

Standing Policy Statements

In accordance with Policy 1, all Standing Policies are reviewed by the Board of Governors in alternate years (ending with an odd number). Adoption dates and the dates of any revisions are noted at the end of each policy. Reaffirmation dates are not listed.

POLICY 1 Review of Policies

All standing policies of the Association are established for a period not exceeding two years, and are subject to review and reaffirmation at the end of that period.

(Adopted Jan. 4, 1955)

POLICY 2 National Legislation, Federal Regulation and Political Action

The National Electrical Contractors Association affirms its belief in the American system of free enterprise and the growth of the United States economy and the advancement of the electrical construction industry.

To the extent that legislation or proposed legislation or the administration thereof impacts the industry, NECA will:

- (a) bring such matters to the attention of the membership for it to take action for the protection of its rights and interests;
- (b) take an active part by informing the respective branches of the government as to the views and interests of the industry;
- (c) assess collaborating with other elements of the construction industry and business community;
- (d) keep the industry and the public informed of the effect of the actions and attitudes of the legislators and executive officials with respect to such legislation or the administration thereof; and,
- (e) encourage membership involvement in developing and supporting qualified candidates for federal elective office in order to maintain a favorable legislative environment.

The Government Affairs Committee is responsible for reviewing legislative and regulatory positions at its annual meeting and throughout the year; the Committee reports any new positions or recommended changes on legislative positions to the Executive Committee. The Executive Committee affirms, rejects, or revises the Government Affairs Committee recommendation and includes these positions along with the other existing position in the annual report to the Board of Governors for review at the annual convention. While the Board of Governors and Executive Committee will exercise oversight over all policy and legislative matters, the Government Affairs Committee will be responsible for

the tactics and response strategies employed to support, defeat, or amend legislation and regulatory policy.

(Adopted Jan. 4, 1955)

(Revised Oct. 23, 1965; Oct. 6, 1979; Sept. 30, 1989; Oct. 7, 1995; Oct. 23, 1999; Oct. 2, 2010)

POLICY 3 Local and State Legislation

National Electrical Contractors Association is a National Association devoted to the interests of the electrical contracting industry in the nation as a whole. The determination of the desirability of any State or local legislation or the form thereof is left for the decision of the electrical contractors in each locality or State acting individually or through their autonomous Chapters. NECA should have prepared and on file, however, model drafts of State or local legislation for licensing, inspection, separation of contracts or fair bidding procedures, and should be prepared to furnish model drafts of such types of legislation to Chapters or members upon their request.

NECA believes that it is in the public interest and the interest of the electrical contracting industry throughout the United States as a whole that there be adopted local codes providing safety standards for electrical installations, and believes that the requirements of the National Electrical Code® together with provisions for proper inspection represents the minimum necessary in the interests of the public and the industry. It recognizes, however, that any political subdivision may properly wish to further protect the public by establishing higher standards where local conditions warrant and a greater degree of safety from hazard is deemed desirable.

(Adopted Jan. 4, 1955)

(Revised Nov. 6, 1959, Oct. 6, 1979)

POLICY 4 Contract Procedure

(a) **INSTALLATION ONLY.** Electrical work is highly specialized and technical in character. Its speedy and economical performance requires experienced selection, purchase and delivery of the right kinds of electrical apparatus, appliances, equipment and materials, including their correct assembly and proper installation. The electrical contractor is the only one capable of furnishing such performance with responsibility. Any other methods or procedure in performing electrical work result in waste of materials and skilled labor. The responsibility of the electrical contractor for the successful functioning of every electrical installation which he makes requires his control of the selection and scheduling of delivery of all material and equipment required for each job.

Therefore, NECA believes that the practice of certain owners and prime contractors of purchasing material and equipment direct from manufacturers or other suppliers, and then soliciting bids from electrical contractors for the labor only for their installation, undermines the electrical contractors responsibility, lessens his efficiency, increases the cost of electrical installations, reduces the standards and adequacy of electrical installation, and is detrimental to the best interests of the owner.

(b) BID SHOPPING. The best interests of the electrical contracting industry and the public are served where there is active, open, above-board competition for electrical contracting work. Therefore, NECA deplors the unfair trade practices of bid-shopping by general contractors and bid-peddling by electrical contractors. These practices obviously are making it increasingly difficult for both the ethical contractor and the ethical sub-contractor to compete against those members of the industry who shop or peddle bids. The result of this evil is to restrict the number of qualified subcontractors who are willing to participate on a competitive bid basis and tends to force those who do to put in their sub-bids at the last minute to the distress of the general contractors and the loss of the owner. Again, these practices result in many general contractors submitting their bids without any clear idea of what their principal subcontract costs will be and render their business and that of the subcontractor unduly speculative and construction uneconomic.

(c) AWARDING METHODS. Long experience and logical analysis indicate that generally owners and the public benefit when the electrical and mechanical portions of most construction projects are separately bid to awarding authorities by electrical and mechanical specialty contractors. This procedure usually results in: (a) lower cost; (b) selection of better-qualified electrical and mechanical contractors to perform the highly specialized functions involved in these phases of work; (c) placement of direct responsibility for performance in each major phase of the project on the contractor technically capable of accepting that responsibility; and (d) elimination of the unfair trade practices of bid-shopping, bid-peddling, failure to make timely progress payments to subcontractors, and economic coercion of subcontractors with the use of owners' and subcontractors' money.

Therefore, NECA will actively support continuation and extension of the policy of separate bidding or letting of electrical contracts by public and private owners through public relations, inter-industry and legislative action wherever its chapters favor this system.

NECA recognizes that there are substantial differences between electrical and mechanical work and work which may be subcontracted by the general contractor or performed by his own forces. Therefore, it is advocated that prime contractors or bids be segregated into only major divisions of related portions of normal construction projects; namely, the electrical contract,

incorporating lighting, wiring, electrical heating, energy efficient electrical and electronic controls, renewable energy technologies, including wind, hydrokinetic, photovoltaic, biomass, geothermal, energy storage cells; other types of electronic systems, communications systems, security systems, data lines, wireless systems, and preparatory work connected with such electrical work, as well as work related to smart grid construction and power line transmission and distribution; the mechanical contracts, including plumbing, non-electric heating, ventilating, air-conditioning, sprinkling systems, drainage systems, and pneumatic systems; the elevator contract if appropriate; and the structural and architectural contract, including all remaining phases of construction to the completion of the building or facility. NECA disapproves of breaking down the work into many small separate contracts involving functions that are often performed by various crafts employed by a single general structural contractor.

(d) PAYMENTS. When payment to the prime contractor is withheld due to his own default or that of any person other than the electrical contractor, the electrical contractor should be paid for his work promptly by the prime contractor and not penalized, by delayed payment, for the defaults of others, and the prime contractor should be willing so to provide in the subcontract documents.

When a percentage is retained under terms of the prime contract to assure proper completion of the work, the retention applied to the subcontract should be in just proportion to subcontractors and supplies and any changes in retained percentage likewise should be passed along to the electrical subcontractor in proper proportion and promptly.

(Adopted Jan. 4, 1955)

(Revised Nov. 12, 1957; Nov. 17, 1958; Nov. 6, 1959, Oct. 8, 1963, Sept. 12, 2009)

POLICY 5 Honoring the Specifications

National Electrical Contractors Association has historically supported a policy of honoring the specifications of awarding authorities in proposals submitted by members. This policy has earned the respect of customers and suppliers alike.

Another policy ardently supported by NECA is free competitive enterprise. The Association holds this to be basic to the principles of American Business Relationship and essential to the welfare of the public.

NECA members recognize that in some situations only one particular product will properly serve the buyer's purpose. In such cases the naming of one product to the exclusion of other manufacturers is proper.

NECA members also recognize that in essentially all materials used in electrical installations, there are many highly competent manufacturers of quality products of equal serviceability and utility.

Therefore the Association recommends that in the specifications for private construction, designers use descriptive and performance specifications as is required by law, in public work; or name a minimum of three products which may be used at the contractor's option.

The Association firmly believes that the recommended policy above stated is in the best interest of the purchasers of construction services, the public generally, competent designers, and of Qualified Electrical Contractors.

The Association reaffirms the principles of Honoring the Specifications and free competition between products of proven quality.

(Adopted Oct. 9, 1961)

POLICY 6 Governmental Agencies Government Contracts

(a) ORGANIZATION, PROCEDURE AND REVIEW. The National Electrical Contractors Association believes that the grants of authority to Government agencies should be clearly defined and should be subject to safeguards with regard to organization and procedure adequate to protect individuals against arbitrary administrative action and to insure that administrative procedures (including contracting procedures) are in the public interest. NECA further believes persons adversely affected by the action of such agencies should be permitted the widest possible court review and that such court review should be supplemented by the restraining and beneficial influence of fair-minded Congressional (legislative) investigation where appropriate.

(b) PROPAGANDA. The NECA believes that the Government agencies should not use public funds for propaganda with respect to their activities and with consequent unfairness to private enterprise but should confine themselves to faithful execution of their duties as fixed by the legislature, addressing themselves to Congress with respect to policies they recommend.

(c) COMPETITION WITH PRIVATE INDUSTRY. NECA believes that the Government should not compete with private enterprise. Where it is necessary for the Government to undertake business activities which cannot effectively be handled by private enterprise, the cost of Government activities that compete with private business should be determined according to standard business accounting practices and so that the public may have accurate information by which it may test the efficiency of such activities. Where Government agencies control products for sale or distribution they should use established channels of private trade which provide practical and economic distribution. Where Government agencies require products or services, the Government's needs should be met by contracting with the lowest responsible bidder after the widest possible competition. Except where clearly necessary for the National Defense or other compelling reasons, Government agencies should not contract upon a force account basis nor should Government agencies procure construction materials separately and contract for

construction services only. These practices are not only unfair to independent business and to labor but are uneconomical and wasteful.

NECA believes that it is in the best interest of both the public and the Government contracting authorities to utilize prequalification of bidders on Government construction projects. Such prequalification of bidders would help insure that Government construction would be performed by those contracting firms with the necessary experience and responsibility.

(d) CONTRACTING PROCEDURES. NECA believes that Federal Government and all State and local governments should adopt those contracting procedures which afford the widest possible qualified competition and which NECA believes prudent private owners should adopt in their own self-interest as expressed in Standing Policy Statement IV (c).

(e) OPEN COMPETITION. The Government should always leave open opportunity to all citizens for the development of all legitimate forms of business enterprise. It should not cut off opportunity of any qualified contractor to serve the Government in open competition, provided the Government is entitled as any owner to take into consideration the qualifications of potential contractors and should do so especially in those few cases where cost-plus-fixed-fee contracts are necessary.

(Adopted Jan. 4, 1955)

(Revised Nov. 6, 1959; Oct. 8, 1963)

POLICY 7 Public Policy on Public Works

NECA endorses the following principles with respect to public works construction:

1. That all public works should be undertaken in a manner which assures full, fair and ethical competition by qualified, responsible construction contractors.
2. That plans and specifications for essential public works should be placed in the blueprint stage in advance so as to be ready for quick action when needed, this would include advanced energy efficiency performance specifications and technical criteria necessary for design-build projects.
3. That plans and specifications for private work should also be prepared in advance as far as practicable in order that private construction, which normally constitutes two-thirds of construction volume in peacetime, may have first call on the industry's resources.

(Adopted Jan. 4, 1955)

(Revised Oct. 6, 1979; Oct. 23, 1999; Sept. 23, 2000; Sept. 12, 2009)

POLICY 8
Fair Trade Policy

The economic process of distribution of electrical products requires that the functions of each branch of the industry be recognized and that each shall receive a fair remuneration for its service, to the end that equity and fair dealing prevail and the public be well served.

The electrical contractor can perform a vital and important function in this chain of distribution. The electrical contractor should create consumer markets

and should promote the products of all manufacturers to meet the consumer's needs. He assembles the diverse products of particular manufacturers and through his engineering experience, trained organization and skilled labor processes them into complete units--an installation which he can guarantee and service.

These functions of the electrical contractor are essential to the economic distribution of electrical products to the public and require that an adequate margin for the cost of such functions be provided in the sales prices of all electrical products. Failure to understand and recognize the importance of the electrical contractor's function in the industry as a distributor or salesman of electrical products is extremely detrimental to the ultimate consumers of electrical products as well as to the industry as a whole.

It is important then, that each manufacturer and distributor recognize the distributive function of the electrical contractor and make provision for a contractor's differential which will permit the contractor to sell electrical products at a fair profit commensurate with his function. Such recognition of the electrical contractor's function would promote the most effective and efficient system of distribution on a competitive basis in accordance with law.

(Adopted Nov. 12, 1957)
(Revised Sept. 30, 1989)

POLICY 9
Electrical Inspections

NECA supports the inspection of electrical construction work by qualified inspectors, in order to protect the public against potential hazards due to incorrectly installed electrical products and systems, and to improve the reliability and performance of installed electrical systems, thus increasing their value to owners. NECA endorses the following principles with respect to electrical inspections:

1. In order to protect public safety, most states and localities require electrical installations to comply with the National Electrical Code®, and electrical products to be "listed" by nationally recognized safety testing organizations. Electrical inspections help confirm that electrical wiring and systems are installed "according to Code," using only properly listed products meeting U.S. safety standards.

2. The benefits of electrical inspections are not limited to power or line-voltage wiring systems. In order to insure safety, all installations of wiring and equipment covered by the National Electrical Code® should be

required to have permits and electrical inspections. This includes such low-voltage and limited-energy systems as telecommunications, security, nurse call, computer networks, audio and video distribution, fiberoptics, and cable television.

3. In addition to their public safety benefits, electrical inspections confirm that qualified electrical contractors are on the job and help protect the public against untrained or unprofessional contractors and electricians. Too often, unqualified installers perform improper electrical installations out of ignorance, cut corners in order to reduce costs, and use products that don't meet national safety requirements or local laws and codes. The result can be unsafe installations that pose shock and fire hazards to users, and which also bring the entire electrical contracting profession into disrepute.

4. The cost of electrical inspections should be supported by permit and inspection fees paid directly by builders and electrical contractors. The cost of this vital public safety function should not be paid indirectly out of general funds, because this makes it vulnerable to fiscal cycles experienced by state and local governments. By the same token, revenues from electrical permit and inspection fees should be used only to provide and maintain a strong, professional electrical inspection function that protects public safety. They should not be regarded as a source of general public revenue.

5. NECA believes that electrical inspectors should be trained electricians with at least five years practical field experience in electrical construction, and that they should be certified by a nationally recognized organization such as the International Association of Electrical Inspectors. Only persons with substantial National Electrical Code® knowledge and experience, which has been verified by an independent agency, should be entrusted with performing this important public safety function.
(Adopted Oct. 25, 1997)

POLICY 10
Free Enterprise

National Electrical Contractors Association believes that independent businessmen should always strive to solve their own problems by voluntary action within the limits of our free competitive system and avoid invitation for Government intervention in business or bureaucratic control. The American system of competitive private enterprise protects our rights as individuals and has made possible in the United States a higher standard of living than ever before obtained in any country. NECA accordingly deplors any effort, direct or indirect, to substitute for our proven system any other economic system regardless of the source of the effort or its Utopian objective.

NECA believes that the greatest contribution the Government can make to a sound peacetime construction industry and a healthy economic condition lies in giving maximum encouragement to the system of competitive private enterprise and

affording an opportunity for independent businesses to prosper through its own initiative self-reliance and resourcefulness.

In accordance with these principles, NECA believes that any rights of individuals, minorities or States temporarily surrendered to the National Government during a time of emergency should always be restored as speedily as may be consistent with the needs of the economy.
(Adopted Jan. 4, 1955)

POLICY 11 Chapter Membership Temporary Membership

In order to better serve the public and to promote the welfare of the whole electrical contracting industry, the National Electrical Contractors Association encourages its members in each locality (and all electrical contractors in any locality) to form local trade associations which should be responsible corporate bodies permanently established and adequately financed through the dues of their own members, and NECA invites such local trade associations to affiliate themselves with NECA as Chapters.

NECA conducts all of its activities in accordance with the law and in such manner as to serve, promote and protect the interests of the electrical contracting industry as a whole. Under the law each contractor has the right to do business wherever he sees fit and any buyer has the right to purchase from whomever he sees fit. NECA therefore will not be a party to or condone an attempt to shield its members in one area from the fair competition of members in another area. To this end, NECA's Bylaws make provision that Chapters shall provide for temporary membership for, and grant facilities to, members of the Chapter and requires NECA members to apply for such temporary membership when they undertake electrical work in the area of such Chapter.

Traveling members of the Association who may desire in any case to form a "Joint Venture" should be cognizant that NECA membership is evidence that a concern is dependable and "qualified" to execute any electrical work which it undertakes and that it will not object to the payment of the local Chapter's service charge.

As dues and service charge-paying members of a Chapter, temporary and permanent members alike are entitled to receive equal, non-discriminatory service from the Chapter. This includes, but is not limited to, appropriate representation in labor negotiations, apprenticeship distribution, if available, and equal access to other chapter services and functions.
*(Adopted Jan. 4, 1955)
(Revised Oct. 21, 1960; Oct. 19, 1991)*

POLICY 12 Ethical Contracting Practices

NECA, historically, has supported and continues to support the highest legal and ethical standards in construction for the benefit of its members, the industry and the consuming public. Illegal and unethical practices distort the fair and level playing field needed

for entrepreneurial competition. Attempts to gain unfair competitive advantage are ethically abhorrent and often cross the boundary into overt illegality.

The position of the Association continues to include support for full and fair enforcement of Federal antitrust statutes. For many years NECA has taken an active role in attempting to prevent such practices as complimentary bidding, bid shopping, bid peddling, blacklisting of selected contractors, product boycotts, operation of exclusive bid depositories or activities of a like nature by individuals, groups or entire chapters. In addition to comprising unethical standards of construction contracting, such activities often violate Federal antitrust laws.

While it is not the role of the Association to act in place of duly constituted authorities at federal, state and local levels in policing and enforcing the law, it is a policy of NECA and its chapters to develop and promote programs which educate the electrical construction industry in the highest standards of legal and ethical business practice and in the value of maintaining those standards. NECA also encourages each of its member firms to adopt, promote and enforce its own code of ethical conduct.
(Adopted Oct. 20, 1990)

POLICY 13 Labor Relations

NECA values highly the long record of constructive and responsible labor relations as it has been practiced throughout the years by the National Association, its chapters, and its members. Much credit and immeasurable savings have been brought to the industry and to the general public by diligent efforts to promote and maintain full and uninterrupted productivity while striving for economically-realistic terms of employment. NECA believes that every effort should be made on the part of all parties concerned, including the National Association, its chapters, its members, supervisory personnel, the IBEW, and local unions to provide the maximum possible productivity per manhour of labor in order to meet competition and also to promote consumer use of the services of trained and skilled electrical craftsmen employed by qualified electrical contractors.

In order to implement this basic policy, NECA endorses and seeks to develop, on the local and national level, programs and procedures for rational and peaceful approaches to the settlement of disputes and the avoidance of strikes, work stoppages, and jurisdictional disputes, and programs and procedures for improving safety, training of apprentices and journeymen, employment and benefit programs, and other programs for the benefit of the industry and the general public. Among existing programs which NECA has sponsored and participated in and which NECA endorses are the Council on Industrial Relations, the National Joint Apprenticeship and Training Committee, the Employees Benefit Agreement (NEBF), the Impartial Jurisdictional Disputes Board, the Continuous Pipe-Type Underground Oil-Filled Transmission Conduit

Installation Agreement. NECA will continue, in cooperation with the constituent chapters, to study and develop programs in the interests of the industry and the public.

NECA's Labor Relations policy provides for a coordinated and cooperative effort between constituent chapters and the National Association. This policy features a high degree of local responsibility, while at the same time providing for methods by which the National Association can promote and safeguard the labor relations and business interests and goals of the industry.

Basic labor relations policies which NECA has subscribed to and will continue to endorse are:

NECA supports and endorses the continued development of union responsibility at the local and national levels toward minimizing and eliminating wildcat strikes, jurisdictional strikes, and work stoppages over contract and other disputes. Accordingly, NECA subscribes to the continuation of the Council on Industrial Relations and its establishment in all areas to avoid work stoppages which are detrimental to employer, employee and the Public. NECA subscribes to and recognizes the right of craftsmen to organize and bargain collectively.

NECA will continue to develop harmonious relationships with the International Union and its constituent locals to promote labor stability and improve the economic and financial interests of the industry.

NECA endorses legislation which advances the legitimate interests of the employer or his employee and opposes legislation which seeks to impose unfair restrictions upon the employer or his employees, or which seeks to impose undue and harmful burdens on the industry.

NECA supports and endorses the continued organization and strengthening of employer groups through local chapters in the interest of greater industry solidarity and responsibility in creating responsible labor relations.

NECA subscribes to and endorses the principle of non-discrimination in employment, and subscribes to a policy of employment without regard to race, color, religion, sex, or national origin, and subscribes and endorses a continuing policy to have its Chapters and the IBEW, both locally and nationally, undertake a program providing for a classification in all electrical construction agreements which will permit the economic absorption by the Industry of minority classes, and subscribes to development of a training program which will assist these minorities to become qualified craftsmen within the Industry.

NECA subscribes to and endorses the continued development of safety programs in the interest of the individual craftsman and the employer.

NECA subscribes to and endorses the continued development of programs to ensure an adequate supply of qualified craftsmen in all areas of the country. This

includes the continued development and orderly expansion of these apprenticeship and journeymen training programs by the maximum utilization by NECA members of the indentured apprentices available and by cooperating with the area Joint Apprenticeship and Training Committee in providing adequate, continuing, and diverse training for technological requirements and the expanding needs of the Industry. This does not include a requirement for employers to employ apprentices when there is no need for their services.

NECA subscribes to and endorses the principle of managerial responsibility and freedom to manage and oppose any restrictions which hamper and impede the exercise of managerial judgment and increase the cost of doing business. This includes the right to select qualified workmen and to maintain fair and reasonable work rules in the interest of economy and sound business practice.

(Adopted Sept. 30, 1967)

(Revised Oct. 17, 1970; Sept. 24, 1977; Oct. 6, 1979)

POLICY 14 Product Guarantees

The electrical industry is justly proud of the high degree of reliability and superior performance of its products and services. Contractors, manufacturers, distributors, and energy suppliers have all contributed careful quality control, tested design, strict compliance with codes and testing laboratory standards, and prompt performance of needed service or repair under the terms of guarantees to assure the satisfaction of customers

NECA always has assumed that any qualified electrical contractor will guarantee all installations for a reasonable period, preferably in writing. However, in the performance of such guarantees, contractors at times are faced with expenses for correcting design or manufacturing errors over which they have had no control and for which they have no responsibility except to uphold the entire industry's reputation. NECA feels it is imperative for each company in the electrical industry to stand fully behind the products or services it markets by paying all direct and contingent costs incurred by anyone in replacing, repairing, or adjusting defects or malfunctions which are under the control primarily of that company.

NECA believes the following standards on guarantees will prevent unfair shifting of liability to innocent victims of design or manufacturing faults and attendant ill will, controversy, and duplication of costs:

(1) The manufacturer should reimburse the contractor for all labor costs incurred during the guarantee period in adjusting, detecting, replacing, or repairing parts or equipment which were properly installed but which malfunction because of errors in design or manufacture.

(2) The manufacturer should reimburse the contractor or owner for other costs incurred as a result of malfunction of such defective parts or equipment

during the guarantee period or during the period of the contractor's legal or contractual liability.

(3) The distributor or manufacturer should indemnify the contractor from losses resulting from damage of goods in shipment or damages which freight carriers claim were concealed damages already existing at time of shipment. The burden of settling claims with carriers should lie with those in the industry who ship and distribute rather than with those whose primary function is to install.

(4) All guarantee and warranty periods should start tolling on the date the customer accepts the installation. Manufacturers' warranties which are good for a year from date of factory shipment or contractor receipt are wholly inadequate when the contractor's guarantee liability starts at a much later date, and opportunities generally do not exist to detect hidden defects until equipment has been operated or energized for some period of time.

(5) No public or private owner should expect the industry to absorb the added liability and cost of guarantees starting upon the owner's final acceptance of the project if the owner has previously energized, operated and had the use of guaranteed products. All guarantee and warranty periods should toll from the date of first use by the owner or at his direction.

(6) Contractors should use good judgment and restraint in requesting indemnification under this policy to avoid nuisance claims which cost more to process than to absorb and to minimize costs at all levels of distribution. Contractors should not incur labor costs beyond those incurred in receipt and examination if defects can be discovered on a pre-installation examination of any product which could reasonably be expected to have defects.

(Adopted Oct. 17, 1970)

(Revised Oct. 6, 1979)

POLICY 15 Electrical Industry Contractor Utility Relations

Throughout most of the twentieth century, the electrical contractor and the utility company were viewed as individual parts of the total, integrated electrical industry. Each performed a unique role. The electric utility company generated, transmitted, and distributed electrical power to its customers, while the electrical contractor supplied the materials, equipment, labor, and expertise to build and maintain electrical facilities that allowed customers to convert electrical power into a wide variety of beneficial uses. Those distinct roles have changed dramatically in recent times. Lines of separation of responsibility and domain have blurred as deregulation, mergers, acquisitions, consolidations, and divestitures have altered the industry. Rapid changes in corporate structure and high turnover at utility companies have interrupted communication channels between utility firms and contractors. The good will that existed between the industry partners has practically evaporated.

Utilities are now engaged in activities traditionally performed by electrical contractors, either through acquisition of contracting firms or by independent development of capabilities. These actions raise concerns among electrical contractors that utilities are unfairly competing: first, by using resources subsidized by regulated electricity rates to lower direct costs; and second, by ignoring codes and standards that electrical contractors must observe.

On the first point, NECA opposes the practice of cross-subsidization, whereby electrical utility companies, or the holding companies that own them, use resources obtained through regulated utility rates to enable their contracting subsidiaries to gain competitive advantage in the marketplace over electrical contractors. As a matter of principle and policy, NECA will endeavor to thwart this abusive practice whenever and wherever it occurs. NECA recognizes the legitimate right of businesses to compete in the electrical contracting market through legal and ethical practices, but will not hesitate to use its resources to oppose those practices it sees as illegal or unethical.

On the second point, NECA recognizes that both electrical contractors and utility companies must adapt to meet challenges in the business and regulatory environments where they operate. NECA maintains, however, that all firms engaged in the business of electrical contracting should operate under uniform industry standards that insure fair and open competition. Electrical utilities and contractors alike have a responsibility to their customers and the public-at-large to maintain a high level of quality, ensure effective electrical safety, and provide a high degree of electrical system reliability in the installations they provide. NECA believes that uniform standards like the National Electrical Code® and the National Electrical Installation Standards™ should be adopted for their appropriate applications by all firms engaged in electrical contracting. NECA will oppose efforts to lower the standards that protect the public and that demand a high level of quality and reliability.

Even prior to the deregulation of the electric utility industry, the communications industry experienced perhaps a greater transformation through industry deregulation and the dismantling and restructuring of the corporate giants that comprised the Bell Telephone System. An industry that was almost exclusively voice communications over telephones and text messages sent over telegraph wires has exploded into a world of voice, data, and visual information delivered through vast networks of copper and aluminum conductors, fiber optic cables, microwaves and other wireless transmission. These networks have spawned a much more diverse set of communications utilities with widely varying business models, reaching across the traditional boundary at the service point. With the transformation of the voice-data-video industry have come broad opportunities for electrical contractors for specialty contracting work. As with electric power utilities, the communications

utilities have become both customers and competitors for electrical contractors. NECA has responded to the market transformation by developing National Electrical Installation Standards for the emerging communication technologies, and works along with industry associates to develop appropriate codes and safety standards. NECA will continue to use its resources to expand opportunities for electrical contractors and insure that fair and open competition exists among contractors and communications utilities.

NECA advocates positive relations between utilities and electrical contractors, and encourages effective channels of communications at all levels. Electrical contractors and utility companies are most productive, and customers are best served, when the industry partners cooperate to deliver the goods. Disputes will arise and the parties will have to "agree to disagree" on some issues, but the industry and the end-users of electrical power and communications technology will benefit from electric and communication utilities and contractors working together on common interest and competing fairly when interests diverge.

(Adopted Oct. 20, 2001)

(Revised Sept. 17, 2005)

(Revised Oct. 21, 2011)

POLICY 16 Public Relations

NECA maintains a comprehensive public relations program to address the strategic goal of enhancing the image of NECA and the electrical contracting industry. Electrical contractors provide a vital service, but the impact of their work is often undervalued by the public. Effective public relations creates a marketplace environment where NECA contractors are recognized by customer audiences and members of their communities as business professionals, leaders, problem-solvers and technical experts; and NECA is recognized as the voice of the electrical industry.

NECA's approach to public relations is both proactive and responsive; it positions NECA as the leading authority on the electrical industry and the primary advocate for member contractors. The Association actively seeks opportunities to speak out on issues important to NECA members through the media and other forums. NECA also develops public relations initiatives that address emerging concerns and unfolding events. The Association provides resources, training, and support to advance and expand the public relations and marketing efforts of individual members and chapters, as well as ensure a consistent message in all of NECA's media and outreach initiatives.

Active communication with NECA members, the media and key decision-makers is essential to maintaining a positive appreciation for the electrical contracting industry and the Association. Therefore, ongoing efforts should be made at the chapter, district and national levels of NECA to identify and communicate newsworthy Association activities and feature outstanding examples of members' work. Communications methods include distributing press releases and developing articles for the trade and public

media. Public relations also includes community outreach, strategic partnership and philanthropic activities. These activities should have a strategic and meaningful connection to NECA's role in the industry. When publicized, these activities will enhance the image of qualified electrical contractors. It is also recommended that special commemorative events that occur within the Association be shared with the business community.

A higher profile makes it possible for NECA to assume industry leadership and be a key player in policies, legislation and partnerships. For NECA members, this growing visibility will translate into increased market opportunities, improved access to important decision-makers, and a broader talent pool from which the next generation of skilled craftsmen and managers will come. As NECA's brand recognition grows, qualified electrical contractors will benefit from their alignment with NECA as their customers will associate professional excellence with NECA membership.

Regular efforts should be made by NECA staff and officers to stay informed of the developments and best practices in public relations and marketing communications. NECA will use these skills and knowledge to remain effective and efficient. Funding for such public relations activities should be an integral part of the Association budgeting process, at the local chapter and national levels of NECA. Finally, systematic studies to measure the public opinion of NECA and its members should be conducted in order to refocus the public relations program as local, regional, and national issues may warrant.

(Adopted Sept. 30, 1989)

(Revised Sept. 17, 2005)

POLICY 17 Substance Abuse

The National Electrical Contractors Association does not condone the improper use of any drugs or alcohol and will work for the legal means to ensure a workplace free from the adverse affects of such substance abuse.

Historically, NECA has stood for maintaining the safest and most productive workplace possible. NECA members appreciate the benefits of a workplace free from injuries, the advantage of a productive work force, and the responsibility of offering a safe working environment. NECA members are firmly committed to achieving these goals and recognize that one of the most serious challenges facing them in this regard is substance abuse.

Substance abuse on or off the job has a negative impact on employees, their families, and their work. While NECA members have no intention of intruding into the private lives of their employees, they do expect employees to report for work in condition to perform their duties.

Statistics relating to substance abuse clearly show a serious threat to our society. NECA members recognize that substance abuse - its causes, effects

and solutions - presents complex problems and they are dedicated to solving these problems and maintaining a drug-free workplace.

Solutions to substance abuse can best be addressed through awareness, education and action. Employees are identified with their employer and should be assisted in representing him in a responsible and creditable manner. Through NECA Chapters, and within the law, NECA members will encourage and support local substance abuse programs, which should contain an emphasis on restoring the affected employee's health and productivity as well as preserving a safe working environment for all employees. This support includes the distribution of educational material, the formulation of reasonable and legal local policies and bargaining agreement language, and open discussion on the development of employee assistance programs.

The goal of NECA members is to maintain a safe and healthy workplace for all employees and to foster efficient operations, thereby offering the best possible product to the construction customer. Substance abuse can prevent NECA members from achieving this goal. The issues of substance abuse must be addressed so that the users and purchasers of electrical construction can be assured that they will receive a product of the highest quality and economy.
(Adopted Oct. 20, 1990)

POLICY 18 Energy Independence

The U.S. economy and national security depend on affordable, reliable electricity. The electrical industry advances economic growth and productivity, promotes business development and expansion, and provides solid employment opportunities to American workers — both directly and indirectly. Since electricity is the fuel that runs our homes and businesses, growth in the use of electricity has coincided with growth in the nation's Gross Domestic Product ever since the end of World War II.

Our nation's access to affordable, reliable electricity depends on the smooth performance of a complex system. That system includes the generation of power, transmission, distribution and the installation and maintenance of the systems within buildings. Each of these elements is interconnected. Then, too, electricity, in its origin and delivery, is connected to other sources of energy. Any breakdown in these connections could have disastrous impacts on both the economy and the security of our nation.

The National Electrical Contractors Association (NECA) supports a multi-faceted approach to making the United States energy independent and commits its active participation in helping implement an energy policy premised on independence. Our association's efforts include working within the legislative and regulatory arenas and with other relevant entities to help improve electric reliability and infrastructure investment, maintain the diversity of all available fuel resources including nuclear energy, enhance energy efficiency, and increase use of renewable energy sources. NECA also

encourages traditional producers of energy to embrace new methods that would create jobs, increase resource yield, and promote environmental and economic sustainability.

Electrical contractors who construct and maintain the infrastructure to generate, transmit, and distribute electrical power play a key role in the move towards domestic energy independence. The electrical contractors of the United States will be vital in ensuring the independence, security, and prosperity of America's economy.
(Adopted Oct. 4, 2008)

POLICY 19 Safety Programs and Safe Workers

NECA believes that safety is an integral part of achieving excellence in the electrical contracting business by maintaining the highest productivity, quality, and safety standards in a proactive, practical, and cost effective approach to manage organizational loss control. NECA members demonstrate safety professionalism and responsibility through every aspect of work and services they provide including designing, planning, construction, service work, and implementing operations with a minimum of disruption to customers. NECA's commitment to jobsite safety is reinforced by placing special emphasis in quality safety training programs that integrate safety into project pre-planning and project management.

NECA, historically, has supported and continues to support the highest safety standards in construction for the benefit of its members, the industry and the consuming public. NECA actively advocates maintaining the safest and most productive workplace possible. NECA members appreciate the benefits of a workplace free from injuries, the advantage of a productive work force, and the responsibility of offering a safe working environment. To that end, NECA believes that to achieve *zero injuries* in the workplace, contractors must strive for *zero energy work environments* as the normal and best practice, whenever achievable.

NECA members understand jobsite safety is an important responsibility shared between employers and employees and affirms that implementing safe work practices is not optional. The association believes that a trained and qualified workforce has responsibility to recognize and avoid workplace hazards and, where necessary, employers provide appropriate personal protective equipment for workers exposed to workplace hazards.

NECA remains active in government relations and rulemaking processes related to worker safety. The association actively participates in electrical safety standard development, such as NFPA 70 the *National Electrical Code*, and NFPA 70E *Standard for Electrical Safety in the Workplace* and other safety legislation that affects the industry. NECA is committed to supporting collaborative effective efforts in industry alliances and partnerships sharing common safety objectives.

The goal of NECA members is to maintain a safe and healthy workplace for all employees and to foster efficient operations, thereby offering the best possible product and services to the construction customer. Effective safety-related work practices and principles must be integrated into the planning and installation of electrical work as well as into design.

NECA members recognize that implementing effective safety programs and safe work practices is often challenged by cultural differences and other distractions that are not in best interest of employees or employers and they are dedicated to solving these problems while establishing and maintaining safety in the workplace. *Safety Excellence* results from safe work practices that continuously strive for *Zero Injuries*. NECA's commitment to safety excellence and safe work environments remains active, focused and constant. (Adopted Sept. 12, 2009)