

Economic Benefits of California Clean Energy Policies

Clean energy policies will help California consumers

- Smart energy policies spark job creation. Over the last three decades innovative energy policies have allowed Californians to reduce expenditures on imported fossil fuels and redirect spending to create 1.5 million full-time jobs. A recent national study¹ shows that higher efficiency standards and larger incentives could create more than a million jobs across the US by 2030.
- California consumers will save money as a result of the energy efficiency targets in AB 32. Smart energy policies led Californians to save \$56 billion on household energy costs between 1976 and 2006².
- California's residents will be healthier from the cleaner air and water due to less global warming pollution. Currently air pollution costs the state tens of billions of dollars each year in missed work and school days, health care expenses and shortened lives³.

The California economy will benefit from clean energy policies

- The clean energy economy is one of the few bright spots in the California economy. According to the latest data available, from 2005-2007, while total state employment fell one percent, clean energy and clean technology jobs were growing by five percent. From 1995-2008, total jobs in California expanded only 13 percent, while green jobs expanded 36 percent, and green businesses grew at a rate of 45 percent.⁴
- Investments in clean energy technologies will form the backbone of the future low carbon economy. As a result of AB 32 and California's history of smart energy policies, in 2009 California is the nation's leading state in clean energy businesses.⁵
- California's clean technology sector received \$2.1 billion investment capital in 2009 alone, 60 percent of the total in North America and more than five times the investment in our nearest competitor, Massachusetts⁶.

Delay is costly

- According to California's State Legislative Analyst's Office, rolling back California's clean energy policies could "dampen additional investments in clean energy technologies or in so-called 'green jobs' by private firms, thereby resulting in less economic activity."
- The global market for clean energy technology is expected to grow to \$2 trillion by 2020, making it one of the largest industries in the world.⁷ If we don't act now, we're going to be buying clean-energy products from China rather than building them here and selling them to the rest of the world. In fact, we already are. America has a trade deficit in clean-energy technology.
- California has more to gain from the green economy than any other state and risks a loss of more than \$80 billion in Gross State Product and more than a half million jobs by 2020 if we fail to implement this law as scheduled."⁸

¹ Gold, R., L. Furrey, S. Nadel, J. Laitner and R.N. Elliott, "Energy Efficiency in the American Clean Energy and Security Act of 2009." ACEEE report E096. Washington, DC. 2009

² Roland-Host, David, "Energy Efficiency, Innovation, and Job Creation in California." October 2008.

³ Hall, Jane and Victor Brajer "The Benefits of Meeting Federal Clean Air Standards in the South Coast and San Joaquin Valley Air Basins," Institute for Economics and Environmental Studies, California State University, Fullerton and Sonoma Technology Inc.

⁴ Collaborative Economics/Next 10, "Many Shades of Green." December 2009.

⁵ Pew Charitable Trust, "The Clean Energy Economy." 2009

⁶ Ibid

⁷ Berger, Roland. "Clean Economy, Living Planet," Commissioned by WWF Netherlands, 2009.

⁸ Roland-Holst, David. "Energy Prices & California's Economic Security," 2009.