



# The Economics of Clean Energy in Maine

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

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### Jobs

- There were 6,000 clean-energy jobs and 725 clean-energy businesses in Maine 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 Maine grew by 22.7 percent between 1998 and 2007, while jobs overall grew by only 3.3 percent.
- Maine will see \$600 million 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 9,957 net new clean-energy jobs in Maine—even assuming some potential job losses in the fossil fuel sector as workers transition into the clean energy economy.
- Maine needs these good-paying, private sector jobs—the state’s unemployment rate was at 8.6 percent as of August 2009.
- Green jobs in Maine were distributed among the following sectors in 2008:
  - Conservation and pollution mitigation: 41.4 percent
  - Environmentally friendly production: 1.2 percent
  - Training and support: 6 percent
  - Energy efficiency: 42.7 percent
  - Clean energy: 8.8 percent

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## 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 Mainers \$1.2 billion between 2012 and 2020.
- The average household in Maine will see a monthly savings of \$5.50 on their electricity bill by 2020 due to ACES' consumer protection and energy-efficiency provisions.
- Households in Maine will also save \$12.75 on gasoline each month by 2020 due to lower oil prices and more fuel-efficient vehicles under ACES.

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## Investment and innovation

- \$600 million of public and private investment will flow into clean energy and energy efficiency in Maine under the clean-energy investment provisions in the ACES bill and the ARRA stimulus package, spurring the creation of new jobs and companies.
- Maine's 725 clean-energy businesses patented eight 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 Maine and the nation.
- Maine is currently home to New England's largest wind farm, the Mars Hill Wind Farm, and two other small-scale sites. A larger farm is under construction in Washington County that will have 36 wind turbines when completed.

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## American competitiveness and energy independence

- The people of Maine spent more than \$3 billion on imported crude oil in 2007 alone—more than \$2,279 per person.
- Without comprehensive clean-energy reform, Maine taxpayers will spend \$100 million more over the next 10 years to subsidize wealthy oil and gas companies, and this is on top of their already record profits.

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## 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.
- A 10 to 20 percent decrease in winter skiing days will result in an industry loss of \$405 to \$810 million per year. The length of the Northeast winter snow season will be cut in half by the end of this century according to projections under a higher carbon emissions scenario.
- A June 2009 report from the National Oceanic and Atmospheric Administration found that inaction on global warming will cause significant harm to the Northeast. Temperatures and sea levels will rise, inducing severe flooding and extreme heat. Droughts will occur each summer. Lobster fisheries will continue their northward shift, and Maine's fisheries will be heavily diminished.
- Rising sea levels will erode Maine's 3,500 miles of tidally influenced shoreline, inundating roads, homes, and other infrastructure by the end of the century.
- Maine farmers—who produce over \$750 million annually for the state—will lose ground to droughts and agricultural pests. Rising temperatures will reduce Maine's hay and pasture yields by as much as 39 percent.