

Testimony of the Board of Electricians and Plumbers

**Before the
Senate Committee on Commerce and Consumer Protection
Tuesday, March 15, 2022
10:00 a.m.
Via Videoconference**

**On the following measure:
H.B. 1597, H.D. 1, RELATING TO ELECTRICAL CONTRACTORS**

Chair Baker and Members of the Committee:

My name is Phillip Lucero, and I am the Chairperson of the Board of Electricians and Plumbers (Board). The Board opposes this bill.

The purpose of this bill is to: (1) specify that the limited exemption under Act 65, SLH 2013, to the electrician licensing requirements for individuals working with high voltage (600 volts or higher) is further limited to only electric transmission and distribution line construction and maintenance and substation work; and (2) extend until 2028 the sunset date of Act 65, SLH 2013, and the associated reporting requirements of the exemption under Act 60, SLH 2018, regarding high voltage electrical contractors.

The Board opposes this bill because the exemption for employees of electrical contractors retained by the public utility to perform transmission and distribution line construction and maintenance and substation work, as high voltage (six hundred volts or higher) electrical work, is too broad.

Under this measure, the work that licensed journey workers are currently performing will be exempt from the requirements of licensure. Electricians are licensed to perform work under the National Electrical Code, which covers voltages over six hundred volts, and a journey worker electrician license is required to perform any electrical work, including overhead and underground high voltage electrical work.

For the Committee's information, there are contractors in the State who are licensed to perform high voltage electrical work and they employ licensed electricians who perform distribution line and substation work. The Board believes that for the safety of the public, employees of contractors that are contracted by public utility companies to perform electrical work should be licensed electricians.

When Act 65 (2013) was enacted, there was an insufficient number of high voltage projects in the State to give licensed journey worker electricians the necessary on-the-job training that is required to be certified, which may have warranted the limited exemption from electrician licensing requirements. However, given that licensed electricians employed by contractors are performing high voltage electrical work, in addition to the current prevalence of high voltage projects being performed in the State, as well as the ongoing availability of training programs, the Board believes there is sufficient high voltage work available to train additional licensed journey worker electricians to perform specific high voltage work that the public utilities require.

As the number of high voltage projects fluctuates, licensed journey worker electricians who are certified to perform high voltage work can adapt to market demands. If the number of high voltage projects decreases, licensed journey worker electricians are authorized to work on other electrical projects in the State.

Additionally, this bill requires the Board to submit to the Legislature reports regarding high voltage electrical contractors. However, the report requires information outside of the purview of the Board: the Board does not register high voltage training programs, does not register continuing education specific to high voltage work, does not license electricians to perform specifically high voltage work, and opportunities for growth in the high voltage work specialty is typically an industry issue. Thus far, the Board has had to request information directly from the Department of Labor and Industrial Relations, as well as the specific training programs that are registered with that department, in order to address the items in the report. As such, if the Committee is inclined to pass this measure, the Board believes the Department of Labor and Industrial Relations may be the more appropriate reporting entity.

Thank you for the opportunity to testify on this bill.

Testimony of the Contractors License Board

**Before the
Senate Committee on Commerce and Consumer Protection
Tuesday, March 15, 2022
10:00 a.m.
Via Videoconference**

**On the following measure:
H.B. 1597, H.D. 1, RELATING TO ELECTRICAL CONTRACTORS**

Chair Baker and Members of the Committee:

My name is Leslie Isemoto, and I am the Chairperson of the Contractors License Board (Board). The Board opposes this bill.

The purposes of this bill are to: (1) specify that the limited exemption under Act 65, SLH 2013, to the electrician licensing requirements for individuals working with high voltage (600 volts or higher) is further limited to only electric transmission and distribution line construction and maintenance and substation work; and (2) extend until 2028 the sunset date of Act 65, SLH 2013, and the associated reporting requirements of the exemption under Act 60, SLH 2018.

The Board opposes this bill because the exemption remains overly broad. The Board respectfully requests further clarification on the specific types of high voltage work that will be included in the exemption. For example, the Board acknowledges that there is a lack of individuals that work in remote and hard to access areas requiring long-lining, where workers are transported 150 feet below a helicopter to the work site.

For a point of reference as to the difference between a C-63 High voltage electrical contractor's license and a journey worker electrician's (EJ) license: (1) a C-63 contractor's license is required to contract for work to install lines that transmit, transform, or utilize electrical energy of more than 600 volts; and (2) an EJ license is required to perform any electrical work, including overhead and underground high voltage power line electrical work.

Testimony provided at the February 25, 2022 board meeting stated that HECO needs access to out-of-state journeyman line workers, cable splicers, and substation workers because resources are not available in Hawaii. Public utilities rely on electrical contractors that have the expertise and appropriately trained high voltage personnel to

assist in constructing, repairing, and maintaining their company's high voltage system and that the resources needed to supplement their workforce simply do not exist in Hawaii.

The Board disagrees with the blanket characterization that high voltage resources are not available in Hawaii and firmly believes that, at a minimum, an EJ license is required to perform any electrical work, including overhead and underground high voltage power line electrical work because a basic understanding of electrical systems is necessary to safely and properly perform electrical work on high voltage power lines. C-62 Pole and line and C-63 High voltage electrical contractors who employ licensed electricians, with specialized training, are currently performing high voltage electrical work on federal and public utility projects.

Further, independent utility grade renewable energy projects such as wind and solar projects currently contracted by C-62 Pole and line and C-63 High voltage electrical contractors are performed by the contractor's EJ employees that are trained and qualified to perform electrical work on high voltage power lines. Employees of high voltage contractors performing independent utility grade renewable energy projects are not exempt from electrician licensure because these projects are not being contracted by a public utility. These high voltage electrical contractors are complying with Hawaii Revised Statutes (HRS) section 444-9.5, which requires at least half of all individuals performing electrical work employed on a construction site shall be a licensed electrician in accordance with HRS chapter 448E and are responsible for ensuring that their EJ employees have the proper training and qualifications to perform electrical work on high voltage power lines. Similarly, the Board strongly believes that employees of contractors that are contracted by the public utility must be held to the requirements of HRS section 444-9.5 for the safety of the employee and the public.

Thus, it appears that the public utility is not utilizing all resources that are available and consideration of the resources that are available should be taken into account in specifying the type of high voltage work to be included in the exemption.

Thank you for the opportunity to testify on this bill.



**Hawaiian
Electric**

**TESTIMONY BEFORE THE SENATE COMMITTEE ON
COMMERCE AND CONSUMER PROTECTION**

HB 1597, HD 1

Relating to Electrical Contractors

Tuesday, March 15, 2022
10:00 am CR 229 & via Videoconference

Michael Swanson
Director of Transmission and Distribution Operations
Hawaiian Electric Company, Inc.

Chair Baker, Vice Chair Chang, and Members of the Committee:

My name is Michael Swanson and I am testifying on behalf of Hawaiian Electric Company in **support** of HB 1597, HD 1 Relating to Electrical Contractors. The HD 1 version of this bill provides a 5 year extension to a limited exemption to the electrical licensing requirement of HRS 448E, which allows electrical contractors licensed in Hawaii to utilize qualified out-of-state high voltage electrical workers to perform work for a utility without requiring these qualified electrical workers to obtain a journey worker electrician (“EJ”) license. The HD1 version also provides that the exemption is limited to use by a public utility for high voltage electrical workers that perform electric transmission and distribution line construction, maintenance, and substation work.

Without this limited exemption, efforts to ensure a resilient, reliable, and affordable electrical grid could be compromised. Hawaiian Electric is continuously reinforcing and repairing our high voltage lines, especially as we move towards attaining our 100% renewable portfolio goals by 2045, working to modernize our grid, preparing for unexpected extreme weather events, and decarbonizing our electrical facilities.

First and foremost, Hawaiian Electric prefers to hire local labor to perform such high voltage work. However, the reality of the marketplace is such that these specialized high voltage workers migrate to areas where their work is in demand so the number of available qualified local high voltage electrical workers is often not sufficient to meet our needs.

History of Act 65 (2013)

Nine years ago, the legislature passed Act 65 of Session Laws of Hawaii 2013, which was later amended by Act 60 of Session Laws of Hawaii 2018. Act 65 (2013) created a limited exemption to the electrical licensing requirement of HRS 448E. This limited exemption allowed electrical contractors licensed in Hawaii to utilize qualified out-of-state high voltage electrical workers to perform work for a utility without requiring these qualified electrical workers to obtain an EJ license. This exemption focused on the reality that, in Hawaii, there are a limited number of qualified individuals who are trained and licensed as electricians to perform high voltage electrical work at the utility scale and who are not currently working.

In addition, Act 65, as amended, addresses the fact that Hawaiian Electric does not employ sufficient high voltage linemen, splicers, and substation electricians so that the Company itself can do all the work needed to perform storm restorations, respond to emergencies, perform complex maintenance on high voltage equipment, or construct, repair and maintain the new systems that will be needed to meet Hawaii's renewable energy goals. Hawaiian Electric strives to perform much of this work itself but must rely on licensed electrical contractors who have the expertise and the appropriately trained high voltage personnel to assist in constructing, repairing, and maintaining the Company's high voltage system.

The availability of High voltage electrical workers in Hawaii is limited

There are only a handful of electrical workers in the State, outside of those that work for Hawaiian Electric or Kauai Island Utility Cooperative, that are qualified to perform the high voltage work that these utilities perform. Most electrical workers who reside in Hawaii who do not already work for a utility do not have Hawaiian Electric's specialized training and qualifications, which is obtained through the Company's apprenticeship programs, and are not qualified to work on Hawaiian Electric's high voltage electrical system.

The reason for this lack of local qualified electrical workers is simple - high voltage linemen, splicers and substation electricians who work for a utility frequently leave Hawaii to find other work if their initial work is completed. Their skills are in high demand across the entire country. So, if work dries up in Hawaii, these electricians can go to a local union in another state that has available work.

Under HRS 444-9.5, at least half of the employees of an electrical contractor who perform electrical work in Hawaii must possess an EJ license under HRS 448E. This license requirement is in addition to the requirement that the electrical contractor itself possess an appropriate contractor's license to perform the work in question under HRS 444. Hawaiian Electric, and its employees who are electricians, as well as other utilities in Hawaii and their electrical workers, are exempt from this separate licensing requirement, as stated under HRS 448E-13. Under this statute, electricians who work for a utility like Hawaiian Electric do not have to possess an EJ license.

Most in-state electrical workers are only experienced in low voltage (120 to 480 volt) work common in most homes and commercial buildings. High voltage work on a utility scale requires very specialized skills, requiring different training, tools, and equipment from the more common low-voltage electrician. An electrician that holds an

EJ license will have only touched lightly on the training required to perform work for Hawaiian Electric or another utility. An EJ license alone will not qualify someone to work on Hawaiian Electric's high voltage system.

For all these reasons, we ask the Committee to pass HB 1597, HD 1. Thank you for the opportunity to testify on this matter.



INTERNATIONAL BROTHERHOOD OF ELECTRICAL WORKERS
LOCAL UNION 1260
ORGANIZING THE FUTURE

COMMITTEE ON COMMERCE & CONSUMER PROTECTION

Senator Rosalyn H. Baker, Chair
Senator Stanley Chang, Vice Chair

HEARING DATE: Tuesday, March 15, 2022
TIME: 10:00 a.m.
PLACE: Via Video Conference
Conference Room 229

RE: TESTIMONY IN SUPPORT OF HB1597 HD1

Aloha Honorable Chair Rosalyn H. Baker, Vice Chair Stanley Chang, and Members of the Committee:

This testimony is being submitted by the International Brotherhood of Electrical Workers Local 1260 (IBEW 1260). IBEW 1260, is comprised of nearly 3,000 hardworking union members. Our members are a diverse workforce that largely consist of highly skilled and trained individuals working 24 hours a day, 7 days a week, to generate and transmit electricity here in the State of Hawai'i.

IBEW 1260 is in **SUPPORT** of this bill which seeks to extend until 2028 the sunset date of Act 65, SLH 2013, which provides a limited exemption to the electrician licensing requirements for individuals working with high voltage is further limited to only electric transmission and distribution line construction and maintenance and substation work.

Training a person to become qualified to work on the high voltage lines owned and operated by the Utility takes many years of specialized training. IBEW 1260 and the utilities have joint apprenticeship programs to successfully complete this type of training. The Utilities employ a workforce to handle its base-load operations, but at times, does require additional resources, therefore almost every individual qualified to do the specialized energized work is already employed by the Utility.

IBEW 1260 agrees with the urgency to build a local workforce to address the needs of the electrical utility industry here in Hawai'i. We recognize and have experienced the difficulties faced with keeping the highly specialized skills of the high voltage electrical utility worker home, in Hawai'i. The demand for the high voltage electrical utility worker has skyrocketed throughout the nation as states look to reinforce their electrical infrastructure. As we move towards a renewable energy future, utilities across the nation are taking incentivizing measures to attract high voltage electrical workers to meet their labor demand. High voltage electrical work, specifically Utility Lineman, is constantly ranked as one of the top 10 most dangerous jobs in the nation. As a result of these factors, we've witnessed a steady flow of high voltage electrical workers leave Hawai'i for the continental U.S. and had trouble retaining those qualified in the trade due to the dangerous nature of the profession.

IBEW 1260 understands that the high voltage utility electrician is a unique, specialized skill. This craft requires working in very hazardous conditions, working on energized lines as much as 138,000 volts, being transported by helicopter to the mountain tops, working in underground vaults with energized cables right



**INTERNATIONAL BROTHERHOOD OF ELECTRICAL WORKERS
LOCAL UNION 1260
ORGANIZING THE FUTURE**

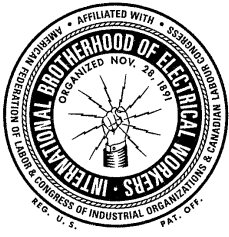
next to the person, etc. Currently, there is only one license certifying an electrician. We believe in the future, expanding the license designations to the different specialties of electricians will be beneficial.

Through collaborative efforts, we've recently taken steps to build this specialized workforce here locally, to have a sustainable workforce to keep the lights on. We are committed to actively addressing the shortage of high voltage electrical workers in Hawai'i and support this bill.

We sincerely thank The Committee for their time, consideration, and dedication to a renewable and reliable energy future.

Sincerely,

Leroy Chincio, Jr.
Business Manager and Financial Secretary
International Brotherhood of Electrical Workers Local 1260
700 Bishop Street, Suite 1600
Honolulu, HI 96813



International Brotherhood of Electrical Workers

LOCAL UNION NO. 1186 • Affiliated with AFL-CIO

1935 HAU STREET, ROOM 401 • HONOLULU, HI 96819-5003
TELEPHONE (808) 847-5341 • FAX (808) 847-2224

TO: SENATE COMMITTEE ON COMMERCE & CONSUMER PROTECTION
Hearing: Tuesday, March 15, 2022 at 10:00a.m., Room 229 & Videoconference

RE: TESTIMONY IN **OPPOSITION** OF HB1597 HD1

Honorable Chair Rosalyn Baker, Vice Chair Stanley Chang, and Members
of the Committee on Commerce and Consumer Protection:

The International Brotherhood of Electrical Workers Local Union 1186 (IBEW 1186), is comprised of over 3,600 men and women working in electrical construction, telecommunications, Spectrum, civil service employees, and educator and faculty associations.

IBEW 1186 is in **OPPOSITION** to this bill which seeks to extend a temporary license exemption set to sunset on June 30, 2023.

IBEW 1186 is concerned that the bill language does not expressly limit the stated intent of the exemption, but rather broadly exempts electrician licensing requirements for all “high voltage” work for the public utility, that may lead to unlicensed activity for work regularly performed by qualified and licensed Journeyworker Electricians in the State of Hawaii, of which there are no shortages according to annual reports to the Legislature produced by the Electricians and Plumbers Board pursuant to Act 60, SLH 2018.

We are concerned that the focus of this bill tends to center around a specifically described type of “high voltage” work performed by utility linemen on transmission and distribution lines, yet the broad application of this exemption includes the intent of using unlicensed electricians to construct, repair and maintain new systems built to meet Hawaii’s renewable energy goals. Utility scale Photovoltaic (PV) farms, high voltage PV systems, and other renewable energy projects such as bio, wind, and thermal energy production have aspects in high voltage that have regularly been constructed using Hawaii licensed electricians.

The HD1 version of this bill attempted to narrow the scope of work that the unlicensed persons could perform by specifically identifying transmission and distribution line construction, however it included substation work. The building of substations, especially for renewable energy projects, has been regularly performed by locally licensed “high voltage” contractors using Hawaii state licensed electricians.

Our local electrical contractors employ hundreds of licensed electricians that are qualified to work on various equipment and systems that are “high voltage” by definition because

the equipment may operate above 600 volts. Licensed Journeyworker Electricians are trained in the National Electric Code (NEC) and qualified and licensed to perform all work under the jurisdiction of this code. The NEC covers the installation of equipment that is over 600 and 1000 volts, and specifically addresses PV installations.

For those reasons, our opposition continues to be due this broad reaching language. Claiming that there is a shortage of electricians to perform any substation work that is “high voltage” by definition is just not factual.

IBEW 1186 and our signatory high voltage electrical contractors stand ready to work with the public utility to meet its needs and strengthen the local workforce with already available training programs and experienced workers. We see an opportunity to invest in our local workers and their families as opposed to seeking exemptions that may allow out of state unlicensed workers to perform work that our State licensed electricians perform.

Sincerely,

A handwritten signature in black ink, appearing to read 'D. Kim', with a stylized flourish at the end.

Damien T.K. Kim
Business Manager/
Financial Secretary