



**Testimony of Jackson Parker in Opposition to LD 1895  
"An Act Regarding the Procurement of Energy from Offshore Wind Resources"**

Joint Standing Committee on Energy, Utilities and Technology

May 18, 2023

Chair Senator Mark Lawrence  
Chair Representative Paige Zeigler  
Distinguished Members of the Joint Standing Committee on Energy, Utilities and Technology

My name is Jackson Parker and I am Chairman and Chief Executive Officer of Reed & Reed, a 95 year-old Maine construction company that is 100% owned by its employees. Our team of employee-owners has built or is building 408 of the 455 wind turbines in Maine. Cianbro built the others. None were built under a Project Labor Agreement nor was a PLA needed for this work that was accomplished by skilled and dedicated Maine workers.

The writers of LD 1895 must have thought the idea of offshore wind was such a slam-dunk that it could bear unlimited tacked on costs and special preferences. It is more of a social policy and union labor bill than a serious attempt to develop a cost-effective renewable energy source.

Should there be protections for Maine's fishery related industries? Of course.

But in a world where ratepayer costs matter, LD 1895 would raise electricity costs because its union-only labor requirements exclude 90% of Maine construction workers and we all know that the primary cost driver of electricity rates from these projects is the initial construction cost. Higher construction costs = higher electricity costs.

In particular, the bill requires all offshore wind be built under a union-sponsored PLA. About 10% of Maine construction workers are in unions. And about 90% are not. Maine Biz Magazine lists Maine's largest construction companies and you have to get all the way down to #12 before you find the one and only union company on the list. How could limiting competition by excluding over 90% of Maine contractors and 90% of Maine construction workers lead to lower costs and be in the interests of Maine ratepayers? It doesn't.

And under a PLA, what companies would provide the management expertise, engineering skills, equipment resources, working capital, bonding capacity and willingness to accept the business risks of such a bold undertaking? No Maine construction companies that I know of. You'd end up with out-of-state contractors who will bring their own employees with them. Great for Maine, right?

As an employee-owned Maine company that has put in place more wind power than anyone, we feel we should be able to compete for this work. But not under a forced Project Labor Agreement. Why?

First, every single one of our employee-owners made the decision to work in a non-union environment. We will not now force them to join a union.

Second, we believe that becoming signatory to a PLA could obligate our employee-owned company to pay for unfunded pension liabilities for labor unions. We will not take that risk.

Third, Under the federal ERISA law, our existing benefit programs such as health insurance, life insurance, 401k match and profit sharing MUST be available to ALL employees, even those working under a PLA where the company would be paying for similar union benefit programs. So, we'd be paying double benefits for anyone working under a PLA. Who ends up bearing that added cost? In this case, it's the Maine ratepayers.

Finally, I ask you: Is it the role of the legislature to enact legislation that excludes 90% of the Maine construction workers and employee-owned Maine companies from building renewable energy infrastructure? I think not.

I respectfully urge you to defeat this poorly crafted legislation that is littered with special interest preferences. Thank you.

Sincerely,



Jackson A. Parker

Chairman & CEO