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EDITORIALS

Counting the cost of union monopoly

California government seems to cascade from one crisis to another. As the state government continues to wrestle with the ongoing budget crisis, Californians have long forgotten the Davis administration's electricity crisis, which sparked a series of rolling black-outs in 2001.

Yet, as Southern California Edison CEO John Bryson explained at an editorial board meeting in February, California is not out of danger. Many of the promised new plants have yet to materialize, and Californians are likely to face shortages in coming years if more capacity and improved transmission is not added to the grid.

There are many reasons too few electricity generators are being built in California. As SCE officials explained, the big problem is a dysfunctional legislative situation. Following the imposition of a disastrous regulatory scheme known inaccurately as deregulation, the state has yet to put together a new, coherent energy strategy.

That's the big problem, but there are some smaller ones also. For instance, the state's environmental climate makes it difficult to build needed plants. We're not complaining about necessary controls on pollution, but about how certain activist groups are able to use what is known as "greenmail" to stop the construction of plants unless they

has nothing to do with environmental policy. It's a way to exert clout to achieve other aims.

Assemblyman Dave Cox, R-Fair Oaks, has introduced a bill, AB 2497, that seeks to expose the way certain labor unions threaten to file environmental complaints against proposed power plants unless builders agree to project labor agreements. Those agreements give monopoly control over all the construction work to union contractors.

PLAs are costly and unfair to non-union workers. But no PLA, and no power plant - at least not until costly environmental complaints are handled. An organization called California Unions for Reliable Energy (CURE), comprised of building trades members, is known for making such troubling demands of builders.

"Using CURE, unions have compelled ... the state's major power plant builders to sign labor contracts not only for construction of power plants, but also for ... long-term maintenance," explained Matt Tennis, legislative director for the Associated Builders and Contractors of California, in a recent letter to legislators. As he explained, the purpose of the ABC-sponsored AB 2497 is to analyze the costs of this procedure, not to ban the filing of environmental complaints.

The bill deserves to move forward. Californians deserve to know what greenmail is costing them.

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