

JOSH GREEN, M.D. GOVERNOR | KE KIA'ĀINA

**SYLVIA LUKE** LIEUTENANT GOVERNOR | KA HOPE KIA'ĀINA

### STATE OF HAWAII | KA MOKUʻĀINA ʻO HAWAIʻI OFFICE OF THE DIRECTOR DEPARTMENT OF COMMERCE AND CONSUMER AFFAIRS KA ʻOIHANA PILI KĀLEPA

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### Written Testimony Only

### **Testimony of the Department of Commerce and Consumer Affairs**

Before the
House Committee on Finance
Thursday, February 22, 2024
10:00 a.m.
Conference Room 329 and Videoconference

### On the following measure: H.B. 2523, H.D.1, RELATING TO ELECTRIC UTILITY LINEMAN

Chair Yamashita and Members of the Committee:

My name is Nadine Ando and I am the Director of the Department of Commerce and Consumer Affairs (Department). The Department supports this bill.

The purposes of this bill are to: (1) establish licensing requirements, including minimum standards and qualifications, for journey worker electric utility linemen and expands the board of electricians and plumbers to include members engaged in electric utility work beginning on 1/1/2027; and (2) repeals an existing exception to the impending sunset of the limited exemption from electrician licensing requirements that was originally enacted by Act 65, SLH 2013, and extended pursuant to Act 60, SLH 2018, and Act 68, SLH 2022.

The department supports the intent of the bill to establish minimum standards and qualifications, and licensing requirements for an employee performing electric utility lineman work while employed by a third-party contractor which would protect the safety

Testimony of DCCA H.B. 2523, H.D.1 Page 2 of 2

and welfare of the public as well as the individual performing the work and would be consistent with the licensure of a journeyman electrician or plumber, whose qualifications, training, and practical experience would be reviewed and assessed prior to being cleared to sit for a qualifying exam and/or perform the work.

We also recognize the bill's intent to promote and develop a local, qualified work force through workforce development efforts.

Thank you for the opportunity to testify on this bill.



JOSH GREEN, M.D. GOVERNOR

SYLVIA LUKE

MARK B. GLICK CHIEF ENERGY OFFICER

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Testimony of MARK B. GLICK, Chief Energy Officer

### before the HOUSE COMMITTEE ON FINANCE

Thursday, February 22, 2024 10:00 AM State Capitol, Conference Room 308 and Videoconference

Providing Comments on **HB 2523, HD1** 

#### RELATING TO ELECTRIC UTILITY LINEMAN.

Chair Yamashita, Vice Chair Kitagawa, and members of the Committee, the Hawai'i State Energy Office (HSEO) offers comments on HB 2523, HD1, which, beginning on January 1, 2027: (1) establishes licensing requirements, including minimum standards and qualifications, for licensure as a journey worker electric utility lineman and expands the Board of Electricians and Plumbers to include members engaged in electric utility work; and (2) repeals an existing exception to the impending sunset of the limited exemption from electrician licensing requirements that was originally enacted by Act 65, SLH 2013, and extended pursuant to Act 60, SLH 2018, and Act 68, SLH 2022. The HD1 deletes language that amended when electrical and plumbing contractors are required to visibly display their professional license, among other amendments.

HSEO supports the intent of HB 2523, HD1, to establish minimum state requirements for journey worker electric utility line workers to protect those performing this dangerous work and the public. HSEO generally supports any efforts to increase worker safety in the electricity sector and the workmanship of Hawai'i's electric grids.

Hawai'i State Energy Office HB 2523, HD1 – RELATING TO ELECTRIC UTILITY LINEMAN – Comments February 22, 2024 Page 2

HSEO also appreciates the intent of HB 2523, HD1, to develop a local workforce, while acknowledging the legitimate issues raised regarding the potential impacts to labor availability. HSEO hopes further discussion on this measure will inform long-term, consensual solutions in the public interest.

Thank you for the opportunity to testify.

# TESTIMONY OF LEODOLOFF R. ASUNCION, JR. CHAIR, PUBLIC UTILITIES COMMISSION STATE OF HAWAII

### TO THE HOUSE COMMITTEE ON FINANCE

February 22, 2024 10:00 a.m.

Chair Yamashita, Vice Chair Kitagawa, and Members of the Committee:

**MEASURE:** H.B. No. 2523, HD1

**TITLE:** RELATING TO ELECTRIC UTILITY LINEMAN.

**DESCRIPTION:** Beginning 1/1/2027, establishes licensing requirements, including minimum standards and qualifications, for licensure as a journey worker electric utility lineman and expands the Board of Electricians and Plumbers to include members engaged in electric utility work. Repeals an existing exception to the impending sunset of the limited exemption from electrician licensing requirements that was originally enacted by Act 65, SLH 2013, and extended pursuant to Act 60, SLH 2018, and Act 68, SLH 2022. Effective 7/1/3000. (HD1).

### **POSITION:**

The Public Utilities Commission ("Commission") offers the following comments for consideration.

### **COMMENTS:**

The Commission appreciates the intent of this measure to develop a local workforce of qualified workers to ensure public health and safety for electrical utility work.

The Commission agrees that having a robust certification framework would create a clear path to grow a local workforce of electricians to support and work on electric utility transmission and distribution line infrastructure. The Commission also agrees that these workers face inherent dangers in performing their everyday job functions. For that reason, and while the Commission generally defers to the Board of Electricians and Plumbers as

to the implementation, requirements, and timeline of such a framework, the Commission offers the following comments for consideration, relevant to page 8, sections (A), (B), and (C):

- The Committee may consider specifying a minimum number of years of experience in electrical utility lineworker work to align with how requirements of other job classifications are set;
- The Committee may consider adding a requirement for some training specifically
  with an electrical utility, whether prior to or as part of work with an electrical utility,
  to ensure alignment with utility-specific practices, which may sometimes be more
  stringent than the National Electrical Safety Code ("NESC");

On Page 13, the Committee may consider also including a requirement to section (b) for a training and safety course provided by the electric utility to ensure education is specific to electric utility infrastructure and lines.

The Commission believes that the hard-working journey electrical workers essentially keep the lights on and given the dangerous and critical nature of the work, would encourage careful consideration of any deviation from requisite time frames for training for similar job classifications. The Commission is cognizant of the pending lapse of the limited exemption by June 30, 2027, and suggests that perhaps the Committee could consider a tiered approach to licensure requirements for requisite training time, with workers that enroll within the program until June 30, 2027, being allowed a faster path to journey worker status i.e. three and a half years, while future enrollees after that date could face longer paths to journey worker status, up to the other cited time frames of five years.

The Commission would also encourage consideration of use of the term "lineworker" instead of "lineman" to promote gender equity in the field.

Lastly, the Commission encourages removal of the defective effective date and make this measure effective upon approval.

Thank you for the opportunity to testify on this measure.



### HOUSE COMMITTEE ON FINANCE

HEARING DATE: Tuesday, February 22, 2024

TIME: 10:00 a.m. PLACE: State Capitol

Conference Room 308

RE: Testimony in **Strong Support** of House Bill 2523 HD1

Aloha Honorable Chair Yamashita, Vice Chair Kitagawa, and Members of the Committee;

The International Brotherhood of Electrical Workers Local Union No. 1260 (IBEW 1260) would like to respectfully offer the following testimony in **Strong Support** of House Bill 2523 HD1.

IBEW 1260 is comprised of approximately 3,000 members representing Hawai'i's electric utility companies, including electric utility linemen, as well as government service contracts and media personnel throughout Hawai'i, Guam, and Wake Island. Our members include a diverse local workforce of dedicated, highly skilled, and trained individuals working 24 hours a day, 7 days a week, to generate, transmit, and distribute electricity throughout Hawai'i and to ensure the reliability and resiliency of this precious resource.

IBEW 1260 strongly supports House Bill 2523 HD1 which establishes licensing requirements, including minimum standards and qualifications for journey worker electric utility linemen, and expands the board of electricians and plumbers to include members engaged in electric utility work; as well as sunsets the original limited exemption from licensing requirements that was originally established by Act 65, SLH 2013, and extended pursuant to Act 60, SLH 2018.

Act 65 (2013) extended a limited exemption from licensing requirements to electric utility lineman performing electric utility work while employed by a third-party contractor contracted by a utility. Employees of a utility are exempt from licensing under 448E (HRS), and are regulated by the Public Utilities Commission where standards for the Installation, Operation, and Maintenance of Overhead and Underground Electrical Supply in accordance with the purpose and scope of the National Electrical Safety Code are administered.

House Bill 2523 seeks to address concerns raised by the Legislature in 2013, when Act 65 was first adopted. *Concerns included licensing requirements, public safety and welfare, and the development of a qualified and trained local workforce.* In addition, and at the time Act 65 was being discussed, industry

<sup>&</sup>lt;sup>1</sup> See Senate Bill 512 Senate Draft 1, Senate Standing Committee Report No. 538, "The sunset provision will allow an electric utility to contract with qualified out-of-state high voltage workers in emergency situations until in-state workers are appropriately trained through a high voltage apprenticeship program".



stakeholders also stated in written testimony, "...local training to develop a quality Hawaiian workforce would be the best long- term goal for securing a safe and reliable electrical grid for our community".<sup>2</sup>

In response to the concerns raised by the legislature and comments made by industry stakeholders, IBEW 1260 who represents electric utility linemen throughout the state, established a state-approved apprenticeship program and has been actively developing such a qualified and properly trained local workforce to perform this work.

By establishing minimum standards and qualifications, and licensing requirements for an employee performing electric utility lineman work while employed by a third-party contractor, House Bill 2523 *HD1 protects the safety and welfare of the public as well as the individual performing the work*, as it would establish a process similar to that of a licensed inside journeyman electrician or a licensed journeyman plumber, whereby an individual's qualifications, training, and practical experience would be reviewed and assessed prior to being cleared to sit for a qualifying exam and/or perform such work.

The legislature, in response to industry concerns, provided a limited exemption from 448E (HRS) through Act 65 (2013), but as evidenced by its sunset clause, also tasked the industry with finding a long-term solution to the underlying issue of performing unlicensed electrical work, improving public safety and welfare, and developing a local workforce. House Bill 2523 HD1 intends to address these concerns and more.

At a time when electric utilities and its infrastructure are facing significant review and scrutiny, IBEW1260 believes House Bill 2523 HD1 is not only timely, but prudent in its intent to ensure that Hawai'i's electric utility linemen workforce is of the highest quality and caliber, and to provide the administering agency and industry stakeholders with ample lead time to implement its provisions.

In response to some concerns raised in the previously held Committee on Consumer Protection and Commerce, IBEW 1260 would like to offer the following comments.

To be clear, the primary intent of HB2523 HD1 is to improve public and workplace safety and welfare in the electric utility industry. Second to this primary objective, is to support the development of a locally trained workforce through a locally administered apprenticeship program. One such program has been established and is being developed by IBEW 1260. Regardless of the success and/or failure of such efforts, it does not minimize or detract from HB2523 HD1's primary objective to *improve the safety and welfare of the public and of the workplace and individuals performing the work*. A successful apprenticeship program is not the driving factor behind this measure, but can be a benefactor of it.

Regarding concerns that such licensing requirements might restrict a utility's ability to respond to unexpected events that may fall short of a disaster, IBEW 1260 believes that state and county executive privilege provided in HRS 127 A-14 allows for appropriate action by state and/or local officials on a case-by-case basis and as the

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<sup>&</sup>lt;sup>2</sup> See written testimony submitted by IBEW Local Union No. 1186 (D.Kim) in support of SB512 SD1, House Committee on Labor and Public Employment and House Committee on Energy and Environmental Protection, March 15, 2013.



situation at the time might dictate. In addition, labor loans from other electric utility contractors and utilities within the state might be another possible resource in such unexpected situations.

Lastly, we would like to acknowledge a mutual attempt between IBEW 1260 and the Board of Electricians and Plumbers (E&P Board) to address concerns raised by the E&P Board in the previously held hearing of the House Committee on Consumer Protection and Commerce on February 6, 2024, but due to scheduling restraints was unable to meet, therefore would like to address and/or clarify the E&P Board concerns as follows:

1) "The description of the journey worker electric utility lineman's scope of work appears too broad and contains description of work that are not specific to the scope of lineman work".

Response: IBEW 1260 respectfully disagrees and notes the scope in question and proposed in HB2523 HD1 relative to the journey worker electric utility lineman<sup>3</sup> is much more specific in scope than the existing journey worker electrician found in HRS 448E-1 which simply states that a "journey worker electrician means any person who has been licensed by the board as a journey worker electrician to perform electrical work"

The scope of a journey worker electrical utility lineman referenced in HB2523 HD1 is consistent with and specifically references the National Electrical Safety Code (NESC), which is the electrical industry standard for this type of work and is also adopted as the standard by the Public Utilities Commission (PUC) (See PUC Administrative Rules Chapter 16-73-11) as it applies to such work performed by utilities.

2) "It is unclear if this measure expands the Board jurisdiction to all work performed under the scope and purpose of the NESC as well as other codes and standards adopted pursuant to HRS 269".

Response: The short answer is "Yes" HB2523 HD1 expands the jurisdiction of the E&P Board to all work performed under the scope and purpose of the NESC as well as other codes and standards adopted pursuant to HRS 269, as it relates to the work performed by a journey worker electric utility lineman.

Additionally, although currently the PUC only recognizes the NESC as an industry standard pursuant to HAR 16-73-11, HB2523 HD1 is written to accommodate any future codes and standards that the PUC might adopt.

3) a. "There has not been sufficient lineman work outside of the public utility for individuals to gain the proposed three and a half years of full-time experience requirement".

Response: IBEW 1260 respectfully disagrees. As the labor-union that represents this segment of the electrical industry, we work closely and intimately with the utilities/contractors and their workforce needs. This segment of the industry is no different than any other apprenticeable construction trade in that labor and manpower needs adjust to the ebbs of flows of the industry.

<sup>&</sup>lt;sup>3</sup> "Journey worker electric utility lineman" means any person who has been licensed by the board in accordance with the National Electrical Safety Code as a journey worker electric utility lineman to perform all electric utility work involving the installation, maintenance, and operation of energized and de-energized equipment and appurtenances associated with the transmission and distribution of electricity from the electricity's original source to the point of service.



b. The proposed license requirement for public utility employees and individuals actively performing journey worker electric utility lineman work in Hawai'i is a minimum of six calendar months prior to January 1, 2027, whereas all others are required to have three and half years of field experience, 432 hours of course work, and successfully pass an examination".

<u>Response:</u> The six-month provision acts as a grandfather clause and is specifically intended to allow the industry to pre-license its current employees prior to the licensing requirement taking effect. This provision is completely voluntary for employees of utilities as they are exempt from licensure while employed by a utility.

c. "It is unclear if there are enough individuals in the State that possess the proposed field experience and education requirement to qualify to take the examination and could supervise other individuals to gain the proposed experience requirement".

Response: Please refer to our response to concern 3a. That is the intent of the grandfather clause that qualifies all existing employees of contractors and/or utilities should they voluntarily decide to take the exam, duly qualified to take the exam, provided that receipt of the license is contingent on passing the examination.

d. "The requirement to show that the applicant has been actively performing journey worker electric utility work in Hawai'i needs clarification".

<u>Response:</u> This would work no different than it currently does for an out of state journey worker electrician or plumber seeking licensure in Hawai'i from the E&P Board. A signed affidavit from a contractor licensed to perform the work in Hawai'i attesting to the journey worker status and work performed in the industry could be discussed and accepted by the E&P Board as satisfactory evidence of such.

e. "The requirement for "satisfactory evidence of experience within the scope and practice of the NESC and other codes and standards adopted pursuant to chapter 269" needs to be clarified.

Response: This stated requirement is no different than the stated requirement for the journey worker electrician or the journey worker plumber pursuant to HRS 448E-5 (1) and (5). Furthermore, if the E&P Board feels there still should be more clarity, such can be contemplated in the applicable administrative rules that will implement the statute if adopted.

f. "It is unclear if the January 1, 2027, effective date provides enough time to allow for design, staffing, and implementation of the required education courses, in addition to providing enough time for applicants to meet the requirements of 432 coursework hours prior to January 1, 2027".

<u>Response:</u> Please refer in part to our response to concern 3 a. In addition, this speaks to the core reason why adopting these requirements sooner than later are critical to meet industry needs come June 2027 when Act 65 sunsets and we are faced with a segment of the electric utility industry that has no clear safety and welfare standards or industry oversight.



The required education courses in question here are already in place. Widely accepted Joint Apprenticeship Training Committees or JATC's are already in place in Hawai'i. Current state approved apprentice (Lineman) programs managed by the utilities as well as IBEW 1260 and others, already include approved courses and applicable examinations. Such can be considered, implemented, and assimilated by the E&P Board which should provide ample time to ramp up the program prior to June 2027.

g. "An appropriate exam would need to be developed for the proposed journey worker electric utility lineman license".

Response: Please refer to our response to the previous concern 3 f.

h. "The Board has concerns that the proposed change to the Board's composition may adversely impact the equity of Board decisions".

<u>Response:</u> IBEW 1260 respectfully disagrees. It is clear that the "energized" work performed by a journey worker electric utility lineman pursuant to the National Electrical Safety Code (NESC) on the "supply" side of the point of service versus the "de-energized" work performed by a journey worker electrician pursuant to the National Electrical Code (NEC) on the "demand" side of the point of service is distinctly unique and entirely separate from the other.

It is absolutely vital should this measure be adopted into law, that the E&P Board be expanded to include individuals who possess the professional knowledge, expertise and understanding of the electrical utility industry and how it operates in comparison to the inside electrician's trade. These are two vastly different sectors within the electrical industry that answer to two entirely separate codes and standards, and that require two entirely separate tracks of training, knowledge, and expertise beyond the basic concepts of electricity.

Currently the E&P Board administers a total of (9) nine licenses, of which (7) seven are for the inside electrician's trade, and (2) are for the plumber's trade. The licenses administered for the inside electrician's trade represents 78% of the total licenses administered by the E&P Board yet the inside electrician's membership on the Board maintains only 50% representation.

To re-emphasize, if HB2523 HD1 is adopted and becomes law, it is imperative that the Board be increased to include an equal number of representatives from the electrical utility lineman trade to ensure that the Board maintains the requisite expertise and knowledge necessary to properly consider as well as make sound and defensible decisions on behalf of the industry and its stakeholders.

In summary and although unintended, this measure could not have been more timely. On the heels of the recent tragic events on Maui, the integrity and reliability of Hawai'i's electrical infrastructure is of utmost importance and concern. The assurity, especially once Act 65 sunsets, that the work being performed on Hawai'i's electrical infrastructure is being performed by properly trained and qualified individuals to ensure the safety and well-being of the public and of the individual performing the work itself, cannot be stressed enough.

Mahalo for the opportunity to testify on this very important matter.





### PLUMBERS AND TO CONTROL OF THE PROPERTY OF THE PLUMBERS AND FITTERS LOCAL 675

#### **COMMITTEE ON FINANCE**

**HEARING DATE:** 

Thursday, February 22, 2024

TIME:

10:00 a.m.

PLACE:

State Capitol; Conference Room 308

RE: Testimony In Support of House Bill 2523 HD1 Relating To Electric Utility Lineman

Aloha Honorable Chair Yamashita, Vice Chair Kitagawa, and Members of the Committee;

Chartered in 1919, the Plumbers and Fitters UA, Local 675 is one of the oldest organized labor unions in Hawai'i and one of three 'licensed' skilled-construction trades, steeped in a rich history as one of Hawai'i's construction-industry pioneers.

Local 675 supports House Bill 2523 HD1 that establishes licensing requirements, including minimum standards and qualifications, for journey worker electric utility linemen and expands the board of electricians and plumbers to include members engaged in electric utility work, and sunsets the original limited exemption from licensing requirements for qualified electricians originally enacted by Act 65, SLH 2013, and extended pursuant to Act 60, SLH 2018 as of January 1, 2027.

As one of three licensed trades in Hawai'i and one of two administered by the Electricians & Plumbers Board, we understand and recognize positive benefits to the state by requiring licensure of a trade or craft that performs work in an area that may pose a safety and welfare risk to the public, or to the individual performing the work.

Local 675 understands the intent of HB2523 HD1 is to promote the development of a local workforce and establish a process by which individuals performing certain work in a regulated industry, that may otherwise be unregulated should HB2523 HD1 not pass, would be vetted to ensure that they meet minimum standards of qualifications and training as a pre-condition of performing such work in the state. In light of the dangerous nature of the work being considered in HB2523 HD1, Local 675 believes such licensing requirements would be appropriate and an overall benefit to the public and to the state.

Mahalo for the opportunity to testify in support of this measure.





### Testimony of the Board of Electricians and Plumbers

# Before the House Committee on Finance Thursday, February 22, 2024 10:00 a.m. Conference Room 308 and Videoconference

### On the following measure: H.B. 2523, H.D. 1, RELATING TO ELECTRIC UTILITY LINEMAN

Chair Yamashita and Members of the Committee:

My name is Phillip Lucero, and I am an Electrician Industry Member of the Board of Electricians and Plumbers (Board). The Board offers comments on this bill.

The purposes of this bill are to: (1) beginning January 1, 2027, establish licensing requirements, including minimum standards and qualifications, for journey worker electric utility linemen and expand the board of electricians and plumbers to include members engaged in electric utility work; and (2) repeal an existing exception to the impending sunset of the limited exemption from electrician licensing requirements that was originally enacted by Act 65, SLH 2013, and extended pursuant to Act 60, SLH 2018, and Act 68, SLH 2022.

It is unclear if this proposed measure would accomplish its goal of creating a local workforce of qualified linemen. Act 65, SLH 2013, Act 60, SLH 2018, and Act 68, SLH 2022, were enacted by the Legislature to address the need for individuals who were qualified to work with high voltage power lines. The Board has many questions and needs time for discussion with industry stakeholders.

The Board seeks clarification on issues including, but not limited to: (1) the scope of work of the journey worker electric utility lineman, (2) the access to hands-on electric lineman training on electrical lines in the State, (3) the license requirements, and (4) the necessity of changing the Board's composition.

(1) The description of the journey worker electric utility lineman's scope of work appears too broad and contains descriptions of work that is not specific to the scope of electric lineman work. The scope of work of a journey worker electric utility lineman should include above ground electrical line work involving the maintenance and operation of equipment associated with the above ground transmission and distribution

Testimony of the Board of Electricians and Plumbers H.B. 2523, H.D. 1 Page 2 of 4

of electricity from the electricity's original source to a substation for further distribution. The proposed scope of the journey worker electric lineman work includes the "transmission and distribution of electricity from the electricity's original source to the point of service." However, as written, the original source of the electricity could be defined as the substation, which is within the scope of work currently performed by a journey worker industrial electrician (EJI) or a journey worker electrician (EJ). In addition, the "point of service" as proposed in the measure could be defined as the switchgear or meter at a business or residence, which is in the scope of work currently performed by an EJ. In addition, the proposed scope of work includes installation, which is currently performed by an EJ.

- (2) In order to develop a quality workforce in Hawaii, all qualified candidates must have equitable access to hands-on electric utility linework that is required for appropriate training, not just the academic coursework offered through various providers. It is the Board's understanding that currently only members of International Brotherhood of Electrical Workers (IBEW) Local 1260 may have access to and gain experience with the lineman work that the public utilities perform in the State. The exclusive access of public utility lineman work to the union's members limits non-union industry workers to the lineman work that is outside of the public utilities' jurisdiction, or they must travel out-of-state for experience. There has not been sufficient lineman work outside of the public utility for individuals to meet the proposed three and a half years of full-time experience requirement.
- (3) The Board has concerns regarding the proposed license requirements as follows:
  - There should be a qualifying pathway for licensed EJIs and licensed EJIs in the State to become trained, certified, and licensed to perform electric lineman work.
  - As the National Safety Electric Code (ESC"), adopted by the Public Utility
     Commission, is recognized as the code and standard for training electric utility
     linemen, the Board believes that requiring candidates to also have experience

- in "other codes and standards as adopted pursuant to chapter 269," will disqualify individuals who attained acceptable lineman training out-of-state.
- The proposed license requirement for public utility employees and individuals
  actively performing journey worker electric utility lineman work in Hawaii is a
  minimum of six calendar months prior to January 1, 2027, whereas all others
  are required to have 3.5 years field of experience, 432 hours of course work,
  and successfully pass an examination.
- It is unclear if there are enough individuals in the State that possess the
  proposed field experience and education requirement to qualify to take the
  examination and could supervise other individuals to gain the proposed
  experience requirement.
- The requirement to show that the applicant has been actively performing journey worker electric utility lineman work in Hawaii needs clarification.
- The requirement for "satisfactory evidence of experience within the scope and practice of the NESC and other codes and standards adopted pursuant to chapter 269" needs to be clarified.
- The University of Hawaii must be consulted to determine and confirm the cost of the educational classes, availability of the classes across the State, number of instructors qualified to teach the classes, locations of the classes, and accessibility of the classes. Thus, it is also unclear if the January 1, 2027, effective date provides enough time to allow for design, staffing, and implementation of the required education courses, in addition to providing enough time for applicants to meet the requirements of 432 coursework hours prior to January 1, 2027.
- An appropriate exam would need to be developed for the proposed journey worker electric utility lineman license.
- (4) The Board has concerns that the proposed change to the Board's composition may adversely impact the equity of Board decisions. Currently, the Board consists of seven (7) members: two (2) electricians, two (2) plumbers, and three (3) public members. The current composition is balanced and has worked well for many

years, as industry and consumer interests are all represented. Additionally, the Board believes that an EJ is qualified to evaluate applications for all electrician licenses. This bill proposes to alter the Board's composition by requiring two (2) electric utility linemen, two (2) electricians, two (2) plumbers, and three (3) public members. This change will clearly create an imbalance on the Board in favor of electricians and the Board is concerned it may lead to one-sided decisions and may result in inequitable decisions for appropriate administration of the law.

The Board feels that the State can efficiently and sustainably develop a local workforce of properly qualified and trained linemen, as well as protect the health and safety of the public and utility workers and improve and maintain Hawaii's electrical infrastructure. A licensed EJ or EJI already possess core skills and theories of working with electricity. The Board suggests that current training programs in the State consider opening their programs to all qualified individuals, whether the individuals are a member of a union or not, and evaluate their programs for training and certification of the licensed journey worker electrician and journey worker industrial electrician, as a means of shortening the length of the program to become certified.

It is understood that the amount of lineman work fluctuates, often in response to weather events or other catastrophes. Career linemen typically travel frequently to where the jobs are and, for individuals in Hawaii who are qualified to perform only lineman work and no other electrical work, that could require they travel for extended periods, possibly leaving Hawaii to pursue their career. Licensed electricians in the State who are also certified to perform lineman work can adapt to market demands. Currently, individuals performing lineman work in the State have the appropriate training and certification. If the amount of lineman work decreases, licensed electricians are authorized to perform other electrical work in the State. This may help ensure a more stable industry to serve the market.

This measure was first discussed at the Board's January 23, 2024, meeting, and the Board requests additional time to consider and recommend options that could help meet the measure's goal of creating a local workforce of trained and qualified linemen.

Thank you for the opportunity to testify on this bill.



### TESTIMONY BEFORE THE HOUSE COMMITTEE ON FINANCE

### HB 2523, HD1 Relating to Electric Utility Linemen

February 22, 2024 10:00 AM State Capitol, Conference Room 308

Michael B. Ryder
Acting Director, Transmission & Distribution Operations
Hawaiian Electric

Dear Chair Yamashita, Vice Chair Kitagawa, and Members of the Committee,

My name is Michael B. Ryder and I am testifying on behalf of Hawaiian Electric in support of HB 2523, HD1, Relating to Electric Utility Lineman.

Hawaiian Electric supports the intent of HB 2523, in that this bill is aimed at promoting the creation of a trained local workforce that promotes the safe and efficient construction of electrical transmission and distribution systems. Safety is Hawaiian Electric's number one priority. Adding "journey worker electric utility lineman" as a class of workers that require specific training under the National Electrical Safety Code and a license established under HRS 448E will promote the safe and efficient construction of utility systems.

Hawaiian Electric itself already provides training in accordance with the National Electrical Safety Code to its utility linemen that satisfies the requirements of HRS 448E, through various programs and through direct work experience. That is why Hawaiian Electric's employees, and the employees of other franchised electric utility companies in Hawaii, are exempt from the licensing requirements of HRS 448E, as expressly stated under HRS 448E-13(a)(1).

Thank you for this opportunity to testify in support of HB 2523, HD1.



### **International Brotherhood of Electrical Workers**

LOCAL UNION NO. 1186 • Affiliated with AFL-CIO

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TO: HOUSE COMMITTEE ON FINANCE

Hearing on Thursday, February 22, 2024 at 10:00a.m., Conference Room 308

RE: TESTIMONY **OPPOSED** TO HB 2523 HD1

Honorable Chair Kyle T. Yamashita, Vice Chair Lisa Kitagawa, and Members of the Committee on Finance:

The International Brotherhood of Electrical Workers Local Union 1186 (IBEW 1186), is comprised of over 3,000 men and women working in electrical construction, telecommunications, civil service employees, and educator and faculty associations.

IBEW 1186 **OPPOSES** this bill in its effort to establish a license for electric utility lineman. We believe that adding this regulation will have several unintended consequences and may actually have the reverse effect of the bill's intention to build-up a local workforce of electric utility linemen.

IBEW 1186 does not dispute the extremely dangerous nature of this work. There are often no second chances when mistakes are made while working with high voltage electricity. Training and experience are essential to the safety of the worker and the public. This cannot be questioned nor compromised.

What this bill fails to recognize is the unique nature of the work of a utility lineman, specifically when the utility company hires contractors to do excess work beyond the capacity of its existing staff of linemen. This outside contracted work often ebbs and flows to the point where it can be extremely busy and then suddenly it could be almost non-existent, and the excess lineman will leave the State and travel to locations throughout the United States to meet the demands wherever they are.

IBEW 1186 experienced this unpredictability of the amount of work while establishing our own Lineman Apprenticeship Program, which is still available, however it is inactive with no apprentices. Much effort was put into establishing this apprenticeship program, and local residents were brought in to be trained; however, the work quickly dried up and the utility company was handling the work with their own staff and not contracting out the work to private contractors. Apprentices must have a sufficient amount of work to complete their programs.

In the case of the IBEW 1186 Lineman Apprenticeship Program, <u>every apprentice was forced to leave the State</u> in order to complete their training, due to the lack of available work being offered to private contractors by the utility company.

The IBEW 1186 Lineman Apprentice Program is still currently available, but still depends on the amount of available work the utility company contracts out. Even if the apprentices in the program were able to complete the program locally, their future existence of gainful employment would rely on the same conditions of available contracted work by the utility company. Without it, this same local resident, trained and qualified as a lineman, will have to leave the State to find the steady work if he is not an employee of the utility company.

The unintended consequence, and reverse effect, of this bill seeking to now require a license, would be that when the work amounts get busy, will all these locally trained lineman, who had to leave because of the lack of work, now just come home to Hawaii at the very moment? In addition, it would now require previously qualified lineman who come into the State when the workloads are high, to go through the complicated and often slow licensing process. It may be actually harder to get lineman to come here, and then there would actually be a need to exempt this licensing requirement to address priority work. The peaks and valleys nature of line work cannot be disregarded in this discussion.

An easier fix to increasing a local workforce would be to have the utility company hire and train more lineman and keep them on staff. Employees of the utility company are already exempted per existing licensing laws. However, it is probably a business decision to limit the hirings due to the peaks and valleys nature of the work.

Lastly, an additional unintended consequence of this license bill is that it could lead to many confusing and complicated jurisdictional questions of which license is required, or which license is acceptable for various types of electrical work. One of the most time consuming and often strongly contested subjects before the licensing boards is scope of license determinations.

IBEW 1186 believes that the current requirements the utility company already demands from any outside contractor, and their workers, is sufficient to ensure that qualified linemen are doing the work. The highest standards of safety precautions are already in place under the current system. While accidents may still happen, we don't see this license requirement as having an impact on whether those accidents happen or not. All of those doing linemen work now are still trained and qualified through the IBEW and its nationally recognized training programs.

For these reasons, **IBEW 1186 OPPOSES HB 2523 HD1**.

Sincerely,

Damien T.K. Kim Business Manager/ Financial Secretary



#### Testimony Before the House Committee on Finance

By David Bissell
President and Chief Executive Officer
Kaua'i Island Utility Cooperative
4463 Pahe'e Street, Suite 1, Līhu'e, Hawai'i, 96766-2000

Thursday, February 22, 2024; 2:00 pm Conference Room #329 & Videoconference

#### House Bill No. 2523 HD1 - RELATING TO ELECTRIC UTILITY LINEMAN

To the Honorable Representative Kyle T. Yamashita, Chair, Representative Lisa Kitagawa, Vice Chair and Members of the Committee:

Kaua'i Island Utility Cooperative (KIUC) is a not-for-profit utility providing electrical service to more than 34,000 commercial and residential members. KIUC appreciates the intent of this bill, which is to ensure the health and safety of the public and electric utility workers.

#### KIUC offers comments on this measure.

The labor shortage in the State of Hawai'i is having a significant impact on recruitment efforts for businesses of every type, including utilities. As of December 2023, Kaua'i had the lowest unemployment rate in the state at 2.3%.

Recruitment becomes even more difficult for positions requiring specialized skills, such as journeyman linemen. These positions are critical to ensuring KIUC can provide safe and reliable power to its members. Despite continued collaboration with schools, community colleges and other organizations committed to economic and workforce development, KIUC struggles to fill open lineman positions. In order to sustain a schedule for necessary system repairs, maintenance and upgrades, KIUC occasionally utilizes the services of contract linemen.

Additionally, special projects and unexpected events often require KIUC to use contract linemen. Oftentimes these projects are necessary to ensure the health and safety of employees and the general public.

Currently, KIUC verifies contracted journeyman lineman credentials prior to allowing work on KIUC facilities. Required credentials may include an active Journeyman Lineman card, IBEW Journeyman Lineman ticket, or Journeyman Lineman Certificate.

We do have concerns that requiring contracted electrical utility workers to comply with the examination requirements outlined in §448E-8.5 (b)(2) could impede an electric utility's ability to address urgent repair and maintenance needs in a timely manner. An alternative approach could be to allow a contractor to submit journeyman lineman credentials to initiate the state licensing process, allowing them to work until such time as the state license is obtained. This, along with the creation of a licensing process that would require days or weeks, rather than months, to complete would significantly alleviate KIUC's concerns.

We offer the following amendment to Section 5 (a)(2), beginning on Page 7, line 11:

- (2) Journey worker electric utility lineman: To be eligible for work as an electric utility lineman pending successful completion of the journey worker electric utility lineman examination, an applicant shall be at least eighteen years of age and shall provide satisfactory evidence of:
  - (A) Experience in electric utility lineman work within the purpose and scope of the National Electrical Safety Code and other codes and standards adopted pursuant to chapter 269;
  - (B) At least three and a half years full-time or its equivalent, but no less than seven thousand hours, performing the electric utility lineman work under the supervision of a journey worker electric utility lineman; [and]
  - (C) Satisfactory completion, accepted by a university of Hawaii community college or its equivalent offering an appropriate program of study, of four hundred thirty-two hours of electrical academic coursework; and
  - (D) Registration for the journey worker electric utility lineman examination;

KIUC also believes that public utility employees indentured under a utility apprenticeship program should be clarified as remaining exempt from licensing provisions of this bill.

Mahalo for the opportunity to comment.