



## Renewable Electricity Job Creation Numbers Debated

The Union of Concerned Scientists (UCS) put out a study Thursday that shows increased renewable electricity standards would bring 60,000 new jobs to Michigan, a number some say is only half the story.

The conclusion comes in the UCS' "Cashing in on Clean Energy" study, which assumes Congress passes renewable electricity standards between 15 to 20 percent by 2020 and the President signs them into law.

UCS said this means the state would see 4,800 new jobs every year, lower electric and natural gas bills, and decreased global warming pollution.

"Turning on renewables in Michigan would cut energy costs not only for individual families, but for small businesses and large energy users such as university hospitals and auto plants," said Environment Michigan Field Organizer Daylan **DUFELMEIER**. "At the same time, increasing our use of renewable energy would help clean up air pollution and make a down payment in the fight against global warming."

According to the study, these jobs will be created because "renewable energy technologies tend to create more jobs than fossil fuel technologies because a larger share of the expenditures for renewable energy is spent on manufacturing equipment, installation and maintenance, all of which are typically more labor intensive than extracting and transporting fossil fuels."

Russ **HARDING**, with the Mackinac Center, said this is only half the story. Harding said the problem with this view of the economy is that they only factor in what they consider to be new jobs.

They don't look at the fact that these requirements will increase the cost of fuel and when people or companies have to pay more money for fuel and energy, they spend less money on other things, including jobs.

"What they don't count in these studies is the fact that any time you increase the cost of energy, which is invariably what these things do, you reduce jobs because there's less disposable income for people," he

said.

Harding said the numbers would be more credible if the UCS also looked at the number of jobs that would be lost due to companies investing less in jobs.

Harding also noted that the proposed Congressional corporate average fuel economy (CAFE) standard increases would actually devastate Michigan's economy, not help it. These standards would specifically hurt the auto industry, which isn't doing so well as is.

Harding said the people putting the standards together assume that the technology to up the CAFE standard already exists, but it doesn't. They also don't factor in the fact that manufacturers have long lead times and will have to immediately change the next cycle production to meet those standards.

"This will raise the cost of those vehicles, which will depress sales," he said. "I think that this is probably out of everything in the energy bill, the one that has an immediate, huge impact on Michigan."

The UCS study also estimated that strict renewable standards would:

- Generate an annual average of more than 4,800 renewable energy jobs by 2020 in manufacturing, construction and other industries
- Be a \$377 million financial boon for farmers, ranchers and rural landowners who produce biomass energy and/or lease their land to wind developers
- Save Michigan residents \$160 million on energy bills through 2020 by reducing demand for fossil fuels and lowering natural gas and electricity prices. By 2030, those cumulative savings would balloon to \$540 million.
- Slash Michigan global warming pollution equivalent to taking 36.4 million cars off the road.