



The Economics of Clean Energy in Kentucky

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

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Jobs

- There were 9,308 clean-energy jobs and 778 clean-energy businesses in Kentucky 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 Kentucky grew by 10 percent between 1998 and 2007, while jobs overall grew by only 3.6 percent.
- Kentucky will see \$2.0 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 25,705 net new clean-energy jobs in Kentucky—even assuming some potential job losses in the fossil fuel sector as workers transition into the clean energy economy.
- Kentucky needs these good-paying, private sector jobs—the state’s unemployment rate was at 11.1 percent as of August 2009.
- Green jobs in Kentucky were distributed among the following sectors in 2008:
 - Conservation and pollution mitigation: 67.4 percent
 - Environmentally friendly production: 6.8 percent
 - Training and support: 2.4 percent
 - Energy efficiency: 8.3 percent
 - Clean energy: 15.1 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 Kentuckians \$595 million between 2012 and 2020.
- The average household in Kentucky will see a monthly savings of \$10.90 on their electricity bill by 2020 due to ACES' consumer protection and energy-efficiency provisions.
- Households in Kentucky will also save \$15.65 on gasoline each month by 2020 due to lower oil prices and more fuel-efficient vehicles under ACES.

Investment and innovation

- \$2.0 billion of public and private investment would flow into clean energy and energy efficiency in Kentucky under the combined clean-energy investment provisions in the ACES bill and the ARRA stimulus package.
- Kentucky's 778 clean-energy businesses patented 17 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 Kentucky and the nation.
- In Louisville, energy-efficiency company Genscape designs and manages power monitoring technology and software that provides real-time information to power generating, trading, and marketing companies

American competitiveness and energy independence

- The people of Kentucky spent more than \$9.5 billion on imported crude oil in 2007 alone—more than \$2,225 per person.
- Without comprehensive clean-energy reform, Kentucky taxpayers will spend \$280 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.
- Corn and soybean yields could fall by 35 percent if temperatures rise above crops' tolerance.
- Kentucky forestry provides \$6.4 billion to the economy and employs approximately 37,500 Kentuckians, but the EPA predicts that forested areas in Kentucky could decline by as much as 25 percent due to global warming.