



CLEAN JOBS, NEW PROSPERITY

Economic Impact of Proposition C-The Missouri Clean Energy Initiative

A New Standard for Missouri's Energy

Proposition C-The Missouri Clean Energy Initiative is on the November 2008 ballot, requiring Missouri's investor-owned utilities to acquire 15% of their electricity from renewable sources by 2021. Passage of the Clean Energy Initiative will make Missouri the 27th U.S. state to adopt a Renewable Electricity Standard (RES).

With 82% of Missouri's electricity currently generated by coal, increasing the use of renewable energy will directly displace a portion of the state's fossil fuel electricity generation. In Missouri, that renewable energy is most likely to come from wind, solar, and biomass.

Creates Jobs and Consumer Savings

The Clean Energy Initiative will have direct, positive economic impacts on Missouri by creating manufacturing, construction, and operation jobs. These impacts have already been documented in other states, such as Texas, where renewable standards are already in place. In addition, the Clean Energy Initiative provides environmental benefits of improved air quality and reduced greenhouse gas emissions. Over twenty years, Missourians will reap a cumulative net savings of \$331 million with the Clean Energy Initiative.

Stimulates Missouri's Economy

Once implemented, the Clean Energy Initiative would set off a chain reaction of economic impacts through newly created jobs, investment, income, and consumer spending. These are measured through:

- ▶ **Direct Impacts:** The increase in goods and services produced by the industries directly associated with the initiative, such as the manufacturing of wind turbines and solar panels.
- ▶ **Indirect Impacts:** The increase in a second round of new jobs and investments, which support those goods and services, such as the manufacture of ball bearings, brakes, and couplings needed for wind turbines.
- ▶ **Induced Impacts:** The increase in consumer spending generated as new workers use their income on consumer goods, such as food, clothing, housing, and entertainment.

All three levels of impact can be measured through increases in employment, output value, and income.



“The Clean Energy Initiative is estimated to create 9,591 jobs by the year 2021, generating \$2.86 billion in economic activity and an additional \$856.6 million in income for Missouri workers.”

CLEAN JOBS, NEW PROSPERITY:

Economic Impact of Proposition C-The Missouri Clean Energy Initiative

Type of Impact	New Jobs Created	New Worker Income Generated	Value of New Goods & Services Produced
DIRECT IMPACT Resulting from increased renewable energy goods and services	9,591	\$856.6 Million	\$2.87 Billion
INDIRECT IMPACT Resulting from increased jobs and investments supporting renewable energy goods and services	8,530	\$643.5 Million	\$1.25 Billion
INDUCED IMPACT Resulting from increased household spending by new renewable energy workers	4,278	\$263.8 Million	\$453.4 Million
TOTAL IMPACT	22,399 New Jobs	\$1.76 Billion New Income	\$4.57 Billion Additional Value

Numbers shown are projected through 2021 and based on a renewable energy mix of 90% wind, 8% biomass, and 2% solar, with half of the wind power generated in state. As more wind power is produced within Missouri, the total number of new jobs could reach as high as 29,944, generating worker income of \$2.21 billion and total value of goods and services produced of \$5.48 billion through 2021.

Thousands of New Jobs, Billions in New Income

A number of substantial benefits are connected to the Clean Energy Initiative, ranging from consumer cost savings to the reduction of carbon emissions. Given the current state of the economy, the initiative's economic impact potential is another significant benefit. As Missouri produces more wind power in state, Proposition C has the potential to:

- ▶ Create a maximum of 13,991 jobs in manufacturing, construction, operation and maintenance. This includes approximately 7,400 manufacturing jobs and 6,500 construction jobs with the remainder in the operation and maintenance of the renewable energy facilities.
- ▶ Create a maximum of \$1.16 billion in new income to Missourians or an average of approximately \$83,000 per job. (That number includes salaries, wages, and benefits; without benefits, salaries and wages average \$58,900 for these highly specialized jobs.)
- ▶ Create a maximum of 15,953 jobs in supplier, retail, and service industries with an estimated average of \$73,000 per job including salaries, wages, and benefits.
- ▶ Create an estimated 1.14 new jobs in supplier, retail, and service industries for every new job added in Clean Energy Initiative-related industries.

Wind power is already bringing economic benefits to landowners in northwest Missouri who are receiving about \$3,000 per wind turbine in annual lease income for up to 25 years.

For more information visit:
www.worksformissouri.org

To view full report visit:
www.worksformissouri.org/cleanjobs



Sponsored by The Missouri Coalition for the Environment
Funded by The Energy Foundation
Study authored by David Laslo, PH.D., Public Policy Research Center, University of Missouri-St. Louis