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January 19, 2010

HAND-DELIVERED

Ms. Luly E. Massaro, Clerk Rhode Island Public Utilities Commission 89 Jefferson Boulevard Warwick, RI 02888

RE: Review of Proposed Town of New Shoreham Project Pursuant to R.I.G.L. §39-26.1-7, Docket No. 4111

Dear Ms. Massaro,

Please find enclosed for filing an original and nine (9) copies of Direct Testimony of Michael F. Sabitoni on behalf of the Rhode Island Building and Construction Trades Council.

An electronic copy is also being served upon the Commission and the Service List this date.

If you have any questions regarding the foregoing, please contact the undersigned at the below Cranston address.

'trul yours. Ver≉ Richard A. Sinapi, Esq

RAS/ras

cc: Client Docket 411 service list

STATE OF RHODE ISLAND AND PROVIDENCE PLANTATIONS PUBLIC UTILITIES COMMISSION

IN RE: REVIEW OF PROPOSED:TOWN OF NEW SHOREHAM PROJECT:PURSUANT TO R.I. GEN. LAWS § 39-26.1-7:

DIRECT TESTIMONY OF MICHAEL F. SABITONI

ON BEHALF OF

THE RHODE ISLAND CONSTRUCTION AND BUILDING TRADES COUNCIL

January 19, 2010

1 I. INTRODUCTION

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Q. Please state your name, position and business address.

- A. My name is Michael F. Sabitoni. I am President of the Rhode Island Building and
 Construction Trades Council. My business address is 410 South Main Street,
 Providence, RI 02903.
- 6 Q. Would you please summarize your professional background and experience?
- 7 I began my career with the Laborers' A. I am a third-generation Laborer. International Union of North America (LIUNA) when I joined Providence, Rhode 8 9 Island's Laborers' Local Union 271 in 1988. Soon after joining the ranks of the 10 local, I worked my way up to become a general foreman and steward while 11 attending the Community College of Rhode Island and Bryant University at night. 12 In 2000, I became a Construction Marketing Representative for the LIUNA 13 National LECET Fund where I tracked construction projects in the Northeast and 14 solicited union contractors to bid on new projects. In 2003, I was appointed Field 15 Representative for Local Union 271. In 2005, I was appointed to the position of Business Manager of that Local and was subsequently elected to that position in 16 17 2007. In 2007, I was elected President of the Rhode Island Building and 18 Construction Trades Council ("RIBCTC"). My summary biography is appended as Attachment 1 to my testimony. 19
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Q. Would you please describe the organization, membership and purpose of the entity on whose behalf you are providing testimony?

A. The RIBCTC is a voluntary federation of seventeen (17) local unions dedicated to improving the lives of working men and women in the construction industry by assisting them in finding good quality jobs that provide fairness and dignity in the

1 workplace and securing social equity. The members of the council have been 2 involved in every major construction initiative-private or public-undertaken in and around the State of Rhode Island in the last seventy (70) years. Cumulatively, 3 4 the individual unions represent approximately 10,000 active and retired workers in and around the Rhode Island area. In addition, RIBCTC member unions have 5 6 the ability to draw upon a regional workforce in excess of 37,000. RIBCTC member unions include Boilermakers Local No.29, Bricklayers Local No. 1, 7 Carpenters Local No. 94, Elevator Workers Local No. 39, Glaziers Local No. 8 9 1333, Heat & Frost Insulators Local No. 6, IBEW Local No.99, Iron Workers 10 Local No. 37, Laborers' Local 271, Plasterers & Cement Masons No. 40, Operating Engineers Local No.57, Painters Local No. 195, Plumbers & Pipefitters 11 12 Local No. 51, Roofers & Waterproofers Local No. 33, Sheet metal Workers Local No. 17, Sprinkler Fitters Local No. 676, and Teamsters Local No. 251. 13 14 RIBCTC'S principal office is located at 410 South Main Street, Providence, RI 15 02903.

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II. POSITION OF ORGANIZATION

17 Q. What is the position of your organization with respect to these proceedings?

18A.The goals of the Act out of which this filing arises, R.I.G.L §39-26.1-1, et seq.,19entitled "Long-Term Contracting Standard for Renewable Energy" ("the Act"),20include "creating jobs in Rhode Island in the renewable energy sector and . . .21providing direct economic benefit to the state." The RIBCTC has both a strong22and unique interest in supporting and facilitating the approval of a PPA between23Deepwater and National Grid to permit construction of an offshore wind power24project for the Town of New Shoreham. That interest is the creation of jobs in the

1 renewable energy sector, both short and long term, in the fabrication, 2 construction, and maintenance and repair of renewable energy facilities. Many, if not all, of the foregoing jobs created by this project will be performed by 3 4 members of RIBCTC's various federated local unions. In addition, the workers 5 represented by RIBCTC's member unions have specialized knowledge, 6 background and experience in the construction of similar major and complex 7 projects. In short, the labor of workers represented by RIBCTC's member unions is essential to the construction of this project, while this project is in turn crucial 8 9 to the creation of jobs and livelihood of those workers.

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III. ECONOMIC DEVELOPMENT AND JOBS CREATION

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 Q.
 How would approval of this filing provide direct economic benefit to this

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 state?
- A. Expeditious approval of the PPA and commencement of this project could propel
 this state to the forefront of the emerging renewable energy industry and provide
 an enormous long-term economic benefit to this state.
- 16 **Q.** Why is that?

17 Α. First, the first to enter a new and emerging market, such as offshore wind electric 18 power generation, has the competitive advantage of having developed an 19 experienced workforce uniquely skilled to perform in the emerging industry. 20 Second, the Quonset Business Park, with industrial infrastructure, a third rail, 21 highway access, and a deepwater port, is an enormously attractive site at which to 22 locate major wind turbine assembly and manufacturing facilities. Third, Rhode 23 Island is geographically situated between two other states, Massachusetts and 24 New Jersey, where offshore wind projects have been proposed. Accordingly,

Rhode Island has the opportunity to become a national hub for both manufacture and assembly in the offshore wind turbine industry.

Q. Why would manufacturers move operations to Rhode Island?

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4 A. The offshore wind turbine manufacturing industry currently exists only in Europe. 5 Assuming this state is the first in the emerging offshore wind turbine industry, 6 enabling it to develop a skilled and experienced workforce, the unique advantages 7 of situating a manufacturing facility in Rhode Island described above would make 8 it an extremely attractive site for a European manufacturer—eager to exploit the 9 competitive advantage of shortened supply and distribution chains-to locate a 10 United States manufacturing facility. In fact, a delegation from the RIBCTC is 11 scheduled to meet with manufacturers in Europe this spring to promote just such a 12 proposition.

13 Q. How many and what types of jobs are projected to be created by the project?

14 Α. Regardless of what foreign manufacturers ultimately decide, the Quonset 15 Business Park will be the hub for the assembly of wind turbine installations in this 16 state, if not the entire east coast. It is estimated that to assemble and install the 17 eight (8) wind turbines proposed in the pending filing, as well as the additional 18 one hundred (100) proposed for the more extensive second project envisioned for 19 New Shoreham under the Act, a total of five hundred (500) skilled craftsman will 20 be needed over a four year period. It is estimated an additional three hundred fifty 21 (350) workers will be needed as part of the turbine manufacturing and 22 maintenance component of these projects. In addition, hundreds of other skilled, 23 higher wage paying jobs will be created including barge operators, longshoremen, 24 and maritime safety inspectors. Numerous permanent jobs will be created to 1 operate, repair, and maintain the offshore wind turbines and related renewable 2 energy facilities. Finally, should Rhode Island become the hub for manufacturing 3 and assembly of offshore wind turbines in the region, the number of permanent 4 jobs created in the industry and related support and supply industries would 5 substantially increase over the foregoing estimates.

6 IV. CONCLUSION

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Do you have anything further to add?

The RIBCTC urges the expeditious review and approval of the PPA. In light of 8 A. 9 the substantial potential economic benefit to this state, the extra cost of generating 10 electric power through offshore wind turbines is minimal in comparison. The 11 projects proposed under the Act would benefit this state and its workforce 12 enormously. It could establish this state as the epicenter of the offshore wind turbine industry in this country and propel this state to the forefront of the 13 14 emerging renewable energy industry. It would mean real, long term and sustained 15 economic growth and job creation. It would place the Quonset Business Park on 16 the map and hopefully initiate the realization of its true potential to increase 17 economic development in this state as a business and industrial center

- 18 Q. Does this conclude your direct testimony?
- 19 **A** Yes, it does.

RIPUC DOCKET NO. 4111 ATTACHMENT 1 TO DIRECT TESTIMONY OF MICHAEL F. SABITONI

MICHAEL F. SABITONI

Michael F. Sabitoni is a third-generation Laborer who began his career with the Laborers' International Union of North America (LIUNA) when he joined Providence, Rhode Island's Laborers' Local Union 271 in 1988. Soon after joining the ranks of the local, Mr. Sabitoni worked his way up to become a general foreman and steward while attending the Community College of Rhode Island and Bryant University at night.

In 1998, he joined the Laborers' New England Region Organizing Fund working on grassroots organizing campaigns throughout the region. Two years later in 2000, Mr. Sabitoni became a Construction Marketing Representative for the LIUNA National LECET Fund where he tracked construction projects in the Northeast and solicited union contractors to bid on new projects.

In 2003, Mr. Sabitoni's leadership skills and knowledge of the construction industry was recognized by Local Union 271's Executive Board and he was appointed Field Representative for Local Union 271. In 2005, Mr. Sabitoni j was unanimously appointed by Local Union 271's Executive Board to the position of Business Manager and was subsequently elected to that position in 2007. Under Mr. Sabitoni's leadership, Local Union 271's membership continues to expand its market share numbers in the construction industry, which are among the highest in the nation.

In 2007, Mr. Sabitoni's tireless leadership and commitment to working families was recognized by his fellow union leaders throughout the state when he was elected President of the Rhode Island Building and Construction Trades Council, a position which he currently holds. Mr. Sabitoni also holds the position of Chairman of the Rhode Island Laborers' Pension Fund, the Rhode Island Laborers' Health and Welfare Fund and the Rhode Island Laborers' Annuity Fund. Along with those positions, he also serves as a Trustee on the New England Laborers' Training Trust Fund, the New England Laborers' Labor-Management Cooperation Trust and the New England Laborers' Health and Safety Fund.