

May 2010 Solar Jobs Study: Extension of Treasury Grant Program

- 65,000 new jobs will be added
- \$400 million in government savings

Extending the existing Treasury Grant Program (TGP) by two years will add nearly 65,000 new jobs to the solar workforce and supporting industries across the U.S. by 2015, representing a 15% increase by projected jobs in the solar industry compared to baseline forecasts.¹

Moreover, extension of the Treasury Grant Program will yield a net savings to the government of \$400 million between 2010 and 2016, as the public cost of the program is more than offset by the avoided unemployment costs to the government and additional income tax revenue generated by new jobs resulting from the program.

A two-year extension of the Treasury Grant Program is projected to create significant new jobs in the solar industry and supporting sectors across the U.S. For example, California would gain more than 25,500 new jobs; Arizona would add approximately 7,200 new jobs; Texas would gain more than 6,700 new jobs; Michigan would add over 5,100 new jobs; New Mexico and Nevada would each gain more than 3,000 new jobs; Ohio and Oregon would each add more than 2,000 new jobs; Colorado and Florida would each add over 1,800 new jobs; and New Jersey, New York, North Carolina, and Pennsylvania would each gain more than 1,000 new jobs.

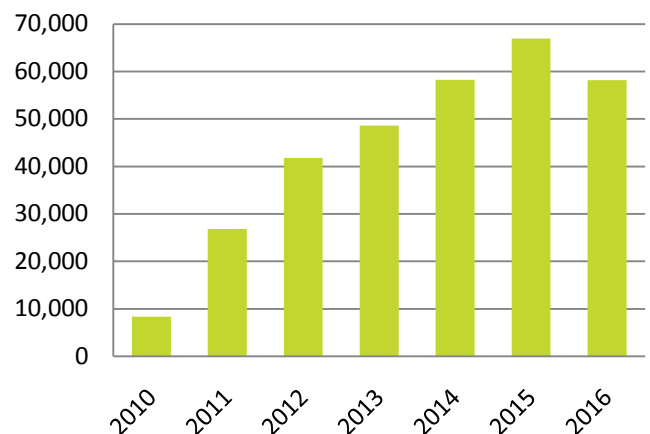
Background

In 2009, the American Recovery and Reinvestment Act created the Treasury Grant Program, allowing a cash grant to be used in lieu of tax credits for renewable energy projects. Although the U.S. unemployment level remains high, the program is set to expire in December 2010. SEIA hired independent consulting firm EuPD Research to analyze the economic impact in the U.S. during 2010-2016 of extending the Treasury Grant Program by two years. The findings of the EuPD study complement the results of a Lawrence Berkeley National Laboratory study from April 2010 showing strong employment levels in renewable energy industries during the first year (2009) of the TGP.

Recommendation

Based on the EuPD study, SEIA recommends a two-year extension of the Treasury Grant Program. Not only will this program yield a fiscal benefit to the government, but it will result in over 65,000 new jobs by 2015.

Additional U.S. Solar Jobs Supported by an Extension of the TGP¹



Data: EuPD Research, May 2010

¹ These are jobs supported by the solar industry above baseline forecasts. Total industry employment increases from 2015 to 2016, but the added benefit of the Treasury Grant diminishes. This estimate is for solar energy only, it does not account for jobs created by other renewable energy technologies. Read the full report at http://seia.org/galleries/pdf/EuPD_Research_Solar_Report.pdf.