## Initial Comments from Operating Engineers Local 49 and North Central States Regional Council of Carpenters

Dec 30, 2022

Mr. Will Seuffert Executive Secretary Minnesota Public Utilities Commission 121 7th Place East, Suite 350 St. Paul, MN 55101

RE: In the Matter of Otter Tail Power Company's 2021-2035 Integrated Plan (Astoria Station Dual Fuel Proposal) (21-339)

Dear Mr. Seuffert,

Thank you for the opportunity to submit comments on this matter. As labor unions representing workers in the construction industry and their families we respectfully submit these comments on the proposal by Otter Tail Power to add dual fuel capability at Astoria Station.

As we seek to transition our electricity generation sector towards low-carbon resources, it is critically important that we do so in a way that ensures reliability and affordability for households and businesses. With the increasing deployment of renewable generation assets, it is critical that utilities make prudent investments in firm resources that will backup wind and solar during times of low production. While in most cases, natural gas peakers, like Astoria Station, can provide an adequate, reliable, and affordable form of backup generation, we have seen recently the impacts that extreme weather conditions can have on natural gas supply and cost.

Otter Tail Power's proposal to include fuel oil capacity as a backup at their Astoria Station will help mitigate risks caused by natural gas price volatility and pipeline capacity unavailability. By keeping a stored fuel on site, Otter Tail Power will have the flexibility to utilize fuel oil instead of natural gas during times of high costs and rare occurrences of low availability. This would help ensure the station serves as a true "firm" resource that provides robust system reliability and that Otter Tail Power's customers are less exposed to short-term spikes in natural gas prices.

Additionally, this project will create jobs for construction workers who will perform the installation of new equipment needed to support dual fuel capacity. If done right, the project could provide benefits for local workers and communities. We look forward to engaging with Otter Tail Power to better understand their workforce plans for the project. Thank you for the opportunity to submit comments and the consideration.

Sincerely,

Nathan Runke, Regulatory and Political Affairs Coordinator, International Union of Operating Engineers Local 49

Adam Duininck, Director of Government Affairs, North Central States Regional Council of Carpenters