



# The Economics of Clean Energy in Missouri

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

Last updated on: October 6, 2009

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### Jobs

- There were 11,714 clean-energy jobs and 1,062 clean-energy businesses in Missouri 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 Missouri grew by 5.4 percent between 1998 and 2007, while jobs overall grew by just 2.1 percent.
- Missouri will see \$2.9 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 35,989 net new clean-energy jobs in Missouri—even assuming some potential job losses in the fossil fuel sector as workers transition into the clean energy economy.
- Missouri needs these good-paying, private sector jobs—the state’s unemployment rate was at 9.5 percent as of August 2009.
- Green jobs in Missouri were distributed among the following sectors in 2008:
  - Conservation and pollution mitigation: 82.1 percent
  - Environmentally friendly production: 5.7 percent
  - Training and support: 1.6 percent
  - Energy efficiency: 9.1 percent
  - Clean energy: 1.5 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 Missourians \$827 million between 2012 and 2020.
- The average household in Missouri will see a monthly savings of \$6.30 on their electricity bill by 2020 due to ACES' consumer protection and energy-efficiency provisions.
- Households in Missouri will also save \$16.82 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

- The clean energy economy is already growing in Missouri. Private companies in Missouri invested \$24.5 million in clean energy from 2006 – 2008 through venture capital funds.
- An additional \$2.9 billion of public and private investment would flow into clean energy and energy efficiency in Missouri under the clean-energy investment provisions in the ACES bill and the ARRA stimulus package.
- Missouri's 1,062 clean-energy businesses patented 25 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 Missouri and the nation.
- The Wind Capital Group, with funding from John Deere, started production of the first wind farm in the state in 2006. Located in Gentry County, the farm consists of 27 turbines that produce enough energy to power approximately 34,000 homes. This project received strong community support, as it brought new jobs and economic growth to the region.

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## American competitiveness and energy independence

- The people of Missouri spent more than \$9.8 billion on imported crude oil in 2007 alone—more than \$1,658 per person.

- Without comprehensive clean-energy reform, Missouri taxpayers will spend \$480 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.
- Missouri forestry provides \$1.69 billion to the economy and employs 27,762 workers at an average annual wage of \$41,289.13. Yet forested areas in Missouri could decline by as much as 10 to 20 percent by 2100 due to global warming.
- A June 2009 report from the National Oceanic and Atmospheric Administration found that inaction on global warming will cause significant harm to the Midwest. The report predicts severe heat waves occurring every other year in the Midwest. Catastrophic flooding along the Mississippi and Missouri rivers will increase, frequently shutting down shipping.
- Missouri farmers—who produce \$4 billion for the state—will lose ground to droughts and agricultural pests. According to the EPA, corn and soybean yields could fall by as much as 22 percent.