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Thank you, Senator Kaminsky and members of the New York State Senate’s Environmental Conservation Committee, for the opportunity to testify in support of the Climate and Community Protection Act (CCPA). My name is Lew Daly and I am a Senior Policy Analyst focusing on just and equitable climate policy at Dēmos, a public policy organization based in New York City. Dēmos advocates for economic justice, racial equity, and democratic empowerment, and it is in light of these values that I am testifying on behalf of my organization in support of the CCPA.

New York State’s Climate and Community Protection Act is a bold and necessary climate action policy for the people of New York. If it becomes law, it will establish the strongest mandate for greenhouse gas emissions reductions in the country, requiring a 50-percent reduction by 2030 and setting a timeline for achieving 100-percent renewable energy economy-wide by 2050. The current tidal wave of federal attacks on environmental regulation and climate change policy only magnifies the importance of passing this groundbreaking legislation.

Just as important, renewable energy goals under the CCPA are aligned with employment and equity goals for New York State residents, which Dēmos strongly supports:

- Forty percent of public revenue allocated for achieving CCPA renewable energy targets is earmarked for investment in environmentally-vulnerable low-income communities, to ensure that the renewable energy transition is also a source of inclusive economic development for the New York State communities most affected by fossil-fuel pollution and climate change impacts. In addition, if a market-based mechanism, such as emissions pricing, is adopted by the state, the Act requires that 40 percent of the revenue generated must be allocated for clean energy investments in low-income communities.
- Public investment and subsidization under the CCPA comes attached with high-road employment and contracting standards, as well as apprenticeship opportunities, to ensure that the renewable energy transition is economically beneficial for the thousands of workers who will carry it out.

Despite the urgent need for rapid greenhouse gas reductions and a comprehensive clean energy transition—as underscored sharply in the most recent report of the Intergovernmental Panel on Climate Change—it is important to consider the potential economic effects of these changes. The fossil-fuel industry and its advocacy allies are spending tens of millions of dollars annually to exploit economic concerns, not least by disseminating false information about the reality and causes of climate change as well as the economics of climate change and a renewable energy transition. A familiar refrain in this reckless misinformation campaign is that climate policy is just another form of “liberal job-killing regulation.” But nothing could be further from the truth.

Ignoring climate change is the real job-killer in today’s economy, and this is very much the case in New York State. With its minimal fossil fuel employment footprint, New York is well-positioned to reap employment gains and other economic benefits from the energy transition promoted by the CCPA.

A combination of energy efficiency, renewable energy, and clean transportation investments, if fully scaled to achieve the CCPA’s renewable energy targets, promises significant employment and income gains for New Yorkers. Researchers at the Political Economy Research Institute (PERI) at the University of Massachusetts Amherst estimate that investing roughly \$30 billion annually over a decade, less than 1.8 percent of annual state GDP on average over the decade, is needed to put New York State on a pathway to 100-percent renewable energy by 2050. **PERI estimates that such investment will support 160,000 direct and indirect jobs initially and an average of about 150,000 jobs in each year over the first decade, or the equivalent of roughly 1.5 million years of employment for New Yorkers over the decade.** If you also count induced jobs—jobs created by the purchasing power of new clean energy workers—the **total employment effect statewide is to create and support approximately 220,000 jobs initially and an average of 212,000 jobs in each year over a decade, for a total of 2.1 million years of employment over the decade.**

Job creation, it should be underscored, generates income in communities. In the main sectors for emissions-reducing investment—renewable energy and energy efficiency—employment is well-paying, with average compensation of roughly \$70,000 for workers without a 4-year college degree. The CCPA’s robust labor standards will further help to ensure that CCPA investments create high-quality jobs for New Yorkers, the jobs that our workforce deserves.

By creating and supporting 150,000 good-paying jobs, CCPA investments over a decade can be projected to generate more than \$11 billion in income for workers employed in the direct and indirect jobs of New York State’s renewable energy transformation. If induced jobs are also counted, **total income from direct clean energy jobs and related indirect and induced employment can be projected to total nearly \$13.8 billion per year and \$138 billion cumulatively over a decade.**

Workers without a 4-year college degree hold approximately 55 percent of jobs in the renewable-energy and energy-efficiency sectors. **Thus, a majority of new employment generated by CCPA investments will benefit working-class residents as defined by education level.** Women and people of color, however, are not proportionately employed in clean energy sectors—26 percent and 33 percent, respectively; thus, if CCPA implementation establishes strong standards for diversifying employment in programs and projects pursuant to the policy’s emissions goals, this could have positive effects in closing

harmful employment gaps by race and gender. Further, with 40 percent of public investment under the CCPA earmarked for low-income communities, the CCPA will create a significant number of jobs where they are needed most. Finally, the CCPA's strong labor standards will help to ensure that the workers carrying out New York State's renewable energy transformation and helping to protect our communities from further climate harms will be able to thrive, themselves, in their work and daily lives.

The CCPA's clean energy transition will also generate broader economic benefits, in several dimensions. For example, only about 10.5 percent of New York's primary energy needs are supplied by in-state sources such as hydropower, biofuels, and renewable energy. Almost all of the refined petroleum products used by New York residents are imported from outside of New York State. Out-of-state energy expenditures averaged approximately \$38 billion per year between 2005 and 2015 and totaled nearly \$460 billion over that period.

The New York State Business Council has expressed concerns about "colossal" leakage under the CCPA, meaning that businesses and jobs will leave the state because of higher energy costs. This concern is unfounded, however. Renewable energy costs are declining rapidly and are nearly at parity with fossil fuels costs even without an enforceable renewable energy standard to incentivize further price shifts in energy markets. Furthermore, New Yorkers will reap significant savings from the energy efficiency standards and investments we will need to meet the CCPA's emissions goals, particularly for transportation and residential and commercial buildings. It should also be noted that New York State's economy is among the least dependent on energy-intensive industries, and important service facilities such as hospitals and schools will see little to no cost effect from transitioning to renewable energy because health care and education are labor-intensive, not energy-intensive, sectors.

In fact, if anything, the CCPA is a *solution* for the significant leakage that is already happening under the old energy system. Getting to 100-percent renewable energy means substantial in-sourcing of power production, mainly from on-site renewable sources such as wind and solar. Perhaps even more significant, reducing reliance on imported transportation fuels by establishing stringent fuel efficiency standards and replacing gasoline-powered transportation with electric vehicles will generate substantial savings for New York State drivers. Energy efficiency savings for residents and business owners, too, will be another benefit of CCPA investments, especially for our most energy-burdened households in low-income communities.

The in-sourcing of energy production, combined with energy savings, will not only reduce the state's overall energy bill, it will also generate localized economic activity, supply-chain effects, and the growth of ancillary sectors, promising even more economic activity and growth as we transition to 100 percent renewable energy. For example, energy storage services, already a nearly \$1 billion industry supporting nearly 4,000 jobs across the state, is likely to grow proportionately with renewable-energy expansion. Under New York's existing clean energy goals (which are broadly aligned with the CCPA, but not currently enforceable), a recent estimate from the New York State Energy Research and Development Authority projects an energy storage workforce of as many as 27,000 workers and revenues of as much as \$8.7 billion annually by 2030. Our energy storage workforce alone, in other words, is poised to outgrow our entire fossil workforce, more than twofold, if we invest what is needed to comply with the CCPA's emissions mandates.

In addition, new tax revenue from clean energy jobs and businesses will generate fiscal savings for the state, as will likely reduced public health and social benefit spending due in part to improvements in health associated with cleaner energy. Along with these benefits, the potential for community ownership of distributed renewable energy generation—an aspirational goal of the CCPA—could be a source of asset-building in low-wealth communities. Finally, accounting for the job creation and other economic benefits of CCPA investment does not include the averted costs of climate change impacts if we rapidly and aggressively reduce emissions statewide, regionally, and nationally.

The bottom line is exceptionally clear: New Yorkers will enjoy substantial economic gains under a comprehensive renewable energy transition as proposed in the CCPA. Thus, the self-interested question proffered by opponents of the energy transformation we so clearly need is literally turned on its head: how can we afford *not* to achieve zero GHG emissions economy-wide by investing in a complete and accelerated renewable energy transition? That’s what our elected leaders should be asking themselves—and thankfully many are—if they care about jobs, opportunity, and well-being for the people of New York State.