



Where are the Jobs?

Comparing Job Creation from
Energy Efficiency and Coal Plants





Introduction and Background



- The Ochs Center is a nonprofit organization that conducts data analysis and policy research.
- The Ochs Center has conducted a series of studies related to the economic impact of coal fired power plants and energy efficiency initiatives.



Two Recent Studies



- Implementing Energy Efficiency Initiatives in Power4Georgians EMCs' service area (March 2010)
- Case study on job creation from coal-fired power plant construction (March 2011)

+ Energy Efficiency as an Alternative Strategy for the Power4Georgians' EMCs

Which generates more jobs: Energy Efficiency Projects or Plant Washington?



Implementing Energy Efficiency



- **23 million MWh of savings over 28 years** for P4G EMCs
- 1.5 million MWh saved annually
- 548 MW peak demand reduction
- EE implementation cost: about 6 cents/kilowatt hr



Economic Impact of Energy Efficiency Projects



Direct, Indirect, and Induced Economic Impacts from Energy Efficiency Investments

EMC	Employment	Income	Output
Central Georgia EMC	2,668.3	\$116,867,351	\$324,092,755
Cobb EMC	8,675.9	\$476,152,875	\$1,211,899,469
Pataula EMC	171.4	\$6,886,458	\$23,927,000
Snapping Shoals EMC	4,755.8	\$220,482,878	\$614,491,759
Upson County EMC	378.5	\$15,636,449	\$48,393,937
Washington EMC	734.7	\$27,640,165	\$85,305,354
Total	17,384.6	\$863,666,176	\$2,308,110,274



Energy Efficiency vs. Plant Washington

Energy Efficiency

- 9,975 years of direct employment during implementation
- Implementation sustained over a 14-year period
- Job creation across 43-county area during implementation
- Indirect and induced economic activity is highly local – work on energy efficiency benefits the local economy

Plant Washington

- 3,750 years of direct employment during construction
- Construction over a 5 year period and relatively few permanent jobs
- Job benefits will be geographically concentrated
- Little sustained indirect and induced economic activity in the region



Do Coal Plants Really Deliver the Jobs ?

A Case Study of the Job Creation Impact of Completed Coal-Fired
Power Plants between 2005 and 2009



Methodology

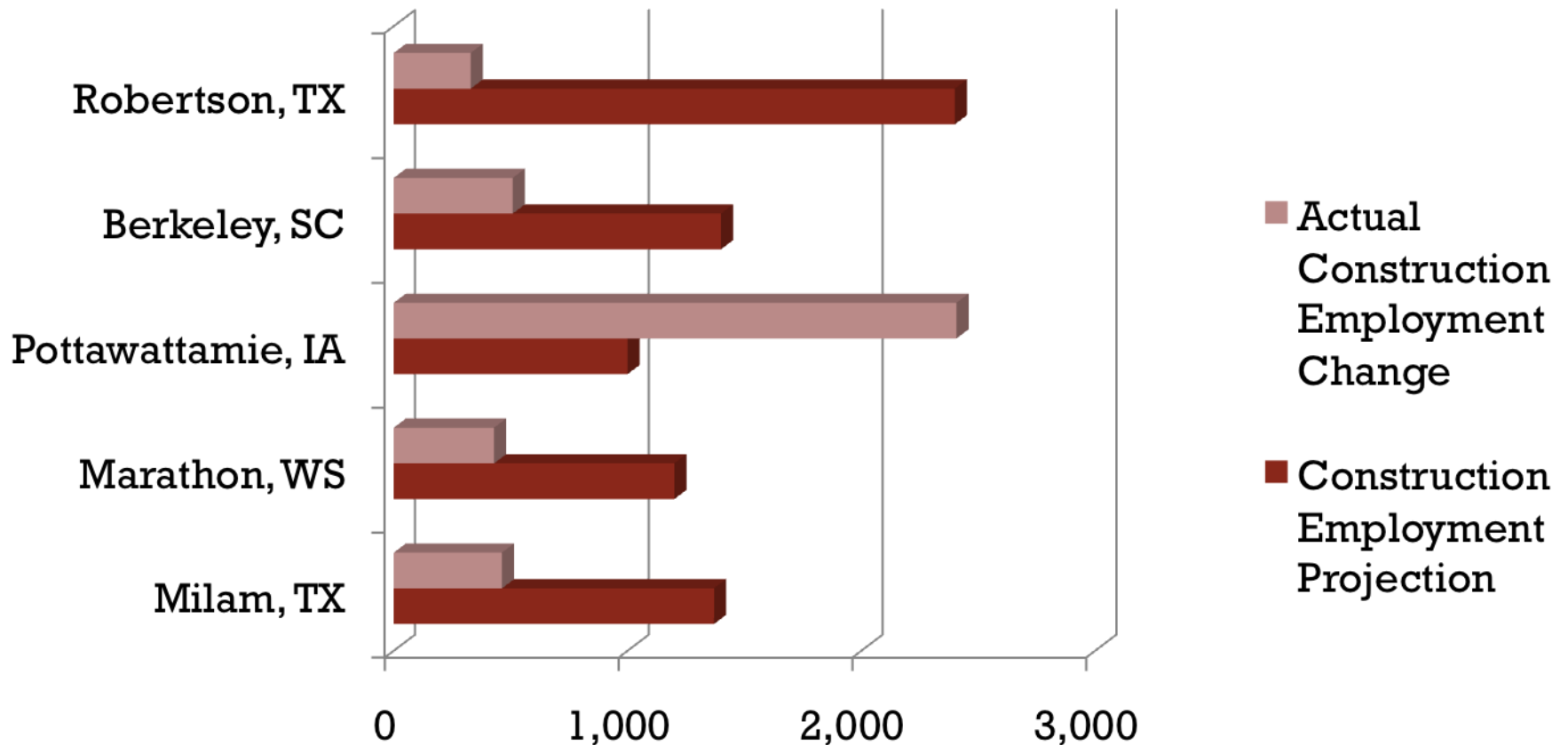
- Identified six plants, all over 500 MW, and examine economic indicators to measure job growth.

PLANT	COUNTY	STATE	PLANT SIZE
Sandow 5	Milam	Texas	581 MW
Nebraska City 2	Otoe	Nebraska	682 MW
Weston 4	Marathon	Wisconsin	525 MW
Walter Scott 3&4	Pottawattamie	Iowa	790 MW
Cross 3&4	Berkeley	South Carolina	600 MW
Oak Grove 1&2	Robertson	Texas	817 MW

+ Coal Jobs Case Study



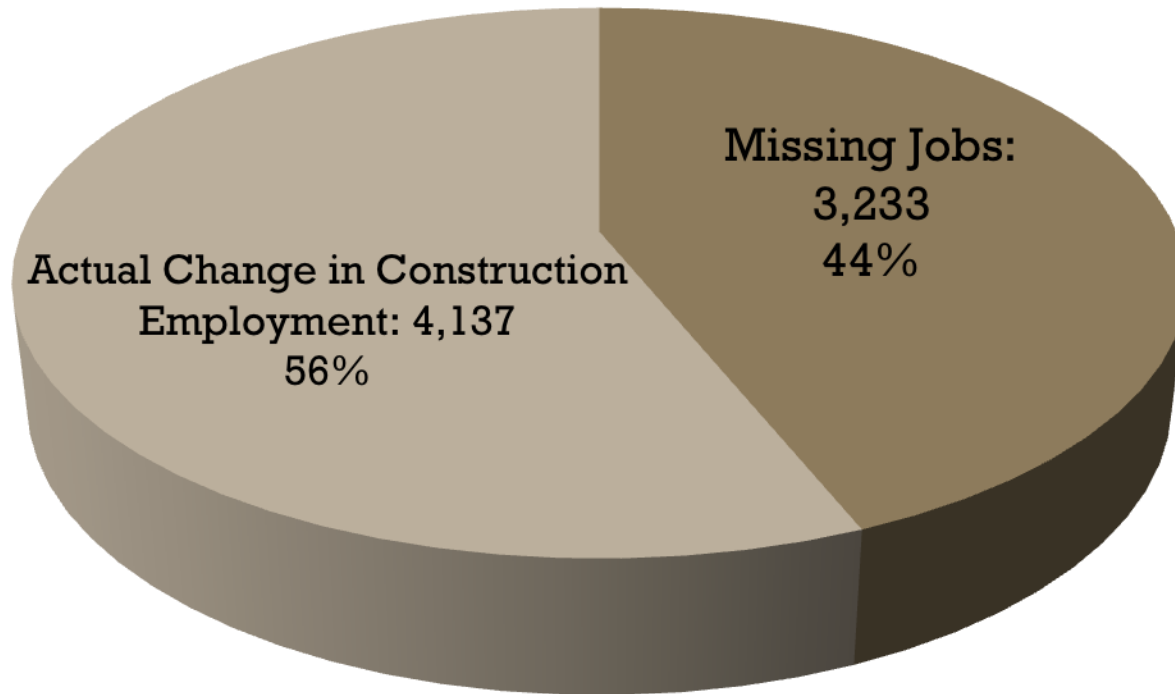
Comparison of Construction Job Projections to Actual Job Growth



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Total Projected Jobs: 7,370



+ Coal Jobs Case Study

- Overall employment grew in all six counties, but the growth failed to meet plant projections.
- Only one county experienced job increase equal to or greater than projections
- 4 cases, coal plant construction only 27 percent of what was promised
 - 1,730 jobs not projected increase of 6,370 jobs
- Local job retention rates in all 6 counties declined during construction
 - suggests that many new jobs went to workers from outside the county



What happened to these jobs?



- Why job creation targets were not met:
 - The plant was less labor intensive than planned
 - Construction occurred away from the host county
 - Workers were not reported.
- In one of the cases in the study, developers were accused of employing undocumented workers.

+ Conclusion

Our analysis suggests that new coal plant construction is rarely the economic panacea proclaimed by proponents.



+ Questions?



the **Ochs Center** for metropolitan studies

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