

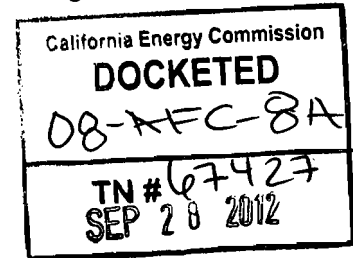


# Building Trades Council

Kern, Inyo, & Mono Counties of California AFL-CIO

Candace M. Hill  
Planner II  
California Energy Commission  
Siting, Transmission, and Environmental Protection Division  
1516 Ninth Street, MS 40  
Sacramento, CA 95814

August 29, 2012



Dear Ms. Hill:

Thank you for your inquiry about the construction workforce. We provide our answers after each question below.

1. Based on your experience and knowledge of the labor workforce in Kern County, the project's construction and operation workforce needs, and the location and type of the proposed project, where would the construction and operation workforce be likely to come from?

The project contractor has signed a Project Labor Agreement with the affiliates of this Building Trades Council which covers Kern County. As a result, we expect that most of the construction workforce would come from Kern County, and most of the rest from neighboring California counties. That Project Labor Agreement provides in Section 5.2:

5.2 The Unions shall be the primary source of all craft employees for work on the Project. Employers agree to be bound by the hiring hall procedures of the respective Union, including hiring of apprentices, and to utilize its registration facilities and referral systems.

Because of the union structure and their hiring hall procedures, the Project Labor Agreement automatically ensures that Californians from the local area get priority in hiring. The Project Labor Agreement also provides for outreach to local residents to ensure that hiring and training of local residents is maximized:

5.4 The parties understand that the Project represents significant opportunities for employment during the construction of the Project and the potential for employment opportunities once the facility is completed and becomes operational. The parties also recognize the Project is located in a depressed area of Kern County with limited opportunities for employment for local residents. As such the parties agree on the need to establish outreach programs designed to provide local residents with information on local union pre-apprenticeship and apprenticeship programs which can provide a pathway to a career in the construction industry and employment on the Project.

The parties agree to work together to establish job fairs for local residents and to work with local high schools and junior colleges to promote careers in the building and construction trades and opportunities for employment on the Project through the local unions for qualified individuals.

In contrast, if there were not a Project Labor Agreement and some or the entire project was constructed using non-union labor, it is likely that most of the workforce would not be from Kern County and much would not even be from California. Large, nonunion industrial construction projects typically import workers from lower wage states. Because these workers are low paid, usually not provided with health insurance, and far from home, they can put large demands on local housing, public services, police and local hospitals. They also tend to send most of their earning back to their families in other states, rather than spending their money in the local area and in California.

We have no particular information on where the operations workforce would come from.

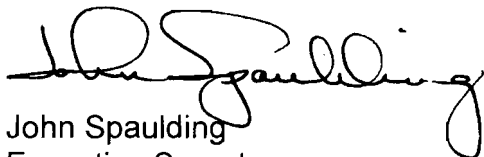
2. According to the Application for Certification (AFC) two hotels are located in Buttonwillow with approximately 196 rooms and more than 1,000 hotel rooms are located within a 30-minute drive to the Project site. Do you anticipate workers would commute from their residence on a daily basis or seek lodging closer to the project?

Because the Project Labor Agreement ensures that most construction workers will be from Kern County, we anticipate that most construction workers will commute daily from their residence to the project site. If there were not a Project Labor Agreement, then the large influx of construction workers from outside the area could put a strain on the available hotel rooms.

3. Would it be possible to obtain a copy of the Project Labor Agreement as agreed upon by Fluor Constructors International and the kern, Inyo, Mono Counties Building Trades Council?

Yes. We are happy to provide the enclosed copy of the PLA.

Sincerely,

A handwritten signature in black ink, appearing to read "John Spaulding", with a stylized, flowing script.

John Spaulding  
Executive Secretary