



**In the Matter of the Application of Coneflower Energy, LLC for a Site Permit for the up to 235 MW Coneflower Solar Project in Lyon County, Minnesota**

**Docket No. IP-7132/GS-24-215**

LIUNA Minnesota and North Dakota (“LIUNA”) appreciates the opportunity provided by the Minnesota Public Utilities Commission (“Commission”) to offer written comments on the application of Apex Clean Energy (“Apex”) for Site Permits for development of an up to 235-megawatt (“MW”) solar generation project in Lyon County, Minnesota. We believe that the project could deliver significant economic and energy benefits to LIUNA members and other residents of Southwestern Minnesota, but only if Apex follows through on commitments to work with labor unions to maximize the local socioeconomic benefits of the project. We are, unfortunately, uncertain whether Apex can be counted on to do so and recommend that any permit issued for the project include conditions that ensure the project will in fact maximize socioeconomic benefits as required by law.

The potential for Coneflower Solar to provide construction employment and career opportunities is highlighted in the Environmental Assessment prepared by the Department of Commerce Energy Environment Review and Analysis (“EERA”), which reports based on Apex’s estimates that construction of Coneflower should create 200 jobs lasting for the duration of the project and employ up to 300 individuals at its peak. Jobs on large energy projects such as Coneflower can be tremendously valuable not only to construction workers but also to surrounding communities that benefit from the short-term economic boost provided by their pay and health care packages, as well as the long-term economic boost generated by new construction careers, skilled workforce development, and payment of retirement benefits. In the attached economic analysis, LIUNA Research Manager Dr. Lucas Franco describes and quantifies those benefits, which can amount to over \$70,000 in direct pay and benefits per worker before considering local spending multipliers and the effect of career and skill development opportunities on future earnings.

Dr. Franco’s analysis also shows, however, that the positive local socioeconomic impacts of job creation through renewable development attach to jobs held by local workers. When solar and wind construction jobs are instead filled by non-local workers, local economies see minimal direct income (roughly \$15,000) and none of the long-term benefits associated with career development and pension income. In effect, the potential of a project such as Coneflower to boost neighboring communities is largely lost when the developer relies largely on out-of-state workforce.

Recognizing this fact, the Minnesota legislature embedded strong policy preferences and local worker protections in recently-enacted legislation requiring 100% clean power and streamlining permitting for large clean energy projects. Legislators made clear that the permitting process for large energy projects approved by the Commission should prioritize the creation of high-quality jobs and career opportunities for local workers with a focus on construction, specifically adding the following criteria for consideration:

(14) evaluation of the proposed facility's impact on socioeconomic factors; and

(15) evaluation of the proposed facility's employment and economic impacts in the vicinity of the facility site and throughout Minnesota, including the quantity and quality of construction and permanent jobs and their compensation levels. 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. (Minn. Stat. § 216E.03, Subd. 7)

Apex indicates in the Coneflower Solar application that the company intends to prioritize local labor in its selection of a Balance of Plant (“BOP”) contractor, and expects the BOP contractor to work with local labor unions and other stakeholders to maximize use of local workforce and other socioeconomic benefits.

“Coneflower will issue a Request for Proposal (RFP) to qualified Balance of Plant (BOP) contractors to oversee and manage the construction of the Project. In this RFP, Coneflower intends to include a strong preference for bids that utilize local, union construction craft employees to the greatest extent feasible in accordance with the Project’s timeline and safety requirements. Coneflower expects that the selected BOP contractor will collaborate with organized labor unions and other stakeholders to develop a workforce and hiring plan that maximizes the local economic benefits of the Project. In addition, opportunity exists for sub-contracting to local contractors for gravel, fill, and civil work. Additional personal income will also be generated by circulation and recirculation of dollars paid out by the Project as business expenditures and state and local taxes.”

While this language is promising, it is important to note important similarities between the commitment Apex makes regarding Coneflower and language from the company’s application for the Bowman Wind project, which is currently under construction in Western North Dakota.

“Bowman Wind will encourage its Balance-of-Plant (BOP) contractor to source materials and the construction workforce from within the State of North Dakota and/or areas surrounding the Project. Bowman Wind expects that the selected BOP contractor will develop a sourcing and workforce plan that seeks to achieve this goal within the parameters of the Project’s requirements for quality, safety, budget, and schedule.”

“Bowman Wind will use skilled and trained labor from North Dakota within the parameters of the Project’s requirements for quality, safety, budget, and schedule.”

Despite having committed in its application to prioritize use of local workforce, Apex hired a BOP contractor (Wanzek Construction) that has apparently failed to employ significant numbers of local workers on past clean energy projects observed by LIUNA, including Bowman Wind. While Wanzek is nominally based in North Dakota, our field research indicates that the company has not only evidently employed many more out-of-state workers than North Dakotans, but has passed on opportunities to employ qualified North Dakotans when they were available.

Further, Apex and Wanzek have done little to follow through on specific commitments to pursue opportunities for LIUNA members to work on the Bowman Wind project. Apex's conduct to date on Bowman Wind has caused concern not only for LIUNA but also for one of the project's customers, the City of Cambridge, Massachusetts, which also had different expectations for the project as described in the attached letter.

We are concerned that a similar lack of effort could have serious negative consequences for workers and communities in Southwest Minnesota. In light of the discrepancies between the company's commitments and realities on the ground in North Dakota, we strongly urge the Commission to adopt permit conditions that ensure Apex keeps its word with respect to both efforts and results that maximize local socioeconomic benefits.

We thank Commissioners for their thoughtful consideration.

Dated: May 5, 2025

Respectfully Submitted,

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