



# The Economics of Clean Energy in South Dakota

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

Last updated on: October 6, 2009

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### Jobs

- There were 1,636 clean-energy jobs and 169 clean-energy businesses in South Dakota 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 South Dakota grew by 93.4 percent between 1998 and 2007, while jobs overall grew by only 4.9 percent.
- South Dakota will see \$400 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 5,272 net new clean-energy jobs in South Dakota—even assuming some potential job losses in the fossil fuel sector as workers transition into the clean energy economy.
- South Dakota needs these good-paying, private sector jobs—the state’s unemployment rate was at 4.9 percent as of August 2009.
- Green jobs in South Dakota were distributed among the following sectors in 2008:
  - Conservation and pollution mitigation: 33.9 percent
  - Environmentally friendly production: 43.5 percent
  - Training and support: 8.8 percent
  - Energy efficiency: 9 percent
  - Clean energy: 4.8 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 South Dakotans \$297 million between 2012 and 2020.
- The average household in South Dakota will see a monthly savings of \$-0.80 on their electricity bill by 2020 due to ACES' consumer protection and energy-efficiency provisions.
- Households in South Dakota will also save \$11.73 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

- \$400 million of public and private investment would flow into clean energy and energy efficiency in South Dakota under the combined clean-energy investment provisions in the ACES bill and the ARRA stimulus package.
- South Dakota's 169 clean-energy businesses patented four 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 South Dakota and the nation.
- In Howard, Knight & Carver Wind Group provides wind turbine blade inspection, repair, and maintenance services.

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## American competitiveness and energy independence

- The people of South Dakota spent more than \$1.6 billion on imported crude oil in 2007 alone—more than \$1,990 per person.
- Without comprehensive clean-energy reform, South Dakota 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.
- South Dakota's farmers contributed over \$6.5 billion to the state economy in 2007, but will lose significant quantities of their crops in the future to insect pests and soil erosion caused by climate change.
- 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. Temperatures will increase in the north Great Plains by 10°F or more. Extreme events such as heat waves, droughts, and heavy rainfall will become more frequent.