# STATE OF MINNESOTA BEFORE THE COURT OF ADMINISTRATIVE HEARINGS FOR THE MINNESOTA PUBLIC UTILITIES COMMISSION

Katie Sieben Hwikwon Ham Audrey Partridge Joseph Sullivan John Tuma		Chair Commissioner Commissioner Commissioner Commissioner	
In the Matters of the Applications of Benton Solar, LLC for Site Permits for the 100 MW Solar Energy Generating System and 100 MW Battery Energy Storage System and a Route Permit for the 115 kV High-Voltage Transmission Line Associated with the Benton Solar Project in Benton County, Minnesota	) ) ) ) )		IP7115/GS-23-423 IP7115/TL-23-425 IP7115/ESS-24-283 No. 25-2500-40339

# POST-HEARING REPLY BRIEF OF BENTON SOLAR, LLC

October 10, 2025

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#### Introduction

Benton Solar, LLC ("Benton Solar") respectfully submits this Reply Brief on the narrow contested case issue of whether the Minnesota Public Utilities Commission ("Commission") should impose "conditions on [Benton Solar's] site or route permit based on the local employment and economic impacts." As confirmed below, the record is abundantly clear that no such conditions are necessary—NextEra Energy Resources, LLC ("NEER") has a long and consistent history of hiring Engineering, Procurement, and Construction ("EPC") contractors that utilize local labor in the construction of its Minnesota renewable energy projects. Nonetheless, should this Court wish to include a permit condition addressing this issue, Benton Solar proposes a practical, workable permit condition in order to resolve the issue. Additionally, Benton Solar corrects several misrepresentations of the record contained in Laborers' International Union of North America Minnesota and North Dakota's ("LIUNA") Initial Brief.<sup>3</sup>

- I. NEER's Minnesota Projects Have Uniformly Engaged EPC Contractors That Hire Local Labor—Benton Solar Is No Different.
  - A. Benton Solar's Robust Commitments to Utilizing Local Labor Are Uncontroverted and Satisfy the Statutory Criterion.

Under Minn. Stat. § 216I.05, subd. 11(b)(15), the Commission must "consider a facility's local employment and economic impacts, and may reject or place conditions on a site or route permit based on the local employment and economic impacts." Here, the overwhelming record evidence demonstrates that Benton Solar will be built with a significant local workforce. LIUNA continues to ignore this evidence, however, and persists in suggesting this Court should

<sup>&</sup>lt;sup>1</sup> Minn. Stat. § 216I.05, subd. 11(b)(15).

<sup>&</sup>lt;sup>2</sup> Initial Post-Hearing Brief from Benton Solar at 1, Sept. 26, 2025, eDockets ID No. <u>20259-223360-03</u> ("Benton Solar Brief").

<sup>&</sup>lt;sup>3</sup> Initial Brief from LIUNA, Sept. 29, 2025, eDockets ID No. 20259-223367-01 ("LIUNA Brief").

<sup>&</sup>lt;sup>4</sup> Order at 3 (citing Minn. Stat. § 216E.04, subd. 7(b)(15), which was replaced by Minn. Stat. § 216I.05, subd. 11(b)(15), effective July 1, 2025).

requires the Court and Commission to disregard two uncontested and dispositive facts: (1) Benton Solar explicitly committed to hire an EPC contractor that would work directly with unions to construct the Project,<sup>5</sup> which commitment was filed in this docket and testified to under oath by Benton Solar Witness, Adam Gracia;<sup>6</sup> and (2) LIUNA itself already entered into a project specific Project Labor Agreement ("PLA") with Benton Solar's EPC contractor, Blattner Energy, guaranteeing that LIUNA's membership will participate in that local, union workforce.<sup>7</sup>

There is no credible dispute or doubt that Benton Solar will be built with a significant local workforce, and LIUNA has failed to identify any world in which Benton Solar can or would walk back its commitment to utilize union labor—and by extension local labor—to construct the Project. Indeed, Benton Solar has already fulfilled its commitment to hire an EPC contractor that will work directly with unions by executing an EPC contract with Blattner Energy to construct the Project, and Blattner Energy has executed a PLA with LIUNA. While LIUNA passingly raises concerns that the PLA will not protect local labor in the event that a different EPC contractor is ultimately utilized, even LIUNA recognizes that scenario is farfetched.<sup>8</sup> To be clear, Benton Solar's commitment relates to the hiring of the EPC contractor generally—not to a specific (or first) EPC contractor.<sup>9</sup>

<sup>&</sup>lt;sup>5</sup> This Reply Brief refers to the up to 100 megawatt ("MW") solar energy generating facility system, the up-to 100-MW battery energy storage system, and the approximately 0.5-mile high voltage transmission line collectively as the "Project."

<sup>&</sup>lt;sup>6</sup> Ex. 143 at 12 & Attachment 1 (Benton Solar, LLC Response to Scoping Comments); Ex. 155 at 8:21–9:4 (Direct Testimony of Adam Gracia); Ex. 165 at 2:17–20 (Surrebuttal Testimony of Adam Gracia ("Gracia Surrebuttal")); Evidentiary Hearing 9:00 a.m. Transcript at 28:23–29:2 (Aug. 28, 2025) ("Ev. Hearing Tr.").

<sup>&</sup>lt;sup>7</sup> Ex. 165 at 2:12–20 (Gracia Surrebuttal).

<sup>&</sup>lt;sup>8</sup> LIUNA Brief at 9–10.

<sup>&</sup>lt;sup>9</sup> Similarly, although LIUNA casts doubt on the enforceability of Benton Solar's commitment, the Commission has the authority to revoke or suspend a permit if there is "any false statement knowingly made in the application or in accompanying statements or studies required of the applicant, [when] a true statement would have warranted a change in the commission's findings." Minn. Stat. § 216I.24.

Moreover, as discussed in Section II below, Benton Solar disagrees that there is any conduct justifying any increased scrutiny of NEER or its subsidiaries vis-à-vis other developers—NEER subsidiaries have an unblemished record in Minnesota when it comes to utilizing EPC contractors that hire local labor. In North Dakota, NEER subsidiaries have also met their commitments, albeit under an entirely different regulatory framework and labor market in that state and one that stands in stark contrast to Minnesota. Accordingly, the Commission's standard labor statistic reporting permit condition<sup>10</sup> is sufficient to verify Benton Solar's follow-through and no further permit conditions are required.

# B. In the Alternative, the Court Could Propose Language Related to Local Labor that the Commission Recently Adopted.

Although the record warrants no additional measures or conditions related to the hiring of local labor, Benton Solar nevertheless offers language in the spirit of compromise that is designed to simplify this Court's task in making a recommendation to the Commission. If this Court is so inclined, Benton Solar proposes a permit condition requiring it to notify the Commission if it intends to deviate from its commitment to utilize an EPC contractor that will maximize the use of local, union labor. The proposed permit condition would require:

The Permittee shall notify the Commission in writing if the Permittee intends to deviate from its commitment to select a contractor that will maximize use of local, union construction employees to the greatest extent feasible. This notification shall include a detailed explanation of the rationale for the deviation.

A similar special permit condition was recently included in the site permit for Coneflower Energy, LLC's solar project, and is more than adequate to monitor Benton Solar's commitments

<sup>&</sup>lt;sup>10</sup> Ex. 126 at Permit Condition 8.5 (Sample Solar Site Permit).

given the evidence in the record.<sup>11</sup> Although Benton Solar believes the record evidence discussed above makes such a permit condition superfluous, Benton Solar is agreeable to this condition.

#### II. LIUNA Misconstrues and Mischaracterizes Evidence in the Record.

To ensure that a full and accurate record is developed, Benton Solar is compelled to correct several mischaracterizations of both law and fact in LIUNA's Initial Brief, including the potential benefits of local labor, the difference between Minnesota and North Dakota laws and labor markets, and NEER subsidiaries' statements about projects in North Dakota.<sup>12</sup>

### A. The Parties Agree on the Economic Benefits and Feasibility of Utilizing Local Labor.

As Benton Solar and LIUNA have acknowledged throughout this proceeding, both parties agree that there are economic benefits associated with utilizing local labor to construct the Project. In fact, LIUNA states in its Initial Brief that Benton Solar's and LIUNA's "findings are similar both in direction and magnitude" and notes "relatively small differences in the two economic models." Despite noting such agreement, however, LIUNA spends over two pages of its Initial Brief noting minor discrepancies between the inputs and modeling parameters of Benton Solar's economic impact study and LIUNA's study. The differences between the inputs and parameters do not create a dispute regarding the economic benefits of utilizing local labor.

Additionally, the parties do not disagree that it is feasible to utilize local labor to construct Benton Solar's Project. Benton Solar has agreements in place to ensure the use of union labor to

<sup>&</sup>lt;sup>11</sup> Order Granting a Site Permit for Coneflower Energy, LLC from the Commission at 2, Aug. 25, 2025, eDockets ID 20258-222368-01.

<sup>&</sup>lt;sup>12</sup> As to LIUNA's complaints about an alleged delay in receiving responses to its Information Requests, suffice it to say that Benton Solar voluntarily undertook coordination with numerous EPC contractors involved in 19 projects across 9 states so that LIUNA would not have to undertake a complex and cost third-party subpoena process.

<sup>&</sup>lt;sup>13</sup> Ex. 162 at 1:21–22 & 3:4–5 (Rebuttal Testimony of Adam Gracia ("Gracia Rebuttal")); Ex. 415 at 13:8–11 (Surrebuttal Testimony of Lucas Franco ("Franco Surrebuttal")).

<sup>&</sup>lt;sup>14</sup> LIUNA Brief at 3 ("Mr. Gracia filed an economic analysis produced by Dr. King Banaian, a professor of economics at St. Cloud State University, whose findings are similar both in direction and magnitude to the findings of Dr. Franco.")

<sup>&</sup>lt;sup>15</sup> *Id.* at 3–5.

construct the Project.<sup>16</sup> Both parties agree that there is a strong correlation between the utilization of union labor and local labor, but there can be factors beyond a developer's control that influence the utilization of local labor.<sup>17</sup> In light of these factors, LIUNA's witness explicitly stated that LIUNA did not advocate for a specific percentage target.<sup>18</sup> Regardless, Benton Solar is committed to constructing the Project with local, union labor, and NEER subsidiaries have a consistent record in Minnesota of utilizing a significant proportion of local, union labor.<sup>19</sup>

# B. Different Labor Regulations and Markets in Minnesota and North Dakota Lead to Contrasting Results.

The parties agree that Minnesota laws and regulations provide an intentional and comprehensive framework to incentivize the utilization of local, union labor—LIUNA spent two pages of its Initial Brief examining and extoling it.<sup>20</sup> There is also no dispute that NEER subsidiaries have consistently met the requirements under Minnesota's laws and regulations to prioritize local economic benefits and local labor.<sup>21</sup> Despite this, LIUNA inappropriately attempts to cast doubt on Benton Solar's commitments by pointing to NEER subsidiaries' lawful operation in other states.

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<sup>&</sup>lt;sup>16</sup> See Ex. 165 at 1–3 (Gracia Surrebuttal) (summarizing Benton Solar's commitments to using union labor).

<sup>&</sup>lt;sup>17</sup> Ex. 415 at 6–7 (Franco Surrebuttal) (noting the correlation between union and local labor and agreeing "that there are aspects beyond the company's control and that there is variability associated with staffing construction projects with local workers"); Ex. 162 at 7:1–6 (Gracia Rebuttal) (explaining that projects built with union labor rely on union halls to staff the project, which typically results in a large percentage of local workers). *See also* Ex. 413 at 4:14 (Direct Testimony of Lucas Franco ("Franco Direct")) ("Use of union labor helps to maximize local labor content…"); Ex. 408 at 8 (Direct Testimony of Lucas Franco Direct -- Attachment A ("Franco Direct Attachment A")).

<sup>&</sup>lt;sup>18</sup> Ex. 415 at 3:6–8; 3:26–4:2 (Franco Surrebuttal) ("I want to be very clear that while it is feasible that the higher standard [of utilizing a majority or 60 percent local labor] established by NextEra rephrasing of my testimony could be met, it is not a claim I made in my testimony.").

<sup>&</sup>lt;sup>19</sup> Ex. 162 at 6:5–23 (Gracia Rebuttal). *See also* Ex. 410A at 1:14–16 (Rebuttal Testimony of Lucas Franco) (recognizing Benton Solar's commitment to maximizing the use of local labor).

<sup>&</sup>lt;sup>20</sup> Benton Solar Brief at 5–6; LIUNA Brief at 1–2.

<sup>&</sup>lt;sup>21</sup> Ex. 162 at 6 (Gracia Rebuttal); Ex. 408 at 11–12 (Franco Direct Attachment A); Ex. 415 at 6:15–24 (Franco Surrebuttal).

In evaluating LIUNA's misplaced aspersions, it is critical to bear in mind the differing regulations and labor markets in North Dakota and Minnesota. While LIUNA provides context for the requirements for developers in Minnesota, tellingly, it does not provide the same context necessary for evaluating the history of NEER subsidiaries in North Dakota. In contrast to Minnesota, North Dakota law neither highlights "local" considerations nor requires payment of prevailing wage. <sup>22</sup> Consistent with this framework, commissioners with the North Dakota Public Service Commission ("PSC") have noted that "business hiring practices are beyond the scope of the commission's permitting process," and the commissioners "don't get involved in the company hiring decisions at all."

Although LIUNA's Initial Brief is bereft of any law or fact suggesting Minnesota and North Dakota are comparable, LIUNA incredulously and disingenuously criticizes NEER witness Adam Gracia for "fail[ing] to identify any ND state law or regulation that made it more difficult to hire local workers in ND compared to MN or any other state." Yet, this has been Gracia's—and Benton Solar's—point all along: Gracia cannot point to any law in North Dakota creating the same requirements and expectations imposed by Minnesota law because it does not exist. It is not the existence of a North Dakota law or regulation that creates a dramatically different labor market in North Dakota, but the absence of provisions similar to Minnesota's.

These differences directly impact project costs and hiring. Because North Dakota does not set the price for wages (*i.e.*, prevailing wage), the price is set by the competitive market, which EPC contractors account for in their bids.<sup>26</sup> As a result, a single EPC contractor electing to pay

<sup>22</sup> N.D.C.C. 49-22-09(1)(g).

<sup>&</sup>lt;sup>23</sup> Michael Achterling, *Labor Union Objects to North Dakota Wind Project Staffed by Out-of-State Workers*, North Dakota Monitor (Sept. 2, 2024), <a href="https://northdakotamonitor.com/2024/09/02/labor-union-objects-to-north-dakotawind-project-staffed-by-out-of-state-workers">https://northdakotamonitor.com/2024/09/02/labor-union-objects-to-north-dakotawind-project-staffed-by-out-of-state-workers</a>.

<sup>&</sup>lt;sup>24</sup> LIUNA Brief at 6.

<sup>&</sup>lt;sup>25</sup> Ev. Hearing Tr. at 26:16–22, 27:15–23, 31:24–32:1, 32:9–13.

<sup>&</sup>lt;sup>26</sup> See, e.g., id. at 23:12–24; 25:25–26:12: 26:16–22; 27:15–23; 28:3–8; 32–33; 61–63.

prevailing wage on a project would incur increased labor costs, in turn driving up the project's energy cost, which almost certainly makes the project uncompetitive against projects whose labor costs are set by the market.<sup>27</sup> In short, despite LIUNA's frustration, NEER subsidiaries cannot unilaterally shift the labor market in North Dakota. This issue, moreover, is outside the scope of this Minnesota project and proceeding. LIUNA's grievances with North Dakota labor markets belong before North Dakota policymakers.

# C. LIUNA Cannot Fault Benton Solar for Quoting and Relying on LIUNA's Own Testimony.

LIUNA witness Steve Cortina plainly testified to and confirmed the fact that competition for jobs across industries within a state shape hiring and staffing decisions:

A large majority of our North Dakota members support themselves and their families by building and maintaining power plants and pipelines, and we have done that work for generations. Coal plants in particular need maintenance year in and year out, and they're a main source of income for hundreds of our members.<sup>28</sup>

Benton Solar witness, Adam Gracia, subsequently cited Cortina's statement as one of the many factors that are likely to influence variability in hiring between Minnesota and North Dakota and explained that reliance at the Evidentiary Hearing.<sup>29</sup> While Cortina later claimed in surrebuttal testimony that North Dakota is losing coal jobs, he did not recant or disavow his earlier assertion that the "large majority" of LIUNA's members support themselves with jobs in the coal industry.<sup>30</sup>

Given this record, it is disingenuous for LIUNA to question or doubt Gracia's reliance on LIUNA's own testimony—and in doing so, LIUNA impugns itself. Nor does this reliance mean

<sup>28</sup> Ex. 412 at 6:9–12 (Corrected Direct Testimony of Steve Corina (w/line #s)). *See also* Energy Employment by State 2024 by the U.S. Department of Energy, 2024, available at <a href="https://www.energy.gov/sites/default/files/2024-08/USEER%202024%20States%20Final.pdf">https://www.energy.gov/sites/default/files/2024-08/USEER%202024%20States%20Final.pdf</a> (noting that about 23% of the energy jobs in North Dakota are in the coal industry compared to 7% of the energy jobs in Minnesota).

<sup>&</sup>lt;sup>27</sup> *Id.* at 61–63.

<sup>&</sup>lt;sup>29</sup> Ex. 162 at 8:3–8 (Gracia Rebuttal). See also Ev. Hearing Tr. at 60–61.

<sup>&</sup>lt;sup>30</sup> Ex. 417 at 3:9–18 (Surrebuttal Testimony of Steve Cortina). *See also* Ex. 412 at 11:8–11 (Direct Testimony of Steve Cortina).

that Benton Solar "fail[ed] to offer any evidence that North Dakota coal industry employment opportunities are undercutting local hiring efforts by the company's wind EPCs."<sup>31</sup> As Gracia explained, there are many factors influencing hiring, one of which is the existence of competing industries such as the employment opportunities in the coal industry described by Cortina.<sup>32</sup> The credibility of LIUNA's evidence should be weighed in light of LIUNA's efforts to now distance itself from its own witness's testimony.

# D. Statements from NEER Subsidiaries in North Dakota Must Be Read in Context—Both Legal and Factual.

As with the differences between Minnesota and North Dakota law and labor markets, LIUNA glosses over critical context and omits key words when misconstruing statements from NEER subsidiary applications before the PSC and recollections of a meeting between NEER subsidiary representatives.<sup>33</sup> These statements must be read in light of the differences highlighted above, as well as in the context they were made.

For instance, LIUNA alleges that NEER subsidiaries' applications misrepresented utilization of local labor for certain North Dakota projects.<sup>34</sup> However, LIUNA's characterization is not accurate. These applications included similar versions of the following statement: "It is likely that general skilled labor is available either in the county or the state to serve the basic infrastructure and site development needs of the Project." LIUNA in turn mischaracterizes these sentences as a commitment that "the labor for *all* of the site development and infrastructure would

<sup>&</sup>lt;sup>31</sup> LIUNA Brief at 6.

<sup>&</sup>lt;sup>32</sup> Ex. 162 at 5:12–23; 8:3–13 (Gracia Rebuttal).

<sup>&</sup>lt;sup>33</sup> LIUNA Brief at 7–9.

<sup>&</sup>lt;sup>34</sup> *Id*.

<sup>&</sup>lt;sup>35</sup> Ex. 423 (Hearing Exhibit – Excerpt from D PSC Emmons-Logan Wind Permit Application); Ex. 424 (Hearing Exhibit – Excerpt from D PSC Emmons-Logan Wind [sic] Permit Application); Ex. 425 (Hearing Exhibit – Excerpt from D PSC Emmons-Logan Wind [sic] Permit Application).

[would come] from the county or the state,"<sup>36</sup> which is an obvious misrepresentation of the actual statement.

LIUNA similarly misconstrues statements by NEER representatives regarding North Dakota projects. <sup>37</sup> First, LIUNA cites a statement that the Emmons-Logan project in North Dakota would "add[] jobs and tax base to the local economy." Here again, LIUNA wrongly infers that the statement is committing to some significant percentage of the jobs going to local labor. There was no such commitment, and the data provided by Benton Solar, and cited by LIUNA, bear out that North Dakota workers were employed to construct the North Dakota projects.<sup>39</sup> Second, for the Oliver IV project, LIUNA cites (i) a statement made by a NEER subsidiary representative to the PSC ("our EPCs will hire as much local labor as possible") and (ii) LIUNA's account of a meeting with the NEER subsidiary to further mischaracterize the track record in North Dakota.<sup>40</sup> Again, the statement to the PSC did not commit to any percentages, and the Oliver IV EPC contractor recruited and used local labor to construct the Oliver IV project. 41 As for the meeting, Adam Gracia has explained that the NEER subsidiary representatives understood the conversation with LIUNA to be a general discussion about potential participation and, following that meeting, they spoke with the project's EPC contractors about opportunities to hire LIUNA members. LIUNA members were subsequently hired to construct the transmission line.<sup>42</sup>

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<sup>&</sup>lt;sup>36</sup> Ev. Hearing Tr. at 39:3–8 & 39:22–25 (emphasis added).

<sup>&</sup>lt;sup>37</sup> LIUNA Brief at 7–8.

<sup>&</sup>lt;sup>38</sup> Ex. 413 at 6 (Franco Direct).

<sup>&</sup>lt;sup>39</sup> Ex. 422 at 7 (Surrebuttal Testimony of Steve Cortina Attachment 2 (LIUNA IR #1) – TRADE SECRET ("Cortina Surrebuttal Attachment 2")) (attaching Benton Solar's responses to LIUNA's first information request).

<sup>&</sup>lt;sup>40</sup> LIUNA Brief at 7–8.

<sup>&</sup>lt;sup>41</sup> Ex. 422 at 7 (Cortina Surrebuttal Attachment 2); Ex. 167 at Attachment A (Supplemental Response to LIUNA Minnesota & North Dakota's Third Information Request ("Supplemental IR Response")).

<sup>&</sup>lt;sup>42</sup> Ex. 162 at 9:10–17 (Gracia Rebuttal); Ev. Hearing Tr. at 57:9–22. *See also* Ex. 167 at Attachment B (Supplemental IR Response) (detailing the bids received from LIUNA, the efforts undertaken to evaluate those bids, and the LIUNA members hired).

In sum, LIUNA's attempts to mischaracterize statements made by NEER subsidiaries in

North Dakota are unavailing. In each instance, LIUNA misrepresents or overstates general

statements about the likely utilization of local labor. Importantly, all of the cited statements are

from North Dakota projects, and as noted above, the North Dakota regulatory and labor market

have influenced different labor practices than in Minnesota. NEER subsidiaries in North Dakota

have kept their commitments, and Benton Solar's commitments in this docket are consistent with

and borne out by the history of hiring and staffing for the construction of projects in Minnesota.

Conclusion

Based on the foregoing, there is no dispute that Benton Solar's Project will be constructed

with a significant number of local workers. If this Court determines that an additional permit

condition is nevertheless prudent, Benton Solar respectfully requests that the Administrative Law

Judge recommend the Commission grant the relevant permits for the Project with the additional

proposed permit condition included above.

Dated: October 10, 2025

/s/Micah J. Revell Micah J. Revell

STINSON LLP

50 South Sixth Street, Suite 2600

Minneapolis, Minnesota 55402

612.335.1456

Respectfully submitted,

/s/ Mark R. Johnson

Mark R. Johnson

Senior Attorney

NextEra Energy Resources, LLC

700 Universe Boulevard

Juno Beach, Florida 33408

561.694.3330

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