

Testimony of the Board of Electricians and Plumbers

**Before the
House Committee on Consumer Protection and Commerce
Tuesday, March 22, 2022
2:00 p.m.
Via Videoconference**

**On the following measure:
S.B. 2644, S.D. 2, H.D. 1, RELATING TO ELECTRICAL CONTRACTORS**

Chair Johanson 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 are to: (1) extend until June 30, 2033, Act 65, Session Laws of Hawaii 2013, as extended by Act 60, Session Laws of Hawaii 2018, which provides a limited exemption to the licensing requirements for certain individuals in situations when an electric utility must retain qualified individuals to work with high voltage (six hundred volts or higher) who are not licensed in the State but are otherwise deemed qualified by the electric utility, provided that the public utility certifies to the Board that, after a hiring call, no electrician sufficiently qualified and licensed in the State to perform high voltage electrical work applied to timely perform or complete the necessary job or task before the public utility recruited outside the State; and (2) make permanent the requirement for the Board to submit to the Legislature annual reports relating to high voltage electrical work.

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.

The Board also requests clarification on the term "hiring call" on page 4, lines 12 to 13, as it is unclear if the public utilities will be hiring employees or if it will be a call for proposals from licensed contractors. If the "hiring call" is for the public utilities to hire employees, the certification on page 4, lines 11 to 12, is not necessary.

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 or the department that registers and tracks State approved high voltage electrician apprenticeships and enrollments, if that program has been transferred to another State agency.

Thank you for the opportunity to testify on this bill.

Testimony of the Contractors License Board

**Before the
House Committee on Consumer Protection & Commerce
Tuesday, March 22, 2022
2:00 p.m.
Conference Room 329 & Via Videoconference**

**On the following measure:
S.B. 2644, S.D. 2, H.D. 1, RELATING TO ELECTRICAL CONTRACTORS**

Chair Johanson 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) extend until June 30, 2033, Act 65, Session Laws of Hawaii 2013, as extended by Act 60, Session Laws of Hawaii 2018, which provides a limited exemption to the licensing requirements for certain individuals in situations when an electric utility must retain qualified individuals to work with high voltage (six hundred volts or higher) who are not licensed in the State but are otherwise deemed qualified by the electric utility, provided that the public utility certifies to the board of electricians and plumbers that, after a hiring call, no electrician sufficiently qualified and licensed in the State to perform high voltage electrical work applied to timely perform or complete the necessary job or task before the public utility recruited outside the State; and (2) make permanent the requirement for the board of electricians and plumbers to submit to the legislature annual reports relating to high voltage electrical work.

The Board opposes this bill because the exemption is overly broad. The Board respectfully requests 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. The Board also requests clarification on the term "hiring call" on page 4, lines 12 to 13. More specifically, whether "hiring call" pertains to the public utility hiring its own employees or whether it pertains to the public utility soliciting requests for proposals. This provision would be most effective if the "hiring call" pertains to soliciting requests for proposals.

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.

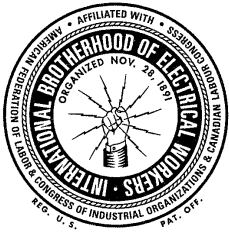
The Board disagrees with the blanket characterization that high voltage resources are not available in Hawaii and firmly believes that, at a minimum, an EJ license is required to perform any electrical work, including overhead and underground high voltage power line electrical work because a basic understanding of electrical systems is necessary to safely and properly perform electrical work on high voltage power lines. It appears that the public utility is not utilizing all resources that are available because 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.

The Board respectfully requests that consideration of the available resources 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.



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: HOUSE COMMITTEE ON CONSUMER PROTECTION & COMMERCE
Hearing: Tuesday, March 22, 2022, at 2:00p.m., Room 329 & Videoconference

RE: TESTIMONY IN **OPPOSITION** OF SB 2644 SD2 HD1

Honorable Chair Aaron Ling Johanson, Vice Chair Lisa Kitagawa, and Members
of the Committee on Consumer Protection & Commerce:

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 an additional 10-years for a temporary license exemption set to sunset on June 30, 2023.

IBEW 1186 is concerned that the bill language is overly broad in exempting electrician licensing requirements for “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.

In this bill, a “hiring call” certification is included; however, the public utility performing a hiring call recruitment for electricians to leave their current employers and join the public utility as a new employer would not automatically determine that there is any shortage of electricians qualified to perform “high voltage work”.

For those reasons, our opposition continues to be due to this broad reaching language. The specific mention of substation work in the HD1 version is of concern. Many substations, including substations for renewable energy such as PV and wind farms, have and continue to be constructed using local contractors with licensed Journeyworker Electricians. It is simply not factual to imply that there is a shortage of licensed electricians in Hawaii available to construct substations.

Furthermore, adding an additional 10-year exemption for an exemption that has been in place for nearly 9 years shows a lack of commitment to developing and sustaining a local workforce to meet all of the needs of the utility company. IBEW 1186 and our signatory high voltage electrical contractors stand ready to work with the public utility to meet

these needs and strengthen the local workforce with already available experienced workers and training programs. 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 long horizontal flourish extending to the right.

Damien T.K. Kim
Business Manager/
Financial Secretary



**Hawaiian
Electric**

**TESTIMONY BEFORE THE HOUSE COMMITTEE ON
CONSUMER PROTECTION & COMMERCE**

SB 2644, SD 2 HD 1

Relating to Electrical Contractors

Tuesday, March 22, 2022
2:00 pm CR 329 & via Videoconference

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

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

My name is Michael Swanson and I am testifying on behalf of Hawaiian Electric Company in **strong support** of SB 2644, SD 2 HD 1, Relating to Electrical Contractors. This bill provides a 10-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.

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.

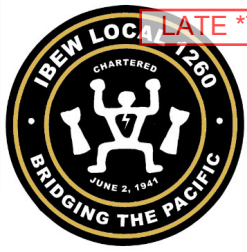
Under HRS 444-9.5, at least half of the employees of an electrical contractor who perform electrical work in Hawaii must possess an EJ license under HRS 448E. This license requirement is in addition to the requirement that the electrical contractor itself possess an appropriate contractor's license to 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 SB 2644, SD 2, HD 1.

Thank you for the opportunity to testify on this matter.



LATE *Testimony submitted late may not be considered by the Committee for decision making purposes.

INTERNATIONAL BROTHERHOOD OF ELECTRICAL WORKERS
LOCAL UNION 1260
ORGANIZING THE FUTURE

COMMITTEE ON CONSUMER PROTECTION & COMMERCE
Rep. Aaron Ling Johanson, Chair
Rep. Lisa Kitagawa, Vice Chair

HEARING DATE: Tuesday, March 22, 2022
TIME: 2:00 p.m.
PLACE: Via Video Conference
Conference Room 329

LATE

RE: TESTIMONY IN SUPPORT OF SB2644 SD2 HD1

Aloha Honorable Chair Aaron Ling Johanson, Vice Chair Lisa Kitagawa, 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 provide a limited exemption to the licensing requirements for certain individuals in situations when an electric utility must retain qualified individuals to work with high voltage electricity (six hundred volts or higher) who are not licensed in the State but are otherwise deemed qualified by the electric utility including specifications of such employees only perform 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.



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

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 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 work force to keep the lights on. We are committed to continue to actively address the shortage of high voltage electrical workers in Hawai'i. We agree that progressive steps to resolve the issues at hand are necessary, therefore, we are in support of this bill.

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

Sincerely,

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



March 22, 2022

Representative Aaron Ling Johanson, Chair
Representative Lisa Kitagawa, Vice Chair
House Committee on Consumer Protection and Commerce

Strong Support of SB 2644, SD2 HD1 RELATING TO ELECTRICAL CONTRACTORS (Extends until 6/30/2033 Act 65, Session Laws of Hawaii 2013, as extended by Act 60, Session Laws of Hawaii 2018, which provides a limited exemption to the licensing requirements for certain individuals in situations when an electric utility must retain qualified individuals to work with high voltage [six hundred volts or higher] who are not licensed in the State but are otherwise deemed qualified by the electric utility, provided that the public utility certifies to the board of electricians and plumbers that, after a hiring call, no electrician sufficiently qualified and licensed in the State to perform high voltage electrical work applied to timely perform or complete the necessary job or task before the public utility recruited outside the State. Makes permanent the requirement for the board of electricians and plumbers to submit to the legislature annual reports relating to high voltage electrical work. Effective 7/1/2030. [HD1])

**Tuesday, March 22, 2022, at 2:00 p.m.
VIA VIDEOCONFERENCE, in Conference Room 329**

The Land Use Research Foundation of Hawaii (LURF) is a private, non-profit research and trade association whose members include major Hawaii landowners, developers, and utility companies. LURF's mission is to advocate for reasonable, rational, and equitable land use planning, legislation and regulations that encourage well-planned economic growth and development, while safeguarding Hawaii's significant natural and cultural resources, and public health and safety.

LURF is in **strong support of SB 2644, SD2, HD1.**

SB 2644, SD2, HD1. The purpose of this Act is to: (1) Extend until June 30, 2033, the limited exemption from licensing requirements for qualified electricians that was originally enacted in Act 65, Session Laws of Hawaii 2013, and extended pursuant to Act 60, Session Laws of Hawaii 2018; and (2) Make permanent the requirement for the board of electricians and plumbers to submit to the legislature reports relating to high voltage work.

LURF's Position. LURF understands that this measure is necessary, because other than the employees of the major electric utilities, there is a shortage of qualified individuals who are trained and licensed in Hawaii that are qualified to perform specialized high voltage work at the utility scale.

According to the testimony in support of this measure, there is a need for additional electrical workers from out of state who possess the level of skill required for such high voltage work in the event of a storm restorations, responding to emergencies, complex repair and maintenance on high voltage systems, and other specialized high voltage work that potentially impact the health and safety of the State and its residents,

LURF understands that over the years, the exemption provided in Act 65 (SLH 2013) and Act 60 (SLH 2018), has worked well, without any problems, has benefited the public by providing reliable electrical energy service, and has furthered the State's efforts to reach its renewable energy goals. However, Act 60 (SLH 2018) sunsets on June 30, 2023; and the extension provided by this bill is necessary to allow continued benefits to the residents of the State and progress toward the State's renewable energy goals.

For the above reasons, LURF **supports SB 2644, SD2, HD1** and respectfully urges your favorable consideration.

Thank you for the opportunity to present testimony regarding this matter.