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## **Comments on Draft Report of the Blue Ribbon Commission on Lithium Extraction in California**

Additional submitted attachment is included below.



## San Diego and Imperial Counties Labor Council

October 27, 2022

Chair Silvia Paz and Commissioners Lithium Valley Commission California Energy Commission Docket Unit, MS-4 Docket No. 20-LITHIUM-01 715 P Street Sacramento, California 95814-5512

## RE: Comment on Draft Report of the Blue Ribbon Commission on Lithium Extraction in California

Dear Chair Paz and Lithium Valley Commissioners,

On behalf of the San Diego-Imperial Labor Council, AFL-CIO, representing more than 200,000 working families in San Diego and Imperial Counties, we write to provide feedback on the Draft Report of the Blue Ribbon Commission on Lithium Extraction in California. We appreciate the Commission's work in providing analysis and recommendations related to Lithium Valley. The goal of our comments is to ensure that all Lithium Valley development supports high-quality and family-supporting union jobs in Imperial County and throughout California.

The recovery of lithium in "Lithium Valley"—specifically the Salton Sea region in Imperial County—has the potential to create tens of thousands of new union jobs in Imperial County in the battery and EV supply chain.¹ The San Diego Imperial Labor Council knows how important it is for construction, operations, manufacturing, and all related jobs to be union jobs, which provide a pathway for families living in Imperial County and all across California to reach the middle class. The influx of investment that is currently taking place in Lithium Valley will drastically change Imperial County's economic and physical landscape. We are optimistic that this economic activity will have a positive effect in transforming the region. However, there must be specific recommendations from the Lithium Valley Commission that State and Federal agencies ensure that all jobs related to Lithium Valley development are union jobs. Without such recommendations, we are concerned that the skepticism expressed by residents and tribes that Lithium Valley will lead to worse conditions or create new harms is more likely to become a reality.

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<sup>&</sup>lt;sup>1</sup> A <u>2020 report by New Energy Nexus</u> predicts the creation of thousands of jobs associated with construction, operations, and maintenance for Controlled Thermal Resources, Berkshire Hathaway Energy, and Energy Source Minerals. These projections were increased by developers during a <u>February 2022 Lithium Valley Commission meeting</u>, with Controlled Thermal Resources increasing its projected jobs number to 4,285. However, none of these projections include battery manufacturing jobs like those made <u>public in announcements by Statevolt</u>, which is projecting the creation of up to 2,500 additional direct jobs.

The San Diego-Imperial Labor Council represents 136 affiliate unions including building and construction trades, operations, and manufacturing unions. As the Draft Report of the Blue Ribbon Commission notes, labor unions are well-poised to assist with workforce development to ensure that companies have a skilled and trained workforce able to fulfill the demand for labor that Lithium Valley will require.<sup>2</sup> This is particularly true of IBEW, UA, and UAW, which have been key partners thus far in conversations about workforce development in Lithium Valley. However, workforce development is only one part of the mission of our organization and our affiliates. Labor must have a seat at the table and workers must have a voice in shaping the direction of this industry. Ensuring long-term prosperity, workplace democracy, and safety for our members is critical to our mission.

As the largest organization that represents workers and their families across San Diego and Imperial Counties, we believe that developers must commit to union jobs throughout the lithium extraction and battery production process, from lithium extraction and refining, to cathode and anode manufacturing and battery assembly, and ultimately to battery recycling. This approach will ensure that targets for high-road jobs are achieved, and it will sustain our communities from the moment construction begins, creating high-quality long-term jobs in construction, operations, maintenance, and manufacturing that will keep workers employed in Imperial County for decades to come.

We support Project Labor Agreements (PLAs) for all construction related to lithium extraction and the lithium supply chain. PLAs are pre-hire collective bargaining agreements with labor unions to establish the terms and conditions of employment for specific construction projects. PLAs are a critical way for employers to lower construction costs by eliminating downtime due to labor and safety disputes. PLAs also engage Imperial County residents in the process of developing Lithium Valley by providing jobs and apprenticeships in the building trades for historically underrepresented groups. This is important for the Lithium Valley Commission's mandate to engage all members of the community in conversations about Lithium Valley's development. The bottom line is PLAs will create safe, high-quality union jobs for workers in the construction and building trades and ensure that projects have the human power to meet their deadlines and that workers stay safe in the process.

According to Carol Zabin, who is a leading academic at the Berkeley Labor Center, 9 out of 10 jobs from new geothermal production and lithium extraction will be blue collar work, but only 30% of these new jobs will be related to construction. The remaining 60% of jobs that she projected to come from Lithium Valley development will be jobs in operations and maintenance.<sup>3</sup> Since Dr. Zabin made this presentation in February 2022, numerous public announcements have been made about investments in Lithium Valley including the announcement by Statevolt in a battery factory that could employ up to 2,500 workers. While the report focuses on construction, operations, and maintenance, an enormous opportunity exists to attract battery manufacturers and other developers working in the battery and EV supply chain. To truly grow the middle class in Imperial County, the Commission should recommend attracting these additional developers and ensure that jobs in operations and manufacturing are also high quality union jobs.

<sup>&</sup>lt;sup>2</sup> Draft Report of the Blue Ribbon Commission on Lithium Extraction in California, pp. 64.

<sup>&</sup>lt;sup>3</sup> Lithium Valley Commission, Presentation- Convening of the Lithium Valley Commission 02-24-22, February 25, 2022 (TN# 241964), Docket 20-LITHIUM-01, pp. 19.

Project Labor Agreements can apply to maintenance work, but for operations and manufacturing, the equivalent to Project Labor Agreements are called Card Check Neutrality Agreements. A Card Check Neutrality Agreement is a contract between an employer and a labor union that establishes an agreement that the employer will respect the rights of its current or future employees to organize. Unlike PLAs, Card Check Neutrality agreements are not collective bargaining agreements themselves but set the terms by which the employer will recognize the union and begin bargaining. We support Card Check Neutrality agreements for all jobs in Lithium Valley related to operations and manufacturing. By respecting the rights of workers to organize, employers can also work with unions to ensure that there is a pipeline for a local skilled and trained workforce for operations and manufacturing jobs and collaborate on developing workforce training programs that will upskill and educate workers to prepare them for their future careers. In this way, Card Check Neutrality agreements can help developers hit local hire targets and facilitate collaboration on funding applications to create joint training programs.

Union jobs are the only way to ensure the jobs that are created in Lithium Valley will be high-quality careers that permanently lift workers and their families into the middle class. To help give workers a free and fair choice as to whether or not they wish to form or join a union, the Draft Blue Ribbon Commission Report on Lithium Extraction in California must recommend that all companies and especially those who receive public funds for lithium development should commit to Project Labor Agreements and Card Check Neutrality Agreements with Labor Unions seeking to represent the workers they employ.

The San Diego-Imperial Labor Council also supports the requirement that Community Benefits Agreements (CBAs) be entered into by developers. CBAs are agreements that are negotiated between community/labor/environmental groups and developers and help build a relationship and a shared vision for equitable and sustainable development. We urge the commission to recommend that CBA policies are adopted to condition public funding, public procurement, and other government assistance on having a CBA in place, and that these CBAs include specific workforce standards, local hire agreements, training requirements, and agreements that developers respect the rights of workers to organize.

We have been encouraged by the unprecedented amount of public financing that Lithium Valley has received from California and the Federal Government. However, the requirements for employers associated with this funding have thus far not included strong workforce standards, nor have they required employers to respect the rights of their workers to organize. We encourage all stakeholders to include worker protections that would ensure that jobs created in this sector and especially those that are supported by taxpayer funding are union jobs that will sustain workers and lift families into the middle-class.

In conclusion, we thank the Blue Ribbon Commission for their work in compiling this report and for the opportunity to submit this comment. If you have any questions about our input, please contact Brigette Browning at 619.981.3009 or bbrowning@unionyes.org.

Sincerely,

**Brigette Browning** 

Executive Secretary-Treasurer

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San Diego-Imperial Counties Labor Council