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September 9, 2014

Oregon Public Utility Commission  
PO Box 1088  
Salem, OR 97308-1088

To Whom It May Concern:

The Oregon AFL-CIO offers the following preliminary comments on the issues associated with UM 1622-Gas Cost Effectiveness Measures, in advance of the September 30<sup>th</sup> public meeting. Thank you for this opportunity and for advancing this important discussion in the State of Oregon.

The Oregon AFL-CIO represents approximately 300,000 union and Working America members in our state. We have had an ongoing interest in creating a vibrant and strong economy that is stable in terms of jobs, and that supports a healthy environment. Over the past 8 years, we have partnered with Clean Energy Works Oregon, the Oregon Environmental Council and the Oregon BlueGreen Apollo Alliance to meet the goal of building a strong green economy that contributes to a sustainable future for the planet and builds a strong middle class by creating good paying and long-term jobs for Oregon communities.

We are concerned about the current possibility that gas measure incentives for Oregon ratepayers may be eliminated. This would directly impact the level of demand for energy efficiency for residential customers and in turn impact the vibrancy of this industry. Good paying jobs will be lost, businesses will suffer, and energy savings will decrease. All of this will be detrimental to the good work that has developed over the past 30 years in our state and the stability of this industry will be compromised.

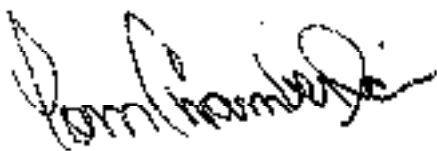
It concerns us that the OPUC bases their ongoing investments in energy efficiency with few or no workforce or wage standards. These standards include skills certification, contractor selection criteria, and compensation standards. They are common in other industries, including healthcare, architecture, engineering, and other construction fields and are effective in establishing a high bar for performance in a particular field. The energy efficiency industry, utility ratepayers, and Oregon communities could benefit from more rigorous training, wage, and utilization standards for activities where ratepayer funds are invested rather than a race to the bottom.

State agencies and local governments within Oregon have increasingly looked at best value contracting, as opposed to lowest-cost bids. The state is considering new investment opportunities that, through public private partnerships, allow us to look at long-term cost savings and guarantees that work will be completed to the highest level of quality – even if adding to costs at the outset. Companies within our state are more and

more focused on achieving triple bottom line results. And there is a growing area of research that shows that early investments save money in the long run.

From our partnership with Clean Energy Works Oregon, we have seen how the establishment of wage and benefit standards, training requirements and other high road standards have raised the conditions of workers in the weatherization industry, and spurred the creation of a permanent workforce whose skill level can assure a high-quality product. We know that without such standards, weatherization jobs are low-paid, exploitative and dangerous. The boost to these individual workers, plus the indirect stimulus to our local economy, has been gratifying. These are non-energy benefits that should be included in any cost-benefit calculation. The Oregon AFL-CIO realizes the complexity of this issue. We offer these comments with the hope that this will become a broader discussion focused on how to best serve the global interests of ratepayers and the working people of Oregon. We look forward to participating in that discussion.

Sincerely,

A handwritten signature in black ink, appearing to read "Tom Chamberlain". The signature is fluid and cursive, with a large initial "T" and "C".

Tom Chamberlain  
President