



October 20, 2023

TO: Illinois Power Agency

FR: Climate Jobs Illinois (CJI)

RE: September 29 Request for Stakeholder Feedback on the IPA Policy Study Resulting from HB3445

Please direct questions and comments to:

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About Us

Climate Jobs Illinois is a coalition of labor organizations advocating for a pro-worker, pro-climate agenda in Illinois. Our mission is to advocate for a clean energy economy at the scale climate science demands, create good union jobs and support more equitable communities. Our coalition represents hundreds of thousands of Illinois working men and women who are the best trained and skilled to build Illinois' new clean-energy economy from the ground up. By focusing on the construction of clean energy sources as a way to combat the climate crisis, Climate Jobs Illinois offers a compelling new approach to creating an equitable and clean economy. Building a clean energy economy is an opportunity for labor to lead on climate by creating high-quality family-sustaining jobs that spur economic development while reducing carbon emissions.

Climate Jobs Illinois is a state affiliate of the Climate Jobs National Resource Center. Climate Jobs Illinois is directed by a coalition representing hundreds of thousands of union members across Illinois, and our Executive Committee is comprised of leadership from:

- Association of Bridge, Structural, Ornamental and Reinforcing Iron Workers Union Chicago & St. Louis
- Mid-American Carpenters Regional Council
- International Brotherhood of Electrical Workers Local 134
- International Brotherhood of Electrical Workers State Council
- Illinois Education Association
- Illinois Federation of Teachers
- International Union of Operating Engineers Local 150
- Midwest Region of Laborers International Union of North America
- Great Lakes Region Laborers International Union of North America
- Service Employees International Union State Council
- International Association of Heat and Frost Insulators and Allied Workers

Background

On September 29, the Illinois Power Agency (IPA) posted a [Request for Feedback](#) on developing a Policy Study regarding energy policy proposals included in HB3445 of the Illinois General Assembly. On behalf of our coalition members and their rank-and-file union members, Climate Jobs Illinois submits the following recommendations pertaining to energy storage, utility-scale offshore wind in Lake Michigan, and the proposed Soo Green high-voltage direct current (HVDC) transmission line from Iowa.

Energy Storage

While developing HB3445's policy study on energy storage, we encourage the IPA to pay special attention to the impact this program will have on Illinois workers and their families. In its analysis of job creation, the IPA should also consider the quality and classifications of jobs created, applicable labor standards such as prevailing wage, and the economic impact on surrounding communities. As a coalition of labor organizations, we can attest to the positive impact that prevailing wage and other progressive labor standards have on local economies, workplace safety, and project efficiency.¹

The IPA should also review energy storage solutions with an eye towards jumpstarting progress towards the state's climate goals under the Climate & Equitable Jobs Act. It is our understanding that HB3445's procurement goal of 7,500 MW far exceeds the energy storage

¹ Illinois Economic Policy Institute. (n.d.). Prevailing Wage. <https://illinoiseipi.org/focus-areas/prevailing-wage/>

targets set by ten other states, including California and New York.² Implementing HB3445's energy storage program will assist the generation and transmission of renewable energy throughout the state, and help put us on the path towards a carbon-free economy. Large-scale adoption of energy storage technology also has the potential to create thousands of jobs and spur economic activity in all corners of the state. We encourage the IPA to study a range of bold implementation strategies Illinois can enjoy the full benefits of this program.

Offshore Wind

As with energy storage, HB3445's offshore wind pilot program presents a unique opportunity for Illinois to pursue its climate goals while creating good jobs and investing in local communities. When developing the policy study for utility-scale offshore wind in Lake Michigan, the IPA should consider the benefits of strong labor standards for the construction, operations, and maintenance of the facility. HB3445 requires the execution of a project labor agreement (PLA) for the construction of the project, as well as prevailing wage standards and a detailed equity and inclusion plan to create job opportunities for underrepresented communities. As with energy storage, we would like to underscore the importance of these protections for workers, taxpayers, and local communities.

On the question of supply chains, we encourage the IPA to review published research by the U.S. Department of Energy's National Renewable Energy Laboratory (NREL) and other industry experts on building a domestic supply chain for offshore wind components. Per a January 2023 report by NREL, there are several industrial bases within this U.S. (particularly in the Midwest and Northeast) that could be retooled to manufacture offshore wind components. According to NREL's analysis, Illinois and other Midwest states demonstrate high industrial capacity to produce critical components such as nacelles. Early adoption of offshore wind in the Northeast has also spurred port and manufacturing investments in those states that could supplement a local supply chain for the Great Lakes.³ These investments translate into good jobs for American families, and clean power for the state of Illinois.

² McNamara, W., Passell, H., & Olinsky-Paul, T. (2023, February 27). *States energy storage policy: Best practices for decarbonization*. Clean Energy States Alliance. <https://www.cesa.org/resource-library/resource/states-energy-storage-policy-best-practices-for-decarbonization/>

³ Shields, Matt, Jeremy Stefek, Frank Oteri, Sabina Maniak, Matilda Kreider, Elizabeth Gill, Ross Gould, Courtney Malvik, Sam Tirone, Eric Hines. 2023. *A Supply Chain Road Map for Offshore Wind Energy in the United States*. National Renewable Energy Laboratory. <https://www.nrel.gov/docs/fy23osti/84710.pdf>.

HVDC Transmission

We are looking forward to the IPA's analysis of the proposed Soo Green high-voltage direct current (HVDC) line, which would harness renewable energy generation in Iowa to meet increased demand from retail electricity customers in Illinois. It is our understanding that Soo Green will create 1,000 union construction jobs in Illinois over the project's three-year construction period, and "deliver \$1 billion in economic impact to Illinois."⁴ We would like to underscore the importance of establishing strong labor protections on this project, to ensure the equitable and efficient rollout of this first-of-its-kind interregional transmission line.

⁴ Soo Green HVDC Link, Response to the IPA's Electricity and Capacity Procurement for Eligible Retail Customers Request for Stakeholder Feedback, <https://ipa.illinois.gov/content/dam/soi/en/web/ipa/documents/comments-page/soo-green.pdf>