p: 401.553.2100 f: 401.553.5855



Hon. Joseph J. Solomon, Jr. Chair House Committee on Corporations State House Providence, RI 02903

April 1, 2025

Re: Support for HB 5576; An Act Relating to Public Utilities and Carriers – Utility Thermal Energy Network and Jobs Act

Dear Chair Solomon,

BuildRI is a domestic non-profit trade association comprised of four (4) contractor associations (the Labor Relations Division of the RI Chapter of the Associated General Contractors, the New England Mechanical Contractors' Ass'n, the RI Mason Contractors' Ass'n, and the RI and Southeast MA Chapter of the National Electrical Contractors' Ass'n), and seventeen (17) Local Trade Unions comprised of approximately 10,000 local tradesmen and women. On behalf of our organization, I write to **SUPPORT** the above referred to legislation for the reasons that follow.

BuildRI, and our labor partners, applaud Representative Cortvriend for introducing this legislation, which would create a new thermal energy infrastructure. With the passage of the Act on Climate initiative, Rhode Island needs to develop new energy networks to support our utility needs. New energy networks like thermal energy will assist in Rhode Island's efforts to a just transition, not only for our energy consumers, but for the workers in the electric/gas industries. This legislation has strong labor standards to ensure Rhode Island workers have a good paying job in this emerging energy sector.

In this legislation, any project over \$25 million would be subject to an independent feasibility study to determine if the energy infrastructure improvements should be built under a project labor agreement. A project labor agreement is a specific pre-hire collective bargaining agreement that supersedes existing collective bargaining agreements for all trades and contractors. The benefits of a PLA to an owner include uniform work and schedule conditions to maximize labor related job efficiencies; assurances that there will be no labor related delay or work stoppages; and, prompt access to an ample supply of highly skilled labor that work timely and safely at predictable wages. PLAs benefit both the awarding authority/developer and the labor tasked with constructing the project. In Rhode Island, the utilization of PLAs has led to tens of thousands of workers earning a good paying, middle-class job.

PLAs have been utilized on the majority of Rhode Island's large-scale public sector developments, especially on expansion of Rhode Island's public utilities (offshore wind and natural gas). PLAs have been implemented during the development of Rhode Island's offshore energy network ever since the construction of Deepwater Wind's Block Island Wind Farm in 2016. Since 2016, Build Rhode Island has negogiated three separate PLAs on three projects related to offshore wind. In addition to the PLAs being utilized on offshore wind, Field's Point Liquefaction facility was built under a PLA as well. As evident, PLAs have become the

preferred practice to ensure our large-scale public utility projects are built responsibly and with local contractors and the tradesmen and women who they employ.

Finally, Build Rhode Island recommends this legislation is amended to have prevailing wage compliance in accordance with Chapter 37-13 of RI General Law (\$1,000 on public works projects), NOT at the \$10 million threshold.

Thank you for your attention to this correspondence. Please contact the undersigned if you have any questions.

Sincerely,

Anthony J. Cherry
Assistant Executive Director
Build Rhode Island