BLUEGREEN ALLIANCE

CREATING GOOD JOBS, A CLEAN ENVIRONMENT, AND A FAIR AND THRIVING ECONOMY

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Response to Request for Information: Transmission Facilitation Program

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On behalf of the BlueGreen Alliance (BGA), a coalition of the nation's largest labor unions and environmental organizations, collectively representing millions of members and supporters, we thank the President and his administration for prioritizing the construction and upgrade of new and existing transmission lines across the economy as a means to address the climate crisis, support and create good union jobs, advance environmental justice, and build a stronger, fairer economy. Additionally, we thank the U.S. Department of Energy (DOE) for seeking input on the implementation of the Transmission Facilitation Program established by the Bipartisan Infrastructure Law (BIL).

The world's leading scientific organizations have been unambiguous that climate change is a dire and urgent threat and the longer we delay the stronger the action required. Over the last decade, we have witnessed the worsening impacts a changing climate has on our communities. To avoid the catastrophic consequences of climate change, we must ensure rapid greenhouse gas emissions reductions—based on the latest science and in line with our fair share—to put America on a pathway to reduce its emissions to net-zero by 2050.

Critical to achieving this goal is the build out of transmission and other infrastructure necessary to make the shift to a net-zero economy. Today's network of transmission and distribution equipment still includes components from over 100 years ago. Varying age, condition, and capacities make it difficult to provide reliable power, and unreliable equipment, severe weather, and overloading can all cause power disruptions and damages to electric equipment. Unfortunately, as climate change gets worse, so does the problem. More than half of major power outages between 2000 and 2016 were caused by natural hazards such as hurricanes, heat waves, and wildfires.

Investing in transmission and electric infrastructure is an excellent opportunity to put people to work in the clean economy. Most of the jobs associated with transmission construction and operations and maintenance are already union jobs.[i] New federal investment going towards the upgrading or construction of new lines should continue to reinforce these high-road, family sustaining jobs. DOE can do this by strategically targeting funding for projects utilizing high-road labor standards, such as project labor agreements (PLAs). Additionally, these investments can support good jobs across the supply chain through utilization of domestically sourced materials for the construction of high-powered transmission lines. Transmission lines, towers, and substations should be built consistent with the Biden administration's goals of utilizing a domestic supply chain for electric grid materials. Currently, 61% of transmission wires and towers are sourced domestically.[ii] Utilizing a domestic supply chain supports downstream manufacturing jobs across the country and reduces reliance on foreign supply chains.

Further, DOE should support projects that upgrade or construct new interregional transmission lines as well as transmission projects that increase connectivity of renewable generation. According to the Americans for a Clean Energy Grid, the interconnection of our nation's transmission system must be increased drastically in order to supply a resilient, nation-wide grid.[iii] According to a 2021 Grid Strategies report, interregional transmission also provides significant cost savings.[iv] DOE should prioritize projects that reduce the project generation queue, which currently has 930 gigawatts of clean energy, waiting to be connected to the grid.[v] This also includes preparing and building infrastructure to support the vast amounts of future offshore wind deployment. DOE should work with the Bureau of Ocean Energy Management (BOEM) and regional transmission organizations to identify the transmission and grid infrastructure needed to support the Biden administration's goal of deploying 30 gigawatts of offshore wind by 2030. Billions of dollars of offshore wind lease sales have already taken place across the eastern seaboard and the West Coast and Gulf states are poised to follow suit.

Our response to this RFI primarily addresses questions from Category A, subsections 2, 4, and 5.

Subsection (2) *When considering the merits of TFP applications, how should 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 DOE works to implement the Transmission Facilitation Program, it must ensure that these investments support workers and communities and translate into high-road, union jobs, and accessible jobs for workers of color and other segments of the population historically left behind.

This includes supporting and growing pathways into good union jobs in construction, operations and maintenance, and along the supply chain associated with transmission and grid infrastructure.

To demonstrate a broad and strong commitment to these considerations, DOE should include the following in its implementation of the Transmission Facilitation Program:

1. Family-sustaining, union jobs must be created and retained across the energy infrastructure sector and the associated manufacturing supply chain. To do this, high-road labor standards must be utilized, such as: union neutrality; high-road wages and benefits, occupational health and safety standards and programs; avoidance of misclassification, and excess use of contracted or temporary employees. Any construction funded by the Transmission Facilitation Program must adhere to the Davis Bacon prevailing wage provisions in the BIL and should require project labor agreements (PLAs) and other high-road labor standards. Expanding the transmission network can also be a key strategy in mitigating the economic and workforce impacts 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. 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 and employment for workers dislocated from traditional energy sectors. Selecting new construction or upgraded projects that utilize union labor (i.e. a union organization in the construction trade or maintenance of electric grid infrastructure) would create opportunities for skilled training and long-term employment to the greatest number of residents in a region.

2. Ensure use of domestic content in the construction of transmission projects. DOE, as required by law, should ensure use of domestic content and Buy America standards in the construction of new and upgraded transmission lines. As the Build America, Buy America (BABA) 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 Transmission Facilitation program will be further magnified. Supply chain reporting and disclosure should also be encouraged while incentivizing assembler/supplier commitments and accountability. Further, a waiver process for unavailability should be limited as the vast majority of component parts can be sourced domestically, e.g. steel and aluminum. Further, it is in the public interest to avoid waivers for these requirements considering the environmental and economic impacts of sourcing from foreign manufacturers.

According to a WIRES/Brattle Group report, nearly 65% of the steel associated with the towers, structures, and related components are currently sourced domestically, while 35% of the aluminum and other components for transmission wires are sourced domestically. 70% of substations, including circuit breakers and transformers are made domestically. Towers, wires, and transformers make up about 95% of the materials cost for any given project.[vi]

Buy America standards ensure that developers utilizing federal dollars are sourcing from American manufacturing, while reducing reliance on foreign suppliers. On average, U.S. manufacturing of steel and aluminum produces fewer greenhouse gasses and pollutants than in most other countries that are major producers. Steel production in the U.S. is the 2nd cleanest in the world.[vii] Ensuring domestic manufacturing for steel and aluminum in transmission

projects would support not only U.S. manufacturing job growth, but also a reduction in global industrial emissions. DOE also should ensure that the establishment or expansion of manufacturing facilities to produce steel and aluminum for transmission projects supports the health, environmental, and economic needs of workers and fence-line communities. Early consultation with workers and fence-line communities is vital to ensure that they see benefits, not harm, from such projects.

Increasing American manufacturing for steel and aluminum components has a direct impact for Black workers and economic equity. The decline of domestic manufacturing is responsible for a significant rise of income inequality in the U.S. The loss of manufacturing jobs has been disproportionately worse for Black workers and workers of color. According to an EPI report, Black workers have lost more than 600,000 manufacturing jobs since the late 1990's, a 30% fall in Black manufacturing employment.[viii] This has further exacerbated the wage gap between Black and white workers. DOE must ensure that the Buy America provisions in the Bipartisan Infrastructure Law are strictly enforced. Strong domestic content standards would yield a significant impact for manufacturing jobs, and specifically for Black workers and workers of color across the country if targeted correctly.

3. Benefits must be maximized for workers and communities that need it most. This should be done by:

a. Consistent with the administration's Justice40 Initiative, targeting investments in disadvantaged communities with a focus on deindustrialized, impacted, and underinvested in 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. Ensuring investments and policies are in line with the scale of change needed to meet targets for climate action, quality job growth, and economic, racial, and environmental justice. DOE should prioritize projects that will result in the greatest net decrease in GHG emissions

and the greatest benefits for impacted workers and fence-line communities; and

d. Prioritizing any new construction of transmission projects and the siting process that utilizes existing rights of way, or designated low conflict energy corridors and avoid unnecessary development of previously undisturbed land. This consultation and siting process should be done in concert with state, local, and tribal governments.

All of DOE's investments in the Transmission Facilitation Program should require, incentivize, or reward commitments that make high-road labor and domestic content commitments and provide community benefits.

Subsection (4) *What are the best tools for ensuring availability of a skilled workforce to support timely, efficient implementation, project continuity, and success? Specifically, how should DOE encourage the use of Project Labor Agreements that specify required certifications, dispute resolution, and utilization of registered apprentices?*

We recommend that DOE consider the following high-road labor standards when considering the eligibility of new transmission projects under the TFP.

Project Labor Agreements (PLAs):
Large construction projects, not subject to Executive Order 14063 requiring use of Project Labor Agreements (PLA) for Federal Construction Projects over $35 million, can still benefit from a PLA.[ix] PLAs control the terms and conditions of employment of workers on specific construction projects, including wages, hours, working conditions, and dispute resolution methods. These agreements can be utilized at the state and local level to ensure high-road labor standards, a qualified workforce, and timely projects.

Community Workforce Agreements or Community Benefit Agreements:
A Community Workforce Agreement (CWA) reflects a common pledge between labor and the community to work together to build a high-road path to economic revitalization that includes good jobs. In addition to the collective bargaining aspects of a PLA, CWAs frequently include local hire provisions, targeted hire of low-income or disadvantaged workers, and the creation of

preapprenticeship pathways for careers on the project. A Community Benefit Agreement typically includes more than economic benefits and utilizes a community input process to develop an agreement with the community for a broader array of benefits (i.e., housing or transportation priorities).

Registered apprenticeship, Pre-apprenticeship, and Labor Management Partnerships:
One of the main mechanisms for building career pathways is through registered apprenticeship, pre-apprenticeship, and other union-affiliated training programs. Apprenticeships are registered through a state apprenticeship agency or through the Department of Labor. Registered apprenticeships are paid positions that combine on-the-job training with classroom instruction in a trade. Utilizing registered apprentices ensures a high standard of training that will result in proper installation and fully realized energy efficiency savings.

Pre-apprenticeship programs have become a key tool to improving diversity in the building trades. Such programs aim to ensure that workers can qualify for entry into an apprenticeship program and have the skills and support they need to succeed. These programs are generally designed to target certain populations or demographics such as low-income workers, workers of color, women, and other marginalized communities. Additionally, many unions offer training throughout a member's career to enable them to stay up to date with changes in technology. The most successful pre-apprenticeship programs are those affiliated with registered apprenticeships. Wraparound services such as transportation and childcare also help with recruitment and retention of underrepresented and disadvantaged workers.

DOE should consider additional high-road labor standards, such as: union neutrality; high-road wages and benefits, occupational health and safety standards and programs; avoidance of misclassification, and excess use of contracted or temporary employees.

Subsection (5) *Are there methods and approaches to implementing TFP that amplify and leverage the funding available through TFP, and accelerate the greatest quantity of new transmission development that will best serve the national interest, including by cost-effectively increasing resilience and reducing greenhouse gas emissions, while promoting economic growth and energy justice?*

DOE should ensure that new transmission projects are not only built with high-road labor standards and domestic materials, but also with a focus on interconnection and interregional, connecting the renewable energy queue and with anticipation of future needs of transmission lines.

1. **Prioritize projects that would connect clean energy to the grid**. Currently, there are 930 gigawatts of carbon-free energy waiting to be connected to the grid. These projects need reliable connectivity and resilient infrastructure to add clean generation loads to the grid. By prioritizing these projects, the TFP will unleash trillions of dollars in investment in areas that have clean energy potential, with an estimated 1.2 million potential new jobs in the clean energy and transmission sector.[x] The interconnection queue reflects the changing resource mix in the power sector, primarily being made up of wind and solar generation. The U.S. Energy Information Administration estimates that currently 75% of new electricity generation is from renewable generation.[xi] In order to harness this clean energy and facilitate economic development opportunities in the renewable sectors, DOE should prioritize transmission that will facilitate interconnection of renewable generation projects. DOE also should prioritize projects that reduce the energy burden of low-income households. Communities facing high energy burdens should have ample opportunity to participate in the planning process for grid connection projects. DOE must prepare for the future of clean energy deployment.

2. **Prioritize interregional projects**. In a report outlined by the Americans for a Clean Energy Grid, there are 22 high-voltage transmission projects that are ready to commence construction. These projects would support over 600,000 direct jobs, while the renewable generation facilities connected by these lines would support an additional 640,000 jobs.[xii] By focusing on interregional connection, DOE would be supporting interconnections to ensure clean energy loads are delivered to where

they are most needed, while providing thousands of high-road jobs in the process.

3. Work with utilities, BOEM, regional transmission operators, fishers, and other key stakeholders to **identify projects that would support offshore wind deployment and connection**. DOE should consider a planned mesh network (PMN), a unified single offshore network to support offshore wind deployment. A PMN could benefit communities and clean energy transition by:
    A. minimizing costs;
    B. minimizing environmental impacts; and
    C. minimizing community disruption with fewer onshore connections and utilizing existing interconnection points on shore.

Conclusion

The Transmission Facilitation Program is a critical opportunity to expand, secure, and fortify the electric grid in our country. New and upgraded transmission lines are vital infrastructure for connecting renewable energy being built across the country and meeting our climate goals. We can achieve this goal while providing high-quality jobs in the construction trades, operations and maintenance associated with the build out of our transmission, and in manufacturing by ensuring the steel, aluminum, and other materials needed for the electric grid are made domestically. We hope that these recommendations will help DOE ensure the success of this program and look forward to supporting the agency throughout this process.

End Notes

[i] Americans for a Clean Energy Grid, "Transmission Projects Ready To Go: Plugging Into America's Untapped Renewable Resources" 2021. Available online: https://cleanenergygrid.org/wp-content/uploads/2021/09/Transmission-Projects-Ready-to-Go.pdf

[ii] Ibid.

[iii] Americans for a Clean Energy Grid, Why Transmission Matters, 2022. Available online: https://cleanenergygrid.org/why-transmission-matters/

[iv] Grid Strategies LLC, "Transmission Makes The Power System Resilient to Extreme Weather," 2021. Available online: https://cleanenergygrid.org/wp-content/uploads/2021/09/Transmission-Projects-Ready-to-Go.pdf

[v] Berkeley Lab, "Queued Up: Characteristics of Power Plants Seeking Transmission Interconnection As of the End of 2021," 2022. Available online: https://emp.lbl.gov/sites/default/files/queued_up_2021_04-13-2022.pdf

[vi] The Brattle Group, "The Benefits of Electric Transmission: Identifying and Analyzing the Value of Investments," 2013. Available online: https://www.brattle.com/wp-content/uploads/2017/10/8223_the_benefits_of_electric_transmission_-_identifying_and_analyzing_the_value_of_investments_chang_pfeifenberger_hagerty_jul_2013.pdf

[vii] BlueGreen Alliance, Four Questions: Cleaner Steel Here in the U.S., 2022. Available online: https://www.bluegreenalliance.org/resources/four-questions-cleaner-steel-here-in-the-us/

[viii] Economic Policy Institute, "Botched Policy Responses to Globalization Have Decimated Manufacturing Employment With Often Overlooked Costs for Black, Brown, and Other Workers of Color," 2022. Available online: https://www.epi.org/publication/botched-policy-responses-to-globalization/?emci=87bbc266-0ad2-ec11-b656-281878b8c32f&emdi=ea000000-0000-0000-0000-000000000001&ceid=

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[xi] U.S. Energy Information Administration, Today In Energy: New Electric Generating Capacity in 2020 Will Come Primarily From Wind and Solar, 2020. Available online: https://www.eia.gov/todayinenergy/detail.php?id=42495#:~:text=New%20electric%20generating%20capacity%20in%202020%20will%20come%20primarily%20from%20wind%20and%20solar&text=According%20to%20the%20U.S.%20Energy,start%20commercial%20operation%20in%202020.

[xii] Americans for a Clean Energy Grid, "Transmission Projects Ready To Go: Plugging Into America's Untapped Renewable Resources," 2021. Available online: https://cleanenergygrid.org/wp-content/uploads/2021/09/Transmission-Projects-Ready-to-Go.pdf