



Senator Josh Becker, Chair

Senate Energy, Utilities and Communications Committee

1021 O Street, Suite 3350

Sacramento, California 95814

Re: SB 540

Dear Senator Becker,

On behalf of our organizations and the hundreds of thousands of workers we collectively represent, we write to express our current opposition to Senate Bill 540 due to its potential significant economic and employment consequences, particularly for middle-class, blue-collar workers. We urge this committee to slow down this process so that we can see how the current federal government is going to impact California's energy markets and determine the effect of this bill on in-state industrial jobs.

The hardworking men and women of the construction trades are the backbone of California's economy, delivering the critical infrastructure necessary to sustain our communities and industries. Our trades collectively represent tens of thousands of skilled workers essential in constructing and maintaining our energy infrastructure. Producing power in-state allows California to ensure that its high-road labor and environmental values are upheld as we work to meet the climate crisis and continue to power our state. We are committed to protecting our environment and the working-class families that drive California's economy.

Our trades were not consulted as this proposal was developed, so our members' concerns were not considered when developing this bill. With prior bills considering multistate markets and regionalization, robust job studies showed massive job losses to the industrial trades. We can all agree California is not in a position to afford to lose industrial jobs at this scale. Additionally, as of this week, we are seeing an attack on California's energy portfolio as the Trump administration is mounting an assault on our shared commitment to sustainable power generation and is also pressuring the Federal Energy Regulatory Commission (FERC) to implement the Administration's new energy directive. Additionally, the recently accepted CAISO tariff does not give California the ability to unilaterally rescind from any subsequent multi-state market—thus arguably giving FERC increased access to our energy markets. As SB 540 is not intended to take effect until 2027 at the earliest, and there is, therefore, no dire urgency, we ask that you allow time for the Federal policies to take shape so that we can determine the potential effect on Cali-

ifornia and will enable us to also conduct an independent jobs study at a credible California institution and provide that report to the legislature. The legislature, rate-payers, and the blue-collar workers that power our state deserve this information before rash decisions about policy are made that could have such significant negative consequences.

We share the author's concerns about curtailed renewable power and urge this legislature to consider streamlining battery storage projects so that we can effectively and efficiently store California-made green power to independently power our state in accordance with our high road labor and environmental standards. At this moment in history, it would seem that collaborative efforts to bolster our energy independence would be well-spent.

On behalf of our hard-working members, thousands of whom power our state, we ask that you not rush into policy that might have a devastating effect on hundreds of thousands of industrial jobs and make our state more vulnerable to federal policy aimed at undermining decades of environmental policy in California. Please slow down the consideration of Senate Bill 540; as such, we oppose SB 540.

Thank you.



Keith Dunn
District Council of Iron Workers



Joseph Cruz
California State Counsel of Laborers



Erin Lehane
International Brotherhood of Boilermakers