



**Testimony Presented by
Jim Snell, Business Manager
Steamfitters Local 420
before the
Senate Environmental Resources & Energy Committee
and the
Community, Economic & Recreational Development Committee
at
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in
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Harrisburg, Pa.**

Majority Chairman Yaw, Minority Chairwoman Comitta, Majority Chairman Yudichak, Minority Chairwoman Cappelletti, members of the committees: Thank you for the opportunity to testify today. On behalf of Steamfitters Local 420, we are eager to share our story about the importance of Pennsylvania's energy infrastructure and the role this essential sector continues to play on jobs and the economy.

My name is Jim Snell, Business Manager for Steamfitters Local 420, which covers the city of Philadelphia and its collar counties, including the Allentown and Reading areas. All told, our union is several hundred strong --- and more united than ever before, especially when it comes to matters that affect the work we do on pipelines and related assets in Pennsylvania.

Steamfitters Local 420 has been constructing, installing, and maintaining mechanical systems since 1903. Steamfitters service the entire state of Pennsylvania's gas pipeline distribution system. We're proud of the work we

do because we believe this safe and efficient infrastructure is the foundation for a prosperous society.

When it comes to the jobs these projects generate, look no further than the Marcus Hook Industrial Complex in Delaware County. This site was on the brink of closure a decade ago, but now it is a thriving hub for natural gas liquids. Improvements have quadrupled the number of jobs there from 50 employees in 2011 to more than 250 and counting today.

In fact, the Philadelphia Building Trades, an umbrella organization of more than 50 local unions, including Steamfitters Local 420, signed a two-year Project Labor Agreement that covers all future construction projects at the site. That translates into as many as 1,200 skilled tradesmen working to complete more than \$200 million in enhancements there.

So what makes this all possible?

First, the energy resources Pennsylvania has under foot. According to the most recent data from the Energy Information Administration (EIA), Pennsylvania is closing in as the top gas-producing state in the country. We're still No. 2, but the gap is shrinking. Year to date, Pennsylvania produced 3.15 trillion cubic feet of natural gas while Texas has produced 4.118 trillion cubic feet --- the closest the margins have ever been.

We need to keep putting these resources to use for our residents, our economy and our environment.

Second, our pipeline infrastructure. Marcus Hook is supplied by Mariner East. I know some on this panel may have a different view about Mariner East, but it is hard to argue with the numbers. In 2018, independent consultant Econsult Solutions released an updated economic impact analysis of the Mariner East pipeline network and its related assets like Marcus Hook, showing a \$9.1 billion investment in our commonwealth, with an ongoing annual impact between \$140 million and \$210 million.

Those numbers are impossible to ignore. They also prove just how interconnected we are and how we all benefit from development of these resources and investments in infrastructure.

Many people think that development of our energy resources only benefits communities in southwestern and northeastern Pennsylvania, where the shale fields are located. That's nonsense. Pipelines are the energy highways that developers need to get their product to market. And Pennsylvania long has been a crossroads for all kinds of pipelines.

That's why it was so disappointing to hear about the news last week about PennEast. Developers of that pipeline between northeastern Pennsylvania and New Jersey announced they are ending development of the 116-mile project. Pennsylvania now will lose its share of what was expected to be another \$1.2 billion in investments.

Let's be clear: Ending PennEast does nothing to change the equation. Demand for clean-burning natural gas remains high. EIA forecasts that industrial consumption of natural gas will increase 35 percent between now and 2050. If we want to meet these clean energy goals, then we will need new infrastructure and a skilled workforce.

The pipeline constraints that currently limit market access --- affecting consumers, businesses and manufacturers --- will only grow worse without projects like PennEast and enhanced investments in pipeline infrastructure.

As head of Steamfitters Local 420, I know firsthand the value of good-paying, energy-related jobs. I see them every day. These pipeline projects and related assets provide the livelihood our members and their families depend on. And the investments have enabled them to work where they live and reinvest in their communities.

Truly, these projects have been a lifeline for Pennsylvania's construction trades.

I would also argue that it's not just the economy that benefits. Pipelines are critical to the fight against climate change.

With the safe, efficient transport of natural gas through pipelines to wider markets, electric sector-related emissions greatly decreased since 2005 as natural gas production and use has increased. This has led to cleaner air across the commonwealth. Greenhouse gas emissions in 2019 (after accounting for sequestration from the land sector) were 13 percent below 2005 levels, according to the U.S. Environmental Protection Agency.

Going beyond fewer carbon emissions, natural gas production has led to a decline in volatile organic compounds. These harmful compounds tied to power generation declined 40 percent between 2005-18, and other pollutants like sulfur oxides (SOX) and nitrogen oxide (NOX) saw their level drop 93 percent and 81 percent, respectively, according to Pennsylvania Department of Environmental Protection data.

In other words, we can continue to be an economic and climate leader by embracing responsible natural gas production, infrastructure, and use.

We understand the collective efforts that need to be made to protect our environment and address climate change, while also protecting our manufacturing and related industries --- and the good-paying jobs they provide for families. That makes continued investments in energy infrastructure to safely and responsibly deliver natural gas, natural gas liquids, and other refined products to market essential.