

# Rebuilding Our Cities' Aging Pipelines

California Methane Symposium

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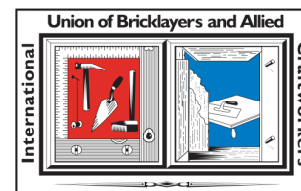
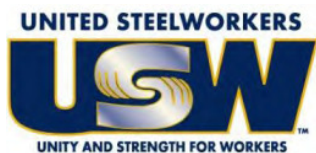
# BLUEGREEN ALLIANCE

# AFL-CIO

A coalition of 10 of the country's largest labor unions and 5 of America's most influential environmental groups

BlueGreen Alliance unites more than **15M** members and supporters working for a clean energy economy.

AFL-CIO representing 11M+ American workers







# Rebuilding our Cities Aging Pipelines – RECAP

- Labor partners involved in pipeline installation, operations, maintenance, fabrication:
  - AFL-CIO
  - Pipefitters (UA)
  - Utility Workers (UWUA)
  - Steelworkers (USW)
- Steel industry partners deliver advanced materials for modern gas system – ArcelorMittal, EVRAZ N. America
- Environmental partners support emissions reductions and transition to cleaner economy
- Common priorities - economic vitality, job growth, worker/community health & safety

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# RECAP Goals

- Improve efficiency and resiliency of natural gas distribution
  - Reduce emissions to lower greenhouse gas/climate impact
  - Recapture lost natural gas costs to consumers/businesses – keep gas ‘in the system’
  - Create jobs and strengthen economy– accelerating rate of distribution repair/replacement from 10 to 30 years could create 300k jobs, \$30B GDP benefit

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# Methane By The Numbers

- At least 28 times more powerful climate change agent than CO<sub>2</sub>, pound for pound
- Natural gas distribution pipes lose 64 billion cubic feet of natural gas per year - equivalent to total gas use in the state of Maine.
- US consumers have paid for \$21 billion in natural gas lost through distribution from 2000-2012
- Current fed proposal to cut methane emissions across energy sector up to 45 percent by 2025
- Recent studies suggest cuts up to 50 percent could be achieved w/ off-shelf technology at low cost (1 penny per MCF)



# State Successes

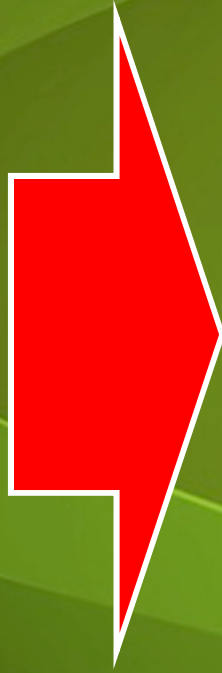
- SB1371 – CA legislation signed into law in 2013, updates pipe repair/replacement policy, rate mechanisms to improve safety, reduce climate change
- Targeted Infrastructure Replacement Programs (TIRF) - 34 states engage in some form of TIRFs, allowing utilities to recover system investments outside typical rate case
  - IL SB2266 - TIRF for Chicago & statewide replacement of cast iron, wrought iron, and uncoated steel distribution pipe
  - Creation of 500 direct jobs incl. veterans hiring program





# Working Together Toward Success - RECAP

**Workers are a key resource in defining and resolving issues in the natural gas pipeline system**



- Problem – Prevalence of leak-prone pipe, significant emissions impact
- Solution – Improved repair/replacement policies coupled w/ investment/recovery mechanisms
  - Partner resources – membership across labor and enviro partners
  - Align partner efforts and motivate stakeholders – consumers/businesses, electeds, government agencies, public service commissioners, utilities
- Urgency – Employment creation/strengthen economy, avert impacts of climate change