STATE OF MINNESOTA BEFORE THE MINNESOTA PUBLIC UTILITIES COMMISSION

Nancy LangeChairDan LipschultzCommissionerMatthew SchuergerCommissionerKatie SiebenCommissionerJohn TumaCommissioner

IN THE MATTER OF THE SITE PERMIT AMENDMENT APPLICATION FOR REPOWERING THE TRIMONT WIND I PROJECT IN MARTIN AND JACKSON COUNTIES MPUC Dockets No. IP-6907/WS-13-258

COMMENTS OF THE MANKATO AREA BUILDING AND CONSTRUCTION TRADES COUNCIL ON THE PROPOSED TRIMONT WIND I REPOWER PROJECT

The Mankato Building and Construction Trades Council ("MBCTC") respectfully recommends that the Minnesota Public Utilities Commission ("Commission") approve the application of Trimont I Wind, LLC, an affiliate of Avangrid Renewables, to retrofit the company's existing 100 wind energy generation facility in Martin and Jackson Counties, Minnesota, providing that owner commit to commercially reasonable efforts to maximize employment of local skilled labor.

MBCTC is part of the Minnesota Building and Construction Trades Council, which represents over 65,000 unionized construction workers statewide. In Southwest Minnesota, MBCTC and its affiliated local unions represent hundreds of skilled construction workers including many that live in a the vicinity of the proposed project. We believe that the proposed project can benefit both our members and the public at large by improving the efficiency of energy generation and creating or sustaining high-quality construction and maintenance jobs.

The creation of high-quality construction jobs is not the primary objective of energy policy in Minnesota, but it is an important factor to consider, especially in a rural area of Minnesota where the availability of family-supporting blue-collar jobs is very limited. Past wind energy projects have created substantial benefits for local tradesmen and tradeswomen employed by general contractor Mortenson or subcontractors.

Under union agreements that provide for local hiring, roughly half of jobs created on union wind energy projects have been performed by Minnesota workers, including many local residents. For some, they provide a chance to work close to home rather than commuting to the Twin Cities as many are forced to do. For others, such a project offers a first opportunity to work on a union construction project and launch a family-supporting construction career.

The union wages and benefits earned on wind energy projects make a significant contribution to the well-being of local workers, families, and communities. For example, the typical Construction Laborer employed on a new 200 MW wind project logs 1,500 work hours. At current union rates, that could translate into:

- Roughly \$37,000 in taxable wages
- More than 13 months of family medical coverage
- More than \$7,000 in contributions to the Laborer's pension fund
- Nearly \$500 toward a fund that provides unlimited free skills training to members

The local economic benefits that are generated when local union workers are employed to build wind energy projects can be significant and long-lasting. With overtime, the wages earned working on a big project exceed the wages most blue-collar workers can earn locally. A job on such a project can create enough wealth to make a down-payment on a house or buy a new car or begin work on a degree. For building trades members who are also farmers or ranchers, it's the kind of outside income that can help keep the wolves from the door in a tough year.

Construction employment opportunities are important, but they are not the only reason for MBCTC's support for wind energy projects. We are acutely aware of the trend toward coal plant retirement, because, for generations, union construction workers have played a vital role in efforts to keep the plants running and to help meet stricter environmental, safety, and reliability requirements.

As our members face the loss of family-supporting jobs in coal-fired power plants, we recognize that business and retail consumers face the loss of power generation capacity that must be replaced. Only through timely permitting the development of new natural gas generation, renewable power generation, natural gas pipeline, and power transmission can we simultaneously deliver on climate and renewable energy goals <u>and</u> keep the lights on.

Wind energy generation is among the most reliable and environmentally sound options for meeting future power needs, especially at a time when federal subsidies remain available to contain costs for electricity consumers. Further, wind generation has the added benefit of delivering economic benefits including lease revenues, property taxes, and economic activity related to construction to some of the areas that need it most.

Of course, many of the benefits cited in our comments rely on the intention of Avangrid to employ responsible contractors and skilled labor to build the project. We were unable to find information on Avangrid's plans for contractor selection and project staffing in the company's application, and would like to know more about the steps Avangrid intends to take to maximize the opportunities if creates for local construction workers. We look forward to hearing more from the company about these plans.

Dated: February 21, 2018 Respectfully Submitted,
Mankato Building & Construction Trades Council

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