Center for American Progress

The Hub
Resources for a Clean-Energy Economy

The Economics of Clean Energy in Oregon

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

Last updated on: October 6, 2009

Jobs

- There were 19,340 clean-energy jobs and 1,613 clean-energy businesses in Oregon 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 Oregon grew by 50.7 percent between 1998 and 2007, while jobs overall grew by just 7.5 percent.
- Oregon will see $1.8 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 20,931 net new clean-energy jobs in Oregon—even assuming some potential job losses in the fossil fuel sector as workers transition into the clean energy economy.
- Oregon needs these good-paying, private sector jobs—the state's unemployment rate was at 12.2 percent as of August 2009.
- Green jobs in Oregon were distributed among the following sectors in 2008:
  - Conservation and pollution mitigation: 44.5 percent
  - Environmentally friendly production: 17.2 percent
  - Training and support: 7.5 percent
  - Energy efficiency: 25.3 percent
  - Clean energy: 5.6 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 Oregonians $572 million between 2012 and 2020.
- The average household in Oregon 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 Oregon will also save $11.82 on gasoline each month by 2020 due to lower oil prices and more fuel-efficient vehicles under ACES.

Investment and innovation

- The clean energy economy is already growing in Oregon. Private companies in Oregon invested $70 million in clean energy from 2006 – 2008 through venture capital funds.
- An additional $1.8 billion of public and private investment would flow into clean energy and energy efficiency in Oregon under the clean-energy investment provisions in the ACES bill and the ARRA stimulus package.
- Oregon's 1,613 clean-energy businesses patented 163 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 Oregon and the nation.
- The Klondike Wind Project has significantly helped the local economy. Planning and construction provided a number of jobs in the community and the tax revenues added up to about $20,000 per turbine. Landowners with windmills on their property are receiving royalty payments of $2,000 to $4,000 a year per turbine on their land, providing a second reliable source of income.

American competitiveness and energy independence

- The people of Oregon spent more than $4.8 billion on imported crude oil in 2007 alone—more than $1,266 per person.

- Without comprehensive clean-energy reform, Oregon taxpayers will spend $310 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 Northwest. Rising temperatures will increase insect outbreaks and wildfires, while climbing sea levels threaten Oregon's coast. These effects have heavy economic consequences for Oregon. Rising sea levels will erode Oregon's 1,400 miles of tidally influenced shoreline, inundating roads, homes, and other infrastructure.

- Oregon farmers—who produce over $5.4 billion annually for the state—will lose ground to droughts and agricultural pests. Rising temperatures will reduce Oregon's potato yields by as much as 17 percent and shrink farmed acres by 23 percent. The more than 10,700 people working in Oregon's forestry and logging industries will have their jobs threatened by increasing insect outbreaks and wildfires. The EPA estimates that forest areas in Oregon could decline by up to 25 percent

- Declining snowpack levels caused by global warming are expected to lead to a 10 percent reduction in annual average stream flows and reduced peak spring flows across the Pacific Northwest by 2050. It will also diminish water supplies and destroy lower-elevation skiing destinations.