

Unions have power over energy plants

By Matt Carter
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Critics say licensing process works in favor of members

If a company files an application to build a power plant in California, chances are that a group called California Unions For Reliable Energy will get involved in the process.

Lawyers for CURE, a coalition of unions representing workers like pipefitters, electricians, boilermakers and ironworkers, routinely apply for and receive legal standing as "intervenor" in applications to build power plants around the state.

As intervenors, CURE can participate in the state's review of each project's potential environmental impacts.

But some critics question whether the group is actually involved in the process because its members are concerned about minimizing the environmental impacts of power plants.

The real goal, they say, is to pressure the companies that want to build the plants into using only union workers when constructing them.

"We call it greenmail," said Kevin Dayton, government affairs director for the Associated Builders and Contractors' Golden Gate Chapter in Dublin.

The chapter has 440 members, or nearly all nonunion construction companies in Northern California, Dayton said.

"CURE intervenes on just about every power plant project. They then bring up various supposed environmental complaints until the power company agrees to build the power plant with a union-only (labor agreement)."

Dayton said such agreements, called PLAs, or Project Labor Agreements, are in effect at 23 power plant projects

around the state, including Calpine's Delta Energy Center in Pittsburg and the Mirant Delta plant in neighboring Antioch. Only one power plant, a project in Huntington Beach, has been built without a PLA since CURE was formed.

According to CURE, one reason it wants to see power plants built in an environmentally sensitive manner is because the air pollution they produce can lead regulators to keep other power plants from being built. That, in turn, can affect other construction

projects.

"We get involved because we're interested in jobs for our members — and if you have plants that are environmentally dirty, you're going to be limited on the number of power plants and hence the number of other projects in the area," said Bob Balgenorth, who as president of the State Building and Construction Trades Council of California is also the chairman of CURE.

But if that's the case, why has CURE sought intervenor status in one company's application to build an 1,100 megawatt power plant between Liver-

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more and Tracy, but not in another, nearly identical project in the area?

The project CURE has intervened in — FPL Energy's Tesla Power Project — has been the subject of negotiations expected to result in the project being built under a PLA.

CURE hasn't become involved as an intervenor in Calpine's application to build the 1,100 megawatt East Altamont Energy Center just a few miles away.

Energy Commission staff members have questioned the environmental impacts of both plants and a third, smaller plant near Tracy. They recommended that Calpine study the cumulative impacts of building its plant and two others when combined with air pollution from the planned community of Mountain House. Energy Commissioners overseeing Calpine's application rejected that request.

Dayton said CURE is not involved in Calpine's application to build the East Altamont Energy Center because Calpine has already agreed to build any new plants in California under union PLAs.

"They (CURE) are a union organization, not an environmental organization," Dayton said. "Their goal is to make sure these plants are built 100 percent with union workers."

Balgenorth, who speaks for about 200 California trade unions, said CURE "doesn't have the resources to get involved in every project that comes down the pike. It's not cheap to do that."

Although CURE can't be involved in every case, it has raised issues that "have resulted in cleaner air standards for the state. We raised the bar for all power plants, period," Balgenorth said.

A PLA simplifies the process of building a power plant, Balgenorth said, because it allows a company to negotiate labor condi-

tions for an entire project, rather than with individual contractors. PLAs negotiated by CURE normally have a "no-strike" clause and spell out standard starting times and holidays to ensure uniformity.

For their part, officials at Florida-based FPL Energy say they did not feel intimidated or pressured by CURE's involvement in the Energy Commission's licensing process.

"We found doing business with CURE and its representatives to be pleasant and competitive — focused on the competitive position of FPL and our projects in California," said Ernest Canelli III, labor manager for FPL Group, the parent company of FPL Energy.

Canelli said a Project Labor Agreement between FPL and CURE has already been drawn up and only requires signatures.

"We entered into the agreements with CURE based on . . . them providing us with the most highly qualified, skilled work force that was best suited to build our project."