

AFL-CIO

**Written Testimony of Elizabeth H. Shuler
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Before the

SENATE ENERGY AND NATURAL RESOURCES COMMITTEE

**Hearing on Opportunities for Congress to Reform the Permitting Process for
Energy and Mineral Projects**

May 11, 2023

Thank you, Chairman Manchin, Ranking Member Barasso, and members of the Committee for the chance to speak today on this very important topic.

I'm Liz Shuler, President of the AFL-CIO. I'm proud to be here on behalf of the 12.5 million workers we represent, across 60 different unions.

Permitting reform is a top priority for the AFL-CIO and all of our members in mining, manufacturing and construction. Every job in every part of the clean energy economy depends on permitting and siting – mining of critical minerals that we need for the transition, electricity transmission which is key to expanding renewable energy, pipelines and other infrastructure that we need for hydrogen and CCS, manufacturing, and power generation, especially wind, solar and nuclear.

The issue of permitting reform is particularly important for our members in sectors directly linked to what we make and build in this nation. These are big sectors.

According to the latest Bureau of Labor Statistics data for April of 2023, the construction sector employs 7.8 million workers and the manufacturing sector employs 12.9 million workers. Both these sectors have very high employment multipliers. Total employment in both sectors is affected by how fast we can permit and build new infrastructure and the factories that supply the goods for the infrastructure.

Offshore wind provides a great example of how building projects support our economy. The International Renewable Energy Agency (IRENA) estimates that 1 gigawatt of

offshore wind capacity requires 4.2 million person-days of work. That includes supply chain employment generated by a very substantial bill of materials, all of which must be mined, processed and manufactured. IRENA estimates that 1 gigawatt of offshore wind requires 440 tons of steel, 415 tons of copper, 310 tons of lead, 79 tons of cast iron, to name just the most used materials. The United States has a 51 gigawatt offshore wind development pipeline. This is just one industry, but it all hinges on timely permitting to give investors the certainty to fund projects and keep them moving.

Thanks to the Biden Administration and this Congress, we have a historic opportunity to create millions of good union jobs, make our infrastructure world-leading and resilient to climate impacts, and set our country on track for secure, domestic supply chains in mining, energy, and manufacturing.

The Bipartisan Infrastructure Law (IIJA), the CHIPS and Science Act, and the Inflation Reduction Act (IRA) are those opportunities. They set us on a path towards a clean energy, high tech economy.

Permitting reform is absolutely necessary to realize the full job creation and emissions reduction potential of these three bills. Full implementation of the IRA and IIJA will create more than a million new jobs (1.5 million new jobs in 2030; 9 million new job years over ten years). According to a report by the Congressional Research Service, implementing the IRA also will bring down emissions across the economy 32-40% by

2030 relative to 2005 levels. But without permitting reform, job creation will be more modest, and emissions could actually go up.

Let me give you a couple of examples of how delays in permitting affects economic opportunities for workers, clean energy, and even national security.

The Trans-West Express Transmission Project, a \$3 billion transmission line. Once built, it will add 3,000 megawatts of transmission capacity across four states to ship more renewable power to areas of high demand in the West. It is absolutely key for ensuring stable electricity supply and expanding clean energy. Construction will create approximately 700 International Brotherhood of Electrical Workers (IBEW) jobs.

It took 18 years for this project to get final approval. 18 years of additional costs for the developers and 18 years of lost economic opportunities for workers during this period.

Let me give you another example. We all know that semiconductors are essential to the US economy, yet until now we have depended on other countries to provide them. The bipartisan CHIPS and Science Act aims to do something about it. We're going to build a domestic semiconductor industry so that this essential part of US supply chains is secure.

Micron is a US producer of semiconductors. It has a facility in Boise, Idaho, and is planning to build another facility for mass production in New York. Micron needs to

expand its Boise facility to produce new semiconductor prototypes for mass production in New York. The permitting for that expansion, of an existing facility, is being held up.

What are the consequences of that delay? If Micron can't expand the Boise facility, it can't build the prototypes we need. And if it can't build the prototypes, the new facility in New York isn't going to get built. And that means that these semiconductors, which are used in a wide range of industries from auto to energy to defense, will not get to the U.S. market.

There's a union contract for the New York facility and there are negotiations about a union contract for the expansion in Boise. But without a permit for that expansion those union jobs won't happen either.

So far I have focused on mining, on construction, on energy, on manufacturing — sectors where we have many members, and sectors directly affected by permitting. But I want to point out that this issue affects all of us.

Every worker and every American.

Do we want to see our children drink clean water?

Do we want to hold off the worst impacts of climate change?

Do we want to rebuild our roads, our bridges, our crumbling infrastructure?

Do we want to set up our economy to win for the next hundred years?

All of that requires us acting with urgency and acting with justice.

And if I can leave you with one thought today, it's that: **We can do both.**

We can make this process more effective and efficient. And we can make sure that good union jobs lift up Black workers, Brown workers, vulnerable communities ...

Americans who have been left behind for way too long. Those two goals go hand in hand.

They go hand in hand because today's and tomorrow's clean energy workforce is going to have more young workers, more black and brown workers, and more women. That's what our research tells us and that's what we see in our training programs.

The union movement is ready for this moment. We are working to drive racial and gender justice through pre-apprenticeships, apprenticeships, and training. We want to expand the skilled and trained, union workforce for this clean energy economy. This is core union business.

Let me give you a couple of examples. Building Pathways is a pre apprenticeship program that the Boston Building Trades Council started in 2011. Over the last 12 years, people of color were 90% of this pre-apprenticeship program's enrollees, while 43% were women. The program placed 80% of participants in apprenticeships or industry employment.

And in Augusta, Georgia, the Building Trades Council has run a Helmets to Hardhats program for the Vogtle Electric Generating Plant with a similar story. This is a program for military veterans that helps them to train for good paying, skilled jobs in construction. More than half of the program's graduates are people of color, and just under a third are women.

When things move too slowly — when projects take over a *decade* to permit — we all get hurt.

Fewer good-paying, union jobs. Fewer opportunities for workers of color. And progress on union jobs and clean energy that is just *too slow* for communities that desperately need change.

So as a labor movement, we are deeply invested in finding ways to make the permitting process more efficient, more effective, and more fair.

I want to be very clear: That does not come at the expense of the rights of states, tribes, communities or other stakeholders to have an effective voice in the process or to formally intervene. Public participation is a key feature of the permitting process, and we urge Congress to preserve it while also significantly improving the efficiency of the process.

But I can say unequivocally, on behalf of the labor movement, we need three things.

We need certainty. We need to know when a final decision will be made, and that it is, in fact, final. That certainty is what allows investors to make commitments to companies and companies to make commitments to suppliers, contractors, and employees. It is what sends a market signal to training programs to invest in capacity or to become versed in a new technology. It is how communities can really believe that investment and jobs are coming.

We need speed. We need to deploy the full range of clean energy technology much faster than we ever have. That requires more electrical transmission, more steel, copper and aluminum, new infrastructure for hydrogen and carbon capture and storage to bring down emissions. It certainly requires more critical minerals, so we can have secure domestic supply chains and not depend on China. There are lots of examples of projects that took too long, and perhaps many ways to solve the problem, but the bottom line is that to meet our goals we have to go faster and build more projects.

And we need consistency. Of course, some details will vary by project type — whether we're talking about electricity transmission or clean water. And some projects are critical infrastructure and nationally significant, and will need to be prioritized. But as much as possible, we're looking for a standardized process that can apply to all forms of permitting, for all technologies.

In short, we want progress. Progress that allows projects to get built and that continues to protect the rights of tribes, communities, and workers.

The bottom line is: We have a once-in-a-generation opportunity right now, thanks to the IIJA and the IRA that the Biden Administration worked so hard to get through.

We can protect ourselves from the climate crisis, bring justice to workers and communities, create millions of new good union jobs, and set our entire country up for success.

American workers are ready to do our part. Thank you.