



LOCAL 66

Operating Engineers
66-A, B, C, D, O, and R

April 4, 2022

Rosemary Chiavetta, Secretary
Pennsylvania Public Utility Commission
Commonwealth Keystone Building
400 North Street – Second Floor North
Harrisburg, PA 17120

Re: Docket No. L-2019-3010267

My name is Tom Melisko, Business Manager of the International Union of Operating Engineers (IUOE) Local 66. I am writing in response to the Pennsylvania Public Utility Commission's request for comment regarding **Docket No. L-2019-3010267**. As currently written, Local 66 opposes this regulation, which we believe will blunt economic opportunities for our members with no real corresponding environmental benefits. The state must do everything in its power to keep private sector investment flowing into our state to ensure energy jobs remain steadily available.

For over 120 years, IUOE Local 66 has provided businesses with qualified Operating Engineers and Operating Engineer Apprentices. Our union is proud to represent 7,500 members in 33 western Pennsylvania counties and three Ohio counties. Our members work in the field for contractors, private businesses and municipalities. Notably, our members are thoroughly trained and well equipped to handle complex projects in the energy transportation space, specifically on pipelines. Our focus remains on issues that protect our wages and benefits, stimulate economic development by creating work opportunities, grow market share, and improve job safety and training.

The growth of energy jobs, both permanent and in construction, has had an immense impact on families and businesses across western Pennsylvania. The development and deployment of hydraulic fracturing and horizontal drilling has enabled the production of Pennsylvania's abundant shale deposits. Once produced, these resources are transported via a sophisticated and highly

engineered network of pipelines to distribute energy from producing areas to our cities, towns, and neighboring states. Because of the impressive partnership between private sector employers and our skilled building trade unions, Pennsylvania has established itself as the nation's second-largest natural-gas-producing state.

Development of pipelines in our communities is a lifeline for our union, as these projects allow our members to financially support themselves and their families and work where they live. Any government-manufactured delay in the construction or restoration of pipelines can have significant impacts on our workforce. Delays caused by undue regulation create uncertainty for skilled workers like those of IUOE and could directly imperil their financial situation should they have trouble securing work. Delays also add to the preexisting strain on the Commonwealth's energy sector, which is at risk of losing skilled workers to other states where similar projects are already underway.

Because energy production and transportation have such a large impact on businesses and families, it is imperative that Pennsylvania's regulatory process be appropriately rigorous to protect our communities and the integrity of our lands and waters, but that it does not add unnecessary burdens that would discourage continued growth. Our state's smart approach to tailored but rigorous regulation has paid dividends over the years for the union, consumers, and businesses across western Pennsylvania. It is from this perspective that we are concerned with the reach of these newly proposed regulations and the potential for negative impacts on our membership.

Let me be clear: Comprehensive and adequate federal safety regulations already exist, administered by the Pipeline and Hazardous Materials Safety Administration (PHMSA). The Pennsylvania General Assembly expressly recognized that the PHMSA regulations ensure safe pipeline operations when it passed Act 127 of 2011. Act 127 provides for the Commission to regulate non-utility intrastate hazardous liquids pipelines and expressly prohibits the Commission from enacting any regulations "greater or more stringent" than the federal PHMSA regulations. When it comes to safety regulations, there is no reasonable or logical basis to treat public utility certificate-holding hazardous liquid pipelines differently from non-utility hazardous liquid pipelines.

The PUC also fundamentally ignores the environmental advantages of using pipelines as a means of gas transportation. Pipelines are already the safest way to transport hazardous liquids under the federal regime. If these regulations were imposed, Pennsylvania would be the only state regulated to this degree. Many of the pipelines that would be subject to these regulations are part of a system that

crosses state lines, meaning different parts of the same pipeline system would be regulated differently.

Energy infrastructure is a critical piece of our economy. At a more granular level, the jobs in the energy field provide dignified work opportunities and livelihood to many of our brothers and sisters. Pipeline projects demonstrate that government, private businesses, and labor can work together for the greater good. For those reasons, I encourage the PUC to refrain from adding additional burdensome regulations on Pennsylvania's energy producers and transporters.

SINCERELY,

Tom Melisko

Tom Melisko, Business Manager

International Union of Operating Engineers Local 66