



## **NEW STUDY SHOWS EXTENDING SOLAR TAX CREDITS WILL CREATE JOBS, INCREASE INVESTMENT**

*If Congress Passes Bill, **14,000 permanent jobs in Colorado** will be supported by solar energy industry by 2016.*

The opportunities are particularly high in Colorado, where there are 198 companies that install, manufacture, or distribute solar energy products. If extended for 8 years, the solar investment tax credits will create 11,000 new job opportunities in Colorado's solar energy industry by 2016. Compared with the 10,000 currently employed by the Lockheed Martin Space Systems, the solar energy industry has the potential to be a major employer in Colorado.

### **Key Findings**

Navigant Consulting issued a Sept. 12, 2008 report analyzing the economic impact of extending solar investment tax credits set to expire December 31. Key findings were:

- In the solar industry alone, **extending the 30 percent investment tax credit could result in 1.2 million new job-years by 2016.**
- The solar industry creates high quality domestic jobs. The greatest growth will occur in **new manufacturing, construction, and engineering jobs, and in the roofing, electrical, and plumbing trades.**
- By 2016, the solar energy industry would **employ 440,000 new, full-time workers in these domestic manufacturing and construction jobs.**
- Extending the solar investment tax credits would **increase potential domestic investment in the solar industry by \$232 billion by 2016.**
- **Solar energy could produce more than 28 gigawatts of power by 2016, enough to power 7 million homes,** if Congress succeeds in passing an 8-year extension of the 30 percent tax credit before it expires.
- Solar energy manufacturing and installation jobs are spread across the U.S. **The states most affected by an extended tax credit are California, Florida, Arizona, New Mexico, Nevada, New Jersey, Massachusetts, New York, Oregon, Washington, and Michigan.** Also, Pennsylvania, Colorado, Tennessee, Maryland, Connecticut and Ohio are significantly impacted.
- There are **198 companies in Colorado that install, manufacture, or distribute solar energy products.** (Source: SEIA)



- If the solar investment tax credits are extended for 8 years, **Colorado stands to gain 11,000 new job opportunities in the solar energy industry by 2016.**

**Jobs Created by the Solar Industry with an Eight-Year Extension of the Solar Investment Tax Credit<sup>1</sup>**

State/Region	Total New Jobs in 2016	New Employment between 2009 and 2016 (Job-Years <sup>2</sup> )
California	214,000	676,000
New Mexico	19,000	44,000
Arizona	15,000	69,000
Nevada	9,000	41,000
<b>Southwest Total</b>	<b>257,000</b>	<b>830,000</b>
New York	14,000	35,000
Michigan	13,000	11,000
Ohio	8,000	3,000
Pennsylvania	5,000	9,000
<b>Great Lakes Total<sup>3</sup></b>	<b>40,200</b>	<b>58,200</b>
Florida	32,000	83,000
New Jersey	15,000	38,000
Massachusetts	14,000	36,000
Oregon	10,000	21,000
Washington	10,000	15,000
Hawaii	8,000	19,000
<b>All Other States</b>	<b>53,800</b>	<b>99,800</b>
<b>US Total</b>	<b>440,000</b>	<b>1,200,000</b>

(1) All figures include direct, indirect, and induced jobs, with many jobs in manufacturing and construction.

(2) Job-years is a measure of total employment over a period of time equal to the average number of people employed times the average length of employment.

(3) Includes minimum estimate for Wisconsin.

Source: Navigant Consulting, Inc. 2008



## **Comparisons:**

<b>Industry/Sector</b>	<b>Jobs</b>
<b><i>Total created by the solar industry by 2016</i></b>	<b><i>440,000</i></b>
Total U.S. jobs lost in August 2008	84,000
Jobs lost in auto-making in August 2008	39,000
<b><i>Jobs created by eight-year extension of the solar ITC</i></b>	<b><i>276,000</i></b>
Jobs lost in Michigan between 2002 and 2007	243,000
Jobs lost in Ohio between 2000 and 2007	209,000
Total jobs in coal mining	79,000
Total jobs in oil and gas extraction	136,000

### **Sources:**

<http://www.cnbc.com/id/26565319/for/cnbc>  
<http://www.bls.gov/oco/cg/cgs004.htm#employ>  
<http://www.bls.gov/news.release/empsit.nr0.htm>

## **About the Study**

Navigant Consulting, Inc., conducted an independent study to determine the economic impact of the proposed 8-year extension of the 30 percent solar investment tax credit set to expire on December 31. In the September 12 report, Navigant estimated the impact extending the tax credits would have on solar industry domestic employment and domestic investment. To arrive at estimates, Navigant evaluated all three major forms of solar energy technology:

- **Photovoltaic (PV):** Produces electricity from flat panels that can be mounted on roofs or in large, utility-scale arrays.
- **Concentrating Solar Power (CSP):** Uses mirrors or lenses to concentrate sunlight, using the heat of the sun to drive a conventional steam turbine that generates electricity.

**Solar Water Heating (SWH):** Uses sunlight to heat water for use in homes or businesses.

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