BOB DOPPELT: Energy challenges may bring ‘green’ growth to Oregon

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The catastrophic oil spill in the Gulf of Mexico has spurred President Obama to demand congressional action to reduce our dependence on oil and protect the climate through increased production of renewable clean energy. The president says this will create thousands of “green jobs.”

This sounds like a great idea. But what exactly are green jobs? Can they actually play a major role in reviving the economy?

Last year the Oregon Department of Employment defined green jobs as those that “provide a service or produce a product” in five areas: increasing energy efficiency; producing renewable energy; preventing, reducing or mitigating environmental degradation; cleaning up and restoring the natural environment; and providing education, consulting, policy promotion, accreditation, trading and offsets, and services supporting the other categories.”

That’s a mouthful. For simplicity purposes let’s just say green jobs are employment in the ‘clean energy economy.’

Using 2007 Census Bureau data, a recent study by the Department of Commerce found that the number of green jobs in the United States ranged from about 1.8 million to 2.4 million. Green manufacturing jobs totaled between 200,000 and 240,000, and green service jobs totaled 1.4 million to 1.8 million. Energy and resource conservation and pollution control dominated the field.

The ODE said Oregon had more than 50,000 green jobs in 2008. That accounted for 3 percent of the state’s private, state and local government employment. ODE found that green jobs existed in almost every sector of the economy.

ODE also found that green jobs tend to pay slightly higher wages than other jobs in the state’s economy. Although wages vary significantly depending on the occupation, the average in 2008 was $22.61 per hour. Two-thirds of the jobs paid more than $15 an hour.

The recession, however, caused investments in the clean energy economy to fall nationwide. Oregon has not been immune.
Despite tough times, green jobs seem poised to expand in Oregon. The solar energy business is one of the sectors expected to benefit.

“It’s not a boom, but strong steady growth occurring,” said Eric Westerholm of the Northwest Energy Education Institute at Lane Community College. He administers the renewable energy apprenticeship-training program for the state of Oregon.

“Companies are positioning themselves for inevitable growth in the field,” he said.

Last year started badly for Advanced Energy Systems of Eugene. But it ended well. In the final three months of 2009 people began to “see a brightening of the economy” according to owner David Parker, and decided to install solar systems to take advantage of tax credits. The firm ended last year in about the same position as it did in 2008.

“We are off to a great start in 2010,” said Parker, whose eight-year-old solar photovoltaic installation company employs 31 people. “We anticipate doubling employment by the end of the year and to be somewhere close to 100 by 2011.”

One of the reasons for optimism is the $787 billion in the 2009 federal stimulus bill earmarked for green job creation.

Federal tax credits for renewable energy installations, along with Oregon’s business energy tax credit, a new “feed-in-tariff” system, and renewable portfolio standards for utilities are also expected to spur the growth of green jobs statewide.

Despite the fact that good-paying jobs can be created, it would be a mistake to claim that green jobs alone can revive the economy. They can’t offset the number of jobs lost when the economy collapsed because many of those jobs depended on an unsustainable financial bubble. And they won’t necessarily increase the nation’s overall bottom-line.

One of the reasons for optimism is that much of the current growth of green jobs is driven by federal and state incentives. These subsidies seem essential to complete with fossil fuels that for decades have received millions in subsidies, but with a huge federal deficit looming and state government budgets in tatters their future is uncertain.

It’s also probable that as the field grows many green jobs will merely replace existing jobs, thus maintaining but not increasing overall employment. Shops that once repaired gas powered autos, for instance, might in the future fix hybrid or all-electric vehicles.

That doesn’t mean new jobs won’t be created. For example, James Reismiller, owner of Abundant Solar in Corvallis, recently told me that he sees a day when “the inclusion of solar systems in a project will become just like any other trade in the construction industry equivalent to plumbers, electrical contractors and roofers.” Firms will, as standard procedure, add green practices, products and services or risk becoming uncompetitive.

So the president is likely correct — addressing our climate and energy challenges will create thousands of much needed green jobs. This is reason enough to make them a top priority. As an added benefit, expanding green jobs will reduce society’s impact on the environment and slash the carbon emissions that are destabilizing the Earth’s climate.

Win-win opportunities like this don’t come around that often.