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| Docket Number: | 08-AFC-08A |
| Project Title: | Hydrogen Energy Center Application for Certification Amendment |
| TN #: | 200477 |
| Document Title: | State Building and Construction Trade Council Comments: HECA project support letter |
| Description: | N/A |
| Filer: | System |
| Organization: | Bob Rawitch |
| Submitter Role: | Public |
| Submission Date: | 9/13/2013 4:30:46 PM |
| Docketed Date: | 9/13/2013 |

Comment Received From: Bob Rawitch

Submitted On: 9/13/2013

Docket Number: 08-AFC-08A

HECA project support letter

Additional submitted attachment is included below.

State Building and Construction Trades Council of California

ROBBIE HUNTER
PRESIDENT

J. TOM BACA
SECRETARY-TREASURER

Established 1901
Chartered by
BUILDING AND CONSTRUCTION TRADES
DEPARTMENT
AFL - CIO

September 12, 2013

The Honorable Edmund G. Brown
Governor, State of California
State Capitol
Sacramento, CA 95814

Dear Governor Brown:

On behalf of the State Building and Construction Trades Council (SBCTC) of California, I am writing to express our support for the Hydrogen Energy California (HECA) project in Kern County.

SBCTC is the umbrella organization for 60 unions that collectively represent 350,000 skilled construction workers and craftsmen. The highly-qualified and well-trained men and women of the building trades – including painters, cement masons, iron workers, roofers, teamsters, electricians and many more – provide essential construction activities and serve as the backbone of the construction industry in California. When our members are working, they contribute to the health and vitality of the California and U.S. economy.

As a soon-to-be significant employer in the region, HECA has already demonstrated its commitment to generating union jobs in one of its first announcements under the new management of SCS Energy, LLC. In May 2012, HECA's construction manager, Fluor Constructors International, Inc., entered into a Project Labor Agreement (PLA) with the SBCTC and the Kern, Inyo, Mono Counties Building and Construction Trades Council. In addition to its assurances of productivity and quality and cost control, the PLA ensures opportunities for local workers as well as returning military veterans. Most importantly, the economic impact of the PLA is significant. During construction, HECA will create nearly 2,000 high quality union jobs, and an additional 200 full-time jobs when fully operational. HECA's ongoing operation will create \$52 million in labor income annually.

HECA's unique process for creating clean energy will also generate significant economic impacts. The plant's manufacturing facility will produce low-carbon fertilizers valued at more than \$1 billion per year. The carbon dioxide gas captured through HECA's carbon capture and storage process will boost in-state domestic oil per year by five million additional barrels annually.

The indirect economic benefits are also substantial, with an anticipated annual economic impact to Kern County of about \$239 million. Further, additional long term economic benefits will include new local business generation, increased state tax revenues, and a reduced unemployment rate in a county that has been hit hard by recession.

In addition to HECA's positive impact on jobs and the economy, the project will also play a key role in maintaining our environment and providing for our nation's energy future. SBCTC cares about the quality of life for our workers and our communities and we commend HECA's commitment to mitigating air pollution, improving water quality and maintaining productive farmland in Kern County and across the state.

We believe that the U.S. Department of Energy's endorsement of HECA's hydrogen energy plant as a model project for the future sends an important message locally, nationally, and around the world – that it is possible to develop clean energy solutions that will create jobs and grow the economy while also respecting and protecting the environment. From SBCTC's perspective, it's not only a win-win, it's a necessity.

Sincerely,



Robbie Hunter
President

RH:kt
Opeiu#29/afl-cio

cc: Karen Douglas, Commissioner, California Energy Commission
Andrew McCallister, Commissioner, California Energy Commission
John Heiser, Project Manager, California Energy Commission
Fong Wan, Senior Vice President, Energy Procurement, Pacific Gas and Electric Company
Jim Croyle, CEO, SCS Energy, LLC