



The Economics of Clean Energy in Indiana

Jobs, Savings, Investment, Competitiveness, and the Costs of Inaction

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Jobs

- There were 17,298 clean-energy jobs and 1,268 clean-energy businesses in Indiana as of 2007. This only counts direct jobs and not the many indirect jobs in industries that support the clean energy economy.
- The number of clean-energy jobs in Indiana grew by 17.9 percent between 1998 and 2007, while jobs overall shrank by 1 percent.
- Indiana will see \$3.1 billion in new public and private investment due to programs and incentives under the American Recovery and Reinvestment Act and American Clean Energy and Security Act. These investments will lead to 38,013 net new clean-energy jobs in Indiana—even assuming some potential job losses in the fossil fuel sector as workers transition into the clean energy economy.
- Indiana needs these good-paying, private sector jobs—the state’s unemployment rate was at 9.9 percent as of August 2009.
- Green jobs in Indiana were distributed among the following sectors in 2008:
 - Conservation and pollution mitigation: 73.4 percent
 - Environmentally friendly production: 3.8 percent
 - Training and support: 3 percent
 - Energy efficiency: 9.4 percent
 - Clean energy: 10.5 percent

Consumer energy bill savings

- The average American family's annual spending on oil, gas, and electricity increased by \$1,100 under the Bush administration's energy policies. But American electricity and fuel bills would go down under the consumer protection provisions in the ACES bill.
- Emissions allowances allocated in the ACES bill for state efficiency programs alone will save Hoosiers \$988 million between 2012 and 2020.
- The average household in Indiana will see a monthly savings of \$10.30 on their electricity bill by 2020 due to ACES' consumer protection and energy-efficiency provisions.
- Households in Indiana will also save \$16.81 on gasoline each month by 2020 due to lower oil prices and more fuel-efficient vehicles under ACES.

Investment and innovation

- The clean energy economy is already growing in Indiana. Private companies in Indiana invested \$26 million in clean energy from 2006 – 2008 through venture capital funds.
- An additional \$3.1 billion of public and private investment would flow into clean energy and energy efficiency in Indiana under the clean-energy investment provisions in the ACES bill and the ARRA stimulus package.
- Indiana's 1,268 clean-energy businesses patented 174 new clean-energy technologies in 2007 alone. Passing a strong clean-energy jobs bill this session is the best thing congress can do to unlock even more innovation and entrepreneurship across Indiana and the nation.
- The first large-scale wind project in Indiana came online in May 2008. The 130-mega-watt Benton County Wind Farm has 87 turbines and is creating enough power to run 43,000 homes. This project is the first of six in the area that should produce 3,000 megawatts within the next few years. These turbines are built on privately owned farmland leased to the energy companies, and farmers receive payments of about \$8,000 yearly for each turbine on their property

American competitiveness and energy independence

- The people of Indiana spent more than \$11.1 billion on imported crude oil in 2007 alone—more than \$1,741 per person.

- Without comprehensive clean-energy reform, Indiana taxpayers will spend \$500 million more over the next 10 years to subsidize wealthy oil and gas companies, and this is on top of their already record profits.

Costs of inaction

- The CBO predicted in May 2009 that climate change would cause decreases in future U.S. gross domestic product of between 3 and 5 percent, and global GDP of as much as 10 percent by the end of the century.
- Indiana's farmers contributed more than \$8.2 billion to the state economy in 2007 but will lose significant quantities of their crops to insect pests and soil erosion caused by climate change.
- Lake Michigan's water level will fall by 1.9 feet, severely harming Indiana's shipping and the manufacturing industries that rely on it.