



August 10, 2018

RFI OSW-2018 Comments – Large Scale Renewables Team  
New York State Energy Research and Development Authority  
17 Columbus Circle  
Albany, NY 12203-6399

**RE: Case No. 18-E-0071 RFI OSW-2018**

Dear Ms. Alicia Barton,

We write to you on behalf of the United Steelworkers (USW) and the BlueGreen Alliance (BGA). The USW represents 850,000 members across the United States and Canada, including nearly twenty thousand in New York, who make steel and aluminum, cement, paper, machine parts, glass, chemicals, and more; work for local governments; care for patients; and contribute to the economy in many other jobs.

The United Steelworkers (USW) is primarily an industrial union, yet has been a leader in the labor community on climate change for more than 40 years. Innovation in the clean energy economy presents tremendous opportunity for the global environment and for workers in manufacturing, construction, and the service sector. For these reasons, USW joined with the Sierra Club to form the BlueGreen Alliance in 2005, a national partnership of labor unions and environmental organizations committed to transforming environmental problems into job-creating and economic opportunities. Standing together, the 13 BGA member organizations are a powerful, unified voice for good jobs, a clean environment and a fair and thriving economy.

Climate change poses a threat to the New York environment and economy, but offshore wind presents an opportunity to capture economic and environmental benefits for New Yorkers. To that end, we appreciate the Administration's efforts to responsibly develop an offshore wind industry that encompasses a supply chain to serve offshore wind development in New York and nearby states.

We applaud Governor Cuomo's leadership in directing the state to fully implement the order establishing an offshore wind standard and framework for Phase 1 procurement. We are grateful for the opportunity to comment on the New York State Energy and Research Development Authority (NYSERDA) process for solicitation of proposals to enter into cost-effective long-term contracts for the 800 megawatts of offshore wind. This process will help to ensure the development of offshore wind in New York benefits both the environment and the economy.

In response to the Economic Benefits questions number 23-29 in the RFI, we suggest a few requirements for developers and the state that will ensure job creation and economic benefit:

1. Ensure local sourcing for components for offshore wind infrastructure

Domestic manufacturing has long served as a vital path to the middle class and the backbone for many communities across the country. As NYSERDA develops the RFP for developers for New

York offshore wind projects, it should include a preference on sourcing materials from either within New York, surrounding states, or the United States as a whole.

A New York or domestic preference for procurement will help ensure that New York's commitment to economic and environmental benefit is met. This not only creates jobs, but it also reduces shifts in production to countries that rely on practices that are significantly less energy efficient and more polluting than manufacturing in the United States.

On average, one megawatt of wind capacity requires 103 tons of steel, 402 tons of concrete, 6.8 tons of fiberglass, 3 tons of copper, and 20 tons of cast iron.<sup>1</sup> There is a broad supply chain within the United States for onshore wind energy, some of which could be tapped to contribute to New York's Phase 1 800 megawatts. Many of these are already high quality, union jobs. For example, USW members in Pennsylvania, Ohio, Illinois, Indiana, and Kansas already make parts for wind turbines including steel plate, steel castings, gears, and bearings. USW also represents workers in the cement industry at over 100 facilities across the country, including in New Jersey, New York, and Pennsylvania. Cement constitutes about 10-20% of concrete, which is a necessary part of the foundation for a wind turbine.

Sourcing domestically has significant added benefits to the economy and beyond – including, but not limited to:

- helping maintain and grow good paying jobs by expanding existing industrial capacity;
- mitigating greenhouse gas emissions by manufacturing and transporting products here versus creating more carbon intensive manufacturing/transport offshore; and
- creating opportunities to lead to significant investments in the supply chain in New York.

With strong local and domestic procurement requirements, New York is ripe for significant investment opportunities that support good paying, quality jobs. Massachusetts, Rhode Island, Connecticut, New Jersey, Maryland, and Virginia are all in various stages of developing offshore wind power. With its central location on the East Coast and its ports, New York has an opportunity to supply projects up and down the coast if investment in the supply chain occurs swiftly.

The Cuomo Administration has recognized the importance of domestic manufacturing and has inserted sourcing requirements for some public infrastructure projects in the state. These in-state experiences can be used as a baseline model to fulfil the Order's guidance to include a local content provision in evaluating proposals from developers. As the State works to attract investment, we strongly encourage NYSEDA to require all applicants to provide a detailed plan outlining the sourcing for components with a preference for developers that have a planned commitment to sourcing locally from companies with good labor standards. To help with that process, we encourage NYSEDA to develop and maintain a publicly-available New York State vendor list.

## 2. Ensure that the jobs created or maintained are good jobs

The economic benefits of these policies will be maximized only by ensuring that the jobs created and maintained in NY communities are good union jobs that ensure family sustaining wages and benefits and safe workplaces. For the supply chain, this requires sourcing materials from responsible companies that uphold commitments to local hiring and strong labor protections including the rights of workers to collectively bargain. For construction of the projects, this requires Project Labor Agreements and paying Prevailing Wage.

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<sup>1</sup> <https://carboncounter.wordpress.com/2015/06/11/can-you-make-a-wind-turbine-without-fossil-fuels-2/>

New York should do all it can to ensure that the jobs created directly by offshore wind developers and indirectly in the supply chain are quality jobs. One way to do this is to ensure that workers are able to organize and collectively bargain, which research shows results in higher wages and safer jobs. NYSERDA could consider a preference for labor peace agreements for offshore wind developers or suppliers who are set to receive any contract or benefits (such as tax relief) from the state. The New York State Department of Health had a requirement like this in its 2015 medical marijuana application process.<sup>2</sup>

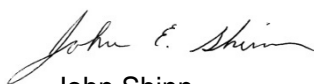
### 3. Community Benefits

If done properly, the development of offshore wind in New York has the potential to positively impact New York communities, and requiring community benefits agreements could be a mechanism for NYSERDA to judge the depth of proposed investment in advance. Community benefits agreements may also help ensure that a developer has a plan to meet any job or investment criteria commitments in the contract, which is important to New Yorkers when the state is providing any resources to a company.

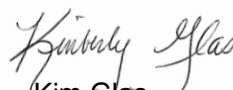
Engaging constructively in community benefit agreements will help to improve access to jobs and career paths that improve the local economy and environment. Working with the community, labor, and local educational institutions will aid in positive economic development including major siting, planning, and investment decisions to ensure that operations and investments improve quality of life for communities and workers – while ensuring positive environmental impacts and planning for climate resilience. These types of agreements can help ensure that economic investment involves quality jobs with good wages, benefits, and the right to organize. Community benefits agreements including local hiring, job quality requirements, local supply chain requirements, and targeted investment should be included in wind developer contract evaluation.

We sincerely appreciate the opportunity to comment and look forward to working further with the State to procure clean energy in an economically and environmentally responsible way. By requiring local sourcing and high road labor standards for developers and suppliers, NYSERDA has the opportunity to help New York reap broad economic benefits by building infrastructure for this growing industry while combatting climate change.

Sincerely,



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<sup>2</sup> [https://www.health.ny.gov/regulations/medical\\_marijuana/application/evaluation\\_process.htm](https://www.health.ny.gov/regulations/medical_marijuana/application/evaluation_process.htm)