

**From:** [PSC Public Comment](#)  
**To:** [Eric Dixon](#)  
**Subject:** RE: Comments in Case No. 2024-00255 – Starfire Renewable Power Project  
**Date:** Monday, June 23, 2025 1:27:00 PM

---

## Case No. 2024-00255

Thank you for your comments on the application of STMO BN, LLC (Starfire). Your comments in the above-referenced matter have been received and will be placed into the case file for the Commission's consideration. Please cite the case number in this matter, 2024-00255, in any further correspondence. The documents in this case are available at [View Case Filings for: 2024-00255 \(ky.gov\)](#).

Thank you for your interest in this matter.

---

**From:** Eric Dixon [REDACTED]  
**Sent:** Friday, June 20, 2025 2:25 AM  
**To:** PSC Public Comment <PSC.Comment@ky.gov>  
**Subject:** Comments in Case No. 2024-00255 – Starfire Renewable Power Project

[REDACTED]

[REDACTED]

Please accept my comments (attached) in the above-referenced case.

Thanks.  
-Eric Dixon  
Ohio River Valley Institute



Kentucky State Board on Electric Generation and Transmission Siting  
211 Sower Blvd.  
P.O. Box 615  
Frankfort, KY 40602

RE: Case No. 2024-00255 – Starfire Renewable Power Project

Comments requesting that approval be conditioned to ensure that Starfire takes action to achieve significant local hiring

Dear Siting Board Members,

In these comments, the Ohio River Valley Institute urges the Siting Board to condition the approval of this application on further action needed to: achieve significant local hiring in the construction of this project, secure community benefit payments, and duly investigate any local flood risk associated with the project.

These comments include the oral comments I provided at the June 18, 2025 public hearing in this case with some amendments and additions that include: a discussion of tools that can be used in pursuit of local hiring on construction projects and some example projects that have used those tools; discussion of project labor agreements and community benefits agreements as they relate to this project; discussion related to mine reclamation on the site and questions related to flood risk; responses to some testimony provided during the public hearing; and expanded recommendations.

Thank you for the opportunity to comment.

A handwritten signature in black ink, appearing to read "Eric Dixon", written over a light blue horizontal line.

Eric Dixon

## Introduction

11%

That is the share of workers that were hired from the local county during recent construction of a large solar facility in east Kentucky. In my comments I will demonstrate that it is unrealistic for a new major solar project, Starfire, to achieve significant local hiring without further action on the part of the developer and requirements from this board.

My name is Eric Dixon and I am a Senior Researcher with the Ohio River Valley Institute (ORVI). ORVI is a non-profit, non-partisan organization that produces data-driven research and proposes policies to improve economic performance and standards of living for Appalachia and beyond. Last summer the Foundation for Appalachian Kentucky retained ORVI to analyze the projected local impacts of the Starfire project.

In terms of my credentials, I earned my master's degree from Duke University where I studied economic development policy. I currently reside in Louisville, and I've lived in Knott County, so I'm familiar with the area around the Starfire project.

This project will transform formerly-mined land and the sunshine beating down on that land into emissions-free electricity at a large-scale. Generating clean power on degraded land is a positive development for our energy grid and our environment.

What remains to be seen is whether it will be good for the local economy.

## Starfire's economic impact report suggests more construction workers will be hired from out of state than the local area

BrightNight retained Mangum Economics to do an economic impact analysis for the Starfire project. We reviewed Mangum's report and interviewed one of the report's co-authors in 2024 regarding an earlier version of the report. Mangum's analysis uses IMPLAN economic impact modeling software to estimate Starfire's impacts on the local and state economy.<sup>1</sup> In some cases our organization also uses IMPLAN in economic impact analysis, so we are familiar with IMPLAN, in terms of both its value and its limitations.

Broadly, Mangum's economic impact estimates are reasonable. However, Mangum estimates that the Starfire project will support 310 total direct construction jobs for the project, of which 192 (62%) will be filled by Kentucky workers and 85 (27%) will be filled by workers in the local four-county region.<sup>2</sup> This implies that more workers for this project will come from outside the state (38%) than within the local area (27%), yet BrightNight does not appear to have a strategic workforce plan to remedy this.

*[At the June 18, 2025 public hearing for the Starfire project, Fletcher Mangum of Mangum Economics noted in his testimony that "...total employment on the site will be approximately –our estimate is – 310 employees, so the 196 is approximately 60% of that overall total, and those would be the employees that would come in our estimate from the state of Kentucky."]<sup>3</sup>*

---

<sup>1</sup> See pdf page 116 <https://psc.ky.gov/psccef/2024-00255/pstevenson%40fbtlaw.com/02042025124500/Application.pdf>

<sup>2</sup> See Mr. Mangum's testimony during the June 18, 2025 public hearing <https://www.youtube.com/live/pCwR4Fx1QsA?si=psmgX1pnekYYalMo&t=3311>

<sup>3</sup> <https://www.youtube.com/live/pCwR4Fx1QsA?t=3311s>

*This 310 total construction jobs figure was not included in Mangum’s economic impact report in Starfire’s application, given that the charge of that report was to analyze the local and statewide impacts of the project.<sup>4</sup> But it is relevant because it means that only 27% of the total construction jobs for the project are estimated to be filled locally, which is **even lower** than the 44% figure I calculated previously based on the data in the report and included in my oral comments at the public hearing where I stated “...Mangum projects that the Starfire project will support 192 construction jobs from the state, and 85 of them – or 44% – will be filled by workers from four nearby counties.”<sup>5</sup> The estimate that under the status quo 27% of construction jobs will be filled by workers from the local four-county region is a more reasonable estimate– though it is still significantly higher than the 11% of total construction workers who were from Martin County as experienced at the Martin County solar project (which is explored below), and Mangum acknowledges their local hiring projections are not certain.<sup>6</sup>*

*I also want to respond to some comments that seemed to be directed at my oral comments during the public hearing. In his testimony at the same June 18, 2025 public hearing, Mr. Mangum appeared to correct some of my public comments, which I think he may have misheard. In my comments I said: “...Mangum projects that the Starfire project will support 192 construction jobs from the state, and 85 of them – or 44% – will be filled by workers from four nearby counties.”<sup>7</sup>*

*In Mr. Mangum’s comments, he referred to “the previous gentlemen” (I spoke earlier in the hearing but he may not have known my name) and referenced comments made earlier about local hiring. Mr. Mangum said, “The number he quoted for overall employment – the 200 jobs – is a combination of direct and indirect employment... The appropriate number to look at in that regard was the statewide impact which would’ve been table 2 of the report... In table 2 we estimated statewide there would be 192 jobs that would be from workers within the state of Kentucky.”<sup>8</sup> If Mr. Mangum is referring to myself as the “he” in this comment, I wanted to acknowledge and respond. Mr. Mangum claims that I quoted “200 jobs” for overall employment and that the appropriate figure to use would’ve been “192.” I believe Mr. Mangum may have misheard my comments because, in fact, I quoted the number he suggested: “192” not “200.” Again, my comment was: “...Mangum projects that the Starfire project will support 192 construction jobs from the state...”]*

## **Dismal local hiring at the Martin County Solar Project suggests that successful local hiring requires commitments and action from the developer**

Is achieving significant local hiring on the Starfire project realistic without further action?

The most direct comparison we have suggests it is not. The Martin County Solar Project and Starfire project share a lot in common. Both are large solar projects on former mining sites, located in rural, mountainous areas in southeast Kentucky with construction workforces that are relatively small.

---

<sup>4</sup> <https://psc.ky.gov/psccef/2024-00255/pstevenson%40fbtlaw.com/02042025124500/Application.pdf>

<sup>5</sup> <https://www.youtube.com/live/pCwR4Fx1QsA?t=3311s>

<sup>6</sup> Mangum acknowledges in the report that “it is not possible to know with certainty what proportion of these jobs would go to regional construction contractors or be filled by residents in the region or state.” (see pdf page 98 of Starfire [application](#)) Note: regarding the Martin County Solar Project, it is possible that some additional workers may have been hired from the counties surrounding Martin County, as the developer noted that “some” workers were hired from adjacent West Virginia counties, though to the author’s knowledge this data has not been shared publicly by the developer.

<sup>7</sup> <https://www.youtube.com/live/pCwR4Fx1QsA?t=3311s>

<sup>8</sup> <https://www.youtube.com/live/pCwR4Fx1QsA?t=3311s>

The economic impact report for the Martin County Solar Project, which was completed by Strategic Economic Research, estimated that the project would support 289 construction jobs in the state, and 180 of them – 62% – would be filled by workers from Martin County.<sup>9</sup> But according to the developer’s testimony last October, only 47 (11%) of the 420 total construction workers on site at peak construction were from Martin County.<sup>10</sup> What happened?

It wasn’t for lack of local interest — 500 people came out to the local job fair.<sup>11</sup> But local hiring on large projects like this is challenging, and the developer’s testimony before this board revealed the contract language with its EPC was too weak. A representative of Savion LLC, who developed the Martin County Solar Project, said this before the Siting Board last October:

“I think we could’ve done a better job of hiring more local folks from the county. That really just comes down to us doing a better job negotiating our contract with our EPC provider, quite frankly. We do have language in all of our construction contracts that require them to use best efforts to hire local folks, but if ‘best efforts’ and ‘local’ is not well-defined, then it’s a little bit hard to hold them to a standard. So, one of the lessons that I learned is that we just need to do a better job of holding our contractors to a high standard and making sure that the folks locally are well-prepared and well-equipped to get the jobs whenever they become available.”<sup>12</sup>

*[In his testimony at the June 18, 2025 public hearing, Fletcher Mangum of Mangum Economics suggested that the local construction sector around Starfire is large enough to support 85 local construction jobs on the Starfire project. Yet, the Martin County case suggests a sufficiently large local construction labor pool may not be enough to ensure locals are hired.]*

*Mr. Mangum said, “I should point out before we leave the local estimate that the construction sector in those counties is roughly 800 employees, so to assume that that construction sector locally would be able to support 85 jobs is a very reasonable expectation.”<sup>13</sup> According to the U.S. Bureau of Labor Statistics, there were 778 employees in the construction sector in the four county region around the Starfire project in 2024 – or, roughly 800 employees, as Mr. Mangum rightly notes.<sup>14</sup> A similarly-sized four-county region for the Martin County project—including Martin and Floyd counties in Kentucky, as well as Mingo and Wayne counties in West Virginia—had 941 employees in the construction industry in 2022, the year prior to construction of the Martin County Solar Project.<sup>15</sup>*

*In sum, the local construction sector around Starfire is **smaller** than that around the Martin county project (778 employees versus 941 employees), yet Mangum estimates that significantly **more** jobs will be filled in the four*

---

<sup>9</sup> See [pdf page 75](#) of the application for the Martin County Solar Project. Note: The report does not specify if the projected total construction jobs include some out-of-state workers or if all construction jobs would be filled by Kentuckians. If the projected total construction jobs are higher than the 289 jobs in Kentucky, then the share of local workers projected would decrease correspondingly. If the total projected construction jobs were 350 jobs, for example, then the share of construction jobs projected to be filled by Martin Countians would still be a majority (51%) of total projected construction jobs. It is also worth noting that, [according to the Mountain Citizen](#), “When Martin County officials negotiated with Savion LLC for the construction of its first solar project, the community was promised prosperity. Hundreds of temporary local, high-paying jobs were touted—200 to 300 positions paying around \$30 an hour. It was the kind of promise that sparked hope in a region yearning for economic revival. Yet, the reality fell disastrously short.”

<sup>10</sup> During an October 16, 2024 [hearing](#) before the Kentucky Siting Board, Erich Miarka of Savion, LLC., which was the developer for the Martin County Solar Project, said: “At peak construction, the Martin County Solar Project had just over 420 construction workers on site. Of that, at peak construction approximately 87— if I’m remembering correctly— were from the Commonwealth, and then there were some from the adjacent counties in West Virginia. From Martin County specifically I think the highest number of employees from Martin County during the construction effort was in the upper 40’s, I want to say it was 47, that was peak construction.” Note: this estimate is based on the number of workers rather than on labor hours or FTEs, which cannot be calculated without more data. It is worth noting that such data could be collected by the developer and monitored by an Access and Opportunity Committee (AOC) for the Starfire project, as explored below.

<sup>11</sup> <https://mountaincitizen.com/2024/12/11/state-approves-second-solar-project-in-martin-county-only-47-locals-hired-for-first-project/>

<sup>12</sup> <https://www.youtube.com/watch?v=c82WwxKCQHY>

<sup>13</sup> [https://www.youtube.com/live/pCwR4Fx1QsA?si=l6YnS0hVOnFE7\\_er&t=3473](https://www.youtube.com/live/pCwR4Fx1QsA?si=l6YnS0hVOnFE7_er&t=3473)

<sup>14</sup> This includes all employees in private sector NAICS 23 Construction for Knott, Perry, Breathitt, and Floyd counties in Kentucky (2024 preliminary data, Quarterly Census of Employment and Wages, U.S. Bureau of Labor Statistics).

<sup>15</sup> This includes all employees in private sector NAICS 23 Construction for Floyd and Martin counties in Kentucky and Wayne and Mingo counties in West Virginia (2022 data, Quarterly Census of Employment and Wages, U.S. Bureau of Labor Statistics). According to the U.S. Census Bureau (1990 data), the total area of the four counties around Starfire (Knott, Perry, Breathitt, and Floyd) is about 1,586 square miles; this is similar to the total square miles of the four counties around the Martin County project (Martin and Floyd counties in Kentucky as well as Wayne and Mingo counties in West Virginia), which have 1,562 square miles of total area.

*counties around Starfire (85) than were filled by workers from Martin County for the Martin County project (47).<sup>16</sup> While it is not unreasonable to assume that 85 local workers could be hired from the existing local construction workforce around Starfire, the Martin County project demonstrates that simply because the workers are there does not mean the EPC will prioritize hiring them, which is why making local hiring commitments is critical.]*

## Construction projects show that there are tools to achieve local hiring commitments

There are solutions to this challenge. A strong contract with the EPC should not just include binding commitments for local hiring but also a strategic workforce plan to achieve those commitments and the investments necessary for the plan. Past construction projects have developed strategic workforce plans that establish programs to recruit, train, support, and hire local workers. Here are some of the tools those plans can include:

- 1. Recruit** – the project needs a recruitment plan for early and sustained recruitment of local residents.
- 2. Train** – some local residents currently lack the necessary skills for heavy construction work, so the project needs to make registered apprenticeship training accessible to local residents– and make a commitment to prioritizing the use of apprentices during construction in order to increase demand for those apprentices.

BrightNight has expressed an interest in developing a high-quality training program in conjunction with the Starfire project.<sup>17</sup> Receiving the enhanced clean energy IRA tax credits would require that at least 15% of the total labor hours on the project are worked by apprentices from a registered apprenticeship program. In order to maximize the equity benefits of the IRA apprenticeship requirements, **the developer could require that some share of the total apprentice hours are worked by apprentices from the local area or target groups.**<sup>18</sup>

**A benefit of a developer signing a Project Labor Agreement with local building trades unions is that these unions operate high-quality, registered apprenticeship programs in the state of Kentucky.** Typically, these apprenticeship programs are administered jointly through an arrangement between labor and management (i.e. contractors) and are financed by per hour contributions from contractors. DOL refers to registered apprenticeship programs as the “gold-standard earn-and-learn model.”<sup>19</sup> Other experts refer to registered apprenticeship programs in the building trades as the “bachelor’s degree of the construction industry” because they can provide a pathway to the middle-class, rivaling the economic outcomes of college in some areas.<sup>20</sup>

Workers on the Starfire project could train in the multi-year registered apprenticeship programs offered by Kentucky LiUNA or IUOE 181, for example, to eventually become journeyworker construction laborers or operating engineers, respectively. These are trades common on utility scale solar projects. Once workers complete these apprenticeship programs they would have a nationally-recognized credential as an expert (or “journeyworker”) in their craft, which can then be used for other heavy construction work in east Kentucky, such as the construction of not just other energy projects but also roads, bridges, commercial buildings, and large civil engineering projects.

---

<sup>16</sup> The developer did [acknowledge](#) that “some” workers were hired from adjacent counties for the Martin County solar project, but he did not specify the specific number; given that the developer concluded that they could’ve done a better job at local hiring, we assume the number from adjacent counties was not significant enough to achieve a meaningful local hiring goal.

<sup>17</sup> <https://brightnightpower.com/starfire-project/> <https://dailyyonder.com/starfire-mine-renewable-solar-project/2024/01/12/>

<sup>18</sup> [https://reimagineappalachia.org/wp-content/uploads/2021/05/Community-Benefits\\_Whitepaper.pdf](https://reimagineappalachia.org/wp-content/uploads/2021/05/Community-Benefits_Whitepaper.pdf)

<sup>19</sup> <https://www.dol.gov/newsroom/releases/eta/eta20231214-0>

<sup>20</sup> <https://illinoisupdate.com/wp-content/uploads/2021/09/ilepi-union-apprentices-equal-college-degrees-final.pdf>

**3. Support** – registered apprenticeship programs are rigorous programs and some workers may struggle to succeed in them without additional training or support. For this reason, some communities have established **“apprenticeship readiness” (or, pre-apprenticeship) programs that provide the training and resources to prepare workers to enter an apprenticeship program and succeed.** Successful apprenticeship-readiness programs not only provide instruction but are embedded in the community and can identify and recruit local workers and/or workers in target groups, as well as provide supports for workers like childcare or transportation assistance.

For example, the 12-week Building Futures pre-apprenticeship program in Columbus, OH provides trade skills, life skills, and financial literacy, and upon completion places participants in a registered apprenticeship program in the building trades.<sup>21</sup> The program also provides **wraparound services to overcome barriers to employment**, such as “access to transportation, child care, dependent care, emergency housing, work clothing or uniforms, licensing or testing fees, medical and healthcare supportive services, needs related payments, stipends, and case management.”<sup>22</sup> The Louisville Urban League and Kentuckiana Works in Louisville operate a six-week apprenticeship readiness program called Kentuckiana Builds that serves as a pipeline for certified apprenticeship programs in the building trades.<sup>23</sup>

**4. Hire** – Local and targeted hire are policies that prioritize the hiring of workers from the local area (local hire) or historically disadvantaged or under-represented groups (targeted hire). **A local hire policy helps ensure that the project benefits local workers by prioritizing the hiring of residents in specific zip codes, a specific mile radius of the project, the county, a multi-county region, or even the entire state.**

For example, the construction of the 280 MW solar + 20 MW battery storage Excelsior Energy Center project in Byron, NY was required to hire 90% of workers from a 14 county “local area” (the agreement provided the opportunity for the contractor to seek waivers in some cases).<sup>24</sup>

A project labor agreement with a local hire provision regarding the construction of the 200 MW Wright Solar Park led to the recruitment and hiring of 400 local union workers in the Central Valley of California and the construction of the project in 11 months.<sup>25</sup> “The Wright Solar Project showcases how local hires can complete a project in an amazing timeframe and provide a huge economic stimulus to the surrounding community,” said Bobby Stutzman, business manager at International Brotherhood of Electrical Workers Local 684 in an interview with Solar Power World.<sup>26</sup>

However, some local workers may lack experience in the construction industry or face barriers to employment. **Targeted hire policies are a key equity tool to help individuals from these groups access work on the project– and ultimately good-paying careers in heavy construction– by targeting the hiring of a share of the workers on the project from groups such as women, people of color, people with low-incomes or other employment barriers, or other groups.**<sup>27</sup>

The target geographies for a local hire policy and the target groups for a target hire policy should be informed by a local workforce analysis and by the priorities of local stakeholders. Local and targeted hire policies have been

---

<sup>21</sup> <https://columbusconstruction.org/building-futures/>

<sup>22</sup> [https://reimagineappalachia.org/wp-content/uploads/2021/05/Community-Benefits\\_Whitepaper.pdf](https://reimagineappalachia.org/wp-content/uploads/2021/05/Community-Benefits_Whitepaper.pdf)

<sup>23</sup> <https://www.kentuckianaworks.org/builds>

<sup>24</sup> [https://reimagineappalachia.org/wp-content/uploads/2021/05/Community-Benefits\\_Whitepaper.pdf](https://reimagineappalachia.org/wp-content/uploads/2021/05/Community-Benefits_Whitepaper.pdf)

<sup>25</sup> <https://www.solarpowerworldonline.com/2020/01/200-mw-cca-solar-project-comes-online-california/>

<sup>26</sup> <https://www.solarpowerworldonline.com/2020/01/200-mw-cca-solar-project-comes-online-california/>

<sup>27</sup> <https://www.labor.ucla.edu/wp-content/uploads/2018/06/Exploring-Targeted-Hire.pdf>

included in dozens of project-specific agreements across the country, though some have been more successful than others.<sup>28</sup> Experts suggest two best practices.

The first is to **set specific, quantitative hiring goals for each target geography and target group – such as X% of total hires being local in year 1, Y% in year 2, and so on—and to establish a monitoring and enforcement mechanism regarding these goals.**<sup>29</sup> For example, the CBA for an offshore wind terminal project in Salem, MA includes specific, distinct hiring goals for women, BIPOC, local residents, and union workers that start in year 3 and gradually escalate through year 10 of the project.<sup>30</sup>

A PLA or CBA can establish an **Access and Opportunity Committee (AOC) to serve the monitoring and enforcement function for a project.** AOCs are multi-stakeholder groups that monitor and support compliance with diversity and equity goals on a specific construction project. According to the DOL, the role of an AOC is to provide regular meetings to “ensure that demographically disaggregated workforce participation data is collected and reported, reviewed, and that appropriate actions are taken to correct issues where identified.”<sup>31</sup> An AOC could be established by a PLA or CBA for the Starfire project so that parties could use best efforts to ensure the participation of local workers and disadvantaged groups in the project.<sup>32</sup>

A second best practice is to **establish a “first source referral system,”** which is typically run by a non-profit or a public agency that identifies and refers workers to the employer. When an employer is seeking workers for a project, the employer first requests a worker from the referral system. If the referral organization is unable to refer a worker, then the employer can seek a worker elsewhere. This system provides an opportunity for local and disadvantaged workers to receive priority referral (through the referral organization) while also ensuring the project isn’t slowed if such workers aren’t available. The Penguins Stadium CBA in Pittsburgh, PA, for example, included a first source referral system and provided funds to create a first source employment center in the community for recruitment.<sup>33</sup>

Commitments and funding for the above tools can be secured via arrangements like a Project Labor Agreement (PLA) or a Community Benefits Agreement (CBA). **Apprenticeship-readiness programs, recruitment, and wraparound services take proper funding to be effective, and there are a few ways of setting aside funding for these items in a PLA or CBA. One model, the “Missouri Model,” sets aside 0.5% to 1% of the total project cost to support apprenticeship readiness, reduce barriers to employment via wraparound services, and support business enterprises and entrepreneurship.**<sup>34</sup> In the case of the Starfire project, local partners such as the local school districts, Hazard Community and Technical College, EKCEP, Partners for Rural Impact, or other local organizations could potentially provide or develop these services in partnership with BrightNight.

---

<sup>28</sup> <https://www.labor.ucla.edu/wp-content/uploads/2018/06/Exploring-Targeted-Hire.pdf>

<https://law.tulane.edu/sites/default/files/Files/TPLC/summary-and-index-community-benefit-agreements.pdf>

<https://drive.google.com/file/d/17Dd3idNGZnJRgJEm-L4SAU9Wc6cu4FKF/view>

<sup>29</sup> <https://emeraldcities.org/wp-content/uploads/2024/03/CBA-Pilot-Projects-in-Portland-Report.pdf>

<sup>30</sup> [https://www.salemma.gov/sites/g/files/vyhlf12836/f/uploads/salem-crowley\\_2024-02-21\\_community\\_benefits\\_agreement\\_-\\_executed.pdf](https://www.salemma.gov/sites/g/files/vyhlf12836/f/uploads/salem-crowley_2024-02-21_community_benefits_agreement_-_executed.pdf)

<sup>31</sup> <https://www.dol.gov/sites/dolgov/files/OPA/GoodJobs/FactSheets/Access-and-Opportunity-Committees.pdf>

<sup>32</sup> <https://www.dol.gov/sites/dolgov/files/OPA/GoodJobs/FactSheets/Access-and-Opportunity-Committees.pdf>

<sup>33</sup> <https://drive.google.com/file/d/1xr3ysoMEza8s1kK9x3a58PKW5GqVDBvs/view>

<https://law.tulane.edu/sites/default/files/Files/TPLC/summary-and-index-community-benefit-agreements.pdf>

<sup>34</sup> [https://reimagineappalachia.org/wp-content/uploads/2021/05/Community-Benefits\\_Whitepaper.pdf](https://reimagineappalachia.org/wp-content/uploads/2021/05/Community-Benefits_Whitepaper.pdf)

## **PLAs can be an effective tool for meeting local hiring goals *and* for satisfying requirements for the IRA clean energy tax credits**

Given current debate in Congress around the future of the IRA clean energy tax credits for solar projects, there is some uncertainty around the availability of tax credits for this project. To the extent that these tax credits remain accessible to the Starfire project, Project Labor Agreements (PLAs) can be a key tool in receiving the enhanced IRA clean energy tax credit related to Prevailing Wage and Apprenticeships (PWA).

The Department of Labor (DOL) previously recognized Project Labor Agreements (PLAs) as a tool for both efficient project delivery and for achieving workforce equity goals.<sup>35</sup> For example, PLAs can include enforceable provisions such as those mentioned above (first source referral, AOCs, etc.) to help meet local hiring goals. And, as noted, PLAs can also help satisfy IRA tax credit requirements. Under the Inflation Reduction Act (IRA), satisfying the Prevailing Wage and Apprenticeship (PWA) requirements –by paying federal prevailing wages to workers and ensuring that at least 15% of workers on a project are apprentices –allows a developer to qualify for an enhanced clean energy tax credit that increases the base value of the credit by five times.<sup>36</sup>

In 2024, the US Department of Treasury and the US Department of Labor published a resource recognizing Project Labor Agreements (PLAs) as a best practice for meeting the PWA requirements under the IRA clean energy tax credits.<sup>37</sup> These agencies encouraged developers to consider using PLAs, and noted that the Internal Revenue Service’s (IRS) final rules regarding the clean energy tax credits provide special pathways for the use of PLAs to comply with the PWA requirements.<sup>38 39</sup>

## **Community Benefits Agreement and the Starfire Community Coalition**

A CBA between BrightNight and the Starfire Community Coalition could help improve the local impact of the Starfire project, directing resources to community initiatives driven by local residents. This could be especially meaningful given the current uncertainty around the local jobs impacts of the project. Community benefit agreements and host community agreements have been achieved on utility-scale solar projects across the country.

As part of a CBA, BrightNight should provide a reasonable rate of compensation to the communities hosting this utility-scale solar project. This could be done via the bnCommunity Fund and the network of community-based organizations party to the Starfire Community Coalition. Investments that are part of the CBA could help fund the workforce-related programs mentioned above, such as apprenticeship readiness, wraparound support, and a first-source referral system.

---

<sup>35</sup> [https://www.dol.gov/sites/dolgov/files/OPA/GoodJobs/FactSheets/Project\\_Labor\\_Agreements\\_Can\\_Be\\_Effective\\_Tools\\_for\\_Equity.pdf](https://www.dol.gov/sites/dolgov/files/OPA/GoodJobs/FactSheets/Project_Labor_Agreements_Can_Be_Effective_Tools_for_Equity.pdf)  
<https://progov21.org/Download/Document/22LJ05>

[https://www.thegateam.com/dol-vision-2030/materials/29\\_Focus\\_Session-Thur\\_May\\_18\\_1130-Project\\_Labor\\_Agreements\\_as\\_an\\_Equity\\_Tool.pdf](https://www.thegateam.com/dol-vision-2030/materials/29_Focus_Session-Thur_May_18_1130-Project_Labor_Agreements_as_an_Equity_Tool.pdf)

<sup>36</sup> <https://www.federalregister.gov/documents/2024/06/25/2024-13331/increased-amounts-of-credit-or-deduction-for-satisfying-certain-prevailing-wage-and-registered> <https://www.irs.gov/pub/irs-pdf/p5855.pdf> <https://www.dol.gov/agencies/whd/IRA>

<sup>37</sup> <https://home.treasury.gov/news/featured-stories/project-labor-agreements-a-best-practice-for-clean-energy-projects-seeking-to-meet-ira-wage-and-apprenticeship-standards>

<sup>38</sup> <https://home.treasury.gov/news/featured-stories/project-labor-agreements-a-best-practice-for-clean-energy-projects-seeking-to-meet-ira-wage-and-apprenticeship-standards>

<sup>39</sup> For example, a contractor that uses a PLA that includes certain provisions enumerated by the IRS will not have to pay penalties if the IRS finds the contractor has any PWA violations – so long as the contractor promptly pays workers any owed back wages and corresponding interest.

## Mine reclamation and flood risk

Given that portions of the site appear to remain unreclaimed from past coal mining, it is key that BrightNight present to the Siting Board a detailed plan and timeline for the completion of reclamation on the site. This is especially critical given that runoff from mine sites can increase during extreme precipitation events.<sup>40</sup> This – in combination with the novelty of placing large solar arrays on former mountaintop mines – raises some questions regarding to what extent the site might impact flood risk in the surrounding areas due to runoff.

## Recommendations

A December editorial from the *Mountain Citizen* said the following regarding the proposal of another utility-scale solar project (Lynn Bark Energy Center) in Martin County: “The question we must ask is simple: What’s in it for us?”<sup>41</sup>

Given that the Starfire project will support only one permanent direct job, **securing local jobs during construction is the lynchpin of Starfire’s local economic impact.**<sup>42</sup> The proposed PILOT payments are the same rate provided by the solar project in Martin County – \$1,500 per MW per year – where locals are questioning the economic benefits of that project.<sup>43</sup> PILOTS are meaningful, but it is hard to see how the Starfire project maximizes its potential benefit to the local economy if it creates hundreds of jobs – just not for locals.

I believe that BrightNight wants to hire local, but their economic impact analysis suggests that more construction workers will be imported from out of the state than hired from the local area. Achieving significant local hiring in the area is difficult, but it is not impossible. It can be achieved with the right commitments and plan.

Accordingly, I recommend that the siting board submit a post-hearing data request for, and condition approval on, BrightNight doing the following:

- Submitting the draft contract with its eventual EPC, which should be reviewed by this Board to ensure strong local hiring provisions (such as binding local hiring commitments, a strategic workforce plan, and a commitment to investing the necessary resources);
- Submitting routine jobs reports during the construction phase (including the number of workers by trade, labor hours, compensation data, and place of residence);
- Engaging in good faith dialogue with building trades unions in Kentucky and the Starfire Community Coalition about the mutual benefits of a PLA or CBA, which could include enforceable local hiring provisions;
- Submitting an executed CBA with the Starfire Community Coalition, which should be reviewed by the Siting Board to ensure that moneys are committed at a rate and schedule consistent with the value found in other solar projects with top-in-class host community benefits payments, and to ensure that the CBA remains inclusive of securing other community benefits, such as those for workforce goals; and
- Committing to impervious surface mitigation requirements and submitting documentation detailing how all mining areas on the site will be reclaimed. We urge the the Siting Board to adopt the recommendations

---

<sup>40</sup> <https://ohiorivervalleyinstitute.org/wp-content/uploads/2021/04/AML-Report-Dixon-ORVI-V1.1-4.pdf>

<sup>41</sup> <https://mountaincitizen.com/2024/12/11/donation-is-nothing-to-what-shell-will-extract-from-our-county/>

<sup>42</sup> <https://psc.ky.gov/psc/2024-00255/pstevenson%40fbtlaw.com/02042025124500/Application.pdf>

<sup>43</sup> A January 2025 [article](#) in the *Mountain Citizen* states with regard to the Martin County Solar Project, “The terms of the PILOT call for Savion to pay the county \$1,500 per megawatt produced, with the revenue to be shared by the county and the school district.” The Martin County Solar Project [PILOT agreement](#) states (see pdf page 59): “In connection with the issuance of the Bonds, the Company desires to make a payment in lieu of taxes in the annual amount of \$1,500 per installed MWac of capacity of the Project...” Similarly, the report from Mangum Economics for the Starfire project states under the PILOT scenario of its fiscal impact assumptions: “Starfire Solar would make local payment-in-lieu-of-tax (PILOT) payments of up \$1,500 per MW over the 40-year life of the project.” In regard to locals questioning the economic impact of the project, see [these pieces](#) in the *Mountain Citizen*.

related to mine reclamation and runoff mitigation measures included in the public comments to this case submitted by Mary Cromer of Appalachian Citizens' Law Center, which include:

- The Siting Board investigates how reclamation is to be achieved, including how the site will be reclaimed in a way that mitigates the impervious soils/compaction issues with measures to increase water retention on site;
- The Siting Board investigates to determine what expedited processes will be used for reclamation and bond release and how they differ from the normal reclamation and bond release processes;
- The Siting Board conditions its approval on impervious surface/compaction mitigation requirements; and
- The Siting Board conditions its approval on requirements that notice and comment provisions be required for any expedited bond release processes allowed for this project.

With further action, it is my belief that Starfire could yield significant benefits for the local community, alongside those for our grid and environment. In particular, a strong strategic workforce plan could help the Starfire project create a pathway to good-paying careers in the building trades for many residents in the local area.

\*Gregory T Dutton  
Frost Brown Todd, LLC  
400 West Market Street  
32nd Floor  
Louisville, KY 40202-3363

\*Kathryn A Eckert  
Frost Brown Todd, LLC  
400 West Market Street  
32nd Floor  
Louisville, KY 40202-3363

\*Pierce T. Stevenson  
Frost, Brown, Todd, LLC  
250 West Main Street  
Suite 2800  
Lexington, KY 40507

\*Zachary Weinberg  
38 Eagles Nest  
Emmalena, KY 41740