

# The American Recovery and Reinvestment Act of 2009 and Clean Energy Jobs

April 15, 2009

# Agenda

- Green jobs
- Summary of Recovery Act energy provisions
- Recovery Act implementation
- Impacts

# Green Jobs

- Variable definitions and methods to calculate green jobs.
  - Jobs per megawatt
  - Jobs per dollar spent
  - I/O models vs. back of the envelope calculations
- The Recovery Act aims to create or save 2.5 million *net* jobs by the end of 2010.
  - Provides significant appropriations for government programs, and
  - Multi-year tax-based incentives.
- Jobs analysis link to workforce development needs.

# Select Recovery Act Clean Energy Appropriations

Federal Departments / Agencies with Select Offices / Programs Listed in Bullets	Funding for Office / Program (in billions)	Funding for Department / Agency (in billions)
<i>Department of Energy</i>		\$39.2
• EERE	\$16.8	
• Office of Chief Financial Officer – Loan Guarantee	\$6.0	
• Power Marketing Administrations (BPA and WAPA)	\$6.5	
• Office of Fossil Energy	\$3.4	
• Office of Science	\$2.0	
<i>General Services Administration</i>		\$4.8
• Federal Buildings Fund (this portion targeted for buildings upgrades)	\$4.5	
<i>Environmental Protection Agency</i>		\$0.3
• Clean Water Revolving Funds (this portion targets energy efficiency and green infrastructure)	\$1.2	
• Diesel Emissions Reduction Program	\$0.3	
<i>Department of Labor</i>		\$0.5
• Training and Employment Services	\$0.5	
• Office of Job Corps Centers	\$0.04	
<i>Department of Defense</i>		\$4.0*
• Facilities Sustainment, Restoration, and Modernization	\$3.7*	
• Energy Efficiency Technology Demonstrations and Research (includes renewable energy technologies)	\$0.3	
<i>Department of Transportation</i>		\$0.1
<i>Department of Housing and Urban Development</i>		\$1.5*
• Public Housing Capital Fund (funding may include energy conservation retrofits).	\$1.0*	
• Native American Housing Block Grants and Assisted Housing Stability Green Investments (funding may include investments in energy efficiency and conservation).	\$0.5*	
<i>Department of Veterans Affairs</i>		\$1.0*
<i>Department of the Interior</i>		\$0.9*
• BLM, NPS, and U.S. Fish and Wildlife construction funding (may include EE buildings retrofits).	\$0.9*	
<i>Department of Education</i>		\$8.8*
• State Fiscal Stabilization Fund – State Allocations	\$8.8*	
<b>TOTAL</b>		<b>\$45.2 – \$61.1*</b>

\* Direct funding for clean energy projects from these distributions is non-specific and listed as one option of several spending priorities. Thus, clean energy investments will result in less than these totals.

# Select Project-Finance-Related Provisions

- Extends the PTC in-service deadline
- Provides option to elect the ITC in lieu of the PTC
- Provides option to elect a cash grant in lieu of the ITC
- Removes ITC subsidized energy financing penalty
- Extends 50% bonus depreciation
- Extends loss carryback period
- Removes ITC dollar caps
- Expands Loan Guarantee Program
- Adds funding for Clean Renewable Energy Bonds

# Recovery Act Updates

- Focus on implementation and management of funds
  - Staffing-up
  - Transparency
  - Speed
- DOE's Loan Guarantee Program
  - Solyndra received an LG offer of \$535 million, announced March 20, 2009.
- Treasury's cash grants in lieu of tax credits
  - Guidelines to be issued in June 2009
  - Applications scheduled to become available by July 2009
  - Comments or Questions: [1603Questions@do.treas.gov](mailto:1603Questions@do.treas.gov)
- DOE's near-term focus on weatherization and energy efficiency
- Other proposed legislation:
  - Federal renewable portfolio standard and related energy efficiency standard.
  - Federal authority for smart grid and transmission advances.
  - Carbon regulation.

# New Wind Jobs in 2009-2010:



- The Apollo Alliance estimates that a federal investment of about \$13 billion in renewable energy would create 156,000 direct jobs in systems installation and component manufacturing.
- Job numbers will be impacted by implementation of the Recovery Act, global economic conditions, and additional state and federal policy.
- The Recovery Act provides an important start to wider deployment of commercial and newly developed technologies.

# Additional Information

- **ARRA Clearinghouse:** <http://www.recovery.gov>
- **Department of Treasury:** <http://www.ustreas.gov/recovery/>
- **Department of Energy:** <http://www.doe.gov/recovery>
- **Department of Labor:** <http://www.dol.gov/recovery/>
- **National Conference of State Legislatures:** <http://www.ncsl.org/standcomm/sclaborecon/LaborEconDevelopARRA.htm>
- **LBNL / NREL report, “PTC, ITC, or Cash Grant? An Analysis of the Choice Facing Renewable Power Projects in the U.S.” March 2009.**  
<http://www.nrel.gov/docs/fy09osti/45359.pdf>