



**LOCAL UNION 410  
INTERNATIONAL BROTHERHOOD OF ELECTRICAL WORKERS**

February 20, 2024

**Committee: Economic Matters**

**Testimony on HB 397 Public Utilities – Thermal Energy Network Systems – Authorization and Establishment (Working for Accessible Renewable Maryland Thermal Heat (WARMTH) Act)**

**Position: Favorable**

**Hearing Date: February 22, 2024 at 1:00PM**

Good afternoon, Chairman Wilson, Vice-Chair Crosby, and members of the Economic Matters Committee:

I would like to begin my written testimony by introducing myself and Local Union 410 of the International Brotherhood of Electrical Workers (“IBEW Local 410” or “the Union”). My name is Brian Terwilliger, and I am the Assistant Business Manager for IBEW Local 410. I was appointed Assistant Business Manager on July 20, 2022.

IBEW Local 410 is a labor organization representing non-managerial utility workers at Baltimore Gas & Electric Company (“BGE”). The Union is the duly elected and recognized exclusive bargaining representative for approximately one-thousand four hundred (1,400) non-managerial employees of BGE, including its non-managerial employees in its five largest departments. Two of these departments are the Gas–Construction Maintenance & Repair department and the Gas–Emergency Response department.

As of November 27, 2023, six-hundred thirty-nine (639) workers were designated under BGE’s Natural Gas department seniority roster. Of those workers, three-hundred and sixty-nine (369) had an occupation seniority date of or after January 1, 2014. Currently BGE’s retirement age is sixty-two years (62) old with thirty-five (35) years of service. What this means is that these three-hundred sixty-nine (369) workers need to have an additional twenty-five years (25) of service at BGE in order to retire.

These one-thousand-four hundred (1,400) workers, also called bargaining unit employees (“BUEs”), are among those who contribute daily, directly, and significantly to BGE’s efforts to provide safe and reliable service to its customers.

These workers are also fellow members of our community. Unlike contracted laborers who are typically part of a transitory workforce who travel from job to job, these workers are those who live in Maryland, own or aspire to own homes here, and raise their families in our community.

HB 397 will ensure a transition to thermal energy system(s) and accompanying residential electrification that protects worker rights by promoting stable labor relations. Protecting the local workforce who contribute daily, directly, and significantly to safe and reliable gas service to customers is paramount to Maryland's infrastructure.

These workers are covered by a current collective bargaining agreement between IBEW Local 410 and BGE which was ratified on March 1, 2023, and will remain in effect for the following six (6) years.

IBEW Local 410 supports HB 397 as an adherence to federal policy supporting and encouraging collective bargaining. Specifically, federal policy is expressly articulated in 29 U.S.C. § 151, which provides as follows:

The denial by some employers of the right of employees to organize and the refusal by some employers to accept the procedure of collective bargaining lead to strikes and other forms of industrial strife or unrest, which have the intent or the necessary effect of burdening or obstructing commerce by (a) impairing the efficiency, safety, or operation of the instrumentalities of commerce; (b) occurring in the current of commerce; (c) materially affecting, restraining, or controlling the flow of raw materials or manufactured or processed goods from or into the channels of commerce, or the prices of such materials or goods in commerce; or (d) causing diminution of employment and wages in such volume as substantially to impair or disrupt the market for goods flowing from or into the channels of commerce.

The inequality of bargaining power between employees who do not possess full freedom of association or actual liberty of contract, and employers who are organized in the corporate or other forms of ownership association substantially burdens and affects the flow of commerce, and tends to aggravate recurrent business depressions, by depressing wage rates and the purchasing power of wage earners in industry and by preventing the stabilization of competitive wage rates and working conditions within and between industries.

Experience has proved that protection by law of the right of employees to organize and bargain collectively safeguards commerce from injury,

impairment, or interruption, and promotes the flow of commerce by removing certain recognized sources of industrial strife and unrest, by encouraging practices fundamental to the friendly adjustment of industrial disputes arising out of differences as to wages, hours, or other working conditions, and by restoring equality of bargaining power between employers and employees.

Experience has further demonstrated that certain practices by some labor organizations, their officers, and members have the intent or the necessary effect of burdening or obstructing commerce by preventing the free flow of goods in such commerce through strikes and other forms of industrial unrest or through concerted activities which impair the interest of the public in the free flow of such commerce. The elimination of such practices is a necessary condition to the assurance of the rights herein guaranteed.

It is hereby declared to be the policy of the United States to eliminate the causes of certain substantial obstructions to the free flow of commerce and to mitigate and eliminate these obstructions when they have occurred by encouraging the practice and procedure of collective bargaining and by protecting the exercise by workers of full freedom of association, self-organization, and designation of representatives of their own choosing, for the purpose of negotiating the terms and conditions of their employment or other mutual aid or protection.

The plain language of this statute provides that it is federal policy to encourage the practice and procedure of collective bargaining and it enumerates the multiple benefits of this recognized practice to the free flow of commerce.

Here, HB 397 furthers this policy by (1) mandating a community benefit agreements that promotes a labor relations approach that ensures workers are free to organize and collectively bargain, *see* HB 397 § 7-1001(D), (2) requiring the implementation plan include explanation of how the gas company met with certified representatives of BUEs, *see* HB 397 § 7-1002, and (3) instructing electric, gas, and/or water companies to work with its existing BUE units to complete the front-of-meter projects relating to the construction of the thermal energy network system, and to the extent work is outsourced to a contractor, *see* HB 397 § 7-1004.

IBEW Local 410 and BGE's working relationship is itself a testament to the benefits of collective bargaining. While by no means perfect, the relationship between Local 410 and BGE is mature and stable. When disputes pertaining to the parties' contracts do arise

between Local 410 and BGE, such disputes are generally resolved through the parties' grievance and arbitration procedures, and such resolutions are final and binding on the parties. When a collective bargaining agreement is set to expire, rather than ultimately engaging in a show of economic force and counterforce, the parties have sat down and negotiated a new agreement in a constructive manner. Such an agreement, once reached, is the product of good-faith bargaining, characterized by give-and-take exchanges, proposals, and counter proposals between the parties; that is the hallmark of collective bargaining under the National Labor Relations Act.

These benefits are also captured in 29 U.S.C. § 151 and sought by HB 397 in § 7-1001(D)(III)(1)–(6). In IBEW Local 410's estimation, the importance of strong and stable relationships between public service corporations and their employees and contracted labor cannot be overstated. IBEW Local 410 is happy to see that HB 397 further supports these sorts of relationships.

For these reasons, IBEW Local 410 requests a favorable report on HB 397.

Sincerely,

Brian Terwilliger  
IBEW Local 410  
Assistant Business Manager