Extend the Treasury Grant Program for Renewable Energy

- 65,000 new jobs added
- 5,100 megawatts of additional solar power across the U.S.
- $400 million in government savings

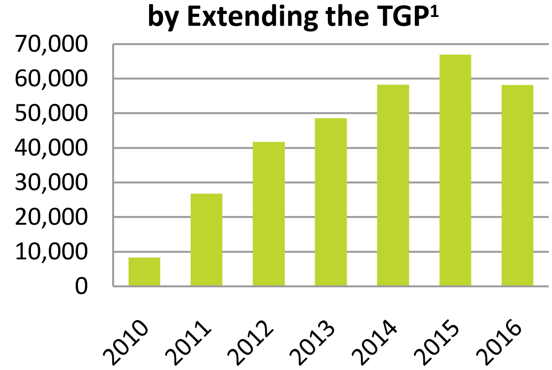
Extending the existing Treasury Grant Program (TGP) by two years will add nearly 65,000 new jobs to the solar workforce and supporting industries across the U.S. in 2015.[1] Such an extension to the program, which allows grants to be issued in lieu of tax credits for renewable energy, would also accelerate solar deployment across the U.S., resulting in 5,100 megawatts (MW) of new solar installations through 2016 – enough to power more than one million homes.

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 extension is more than offset by the avoided unemployment costs to the government and additional income tax revenue generated by new jobs resulting from the extension.

A two-year extension 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.

Extension of the Treasury Grant Program will also result in substantial increases in solar technology deployment. California could add over 2,500 MW of new solar installations; Arizona, nearly 1,000 MW; and Colorado, Connecticut, Florida, Nevada, and New Jersey each adding more than 100 MW of new solar power. 100 MW is enough to power 20,000 American homes.

Additional U.S. Jobs Supported by Extending the TGP[1]



Data: EuPD Research, May 2010

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 TGP. Not only will this extension yield a fiscal benefit to the government, but in 2015 it will result in over 65,000 new jobs, and support the manufacturing and installation of 5,100 MW of clean, reliable solar energy technologies during 2010-2016.

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1 These are jobs supported by the solar industry above and beyond 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