



The Economics of Clean Energy in Nebraska

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

Last updated on: October 6, 2009

Jobs

- There were 5,292 clean-energy jobs and 368 clean-energy businesses in Nebraska 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 Nebraska more than doubled between 1998 and 2007, while jobs overall shrank by 4.9 percent.
- Nebraska will see \$900 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 11,059 net new clean-energy jobs in Nebraska—even assuming some potential job losses in the fossil fuel sector as workers transition into the clean energy economy.
- Nebraska needs these good-paying, private sector jobs—the state’s unemployment rate was at 5 percent as of August 2009.
- Green jobs in Nebraska were distributed among the following sectors in 2008:
 - Conservation and pollution mitigation: 45.5 percent
 - Environmentally friendly production: 40.9 percent
 - Training and support: 1.5 percent
 - Energy efficiency: 10 percent
 - Clean energy: 2.1 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 Nebraskans \$379 million between 2012 and 2020.
- The average household in Nebraska will see a monthly savings of \$-2.20 on their electricity bill by 2020 due to ACES' consumer protection and energy-efficiency provisions.
- Households in Nebraska will also save \$8.39 on gasoline each month by 2020 due to lower oil prices and more fuel-efficient vehicles under ACES.

Investment and innovation

- \$900 million of public and private investment would flow into clean energy and energy efficiency in Nebraska under the combined clean-energy investment provisions in the ACES bill and the ARRA stimulus package.
- Nebraska's 368 clean-energy businesses patented 15 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 Nebraska and the nation.
- In Omaha, Solar Heat and Electric installs, repairs, and services solar energy and heating systems.

American competitiveness and energy independence

- The people of Nebraska spent more than \$3 billion on imported crude oil in 2007 alone—more than \$1,682 per person.
- Without comprehensive clean-energy reform, Nebraska taxpayers will spend \$150 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.
- A June 2009 report from the National Oceanic and Atmospheric Administration found that inaction on global warming will cause significant harm to the Great Plains. Extreme events such as heat waves, droughts, and heavy rainfall will become more frequent. These effects have heavy economic consequences for Nebraska.
- The number of 90°F days in Nebraska is expected to double to 75 to 100 days of the year by 2090, up from 30 to 45 days between 1961 and 1971. This will damage agriculture because most crops—even those well adapted to warmth like tomatoes—can have a reduced yield or quality when daytime temperatures exceed 90°F during the crucial reproductive stages. Rising temperatures, faster evaporation rates, and more sustained drought brought on by climate change will also exacerbate the already dire overtaxation of the Ogallala aquifer. The High Plains aquifer, essential for irrigation and water supplies, will also continue its dramatic decline.
- Nebraska’s farmers—who provide over \$15 billion for the state annually—will lose crops to insect pests, weeds, and soil erosion.
- Nebraska’s forest industry—worth nearly \$300 million annually—relies on tree species vulnerable to climate change. Nebraska’s forests could decline by up to 50 percent.