COLORADO IS NUMBER ONE AMONG NEIGHBORS IN GREEN JOBS CREATION

A new study by Headwaters Economics compares how Colorado, New Mexico, Montana, Utah and Wyoming—five states with vast traditional and clean energy resources—are taking advantage of clean energy opportunities to create green jobs.

At both the national and regional level, Colorado is a green economy leader. Colorado's combined strategy of targeted public policy and strong support for business has made it an internationally competitive center of clean tech innovation. The state's green economy has the most energy-related jobs and attracted the most venture capital in the region. While Colorado has not been immune to the global recession, the green economy has been a bright spot of economic dynamism in challenging times.

Green Jobs by Segment, 2007

Between 1995 and 2007, Colorado's green economy experienced 30 percent job growth, compared to 19 percent in the overall state economy. Colorado's green economy has the most energy-related (both Clean Energy and Energy Efficiency) jobs (both in number and as a percent of total) among the five states. Colorado has also out-competed its neighbors in attracting venture capital in the clean technology sector (close to $800 million, 75 percent of the region's total between 1999 and 2008).

Colorado is poised to hold onto its strong leadership position, as long as the state continues to show strong policy and financial leadership. If the state were to move backwards in its policy and financial commitments in the private and public sector, Colorado could lose its ability to keep creating new jobs in the Clean Energy and Energy Efficiency sectors.

Summary

- Colorado has 1,778 green establishments and 17,008 green jobs.
- Fifty percent of the Rocky Mountain Energy Producers’ 3,567 green enterprises are based in Colorado.
- Colorado received 50 percent of the region’s total clean energy related patents.

For more information, go to: http://www.headwaterseconomics.org/greeneconomy
Why Colorado is in the Lead

Smart and Targeted Public Policy. The state is committed to acquiring 30 percent of its energy from renewable sources by 2020 and to achieving an 11.5 percent decrease in energy consumption by investor-owned utilities by 2020. Colorado’s ability to match these policy goals with creative approaches to implementation and strategic incentive packages means the state offers both carrot and stick incentives that generate green jobs.

Colorado Dominates the Rocky Mountain Energy Producers in Attracting Investment. Colorado won 75 percent of the total $800 million dollars of cleantech venture capital invested in the region between 1999 and 2008 and ranked fifth among all U.S. states from 2006 to 2008. The state claimed 69 percent—$296 million—of the competitive funding for clean technology directed to the five states in the 2009 federal stimulus bill.

In addition to policy support for renewable energy production and energy efficiency, Colorado is making progress in attracting investment because it offers an attractive business environment. As David Hill, Governors Energy Office, Colorado, notes, “You have to have a real market, business environment and well-trained workforce to achieve success and job growth. We have all three in Colorado.”

Excellent Public Research Institutions and Skilled Workforce. This mix allows Colorado to cultivate expertise in engineering, computing, and scientific research, with more than 100,000 employees working in related businesses in 2008. It also creates an appeal for businesses looking for an ideal location.

Abundant Wind, Solar and Geothermal Resources. While the state has been a leader in traditional energy production, it holds vast clean energy resources as well.

HOW COLORADO CAN STAY IN THE LEAD

Strategic Pairings of Incentives with Clear Policy Goals. Progress in clean energy production and energy efficiency depends on a smart mix of incentives and regulations. The renewable industry will thrive in states that provide the best incentives alongside the best access to established markets. Colorado, for example, leads the region and the nation with clean energy and efficiency mandates that are matched by a suite of smart compliance and implementation policies and a wide portfolio of incentives.

Capturing Large-Scale Investment. States that attract the most private investment and federal funds are those that have a complete package of serious policies, incentives, and proven record in developing technological expertise and a skilled workforce.

Cultivating a Well-Resourced Business Environment. Companies on the cutting edge of technological development benefit from skilled workers and access to world class research institutions.

Consistent Leadership. Developers and manufacturers of clean energy and energy efficiency technologies operate in a highly competitive global environment. They need to see consistent leadership in order to commit to a state. The governors of three states—Montana, New Mexico, and Colorado—all have made significant clean energy outreach efforts that have paid off with the successful recruitment of global corporations to each state and established their reputations as leaders, particularly for Colorado and New Mexico, within clean technology sectors.

Linking Resource Availability with Infrastructure Capacity. Rocky Mountain Energy Producers must overcome an inadequate infrastructure; which includes an outdated, overstressed electrical grid as well as federal, state, and local governments that currently lack the capacity and the necessary plans to respond to permits for new construction (for new facilities and transmission lines). Colorado and New Mexico were late (2007) to establish state infrastructure authorities, and Colorado in particular is limited in bonding capacity by the state’s legislative cap on spending increases.