Utility Seeks Union Assistance As Kemper's Troubles Mount

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By Houseley Carr

Union labor is helping Mississippi Power and its Southern Co. Services affiliate get the utility's troubled Kemper County integrated gasification combined-cycle project back on track. In its earlier stages, the now $4-billion-plus Kemper project was being built almost entirely by contractors with non-union workforces.

But as the 582-MW project faced increasingly serious management, budget and staffing challenges, SCS, which is overseeing the job for Mississippi Power, has turned to union hiring halls for hundreds of needed pipefitters, welders, ironworkers, electricians and millwrights.

Even with the new influx of skilled union labor, the Kemper project appears unlikely to meet Mississippi Power's goal of completing construction in December and starting commercial operation next May, according to Burns & Roe Enterprises, which is monitoring the project for Mississippi's Public Utilities Staff.

Burns & Roe "is very concerned that the project cannot find the appropriate number of craft," the consultant said in its most recent report. It said Mississippi Power and SCS initially underestimated by half the 10.6 million man-hours of skilled labor needed to build the project and that the pace of monthly progress through March had been only three-fifths what is needed to finish the job on time.

Pipeliding—the "No. 1 concern," the consultant said—is falling "further and further behind the project schedule." SCS has added three new piping fabricators, asked the local union pipefitters to provide up to 300 welders and

boosted craft pay, Burns & Roe said.

SCS also has received a union commitment of 300 electricians, if needed, the consultant said.

However, Burns & Roe noted, "The multiple schedule items that continue to be delayed . . . will cause a tremendous 'stacking of trades' effect." Even though the site is "large and spread out, the area work spaces are limited, making it difficult to perform work tasks effectively."

Union labor has "played a significant role" in providing SCS and several Kemper project site contractors with enough skilled craftspeople to "bring the project back to life," says David Newell, president of the Central Mississippi Building & Construction Trades Council.

With elements of Kemper in disarray, Newell says, various unions "have been working with Mississippi Power to see how we can help out." About 600 union workers are currently on-site, he says.

"I don't think Southern turned to union labor to get the project back on track," says C.J. "Buddy" Edens, president and CEO of the Mississippi chapter of the Associated Builders & Contractors. Edens says the project has suffered from poor planning, not poor performance by non-union contractors or workers.

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