

**Before the Office of Administrative Hearings**

**Laborers District Council of Minnesota and North Dakota  
(LIUNA Minnesota and North Dakota)**

**In the Matter of the Application of Benton Solar, LLC for Site Permits  
and a Route Permit a 100 MW Solar Energy Generating System, a 100  
MW Battery Energy Storage System, and associated High-Voltage  
Transmission Line in Benton County, Minnesota.**

**PUC Docket Numbers: IP7115/GS-23-423, ESS-24-283 and TL-23-425**

**Pre-filed testimony of Lucas Franco  
on behalf of LIUNA Minnesota and North Dakota**

**July 18, 2025**

**Exhibit 401**

Q. Please state your name, the name of your employer, and your business address:

- A. My name is Lucas Franco. I currently serve as the Research Manager for LIUNA Minnesota & North Dakota, an affiliate of the Laborers International Union of North America, on behalf of my employer, the LIUNA Great Lakes Organizing Committee. My organization represents more than 13,500 skilled construction laborers engaged in the construction of building, civil, and energy infrastructure projects across Minnesota and North Dakota. My business address is 81 East Little Canada Road, St. Paul, Minnesota 55117.

Q. Please describe your qualifications:

- A. For the past seven years, I have managed LIUNA's strategic research in Minnesota and North Dakota, and I have conducted research for the organization on a wide range of energy infrastructure projects, including analysis of the socioeconomic impacts of gas and oil pipelines and wind and solar energy installations.

Prior to accepting my current position with LIUNA, I spent seven years at the University of Minnesota completing a PhD in Political Science. My primary fields of interest were comparative industrial relations and comparative politics. I focused on the changing landscape of American and Scandinavian employment relations with a particular focus on the impact of nonstandard forms of labor, such as independent contracting and subcontracting, on the working conditions of low-wage workers.

I have conducted quantitative and qualitative research on questions of the political economy of international trade, the impact of nonstandard labor models on workers, the politics of immigration, and the socioeconomic impacts of energy infrastructure. I have completed extensive training in both quantitative and qualitative research methods through my PhD program at the University of Minnesota and through a Masters program at the University of Oslo, Norway.

I have authored and participated in the development of numerous published reports on topics ranging from employment conditions in the hotel industry to the socioeconomic impact of wind farm development.

Q. What is the purpose of your testimony?

- A. First, I will summarize data on the use of local versus non-local projects based on public data disclosures and LIUNA staff field observations.

Second, I will provide an overview of the likely socioeconomic impacts of reliance on a local and non-local workforce to build the Benton Solar project.

Third, I will analyze the relationship between union projects and local workforce utilization. My analysis reveals a strong correlation between union projects and high local workforce utilization. I will also detail the factors that explain this correlation including the role of both registered apprenticeships models and union dispatching practices.

Fourth, I will discuss the feasibility of building Benton Solar and similar large solar and storage projects using a construction workforce that consists of a majority local workforce.

Fifth, I will discuss the potential consequences of the approval of wind energy projects that employ few local construction workers to local workers, communities and the industry as a whole.

Q. Please describe the data that you analyzed on local versus non-local hiring practices on past NextEra renewable energy projects?

- A. My analysis is based on a combination of data sources including publicly available data from Minnesota Public Utility Commission quarterly labor statistics reports and field observations by LIUNA staff in Minnesota and North Dakota and field observations by LIUNA staff.

I found that not a single non-union project has ever achieved over 20% local workers in our dataset. Further, I found that not a single non-union NextEra project in Minnesota and North Dakota has achieved over 10% local workforce utilization based on publicly available data and our field observations. On the other hand, I found that no union project has reported less than 40% local workforce utilization and most are above 60% for wind and 80% for solar.

Q. Please describe the analysis that you produced on the potential economic impact of construction hiring on the proposed Benton Solar project and explain the major findings of your analysis?

- A. I undertook an analysis of the potential construction employment and associated economic impacts of the Benton Solar. We replicated a methodology that I developed with researchers from the North Star Policy Institute (NSPI) to examine the employment impacts of wind energy development in Minnesota. My findings from the Benton Solar analysis are as follows:

First, I found that a project such as Benton Solar that employs local workers can positively impact local residents and communities by generating career opportunities and injecting tens of millions of dollars in construction payrolls into the local economy. We project that building such a facility with a 50% - 70% local construction workforce could

generate more than \$24.8 million in local economic activity directly associated with construction payrolls.

Second, I found that employment of local construction workers to build a project like Benton Solar can be expected to deliver significant socioeconomic benefits compared to the employment of non-local workers. I find that the typical local worker employed on a solar project can be expected to contribute over three times more than a non-local worker in terms of local spending and their contribution can be four times greater over the long term.

In analyzing a project similar to Benton Solar, I find utilization of a largely local workforce (50% to 70% local) is associated with roughly \$10.7 million in incremental short-term economic activity compared to utilization of a largely non-local workforce (10% to 30% local) -- a figure that grows to \$14.3 million over the long term as retirement savings become retirement income.

The construction of large energy facilities such as the proposed Benton Solar can offer unique opportunities for current construction workers to advance their careers and for new workforce to get a foot in the door. Solar and other large energy projects create jobs with skill and experience requirements ranging from a small number of entry-level positions that can be filled by men and women with no background in the industry who are willing to show up on time, work hard, and follow directions; to positions that can be filled by men and women with some experience working on building or highway projects; to positions that can only be filled by men and women who have extensive wind industry experience.

Q.What is the relationship between union projects and local workforce utilization?

- A. The central role of construction unions in the mobilization of local workforce is not a coincidence. Use of union labor helps to maximize local labor content because area construction trade unions are deeply embedded in local communities, and local governance structures and collective bargaining agreements prioritize the dispatch of local members to fill job opportunities on area construction projects. The Minnesota Building and Construction Trades unions represent members throughout Minnesota, including many in Southwest Minnesota where the proposed project would be located. These unions have a deep bench of qualified workers who stand ready and willing to build new renewable energy projects.

Further, the Minnesota Building Trades are at the forefront of recruiting and training the next generation of skilled construction workers. These unions invest substantial time and resources in recruitment, including the organization's Construct Tomorrow program which regularly draws thousands of students from across Southwest Minnesota to

Mankato for a hands-on introduction to construction careers, along with participation in numerous job fairs across the region. Beyond recruiting young people into the construction industry, Minnesota Building and Construction Trades union work to recruit those with both extensive or little to no construction experience into a family-supporting career in the construction industry.<sup>1</sup>

Q. Do you conclude that it is feasible for a project such as Benton Solar to be built using a largely local workforce? And if so, what is the basis for your conclusion?

- A. I am confident that Benton Solar can be built using local workers because our members have participated in construction of similar projects where locals made up a majority of the workforce.

LIUNA has a roster of skilled local construction workers, including members with wind industry experience. The same is true of unions that represent Operating Engineers, Iron Workers, Millwrights, Electricians. In addition to current membership, our organizations have a proven ability to recruit new workforce and to deliver state-of-the-art classroom and hands-on training to both new members and current members learning specialized skills ranging from concrete placement to the operating and rigging of the heavy cranes used to install wind turbines. There are also thousands of nonunion construction workers in North Dakota who would likely welcome the opportunity to work on a project like Benton Solar.

Benton Solar can draw from a pool of experienced construction workers in central Minnesota. I have seen developers and their EPCs step up to the plate with announced goals to employ 60% local workforce on projects in Southeast and Southwest Minnesota and believe the same could be done on the Benton Solar project.

Q. Why is the employment of a local workforce on solar energy construction projects a concern for your organization and your members, and why should it be a concern for the Commission?

- A. Our organization is concerned about employment of local workers on the Benton Solar energy projects for two key reasons. First, we believe that outsourcing construction of solar energy jobs undercuts benefits to Minnesota residents causing local workers to miss out on good family-supporting jobs and local communities to miss out on millions in socioeconomic investment. Second, we believe that a reliance on non-local workers undercuts community support for renewable energy development.

We are confident that the project developer can work with their EPC contractor to employ a majority local workforce because we've seen projects like this successfully

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<sup>1</sup> For more information on Minnesota Building Trades career programs and partnerships see <https://mntrades.org/apprenticeship> and <https://constructioncareers.org/programs/>

employ a majority local workforce. Unfortunately, this commitment to local communities is not always the case as I previously discussed.

This reliance on non-local labor represents more than just a missed opportunity. We are in the midst of a transmission capacity crunch across the upper Midwest. It is unlikely that all of the proposed projects in Minnesota will be about to move forward given this limited transmission capacity, as well as the limited investor capital available to finance projects. Under these conditions, approval of one project can “crowd out” other projects that must compete for customers, financing or transmission.

Approving a project with limited local employment not only has short-term negative impacts by undercutting the socioeconomic benefits of the project, but it can end up hurting local workers and communities down the road by crowding out better projects that could have delivered many more jobs and much greater economic stimulus. Additionally, we are worried that the approval of projects that create few local jobs could undermine public support for wind energy development and confidence in the permitting process.

Q: Can you provide examples of public statements by NextEra that you believe are inconsistent with actual practice?

- A. In the company’s site permit application for Emmons-Logan Wind, NextEra claims that, “Approximately 200 to 300 temporary construction workers are expected to be required for approximately six months for construction of the Project. 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.”<sup>2</sup> (emphasis added) NextEra executive John DiDonato also publicly promoted the idea that the project would create local jobs, saying that it “would be located in a part of the state ‘where we have a long history and deep relationships, and we are happy to be adding jobs and tax base to the local economy.’”<sup>3</sup> In reality, however, the project created very few jobs for locals – nothing close to the number associated with “basic infrastructure and site development” – and there is no evidence that NextEra or its contractor made any real effort to deliver on the promise of meaningful job creation.

Despite NextEra’s failure to deliver on claims made in its permit application for Emmon-Logan, the company made the exact same claim in its permit application for Northern Divide, which states that, “Approximately 200 to 300 temporary construction workers are expected to be required for the approximately six-month construction period. It is likely that general skilled labor is available either in the county or the state to serve

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<sup>2</sup> Link to filing: <https://www.psc.nd.gov/database/documents/18-0280/001-020.pdf> p. 7-2

<sup>3</sup> See article: <https://www.utilitydive.com/news/minnesota-utility-begins-shift-from-coal-with-nextera-wind-deal/434002/>

the basic infrastructure and site development needs.” NextEra also continued to promote associated construction jobs as a significant local benefit of the wind farm, telling the Minot Daily News, “It’s a project that’s going to create homegrown, renewable energy, good jobs and millions of dollars in additional revenue for the local community there.”<sup>4</sup>

When challenged on the discrepancy during a Public Service Commission hearing on the project, to which LIUNA was a party, NextEra Director of Construction Sean Harrington acknowledged past difficulties, which he blamed in part on labor demand from oil and gas development, but committed to working with the company’s EPC contractor to prioritize local hiring on the project, stating that the contractor would hold job fairs “to hire as much qualified local labor that’s in the area... Our goal is to hire as much as we can within a daily commute, and then we look regionally and then to the state of North Dakota, and eventually outside.”<sup>5</sup>

There is no evidence, however, that either NextEra or the EPC contractor made any efforts to prioritize recruitment or even held the promised “job fairs”. Despite the fact that the project was built during a period of high construction unemployment caused by the COVID pandemic and the resulting collapse in oil and gas production, the project failed to show meaningful improvement from Emmons-Logan, with North Dakota workers accounting for an estimated 8.5% of workforce based on LIUNA’s observations.

Undaunted by the company’s repeated inability to deliver meaningful local job benefits, or perhaps even to try, NextEra used the same language claiming that “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.” in the company’s site permit for Oliver IV. NextEra also continued to promote associated construction jobs, listing 200 construction jobs as one of three key “economic benefits” to the state and local communities on a company web page devoted to the project.<sup>6</sup>

This time, however, when NextEra was challenged once again by LIUNA in the permitting proceeding, the company responded by committing both privately and publicly to maximize use of local labor on the project, and to work with LIUNA to accomplish this objective. NextEnergy Director of Development Clay Cameron “said during the hearing that its engineering, procurement and construction hiring contractor is responsible for hiring, but ‘we commit that our EPCs will hire as much local labor as possible.’ ‘We agree with LIUNA that using local labor is good for the community,’ Cameron told

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<sup>4</sup> See article: <https://www.minotdailynews.com/uncategorized/2020/04/nd-wind-energy-continues-growth/>

<sup>5</sup> See article: [https://bismarcktribune.com/news/state-and-regional/govt-and-politics/nextera-redesigns-rejected-wind-project-for-do-over-before-north-dakota-regulators/article\\_e16c4d7-6607-561f-925b-af74149137f1.html](https://bismarcktribune.com/news/state-and-regional/govt-and-politics/nextera-redesigns-rejected-wind-project-for-do-over-before-north-dakota-regulators/article_e16c4d7-6607-561f-925b-af74149137f1.html)

<sup>6</sup> See details on project: <https://www.nexteraenergyresources.com/oliver-wind.html>

commissioners.”<sup>7</sup> Unfortunately, as Mr. Cortina describes in his testimony, NextEra reneged on its promise that the company’s EPC contractor would work with LIUNA to staff the project with local workers, and rather than being the most successful project, Oliver IV ended up being the least successful project in terms of local hiring, with North Dakotans filling just 5.3% of jobs according to our estimates.

[TRADE SECRET DATA BEGINS]

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Q. Does this conclude your testimony?

A. Yes

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<sup>7</sup> See article:  
[https://northdakotamonitor.com/2024/09/02/labor-union-objects-to-north-dakota-wind-project-staffed-by-ou  
t-of-state-workers/](https://northdakotamonitor.com/2024/09/02/labor-union-objects-to-north-dakota-wind-project-staffed-by-ou-t-of-state-workers/)