



# The Economics of Clean Energy in Texas

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

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### Jobs

- There were 55,646 clean-energy jobs and 4,802 clean-energy businesses in Texas 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 Texas grew by 15.5 percent between 1998 and 2007, while jobs overall grew by 6.7 percent.
- Texas will see \$12.7 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 152,760 net new clean-energy jobs in Texas—even assuming some potential job losses in the fossil fuel sector as workers transition into the clean energy economy.
- Texas needs these good-paying, private sector jobs—the state’s unemployment rate was at 8 percent as of August 2009.
- Green jobs in Texas were distributed among the following sectors in 2008:
  - Conservation and pollution mitigation: 73 percent
  - Environmentally friendly production: 4 percent
  - Training and support: 5.3 percent
  - Energy efficiency: 11.4 percent
  - Clean energy: 6.3 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 Texans \$3.6 billion between 2012 and 2020.
- The average household in Texas will see a monthly savings of \$11.60 on their electricity bill by 2020 due to ACES' consumer protection and energy-efficiency provisions.
- Households in Texas will also save \$19.06 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 Texas. Private companies in Texas invested \$716.9 million in clean energy from 2006 – 2008 through venture capital funds.
- An additional \$12.7 billion of public and private investment would flow into clean energy and energy efficiency in Texas under the clean-energy investment provisions in the ACES bill and the ARRA stimulus package.
- Texas' 4,802 clean-energy businesses patented 414 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 Texas and the nation.
- In Austin, clean-energy company Valence Technology designs and manufactures advanced batteries with automotive, electric utility, and industrial applications.

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## American competitiveness and energy independence

- The people of Texas spent more than \$83.6 billion on imported crude oil in 2007 alone—more than \$3.437 per person.
- Without comprehensive clean-energy reform, Texas taxpayers will spend \$2.4 billion 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.
- Hurricane Rita caused inland flooding, storm surges, and heavy wind damages in September 2005, leading to about \$17.1 billion in damages and 119 deaths. Climate change is expected to increase the severity and frequency of hurricanes.
- Farmers in Texas will be hurt by climate change. One study estimated that net agricultural income in Texas will decrease by 16 to 29 percent by 2030 and by 30 to 45 percent by 2090 because of conflicting water uses around the San Antonio Texas Edwards Aquifer region.