



**INTERNATIONAL
BROTHERHOOD
OF ELECTRICAL
WORKERS®**

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LONNIE R. STEPHENSON
International President

KENNETH W. COOPER
International
Secretary-Treasurer

October 28, 2019

VIA EMAIL

The Honorable Charles Grassley
Chairman
Committee on Finance
United States Senate
135 Hart Senate Office Building
Washington, DC 20510

The Honorable Ron Wyden
Ranking Member
Committee on Finance
United States Senate
219 Dirksen Senate Office Building
Washington, DC 20510

The Honorable Richard Neal
Chairman
Committee on Ways and Means
U.S. House of Representatives
2309 Rayburn House Office Building
Washington, DC 20515

The Honorable Kevin Brady
Ranking Member
Committee on Ways and Means
U.S. House of Representatives
1139 Longworth House Office Building
Washington, DC 20515

Dear Chairmen and Representatives:

I am writing on behalf of the more than 775,000 active and retired members of the International Brotherhood of Electrical Workers (IBEW) to seek your support on pending energy tax legislation.

IBEW members constitute the world's largest energy labor union. Representing a range of skilled occupations, IBEW members have considerable expertise in building, operating, and maintaining the electric generation facilities that power America. As power portfolios evolve and new technologies are brought to bear, IBEW members will continue to play a significant role in assuring that consumers have the benefit of low-cost and reliable power service.

In order to spur additional use of energy storage resources, I support adoption of a new investment tax credit incentivizing new related projects. Improving the business case for adoption of this emerging technology will help scale up manufacturing volumes and ultimately bring down prices. This will help smooth the integration of new renewable generation and bring additional resilience to the grid.

It has come to my attention that two currently pending authorization bills – S.1142 and H.R.2096 – have a critical deficiency that would potentially imperil the ability of IBEW skilled construction, maintenance and utility workers to participate in the construction, maintenance, and operation of resulting storage facilities. As you consider including an energy storage tax credit to any late-session legislative package, I am asking that you include legislative provisions allowing utilities to opt-out of normal Internal Revenue Service tax normalization rules involving their ownership of new storage projects. Without the opt-out language, any newly enacted investment tax credit could only be used competitively by independent





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developers, a pattern than has been borne out by use of the solar investment tax credit resulting in a net loss of unionized jobs associated with electric generation.

The IBEW and its utility partners have worked hard to establish solid partnerships that include existing labor contracts, worksite agreements, and project labor agreements. I am asking for your help in assuring that a level playing field exists with regards to utility use of any new storage tax credit, which will help assure a competitive procurement landscape and the opportunity to put those agreements to use on behalf of customers. I would oppose any related tax legislation without this feature.

Thank you for your continued leadership and engagement with the members.

Sincerely yours,

A handwritten signature in black ink that reads "Lonnie R. Stephenson". The signature is written in a cursive style.

Lonnie R. Stephenson
International President

LRS:blw

