



Operating Engineers Continuing Political Committee

International Union
of Operating Engineers
Local 478

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Good morning/afternoon Senators Needleman, Formica and Fonfara, Representatives Arconti, Ferraro and Allie-Brennan and the members of the Energy & Technology Committee.

My name is Nate Brown and I am here on behalf of the International Union of Operating Engineers **in opposition** of HB 6242 – AN ACT PROHIBITING SURCHARGES FROM BEING LEVIED ON UTILITY CUSTOMERS TO SUBSIDIZE INTERSTATE NATURAL GAS PIPELINE CAPACITY.

The International Union of Operating Engineers employs over 20,000 workers throughout the northeast region. More than 3,000 of them, including myself, reside in Connecticut as members of Local 478.

We are part of the skilled trades that build our nation's infrastructure: things like the highways, bridges, buildings, and energy facilities we all rely on every day. This includes the pipelines and power plants at the center of today's discussion. To be clear: our members are not among the myriad stakeholders involved in the planning, financing, ownership, or operation of energy infrastructure. We are the skilled hands operating the cranes and heavy equipment that are involved in these projects. We are the people who get it done.

We all know that energy costs and, by extension, energy infrastructure are vital parts of the economy. It is widely recognized that neither Connecticut nor New England have energy profiles that are conducive to economic growth. Our state and our region consistently dominate the top ten most expensive energy sectors in the nation. These are not just statistics; they are an overarching and overwhelming reality facing our businesses, our residents, our towns, our workforce, and our future.

HB 6242 would preclude the ability for the state's utility companies to assign surcharges to customers as a means of paying for the pipeline infrastructure that will allow for lower cost electricity. Why, given the state of Connecticut's economic profile, would we want to preclude the ability to lower the cost of electricity? Furthermore, any such surcharge would only be applicable *after* the multitude of regulatory reviews and approvals have been conducted on the proposed pipeline infrastructure. Said differently, the surcharge would reflect infrastructure solutions that have passed very high standards of review and have been determined to be in the interest of ratepayers. Electric rates are currently tagged with dozens of surcharges representing a wide range of issues, policies, and special interests. The ability to utilize this well-established surcharge methodology for beneficial pipeline solutions is consistent with the very same methods

that have been used for wind, solar, energy efficiency, storm hardening, TAXES, and many other policy objectives. **HB 6242 is nothing more than a veiled attempt by special interests to preclude viable options that will compete with their parochial objectives.**

The IUOE believes in placing emphasis on implementing viable solutions, not avoiding them. To this end, a more reasonable approach to HB 6242 would be to hold any new pipeline capacity projects accountable to deliver upon their claimed benefits. More specifically, it should have mechanisms to hold the developers reasonably accountable if they fail to deliver on those benefits.

In the spirit of transparency, I want to be clear that major infrastructure projects, like power plants or pipelines, create lots of jobs; many of those jobs are filled by IUOE members. Over the past two years, power plant and pipeline projects have provided good jobs to over 1500 skilled tradesmen. So we obviously like infrastructure investments. I also want to be very clear that we like *smart and prudent* infrastructure investments. We want to put our members to work on projects that improve Connecticut- projects that lower the cost of energy, projects that drive economic growth, and projects that create a safe and sustainable place for our families to live.

The IUOE supports a robust energy planning process that embraces a wide range of options and ensures accountability over the prudent execution of the selected options. HB-6242 will accomplish neither of these things and, therefore, we oppose it in form and substance.