



25% RES Would Add 300,000 Jobs, Cut Energy Costs: UCS Report

A national 25%-by-2025 renewable electricity standard (RES) would add nearly 300,000 jobs to the economy and provide multiple other economic and environmental benefits, according to a new study released by the Union of Concerned Scientists (UCS).

Such an RES, which would require electric utilities to increase their use of renewables to 25%, would not only create jobs and spur economic development, it would also reduce greenhouse gas emissions, lower consumer spending on energy across the country, and decrease dependence on foreign energy sources, according to the study from UCS, a prominent science-driven environmental non-profit organization. The analysis used the U.S. Energy Information Administration's (EIA) National Energy Modeling System (NEMS) to analyze the effects of an RES policy.

The study highlighting the numerous benefits of an RES comes at a pivotal time in the national debate over such legislation. A national RES is gaining momentum, with Senators Mark Udall (D-Colo.) and Jeff Bingaman (D-N.M.) as well as Representatives Edward Markey (D-Mass.) and Todd Platts (R-Pa.) already having sponsored bills in the current session. An RES has previously passed both the House and the Senate, albeit each with different language and in different years. This week AWEA joined over 220 groups as signatories to a letter to Congress endorsing a national RES (see lead story).

A national RES has huge potential to create jobs and spur economic development, the study found. According to UCS's analysis, nearly 300,000 additional jobs, including 44,500 manufacturing jobs, would come online in the renewable energy industry by 2025. Those jobs, which would be created in fields and functions ranging from management to construction, would be in addition to the 85,000 jobs the wind industry already supports. The 25%-by-2025 scenario would spur \$263.4 billion of capital investment in the American economy and provide \$13.5 billion in new income to landowners. In 2025 alone, that investment would create nearly \$10 billion in additional income for industry employees and add \$7.3 billion to the U.S. gross domestic product.

Deriving 25% of the nation's electricity from renewable resources by 2025 will also provide savings to American consumers across the country, the UCS study found. Consumers would save \$64.3 billion through lower electricity and natural gas bills by 2025, and \$95.5 billion by 2030, according to the report. A 25% RES would lower annual consumer natural gas prices by as much as 4.1% compared to a scenario without an RES, and average electricity prices would be reduced by as much as 7.6%. Such price reduction would be achieved as a result of diversifying the energy supply, producing more energy from domestic sources, protecting consumers against price spikes, and reducing demand for foreign natural gas, coal and oil.

Another salient finding coming out of the study is that every state stands to benefit from lower consumer costs, from the Northwest to the Southeast. In 2006 the Southeast spent over \$1 billion to import coal from countries like Colombia and Venezuela, and spent further billions importing coal and natural gas from other U.S. states. By developing renewable energy resources through an RES, Southeastern states would benefit from both reduced consumer spending on energy and use of local energy resources, according to the study.

Not surprisingly, the UCS study did not focus solely on economic benefits; an RES is also a powerful first step towards confronting the emissions that cause global warming, the report states. In the 25% scenario, the total power plant emissions that cause global warming would be reduced by more than 2% below 2007 levels by 2025, the equivalent of 277 million metric tons annually. This is because a national RES will reduce dependence on fossil fuels, cumulatively displacing 12.4 trillion cubic feet of natural gas and 547 million short tons of coal. And, the study points out, greenhouse gas emissions are not the only pollutants that would be avoided through reducing fossil fuel dependence. Finally, further environmental degradation would be avoided through limiting fossil fuel extraction and transportation.

A theme running throughout the report is that through an RES the U.S. can simultaneously tackle several of its most pressing problems, putting Americans back to work, building an economy of the future, lowering the cost of living through reduced energy bills, and reducing emissions and impact on the earth.

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