



# The Economics of Clean Energy in Montana

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

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### Jobs

- There were 2,155 clean-energy jobs and 408 clean-energy businesses in Montana as of 2007. This only counts direct jobs and not the many indirect jobs in industries that support the clean energy economy.
- Montana will see \$500 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 6,303 net new clean-energy jobs in Montana—even assuming some potential job losses in the fossil fuel sector as workers transition into the clean energy economy.
- Montana needs these good-paying, private sector jobs—the state’s unemployment rate was at 6.6 percent as of August 2009.
- Green jobs in Montana were distributed among the following sectors in 2008:
  - Conservation and pollution mitigation: 72.9 percent
  - Environmentally friendly production: 4.9 percent
  - Training and support: 13.9 percent
  - Energy efficiency: 6.1 percent
  - Clean energy: 2.1 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 Montanans \$336 million between 2012 and 2020.
- The average household in Montana will see a monthly savings of \$4.70 on their electricity bill by 2020 due to ACES' consumer protection and energy-efficiency provisions.
- Households in Montana will also save \$8.79 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

- \$500 million of public and private investment would flow into clean energy and energy efficiency in Montana under the combined clean-energy investment provisions in the ACES bill and the ARRA stimulus package.
- Montana's 408 clean-energy businesses patented five 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 Montana and the nation.
- In Helena, training and support company Eco-Asset Management provides strategic land use and conservation consulting services.

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## American competitiveness and energy independence

- The people of Montana spent more than \$2.6 billion on imported crude oil in 2007 alone—more than \$2,688 per person.
- Without comprehensive clean-energy reform, Montana taxpayers will spend \$70 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 June 2009 report from the National Oceanic and Atmospheric Administration found that inaction on global warming will cause significant harm to the Northwest and Great Plains. Snowpack in Montana—the main source for the state’s water supply—has declined 15 to 30 percent over the last 50 years, and climate change is expected to increase this melting. These effects have heavy economic consequences for Montana.
- Montana’s wood products industry—which provides more than 9,000 Montana jobs—is threatened by increasing insect outbreaks and wildfires. Montana is vulnerable to wildfires, and climate change may lead to a five-fold increase in the amount of acreage burned by 2100.
- The 29,500 farms in Montana that produce \$2.8 billion for the state will lose ground to heat stress, droughts, and increasing weeds over the course of the century.