

ENERGY STORAGE PROCUREMENTS & PROJECT LABOR AGREEMENTS



The Project Labor Agreements (PLA) Act defines a **Project Labor Agreement** as a pre-hire collective bargaining agreement that covers all terms and conditions of employment on a specific construction project. A Project Labor Agreement can ensure the highest standards of quality and efficiency at the lowest responsible cost on appropriate public works projects.



Who is required to enter into a Project Labor Agreement?

As required by the Clean & Reliable Grid Affordability Act (P.A. 104-0458), energy storage credits (or ISCs) procured from battery storage projects pursuant to Agency procurement events must be from facilities built by general contractors that enter into a project labor agreement prior to construction.



What employees should be covered under the Project Labor Agreement?

The Project Labor Agreement should cover all workers required for the construction of the energy storage facility.



How To Comply with the Project Labor Agreement Requirement

Seller should inform the Illinois Power Agency of the commencement of project construction via email as soon as practicable. Seller must submit the executed PLA within the later of:

- (a) sixty (60) days prior to the start of the Project's construction;
- (b) thirty (30) days of the execution of such Project Labor Agreement or amendment; or
- (c) thirty (30) days of the Commission Bid Approval Date



Consequences of Noncompliance with the Project Labor Agreement Requirement

Failure to submit a Project Labor Agreement in a timely fashion and remain in compliance with this requirement constitutes an **Event of Default** under the ISC Contract. If amendments are made to a Project Labor Agreement, the Seller is required to submit any relevant amendments to the IPA within 30 days of execution of the amendment.



Minimum Requirements for a Compliant Project Labor Agreement

Project Labor Agreements must contain the below listed items at minimum*:

1. Names, addresses, email addresses, and occupations of the owner of the Project and the individuals representing the labor organization employees participating in the Project Labor Agreement.
2. Provisions establishing the minimum hourly wage for each class of labor organization employee.
3. Provisions establishing the benefits and other compensation for each class of labor organization employee.
4. Set forth effective, immediate, and mutually binding procedures for resolving jurisdictional labor disputes and grievances arising before the completion of work.
5. Contain guarantees against strikes, lockouts, or similar actions.
6. Ensure a reliable source of skilled and experienced labor.
7. For minorities and women as defined under the Business Enterprise for Minorities, Women, and Persons with Disabilities Act, set forth goals for apprenticeship hours to be performed by minorities and women and set forth goals for total hours to be performed by underrepresented minorities and women.
8. Permit the selection of the lowest qualified responsible bidder, without regard to union or non-union status at other construction sites.
9. Bind all contractors and subcontractors on the public works project through the inclusion of appropriate bid specifications in all relevant bid documents.
10. Other such terms as the parties deem appropriate.

**Please note that this list is solely a list that enables a Project Labor Agreement to be compliant only for IPA Energy Storage Procurements. The IPA's acceptance of a PLA should not be construed as a determination that the instrument is valid or otherwise legally enforceable.*



Submission Tips

- ✓ Ensure the Project Labor Agreement is executed by all relevant parties
- ✓ Ensure that the Project Labor Agreement is dated/all signatures have dates
- ✓ Ensure all minimum requirements as listed above are included in the Project Labor Agreement

Find more information the IPA's storage procurements here:
<https://ipa.illinois.gov/renewable-resources/energy-storage.html>