# Response to Feb. 10, 2023 Clarifying Questions

Attachment B.14

# Proposed SCIP Facility New York Jobs and Workforce Plan

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# 1 New York Jobs and Workforce Plan Summary

### 1.1 Overall philosophy and principles

a path to employment and workforce development is based on two major workforce development approaches: (1) Growth-to-employment and (2) Employment-growth.

In essence, Growth-to-employment includes developing the workforce, prior to employment, by providing industry-specific training and education that is needed in order to be eligible for employment. There are many skilled-labor jobs and roles within HV subsea cable factories. Employment-growth includes professional development, training and education opportunities for that portion of the workforce that has been hired for a position within the HV subsea cable factory to make them eligible for promotion and career growth. This includes development of both pre-apprenticeship and New York State (NYS) Department of Labor (DOL) registered apprenticeships where the related instruction will be offered via existing training and education institutions in the region.

Both of these approaches are extensions of core principles that drive

- Equal opportunity for all employees;
- diversity, equity and inclusion policy; and
- Recognition of the importance of making good faith efforts to ensure that employment opportunities promote the interests of Disadvantaged Communities.

Each of these approaches and principles are reflected in

plan.

# 1.2 Opportunities & challenges, Existing research on NY workforce & workforce development partnership

facility will require a highly trained and skilled workforce able to work in an advance process manufacturing industry with the highest standards of quality, where any mistake requires an in-depth investigation and can be costly to cure, and where any defect that ends up in the field—even the slightest one—can cause a prolonged outage that can disrupt the delivery of clean, renewable energy from an offshore wind farm for weeks.

From our experience this workforce is not readily available, and must be developed in advance of factory development through an extensive training program that is developed and implemented in connection with local development partners. In New York, have the potential to play a role in working skilled workforce necessary to support the operation of a cable factory in New York, including:

- Capital Region BOCES
- The Manufacturers Association of Central New York (MACNY)
- o SUNY Albany
- o SUNY Maritime
- o Rensselaer Polytechnic Institute

- o University at Albany
- o Tech Valley High School
- o New York Association of Training & Employment Professionals
- o SEAT Center
- Workforce Development Institute

collaboratively with select training institutions and Beacon Wind to: i) determine how we can collaborate to create pathways to employment including adapting training programs and giving access to wraparound services for members of disadvantaged communities and to facilitate a just transition to workers impacted by the transition of the energy sector toward renewable energy, 2) develop a "hub-and-spoke" model with the institution and the tri-regional workforce training center at the heart of the model to coordinate with all other workforce development and training institutions and agencies providing wraparound services in order to support the two major workforce development thrusts comprised of Growth-to-employment and Employment-growth.

### 1.3 Plan for equitable access for training, jobs, and economic opportunities

equal employment opportunities to all employees and applicants for employment without regard to race, color, creed, ancestry, national origin, citizenship, sex or gender (including pregnancy, childbirth, and pregnancy-related conditions), gender identity or expression (including transgender status), sexual orientation, marital status, religion, age, disability, genetic information, service in the military, or any other characteristic protected by applicable federal, state, or local laws and ordinances. Equal employment opportunity applies to all terms and conditions of employment, including hiring, placement, promotion, termination, layoff, recall, transfer, leave of absence, compensation, and training. **Context of the state sta** 

prohibits any harassment of, or discriminatory treatment of, employees or applicants based on a disability or because an employee has requested a reasonable accommodation.

# 2 Labor Engagement

### 2.1 Labor Liaison

As soon as the project has been selected, a dedicated project delivery team will be established. Until this team is established the role of Labor Liaison will be managed by the Human Resources ("HR") Director

and Canada; completed graduate level education

has 25 years of experience in HR in the US in Industrial & Labor Relations; she has extensive bargaining experience with US labor unions including The Teamsters, IBEW, and United Steelworkers; and she is well versed in US & Canadian labor laws.

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Name/Title	Role/Responsibilities	Contact Information	
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Once the proposal is accepted and a team is established, primary responsibility for labor relations will be transferred to the relevant project team member supported by a labor relation advisory firm and a labor law firm will be hired.

## 2.2 Training and recruitment partnerships

It is one thing to build a manufacturing facility and another to guarantee there is a workforce to meet its needs. Manufacturing in the United States is in the midst of a widespread skills gap. A recent study by Deloitte and the Manufacturing Institute predicts that by 2030, there will be 2.1 million unfilled manufacturing jobs in the United States. **Sector Constitution** proactively addressing this through early, meaningful engagement with higher education and workforce development institutions.

Capital Region is well-positioned to build the workforce we need to support our facility. Key programs in primary and secondary schools as well as dedicated manufacturing programs at community colleges and vocational schools are already in place.

and the Beacon Wind team, we have already begun reaching out to leaders at Hudson Valley Community College, Capital Region BOCES, and the Center for Economic Growth to discuss strategies to build on their existing, successful programs.

met with leadership at Hudson Valley Community College ("HVCC") to discuss their manufacturing programs and initiatives.

developed a workforce development plan & framework highlighted in the NY job section of the C.2.C.10 section on Economic Benefits in the SCIP narrative document for the HV subsea cable manufacturing facility.

Going forward, **Sector** workforce development institution, such as HVCC, that would act as a key partner in working **Sector** Beacon Wind, to: 1) determine how we can collaborate to create pathways to employment including members of disadvantaged communities and for a just transition to workers impacted by the transition of the energy sector toward renewable energy, 2) develop a "hub-and-spoke" model **Sector** as the heart of the model, interfacing and coordinating with all the other workforce development and training institutions necessary to support the two major workforce development thrusts comprised of Growth-to-employment and Employment-growth.

### 2.3 PLA negotiation

Il start the negotiation of a Project Labor Agreement with the applicable trade unions. To that effect a labor relation advisory firm and a labor law firm will be hired, and a labor liaison dedicated to the project will be nominated in the project team.

### 2.4 Prevailing Wages

in its construction budget estimate based on construction workers being paid a prevailing wage.

In its financial model for the operation of the SCIP facility modelized its operation labor cost based on available labor data for the region where the SCIP facility would be built adjusted for when the people would actually be hired, and adjusted to make employment attractive to hire the right talents and to retain them especially after investing so much in their training.

identified each position in the facility (see Part III-4 in SCIP Data Form), then it matched it with the closest occupation code for which wage data was available for the Albany-Schenectady-Troy area, and then it applied 1) an inflation factor for when employment would start, and 2) a hiring premium to attract and retain the right talents for our facility.

### 2.5 Opportunities for Disadvantaged Communities, MWBEs, SDVOBs

in the definitive agreement with the construction company

that the construction company will provide documented "good faith efforts" to provide 1) meaningful employment from disadvantage communities and through MWBE & SDVOB in the performance of the construction of the facility with a respective target of 15% each of the total number of positions budgeted, and 2) meaningful participation by MWBEs and SDVOBs as subcontractor or suppliers in the performance of the construction of the Facility with a respective target of 15% of the construction budget.

Under its Diversity, Equity, and Inclusion policy "good faith efforts" to provide meaningful employment opportunities for members of disadvantaged communities during the lifetime of the HV subsea cable factory in operation.

As we have not been able to assess the pool of employable labor or of labor that could become employable under the "Growth-to-employment" thrust in the Workforce Development Plan, **Sector Sector** set a target of employing between 17% to 18% of its facility workforce from disadvantaged communities, minorities, women, or veterans. This target will be revised later after discussion with our workforce development partners and more in-depth analysis has been performed. Within the "hub-and-spoke" framework described in section 2.2 above, **and the section of the sec** 

engage with certain disadvantaged communities to highlight the job opportunities of the SCIP facility and the path to employment through the Workforce Development Plan developed with

# 3 Project Labor Agreement

### 3.1 Benefits for the project

Due to the significant construction activities caused by the construction of more than one SCIP, the construction of the tower facility at Port of Albany, and other construction activities in the Capital Region, the pool of qualified and trained construction labor available to construct the HV subsea cable manufacturing facility could be tight. By signing a Project Labor Agreement with the local union halls covering the trades **Example 1** ensure an adequate level of trained and qualified human resources will be available to its contractors and their contractors to start construction on time and meet the construction schedule of the manufacturing plant, 2) foster harmony with the building trades and the construction workers during the construction of the facility.

### 3.2 PLA negotiation

See section 2.3 of this document

# 3.3 Training and recruitment opportunities for Disadvantaged Communities, MWBEs, SDVOBs

See section 2.5 of this document.

# 3.4 Metrics of jobs created and commitment toward Disadvantaged Communities, MWBEs, SDVOBs

definitive agreement with the construction company

that the construction company will provide documented "good faith efforts" to provide meaningful employment to members of disadvantaged communities and to MWBEs & SDVOBs in the performance of the construction of the facility with a respective target of 15% each of the total number of positions budgeted (which would represent approximately 102 unique positions).

the construction company provide documented "good faith efforts" to ensure meaningful participation by MWBEs and SDVOBs as subcontractors or suppliers in the performance of the construction of the Facility with a respective target of 15% of the construction budget.

Under its Diversity, Equity, and Inclusion policy, "good faith efforts" to ensure meaningful employment from disadvantaged communities during the lifetime of the HV subsea cable factory.

As we have not been able to assess the pool of employable labor or of pools labor that could become employable under the "Growth-to-employment" thrust in the Workforce Development Plan, target of employing between 17% to 18% of the facility workforce from disadvantaged communities, minorities, women, or veterans; this will be reviewed later after further discussion and analysis with our workforce development partners.

# 4 Industry-Wide Training and Education

### 4.1 Training path

to support the offshore wind industry in New York State and specifically the HV subsea cable factory includes two major workforce development thrusts comprised of (1) Growth-to-employment and (2) Employment-growth. Growth-to-employment includes developing the workforce, prior to employment, by providing industry-specific training and education that is needed in order to be eligible for employment. There are many skilled-labor jobs and roles within an HV subsea cable factory. Employment growth will include professional development, training and education opportunities for that portion of the workforce that has been hired for a position within the HV subsea cable factory to make them eligible for promotion and career growth. This will include development of both preapprenticeship and New York State (NYS) Department of Labor (DOL) registered apprenticeships where the related instruction will be offered via existing training and education institutions in the region.

### 4.2 Collaboration and partnerships

Both thrusts will include partnering closely with existing and established academic and training institutions throughout New York State including colleges and universities in the State University of New York (SUNY) system including Hudson Valley Community College (HVCC) and the University at Albany. Other partners will include both Capital Region Board of Cooperative Educational Services (BOCES) and Questar III BOCES, Workforce Development Institute (WDI), among several others.

While relationships are being established with several existing academic and training institutions within New York State, our preferred approach is to collaborate and provide support to these entities utilizing a "hub-and-spoke" model, with a community college such as HVCC acting as the centralized hub working collaboratively and cooperatively with the other institutions to ensure a healthy Offshore Wind workforce training ecosystem in the region. In this way, operational efficiencies may be realized by leveraging existing relationship, collaborations and synergies previously realized amongst these institutions (e.g., articulation agreements and other partnerships).

tri-regional workforce training center that Beacon Wind will develop in New York State Sta

### 5 Just Transition

### 5.1 Training and employment path

To provide Clean Energy Transition job opportunities, **source and source and** 

supporting the tri-regional workforce and training plan that Equinor is coordinating, particularly in the Capital Region. with key stakeholders in the academic, workforce development, and wraparound service areas to provide both a path to employment and the resources necessary for those from disadvantaged communities to access these job and training opportunities.

nd the Beacon Wind team, directly with workforce development and training institutions such as Hudson Valley Community College and Capital Region BOCES under a "hub-and-spoke" model. After selecting the right partner heading the "huband-spoke" model, with that organization, which will be the centralized hub of outreach and coordination with other institutions.

workers displaced from the fossil fuel and natural gas industries in New York. The hub-and-spoke training model referenced above includes pathways for re-skilling and up-skilling existing workers, including those from the fossil fuel industries. **Sector** Beacon Wind, NYSERDA, and other state agencies to identify workers that could be displaced by the closure of fossil fuel facilities, and engage with them about job and training opportunities presented by this SCIP facility.

### 5.2 Collaboration and partnerships

and the Beacon Wind team to identify potential collaborators and partners in workforce development initiatives, such as HVCC, MACNY, Capital Region BOCES, etc. "hub-and-spoke" framework to help provide comprehensive support for those communities impacted by the Clean Energy Transition to ensure equitable access to the job opportunities outlined in our SCIP.

on its workforce development partners to provide a path for Just Transition toward job opportunities at our manufacturing facility, and to include in their workforce development initiatives elements tailored to attract those impacted by the Clean Energy Transition.



## 6 Jobs Commitments

### 6.1 Job creation during constructions (Category 2 Economic Benefits)

During the development and the construction of the facility from 2023 to 2026, the expected jobs creations and type of jobs created in the State of NY are as follows:

JW2 ID	SCIP Facility Phase	Job Category	Job Description	Total Positions (Unique Jobs)

### 6.2 Job creation during operation of the SCIP facility (Category 4 Economic Benefits)

The numbers of jobs created and type of jobs needed to operate the SCIP facility in the State of NY are as follows:

2	JW4 ID	Job Description	Total Positions (Unique Jobs)	

# 6.3 Other direct job creation induced by operating the SCIP facility

It is very likely that additional positions will be created at the SCIP facility to support the commercial and project activities needed to sale the HV subsea cables produced at the SCIP facility.

JW5 ID Job Description Total Positions (Unique Jobs)

### 6.4 Ramp-up plan

facility will require a highly trained and skilled workforce able to work in an advance process manufacturing industry with very tight tolerances where any mistake requires an in-depth investigation and can be costly to cure, and where any defect that ends up in the field, even the slightest one, can cause over time a cable failure and therefore a transmission outage that will curtail or stop the injection of clean energy from an offshore wind farm into the onshore grid until the transmission line has been repaired many weeks later.

such workforce is not readily available. Realistically we will need to progressively hire them well ahead of start of operation of the facility, run them through an extensive training program, expect excess manufacturing variances and excess cost of non-quality as well as a down rated production capacity factor for a period of 3 years until the operations come to a natural stabilized state. Consequently our current plan is to start to hire people for the facility (not same group of people that the ones part of the SCIP project team) as early as late 2025 and progressively staff up to full staffing by mid-2028 for a start of manufacturing operation in 2028 (after completion of the facility qualification starting mid-2026). The hiring curve is likely going to look like this:



The plant manager and operation manager will likely be brought onboard before to overlap extensively with project team and to cover all the commissioning phase of the facility. During the construction of the facility many experts are expected to regularly come to site