

**BEFORE THE STATE OF WASHINGTON UTILITIES AND TRANSPORTATION  
COMMISSION**

In the Matter of PacifiCorp's  
Draft 2025 Integrated Resource Plan  
Docket UE-230812

COMMENTS OF WASHINGTON  
& NORTHERN IDAHO DISTRICT  
COUNCIL OF LABORERS

**Introduction**

The Washington and Northern Idaho District Council of Laborers ("WNIDCL") represents construction workers who build our state's energy infrastructure. We are an affiliate of the Laborers International Union of North America ("LIUNA") which represents over 500,000 workers in the United States and Canada. We thank you for the opportunity to submit comments on PacifiCorp's Draft 2025 Integrated Resource Plan ("IRP").

PacifiCorp's draft IRP inadequately addresses the labor and workforce development implications of its proposed resource portfolio. The omission of robust labor impact analyses and workforce planning violates the spirit of Washington's Clean Energy Transformation Act ("CETA") and undermines the state's goals of creating high-quality jobs, and ensuring a just transition to clean energy. Importantly, the draft IRP must comply with Washington's statutory and regulatory mandates, including RCW 19.280.030, which requires utilities to develop resource plans that prioritize "lowest reasonable cost and risk." It is unclear to what extent PacifiCorp modeled workforce risks and the equitable distribution of benefits in the development of its preferred portfolio.

**Recommendations****1. The Commission should require PacifiCorp to integrate detailed workforce procurement planning into its IRP as a risk mitigation measure.**

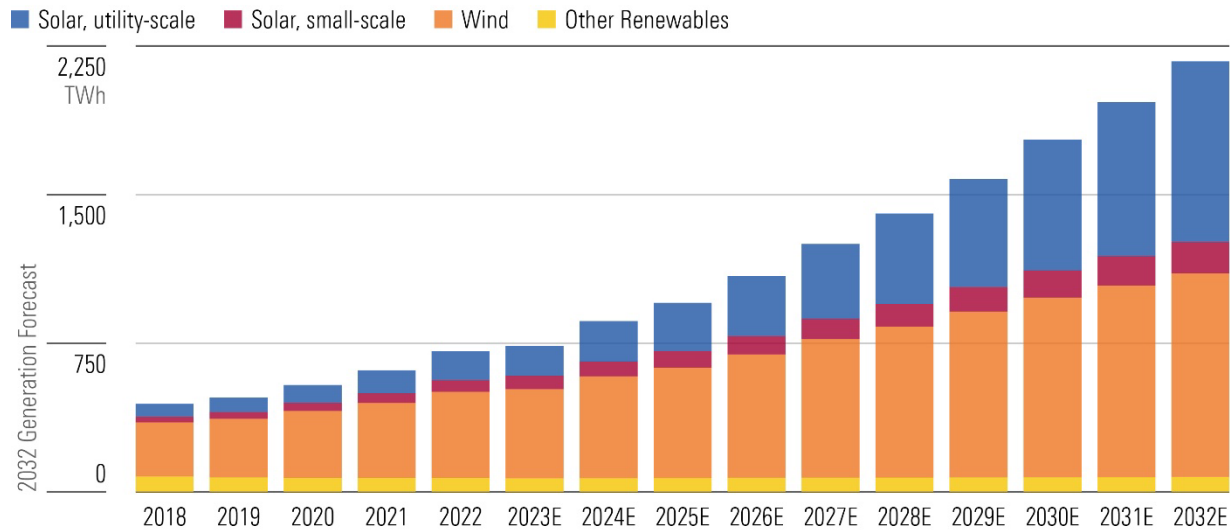
According to the IRP, PacifiCorp will add 5,492 MW of new solar resources, 6,379 MW of new wind resources, 7,668 MW of new storage resources, and 500 MW of new nuclear resources by 2045.<sup>1</sup> The Company will be competing with thousands of other power projects for a limited pool of skilled construction labor. Indeed, as the chart below demonstrates, Morningstar estimates significant renewable energy growth with 45% of U.S. power generation coming from renewable energy sources by 2032.<sup>2</sup>

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<sup>1</sup> Table 9.10 - PacifiCorp's 2025 IRP Preferred Portfolio

<sup>2</sup> <https://www.morningstar.com/stocks/our-10-year-utilities-forecast-renewable-energy-triple-by-2032>

*Morningstar Estimate of U.S. Power Generation Growth Forecast*



In order to meet its clean energy targets for Washington, the company will add 7,704,322 megawatt hours of projected renewable and non-emitting energy between 2026 and 2029. During this span, there are over 6,000 individual proposed power projects with gross expenditures above \$1 trillion expected to come online. One-third of total investment dollars will be in the Western Electricity Coordinating Council ("WECC") region.

*Table 1: Proposed U.S. Power Projects, 2025-2029, Industrial Info Resources<sup>3</sup>*

Year	# Power Projects	\$ Project Expenditures
2025	1,296	\$ 98,961,882,100
2026	1,487	\$ 192,636,546,000
2027	1,571	\$ 281,582,005,000
2028	1,173	\$ 320,156,787,000
2029	516	\$ 171,579,141,000
<b>Total</b>	<b>6,043</b>	<b>\$ 1,064,916,361,100</b>

The IRP acknowledges risks impacting planned resource additions such as supply chain disruptions, siting delays, and increased costs, but omits analysis of labor supply constraints. This violates WAC 480-100-620(9) requiring assessment of "energy security risk" – a category encompassing workforce availability. Detailed workforce planning is needed because the construction industry faces an unprecedented workforce crisis, with projections for an additional 439,000 workers in 2025 alone to meet growing demand.<sup>4</sup> This shortage is particularly acute for

<sup>3</sup> Industrial Info Resources tracks industrial projects across the United States, <https://www.industrialinfo.com/dash/index.jsp>

<sup>4</sup> <https://construction-today.com/news/nearly-half-a-million-new-workers-needed-to-meet-us-construction-demand/>

energy infrastructure projects, where specialized skills are essential. According to industry surveys, 94% of construction firms report having a difficult time filling open positions, with 62% reporting that available candidates are not qualified to work in the industry because they lack required skills or certificates.<sup>5</sup>

The energy sector faces particularly severe challenges as it undergoes transformation. Half of the energy industry workforce may retire within the next 5-10 years, with the average age of industry employees now over 50. An industry study forecasts a shortage of 80,000 personnel required specifically for the smart grid and electric utility industry by 2030.<sup>6</sup> Long-term forecasts paint an even more concerning picture. According to Bureau of Labor Statistics projections for 2022-2032, there is a dramatic imbalance of 20 job openings for every one net new employee in skilled trades. For 12 key skilled trade roles, there will be an estimated 584,000 annual openings, but only 26,000 net new employees are projected to fill these positions.<sup>7</sup> This situation creates a critical supply-demand mismatch that threatens energy infrastructure development. To ensure PacifiCorp has the skilled labor resources required to meet load growth and clean energy targets, the Company should incorporate detailed workforce planning into its IRP.

## **2. The Commission should require PacifiCorp to adopt high road labor standards as a labor risk mitigation strategy.**

Risk mitigation is especially important considering hiring practices of contractors on past projects by PacifiCorp in Washington. PacifiCorp hired IEA Constructors on the Goodnoe Hills Repower Project and Wanzek on the Marengo I and II Repower Project. Neither contractor has relationships with local building trades unions and typically rely on temporary staffing agencies to provide labor on wind and solar projects. The Wyoming wind projects included in PacifiCorp's 2021 IRP preferred portfolio were built by non-union contractors and out-of-state labor. The employment of low-cost, out-of-state labor, and temp workers introduces another set of risks to the delivery of proposed resources.

Research demonstrates that high road labor practices such as union wages, workforce training, registered apprenticeship, and local employment impose only modest cost premiums, if any, on renewable energy projects while generating offsetting productivity gains and long-term financial benefits.<sup>8</sup> For example, in Wisconsin, union-built solar farms demonstrated lower lifetime costs despite higher hourly wages, attributed to faster installation rates and fewer delays from labor

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<sup>5</sup> <https://www.agc.org/news/2024/08/28/new-survey-shows-how-nations-failure-invest-construction-education-training-programs-makes-it-hard>

<sup>6</sup> <https://globalpolicy.ieee.org/wp-content/uploads/2018/09/IEEE18018.pdf>

<sup>7</sup> <https://www.mckinsey.com/capabilities/people-and-organizational-performance/our-insights/tradespeople-wanted-the-need-for-critical-trade-skills-in-the-us>

<sup>8</sup> See, for instance, [https://netzeroamerica.princeton.edu/img/Working\\_Paper\\_High\\_Road\\_Labor\\_and\\_Renewable\\_Energy-PUBLIC\\_RELEASE-4-13-21.pdf](https://netzeroamerica.princeton.edu/img/Working_Paper_High_Road_Labor_and_Renewable_Energy-PUBLIC_RELEASE-4-13-21.pdf), <https://collaborate.princeton.edu/en/publications/influence-of-high-road-labor-policies-and-practices-on-renewable->, <https://www.nrel.gov/docs/fy23osti/83652.pdf>, <https://digitalcommons.dartmouth.edu/facoa/4111/>

shortages.<sup>9</sup> Indeed, Wisconsin Power and Light Company ("WPL") has added 1,089 MW of solar generation since 2022, making it the largest owner and operator of solar energy in the state. WPL's 12 solar projects created more than 2,700 construction jobs - 75% of which went to Wisconsin residents. WPL's partnership with local labor unions enables safe and timely execution of its ambitious clean energy plan while creating high quality jobs for local workers.<sup>10</sup>

### **3. The Commission should require PacifiCorp to include labor stakeholders in IRP and RFP development processes.**

PacifiCorp's 2025 IRP Work Plan lists dozens of participating organizations across various categories – zero represent construction labor unions. This omission not only violates the equity mandates of CETA which requires "inclusive engagement with affected workers" (RCW 19.405.040), but labor stakeholders are a valuable resource for improving planning accuracy and implementation outcomes. The inclusion of labor stakeholders in resource plan development yields substantial benefits for utilities, communities, and the energy transition through enhanced project execution, risk mitigation, and community alignment. For example, including labor stakeholders in IRP development helps utilities anticipate and mitigate workforce challenges that could otherwise derail project timelines. By incorporating labor perspectives early in the planning process, utilities gain valuable insights into:

- Regional workforce availability for specialized renewable energy installations
- Anticipated skill gaps that might emerge during rapid deployment phases
- Training pipeline capacity constraints for emerging technologies
- Seasonal staffing fluctuations that could impact construction schedules
- Productivity impacts and potential risks associated with various labor procurement strategies
- The accuracy of labor cost inputs in planning models

These insights allow for more accurate modeling of project timelines and costs, and a more thorough examination of the viability of lowest-cost bids in RFP processes. In our experience, organizations that proactively forecast workforce requirements and identify skills gaps early can properly address resource shortages, reduce risks, and ensure operational efficiency. In particular, construction trade unions, bring practical knowledge about construction standards,

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<sup>9</sup> <https://www.cjnc.org/wp-content/uploads/2023/02/Building-Good-Local-Jobs-On-Clean-Energy-Projects-in-WI.pdf>

<sup>10</sup> [https://www.alliantenergy.com/-/media/alliant/documents/cleanenergy/company/solar/wisconsinsolarconstructionsummary2024.pdf?la=en&sc\\_la=en&hash=21921A980FCABF2E24376C7FE4EBE823](https://www.alliantenergy.com/-/media/alliant/documents/cleanenergy/company/solar/wisconsinsolarconstructionsummary2024.pdf?la=en&sc_la=en&hash=21921A980FCABF2E24376C7FE4EBE823)

safety protocols, labor costs, and quality assurance practices that significantly impact project outcomes.

## **Conclusion**

PacifiCorp's Draft 2025 IRP falls short by inadequately addressing the crucial labor and workforce development aspects of its proposed resource portfolio. To rectify this, the Commission should mandate PacifiCorp to:

1. **Integrate Detailed Workforce Procurement Planning:** This should be incorporated into the IRP as a vital risk mitigation measure, acknowledging and addressing potential labor supply constraints that could impede project timelines and increase costs.
2. **Adopt High-Road Labor Standards:** Prioritizing high-road labor standards such as union wages and benefits, workforce training, registered apprenticeships, and local employment serves as a further labor risk mitigation strategy.
3. **Include Labor Stakeholders:** Construction labor unions should be actively involved in both the IRP and RFP development processes, ensuring compliance with CETA's equity mandates and leveraging their expertise to improve planning accuracy and project implementation.

By implementing these recommendations, PacifiCorp can ensure the successful and equitable execution of its clean energy transition, fostering high-quality job creation, and a just transition for Washington's workforce.