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United Association of Journeymen and Apprentices of the Plumbing and Pipe Fitting Industry of the United States and Canada

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Creating Jobs and Ensuring Sector Stability During Energy Transformation

Significant Public Subsidies

Federal and state governments are investing tens of billions of dollars of public assets to promote renewable and other clean energy programs. What's more, while this spending is massive, private sector investments in the same projects are often far greater. To be successful government funding must match or outweigh private investment.

Ensuring Maximum Return

Given the scope and importance of these investments, provided through energy credits, tax assistance, and other subsidies—it's vital that public subsidies in this area be effectively used to:

- Develop a diverse infrastructure of *all* viable energy sources to ensure new systems are capable of producing a reliable supply of clean, affordable energy for the foreseeable future;
- Leverage public investments for public good by creating maximum jobs—so middle class workers and communities in need gain real benefits from these subsidies; and
- Require extensive skilled labor qualification standards for all projects to promote fair wages benefits as well as timely construction delivery of state-of-the art, high performance facilities.

Accelerated Transformation

Highly accelerated timetables across the country are calling for the complete elimination of carbon-based sources over a few short decades, which faces significant obstacles.

- U.S. energy consumption has nearly tripled over the past 50 years, a trend expected to continue given increased expansion of information technology.
- All renewable sources combined provide only 11 percent of U.S. energy. Wind and solar sources cannot be expanded in time to meet demand without negative impact to energy reliability and job loss in the energy sector. Major storage/transportability limitations compound these challenges.

Public Subsidies Essential

Virtually all no-carbon and low-carbons sources require some form of government assistance to be viable. While necessary, it's critical that these subsidies be allocated fairly in accordance with sound, sensible policy that ensures both adequate energy supply and maximum public benefits.

Utilize All Viable Green Energy Sources

The only realistic policy for meeting U.S. energy needs is an approach that incorporates every feasible no-carbon and low-carbon source and strategy. These include:

- Existing and new nuclear power sources, including new advanced and small modular reactors
- Hydrogen Sources (green, blue or grey)
- Biomass/Biogas
- Geothermal
- Hydroelectric, Wave Power and Pumped-Storage Hydropower
- Carbon Capture Sequestration (CCS) and other programs for conservation, energy efficiency.





Open & Fair Competition

Building an effective clean power supply system requires use of all viable sources, including those noted, above—and that they be permitted to compete on a level playing for public subsidies.

- Many state energy laws, however, exclude one or more energy of these sources. This is a mistake; omitting a single source, for example nuclear or hydrogen, undermines long-range supply goals. This also taints the source selection process as certain sources are unfairly favored over others in awarding public subsidies.
- Further, any approach that places undue reliance on wind and/or solar is unrealistic. Even if wind and solar production are tripled in the next few decades, other sources will be needed for over 50 percent of demand.
- With it becoming increasingly difficult to permit construction projects due to activist litigation and government red tape, many green energy projects fail to materialize due to delays which impact their economic viability. For example, in California several CCS companies are considering rail, a less safe and more carbon intense mode of transport, instead of zero-carbon green pipelines.

Clean Energy Policy

For these reasons, energy laws should be defined in terms of “clean” energy sources (as opposed to strictly renewable) to permit nuclear and low-carbon options to compete. While demand and other economic factors easily favor this—a major bonus from this policy is that these same sources also create jobs with better wages and benefits. Nearly 90% of solar and wind projects do not pay a prevailing wage or provide meaningful benefits for workers.

Leveraging Subsidies to Create Jobs

Since massive public subsidies are vital to drive clean energy projects, federal and state governments must leverage these investments to ensure companies pay fair wages with benefits and worker protections.

- Government assistance in the energy sector is generally awarded through an RFP (best value) process, which can and should be designed to provide a strong preference for those sources that create not only the most jobs, but also jobs that pay the highest wages with benefits and worker protections.
- This competitive process can thus be used to promote innovation in source development as well as high-quality jobs.

Successful Project Delivery

Construction projects in the energy sector are highly complex and extremely time-sensitive. Quality control measures—in the form of Responsible Contractor Policies and Project Labor Agreements—are thus essential for securing reliable supply and must be incorporated into all project planning.