

**BEFORE THE  
LOCAL GOVERNMENT COMMITTEE AND ENVIRONMENTAL  
RESOURCES AND ENERGY COMMITTEE**

**HEARING ON SB 275  
MAY 11, 2021**

**TESTIMONY OF  
KEITH HOLMES, PRESIDENT OF GAS WORKS EMPLOYEES UNION LOCAL 686, UWUA**

Thank you for the opportunity to provide testimony on behalf of the 1150 unionized employees of the Philadelphia Gas Works who are members of Local 686. PGW is the largest municipally-owned gas company in the United States and my members have consistently provided the safe and reliable delivery of natural gas to the citizens of Philadelphia. We are convinced that Senate Bill 275 will serve the dual purpose of helping to ensure the continuity of 1600 good paying PGW jobs, jobs with quality health care and retirement benefits that will likely be lost otherwise, while guaranteeing that significant economic costs will not be thrust upon Philadelphia's poorest citizens. It would be unfair to allow any local government to wreck economic havoc on workers and the poor alike, while surrounding communities take no such action.

**SENATE BILL 275 WILL HELP ENSURE THAT QUALITY UNION JOBS  
ARE NOT ELIMINATED IN PHILADELPHIA**

PGW's workforce has been supplying safe and reliable natural gas to residents of Philadelphia for 185 years. Our members reside in the City, and PGW has long been a vehicle to provide good paying stable jobs to residents of the City's poorest neighborhoods. Our service and safety record is outstanding, and Philadelphians know us and rely on us to provide this essential service. Most UWUA members have made this their only career, staying until

retirement while honing the unique, non-transferable duties of providing natural gas to consumers. There can be no dispute that if the City were to somehow eliminate natural gas as a source of energy, all of these good jobs would be lost and could not be replaced with a viable alternative. My members would lose the economic stability these jobs have provided, would lose their health care, and would fall back into poverty, compounding Philadelphia's already fragile economy. A preservation of energy choice will help prevent unequal economic justice, where whole sectors of unionized jobs are eradicated in certain geographic areas such as Philadelphia, while being allowed to thrive elsewhere due to a patchwork of differing laws and regulations.

#### ELIMINATING ENERGY CHOICE WILL PENALIZE THE CITY'S POOREST RESIDENTS

Philadelphia has the highest poverty rate of any large city in the United States with a 23.3% rate, and the state of Pennsylvania's rate is 12%. This must be an essential factor in maintaining energy choice for consumers. Natural gas is a much cheaper energy alternative to electricity, and the cost of replacing equipment is more than most Philadelphia families can afford. These families will also not be able to afford the cost of electric heat during the winter -- the average cost of monthly electric energy is nearly double that of natural gas. And poverty is not unique to Philadelphia -- it plagues many counties in northern and western areas of the State as well. There is simply no way that the City or State can subsidize these additional costs, meaning that the poor in Philadelphia will necessarily suffer at the hands of a private electric utility. Philadelphians were overwhelmingly opposed to such a change when a past City administration attempted to privatize gas service in Philadelphia. What will the State's role be in later addressing the additional poverty that a failure to act now by passing this bill might cause?

## GOOD JOBS CAN BE MAINTAINED WHILE HARMFUL EMISSIONS ARE REDUCED

Maintaining energy choice is not a decision that is destined to bring about environmental catastrophe. First of all, natural gas is a relatively clean fuel, providing much lower emissions than coal or petroleum of virtually all air pollutants, including nitrogen, sulfur oxides and carbon dioxide. The increased use of natural gas instead of coal-based products has been a significant factor in reducing CO2 emissions nationwide. Philadelphia and other municipalities will continue to produce renewable energies in ways that do not eliminate jobs and increase poverty, via solar and other purchases. PGW has even done the same. Other national trends are making the grid cleaner, and reductions in the sale of gas and diesel engine vehicles will easily eclipse any changes that a municipality could ever make. In short, there are ways that we all can contribute to a greener environment without allowing certain local governments to deprive citizens of their own free choice of their source of energy, necessitated by their own personal circumstances. Uniformity across the Commonwealth, made possible by passage of this important Bill, preserves a unified energy policy, prevents the exacerbation of economic disparity, and preserves good Union jobs.

That is why my membership strongly supports Senate Bill 275, and I urge you to pass it.

Thank you.