

31st ANNUAL

MOST NATIONAL TRIPARTITE ALLIANCE CONFERENCE

MOST[®]
The Boilermaker Advantage

DAY TWO MINUTES | October 4, 2016



TUESDAY SPEAKERS CALL FOR STRONG ALLIANCES AND CCUS DEVELOPMENT

Speakers on day two of the 2016 National Tripartite Alliance Conference called for a continued strong partnership and the need for the increased development of carbon capture use and storage, which is vital to owners, contractors and labor alike.

Conference chairman and International President Newton B. Jones opened the event by noting that all of the alliance partners are seeking the same things: solving problems, creating opportunities and advancing their respective organizations. He added that CCUS is a vital solution for all partners and called on a much more robust industry-government partnership “not only to constrain carbon emissions but also to preserve jobs and safeguard industry assets.”

Jones praised the advances being made using CCUS, citing three prominent projects. In Canada, those included the Sturgeon Refinery, an \$8.5 billion project incorporating CCUS technology from the ground up; SaskPower’s Boundary Dam retrofit and the Shell Quest project to install carbon capture and storage at its Scotford Upgrader. In the United States, Southern Company’s new Kemper plant will generate electricity using coal

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PHOTO: Conference Chairman and International President Newton B. Jones opens day two of the National Tripartite Alliance Conference.

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gasification at commercial scale and capturing carbon dioxide for enhanced oil recovery. “It is exactly these kinds of projects that will create the breakthroughs we need to ensure reliable, clean-energy solutions for oil, gas and coal” he said.

Erickson delivers NABCE address

John Erickson, Executive Director of the National Association of Construction Boilermaker Employers, spoke about how to collectively address future challenges, such as declining work opportunities in the utility industry.

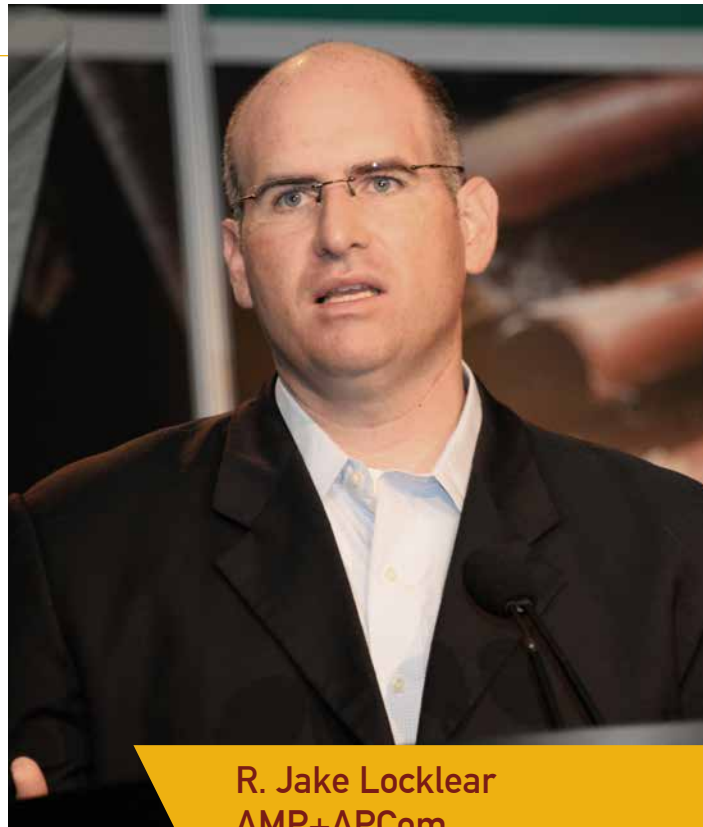
In 2008 the utility industry provided 76 percent of Boilermakers’ work opportunities or 30.2 million man-hours. By 2015 the utility industry provided 69 percent of the union’s work opportunities but had decreased to 16.7 million man-hours – a 45 percent drop.

Erickson called for strategic planning with alliance partners. He noted that effective strategic planning must be accomplished at the local and regional levels and address specific needs. “Solutions will not fall out of the sky into our laps, and solutions will not be a “one size fits all,” he concluded.

TAUC’s Locklear calls for success through tripartite

R. Jake Locklear, President and CEO, AMP + APCom, and President of the Association of Union Constructors, stressed the need to come together to solve today’s market challenges. He observed that coal is down, nuclear is stagnant, gas is cheap, and the cost of renewables is coming down and becoming more competitive. “The only way we’ll be successful is if we honor [the] tripartite approach and work together.”

Locklear noted that competing in this marketplace is harder than ever, especially when non-union craft workers are “making gains.” He said that we need to show customers that Boilermakers are the safest, highest skilled and most dependable choice for their construction needs.



R. Jake Locklear
AMP+APCom

We can compete and win by moving closer to what customers want — dependable outcomes — said Locklear, who added that one step in that direction is the Boilermaker Code. “I applaud the Code that makes the change to shift from an ‘us against them’ mentality. The Boilermaker Code is making a difference in the industry.”

Greene provides updates on a shifting energy industry

Kim Greene, CEO of Southern Company, said the energy industry is in a tough situation, with federal and environmental regulations changing the way business is done, but working together can open up new opportunities.

Citing Southern Company’s Kemper Plant in Mississippi, she said her firm is proud to be part of developing a technology that could “potentially, dramatically change the carbon footprint of this world.” She described coal as a low-cost, abundant resource that is also environmentally sound.

Greene said that while there is less new construction and outage work in the energy industry, the need for maintenance and specialty work remains. “We can’t live without the experience



Kim Greene
Southern Company

and skill of Boilermakers,” she said. “We need to ensure that apprentice programs still thrive. We can work together to find opportunities again for all of us to succeed going forward.”

DOE’s Foster stresses need for government-industry partnerships

Department of Energy Senior Advisor David Foster told the audience that when he started his job, one of the first things he did was visit with AFL-CIO President Richard Trumka to ask what he could do to “bring labor back.” Foster said that mining communities “run in his blood.” Trumka told him to “move the needle on CCUS.” Foster said he is committed to doing that.

He said the government needs a strong R&D program and a tax policy to support CCUS development. “We need federal policies to share the risk being borne by the private sector,” he said. “With the right policies we can stabilize our coal communities and maintain energy diversity.”

Foster noted that making the federal Section 45Q tax credit for CCUS permanent is a “very

real proposition” that would help put people to work retrofitting power plants and meeting climate change goals.

BOL’s Myers speaks on the collective power of money

Fred Myers, Bank of Labor’s Executive Vice President of Labor Market Development, called for unions to take back their money from financial institutions that are working to destroy “all we believe in and hold dear to our hearts.”

He said there is power in the \$3 trillion in Taft Hartley pension funds that should no longer be controlled by Wall Street groups. “They do everything they can to kill our jobs and ship our manufacturing overseas,” he said.

Myers noted that money in non-union banks generates profit that is lost from the Labor Movement forever, yet everyday many of those who work in labor “blindly continue to put our members hard-earned dollars in these banking institutions.”

He urged immediate action. “Now is the time for each and every person in this room to join with the Bank of Labor and no longer let these corporate money giants use our members to promote an agenda that has been hell-bent on destroying all that is good about our union life.”

Panel discusses changes to caucuses

During the panel discussion, MOST Administrator Dale “Skipper” Branscum highlighted changes to the caucuses, which were outlined in yesterday’s meeting notes. Joining him on stage were the caucus chairs: Jerry Payton, Tennessee Valley Authority (Owners); Dave Zach, Nooter Construction Company (Contractors); and Kyle Evenson, ED-CSO (Labor).

Branscum showed slides with the polling results (available on the MOST website following the conference) and identified the three topics that working groups will be addressing over the next year. The topics include:



MOST Administrator Dale "Skipper" Branscum

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- **Add human performance tools to the current MOST programs, especially safety training.**
- **Address skilled labor shortages, including welders.**
- **Expand work opportunities outside of coal-fired power generation.**



LOCAL 108 RECEIVES CHARLES W. JONES AWARD

THE CHARLES W. Jones Award, which honors the local lodge demonstrating the highest use of specified MOST programs during the preceding year, went to Local Lodge 108 of Birmingham, Alabama. International President Newton B. Jones presented the award to L-108 BM-ST Tim Simmons.

Local 108 is the sixth lodge to receive the award since its inaugural presentation to Local 154

(Pittsburgh) in 2011. Other recipients have included Local 85 (Toledo, Ohio) 2012; Local 433 (Tampa, Florida) 2013; Local 11 (Helena Montana) 2014; and Local 29 (Boston) 2015.

MOST Administrator Dale "Skipper" Branscum noted that starting next year the Boilermaker Code will be added to the Charles W. Jones Award criteria.