



# LIUNA!

WISCONSIN LABORERS' DISTRICT COUNCIL

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Public Service Commission of Wisconsin  
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December 2, 2022

**VIA ELECTRONIC RECORDS FILING SYSTEM AND U.S. MAIL**

Docket 9810-CE-100 Comments  
Public Service Commission of Wisconsin  
P.O. Box 7854  
Madison, WI 53707-7854

Re: Docket No. 9810-CE-100 Comments of the Wisconsin Laborers' District Council

Dear Sir or Madam:

Pursuant to the Notice of Hearing in the above referenced case, please find the comments of the Wisconsin Laborers District Council.

Sincerely,

Kent Miller  
President and Business Manager, Wisconsin Laborers District Council  
4633 LIUNA Way, S-101  
DeForest, WI 53532  
Phone: 608-846-8242

BEFORE THE  
PUBLIC SERVICE COMMISSION OF WISCONSIN

Application for a Certificate of Public Convenience	)	
and Necessity of Portage Solar, LLC to Construct	)	Docket: 9810-CE-100
a Solar Electric Generation Facility in the Towns	)	
of Grant and Plover, Portage County, Wisconsin	)	

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**COMMENTS OF THE WISCONSIN LABORERS' DISTRICT COUNCIL**

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I. INTRODUCTION

In response to the Notice of Hearing issued on October 21, 2022 concerning the Application for a Certificate of Public Convenience and Necessity of Portage Solar, LLC to Construct a Solar Electric Generation Facility in the Towns of Grant and Plover, Portage County, Wisconsin (“the Portage County Project”), the Wisconsin Laborers’ District Council (“WLDC”) offers these comments for consideration.

WLDC is comprised of five local Laborer Unions representing 9,000 construction craft laborers who work and reside in Wisconsin. Thousands of Laborers’ members and their families are supported by work opportunities building and maintaining the state’s fossil fuel-powered electric generation plants and liquids and gas pipelines, including the three coal plants that are scheduled for early retirement. Our members are also employed on solar power projects in the state.

WLDC’s affiliate, Laborers’ Local Union 330, has approximately 1,800 members and dispatches local workers to construction projects in 20 counties in Northeast Wisconsin including Portage County. Laborers’ members reside in the communities where they work, have long-term careers in construction, and receive free training, family-supporting wages, affordable family health insurance, and a retirement benefit.

The Portage County Project is being developed by National Grid Renewables Development, LLC, a wholly owned subsidiary of National Grid Group PLC (“National Grid”), a global energy company with electric and gas operations in the United States and United Kingdom. In total, the project will span 2,167 acres of primarily agricultural land in the county. According to the application, the primary facility area will include approximately 693,193 individual Photovoltaic

(“PV”) panels with a total generation capacity of 336.2 MWDC or 252 MWAC. The project will also include a 137.5 MW battery energy storage system, 7.3 miles of access roads, and associated facilities. Construction is anticipated to begin in August of 2023 and continue for approximately one year. Laborers Local 330’s main offices are located approximately 60 miles from the proposed project sites.

## II. DISCUSSION

Wisconsin’s utilities have set ambitious clean energy goals, and will retire approximately 2,800 MW of coal capacity, and add 2,500 MW of new solar capacity by 2028 ([PSC REF# 451939](#)). According to testimony filed by RENEW Wisconsin, since 2019, 28 solar projects totaling 713.9 MW have come online, and 25 more projects totaling 2,933.9 MW are currently under development ([PSC REF# 448860](#)). According to the Solar Energy Industries Association, Wisconsin has great potential to grow its solar resources over the next five years, potentially adding 4,932 MW of capacity.<sup>1</sup> Indeed, coal plant retirements and planned natural gas, solar, and wind installations will reduce CO2 emissions by 58 percent in 2028 from 2022 baseline levels ([PSC REF# 451939](#)). Whether these future investments create middle-class jobs for local workers and Wisconsin residents, however, remains to be seen.

According to the Application, the Portage County Project will create 300-400 jobs during the construction phase. In response to a data request from Commission staff, National Grid estimates local spending will total approximately \$37 million. The Company based that estimate on salaries for 400 construction workers at \$64,000/year totaling \$25.6 million, and incremental local spending during construction of \$11.5 million ([PSC REF# 446275](#)). The Company, however, does not specify whether these construction workers will be local or state residents, or if out-of-state travelers will be employed on the project. The Company states that, when possible, these jobs will be sourced from surrounding communities, but it does not provide further details about its local labor hiring strategy, nor does the Company identify outreach to local construction trade unions as part of its public engagement plan. The Environmental Assessment concludes that at peak construction, the project will employ 200 workers, and that the project’s contractor

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<sup>1</sup> Solar Energy Industries Association, “State Solar Spotlight: Wisconsin,” September 8, 2022, <https://www.seia.org/sites/default/files/2022-09/Wisconsin%20State-Factsheet-2022-Q3.pdf>.

will likely use an out-of-state traveling workforce as has been observed on similar solar projects ([PSC REF# 448455](#)).

Whether the Portage County Project's 200 peak construction jobs are filled by local and state workers matters because: 1) large-scale employment impacts on solar projects are limited to the construction phase,<sup>2</sup> and 2) local economic impacts of solar projects depend on whether the construction workforce is locally sourced or consists of out-of-state workers who travel to the jobsite and leave after the project is complete. The economic benefits of solar projects are greater when local and state workers are employed to build them. It is common for non-local workers to send their payroll remittances to their home state, and limit their local spending to daily per diems for food and incidentals and accommodations. On the other hand, local workers spend 95% of their wages within the regions in which they live.<sup>3</sup> Moreover, local workers and their families expend 50% of their fringe benefits, such as health insurance, at local healthcare facilities.<sup>4</sup> These data correspond with our own observations, and the direct experience of our members. Furthermore, local and state workers support the local and state economies by paying local property taxes, and state income taxes. Absent evidence such as a proof of collaboration with a Wisconsin registered apprenticeship program, or a pre-hire agreement with local unions requiring contractors to hire workers through local hiring halls, we caution the Commission against taking at face value National Grid's purported local spending impacts. The actual impacts on local communities and the state will vary based upon employment strategies. For example, during the first few months of construction in 2019-2020 of the Badger Hollow I project, WLDC's direct observation of the construction site revealed that only 22% of the workforce was from Wisconsin ([PSC REF#: 383490](#)). After the general contractor was terminated from the

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<sup>2</sup> According to the Environmental Assessment, the Project will create 4 permanent maintenance technician jobs during operations.

<sup>3</sup> Bruce Nissen and Yue Zhang, "Hiring Our Own? The impact of local vs. non-local hiring practices in two county GOB projects," Research Institute on Social and Economic Policy at Florida International University, August 16, 2006.

<sup>4</sup> North Star Policy Institute, "Catching the Wind: The impact of local vs. non-local hiring practices on construction of Minnesota wind farms," June 2018.

project for lack of performance ([PSC REF#: 424006](#)), one of WLDC's signatory contractors, and a majority local and state workforce, was hired to complete the project.

The creation of high-quality construction jobs is not the primary objective of energy policy, but it is an important factor to consider because solar projects are exempt from property taxes, and Portage and surrounding counties are in a rural area of the state where the availability of family-supporting blue-collar construction jobs is limited. Indeed, the estimated annual salary of \$64,000 for construction workers on this project is 51% greater than the average salary of a construction laborer, and 33% greater than the average salary for all occupations in rural Northeastern Wisconsin.<sup>5</sup> Moreover, the creation of local jobs is a factor in public support of the project.<sup>6</sup> RENEW Wisconsin cited economic benefits in the form of employment opportunities for skilled labor and apprentices during project construction as one reason it supports the project ([PSC REF# 448858](#)). Natural Resource Development Association also cited significant job creation in its supportive comments for the project ([PSC REF# 438254](#)).

Importantly, our experience recruiting, training, and dispatching hundreds of workers to build several utility-scale solar projects throughout the state since 2020 demonstrates that 1) there is sufficient and skilled local labor qualified to build solar projects, and 2) solar projects can accomplish the dual goals of helping the state meet its emissions reductions targets while also creating middle-class jobs for Wisconsin's blue-collar workforce. In addition, legislative action at the federal level incentivizes solar developers to create good jobs. Recent passage of the Inflation Reduction Act establishes for the first time enhanced tax credits if construction workers employed on a clean energy project are paid the prevailing wages for that locality, and the project employs a requisite number of registered apprentices. Specifically, the Portage County Project would be eligible for an investment tax credit equal to 30% of the project cost (five times greater than the base rate of 6%), or a production tax credit of 2.5 cents/kWh (five times greater than the base rate of 0.5 cents/kWh) if prevailing wage and registered apprenticeship standards

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<sup>5</sup> U.S. Bureau of Labor Statistics, May 2021 Metropolitan and Nonmetropolitan Area Occupational Employment and Wage Estimates, Northeastern Wisconsin nonmetropolitan area, [https://www.bls.gov/oes/current/oes\\_5500002.htm#00-0000](https://www.bls.gov/oes/current/oes_5500002.htm#00-0000).

<sup>6</sup> According to the Environmental Assessment, 15 public comments were received regarding potential impacts of the proposed project, several of which were supportive for general reasons, including local jobs benefits.

are met. There are tens of thousands of low-wage workers, such as those employed in food service occupations, whom, if provided with on-the-job training and apprenticeship opportunities, could transfer to a higher quality, higher-wage career in the construction industry. Expanding the local and state workforce capable of building Wisconsin's clean energy future further enhances social and economic benefits.

### III. RECOMMENDATIONS

Should the Commission approve the project, it should attach the following conditions: 1) require National Grid to include in its quarterly reports, an account of its efforts, and the efforts of its contractors, to recruit Wisconsin residents to fill employment opportunities created by construction of the project, including any efforts to collaborate with state registered apprenticeship programs; and 2) require the Company to include in its quarterly report the actual number of Wisconsin residents and out-of-state workers employed on-site to construct the project.

Without additional disclosure and greater transparency of actual employment opportunities filled by Wisconsin residents, the Commission lacks the ability to not only verify employment claims, but the Commission, staff, intervenors, and the public are missing critical information to evaluate the full public benefits of the Portage County Project. Moreover, it is important to note that several other solar projects have used majority local labor, and paid those workers family-supporting wages with family health insurance and retirement benefits. This demonstrates that some projects create more value to the state and local economies than others, and that solar developers like National Grid *can* use majority local workers, and compensate those workers at wage rates that prevail in a locality while also helping the state meet its clean energy targets. The lack of reporting by solar developers of its use of local workers deprives local communities and the state from understanding the net benefits of proposed projects.

In the Commission's Final Decision approving the Application for Grant County Solar, LLC to Construct a New Solar Electric Generation Facility located near Potosi and Harrison townships, in Grant County, Wisconsin, Docket No. 9804-CE-100, the Commission found it reasonable to include a quarterly reporting requirement on the applicant, NextEra Energy, to document its efforts, and the efforts of their contractors, to recruit Wisconsin residents to fill employment

opportunities created by construction ([PSC REF#: 411529](#)). Moreover, in neighboring Minnesota, where National Grid has proposed renewable energy projects, the Minnesota Public Utilities Commission routinely requires applicants to provide quarterly reports on the number of local workers employed during the construction phase of major energy projects.<sup>7</sup> Therefore, it is not burdensome on the Company to provide this data, while giving the Commission greater insight into the economic benefits of the project. Local hiring practices are especially relevant considering the energy transition underway which will displace utility workers and contractor workers employed at the three coal power plants that are scheduled for early retirement, and the impact of lost payroll and tax revenues from those closures to the state and host communities.

The Commission has broad authority to attach to the issuance of a certificate terms and conditions to ensure the project meets the requirements of Wis. Stat. § 196.49. WLDC believes that the Commission can and should exercise its authority to encourage greater use of local labor where feasible, and to provide more transparency with respect to the employment impacts of solar projects. WLDC appreciates the Commission's consideration of these comments.

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<sup>7</sup> See, for example, Compliance Filing – Section 6.1 – Quarterly Labor Statistics Report (Q3 2019) In the Matter of the Application of Lake Benton Power Partners II, LLC for a Site Permit Amendment for the up to 100.2 MW Lake Benton II Wind Farm in Pipestone County, Minnesota, Docket Number: IP-6903/WS-18-179 (November 14, 2019) (eDocket No. 201911-157547-01), <https://www.edockets.state.mn.us/edockets/searchDocuments.do?method=showPoup&documentId={B0706B6E-0000-CB16-BCA9-18519DCFB33E}&documentTitle=201911-157547-01>.