyman workers for future projects. When our signatory contractors win more work, we are able to expand our training programs and produce even more qualified workers to meet future needs of the utilities. I cannot emphasize enough how important it is for utilities to insist that the contractors they hire invest in apprenticeship and other training. Otherwise, they may find any short-term financial benefit from building "on the cheap" with such contractors to be dwarfed by the longer-term problems they have getting their projects built, let alone by qualified people.

## b. What infrastructure investments and weatherization measures are most critical for building a more resilient grid while maintaining affordability for consumers?

My expertise on this topic is limited. While working on HVAC/R systems has given me insight into the importance of building envelopes due to their effect on system performance, I have never worked on projects focused on air sealing, insulating, or other building envelope weatherization efforts.

That being said, I do know that weatherization as it pertains to our Power Generation facilities and Energy Delivery systems is a critical part of the planning and construction phase. Ensuring that residents, commercial end users, and industrial facilities are supplied with reliable energy is critical to overall safety and economic security. To accomplish this, we need a balanced portfolio of power generation facilities that can supply energy to consumers even during extreme weather events. This must increasingly include Nuclear Power, which is the only type of generation outside of Coal that has the ability to store their fuel source onsite and to operate for extended periods of time regardless of supply chain disruptions caused by weather events.

In addition, pursuing a balanced portfolio of power generation can provide valuable alternatives to consumers when weather events cause disruption. For example, if electricity service is unavailable, consumers with natural gas service would still have a dependable source of energy.

To accommodate this diversified, weather-resilient energy portfolio, additional pipeline capacity is needed. Without additional pipeline capacity, existing pipelines are forced to

operate under increased pressures to deliver the volume needed by consumers. These increased pressures not only stress existing infrastructure but create additional vulnerabilities for extreme weather events due to the additional compression needed to operate the system.

#### The Honorable Lizzie Fletcher

1. In your testimony, you highlight how the IRA's incentives for innovative technologies like carbon capture and sequestration have led to a surge in new projects. You mention that the careers supported by these projects should be celebrated and protected. Can you help put this in real terms for us? If Congress were to repeal the incentives created by the IRA and throw existing projects into uncertainty, how would it impact the future of unions like yours?

The incentives and project standards in the IRA are critically important to existing and future Cabon Capture/Sequestration projects. Without the tax and other incentives the IRA provides, the private sector will be much less willing to invest in developing these important technologies. One need only compare the level of investment in carbon capture and sequestration projects before and after passage of the IRA, which expanded the 45Q and other credits, to see the difference that the incentives have made. The project standards established by the IRA, including with respect to apprentice utilization, are also necessary to ensure that we are building our skilled workforce at a rate that keeps pace with the historic investments in infrastructure we are witnessing.

The consequences of eliminating the incentives and project standards established by the IRA for members of the United Association would be the same as for every other American working on these projects: major losses in job opportunities. Owners would stop investing in and building carbon capture projects, which, in and of itself, would translate into substantial job losses across the country. Moreover, often overlooked is the impact that carbon capture projects have on the industrial facilities they serve. These projects can have the effect of saving industrial facilities that might otherwise be shuttered due to environmental considerations. Saving those industrial facilities preserves the jobs of a great many Americans who rely on those facilities for work, directly and indirectly.

On an individual level, each lost job deprives our members of the ability to earn paychecks and contributions for their Health, Retirement, and Training. The lost investments in these projects would also undermine our efforts to expand our rolls of apprentices and train existing workers to meet future workforce demands, as discussed above.

Without the incentives and project standards established by the IRA, projects like the CapturePoint project in Vernon Parish, Louisiana that I discussed in my written testimony won't happen. By partnering with the Vernon Parish School Board and CapturePoint, the UA is training local residents, beginning in high school, to build and maintain the carbon capture work in their backyards. This gives kids a great head start on realizing a family sustaining career without having to relocate outside of their community—which is a major issue and concern for officials in Vernon Parish. The incentives and standards included in the IRA played a big part in making this success story possible.



**Business Manager** 

Denver Pipefitters Local #208