

Economic Impact of the American Clean Energy and Security Act of 2009 (H.R. 2454) on the West Virginia Economy

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American Clean Energy and Security Act (ACESA) of 2009

- “...create clean energy jobs, achieve energy independence, reduce global warming pollution, and transition to a clean energy economy.”
- Title I – Clean Energy
- Title II – Energy Efficiency
- Title III – Cap and Trade Program
- Title IV – Rebates, Refunds, and Tax Credits
- Title V – Agriculture and Forestry Related Offsets

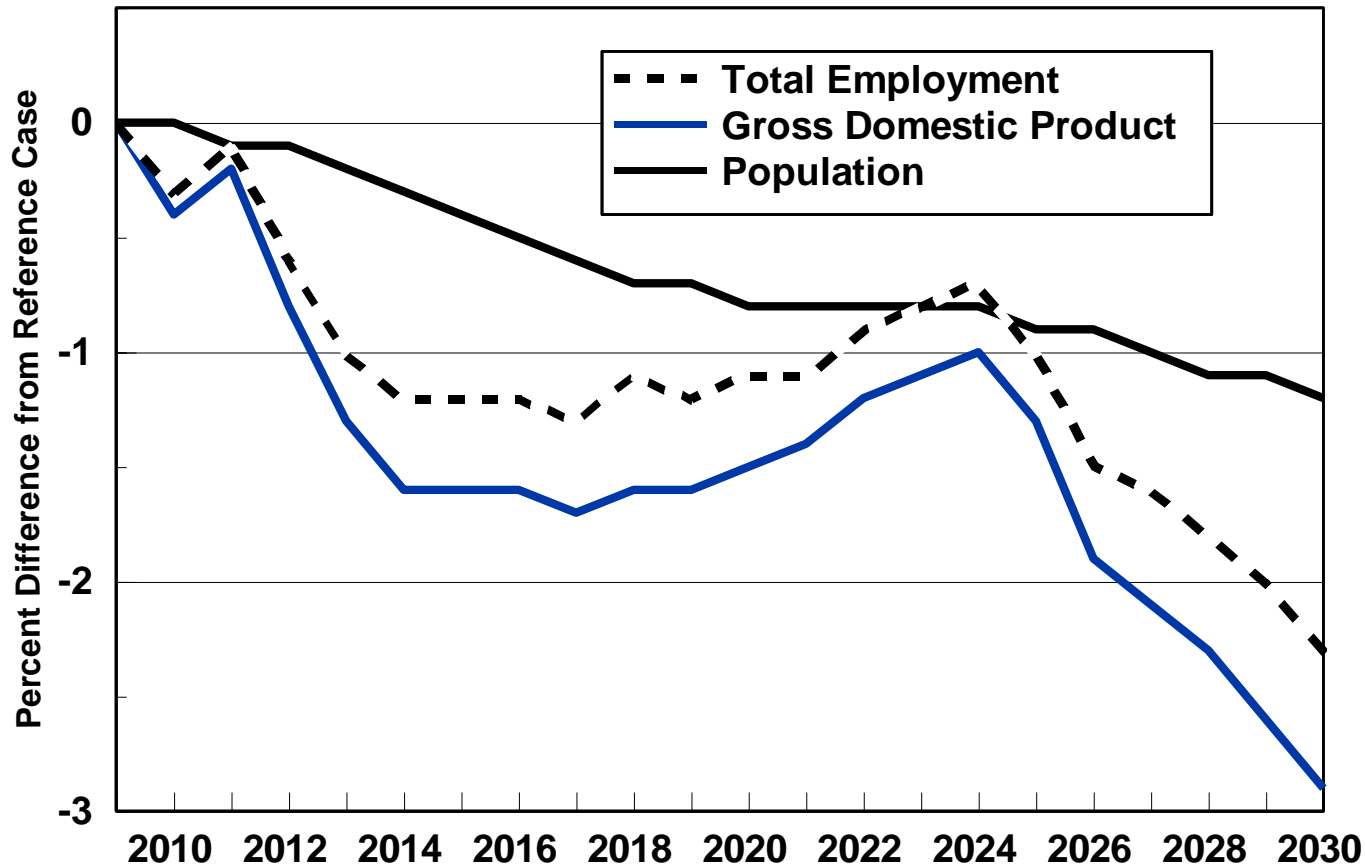
Major Sources of Impacts on the West Virginia Economy

- National Economic Performance
 - Decline in U.S. Real GDP
- Electricity Prices Increase
 - Residential, Commercial, and Industrial
- Coal Production Decreases
 - 28.8% Lower by 2030

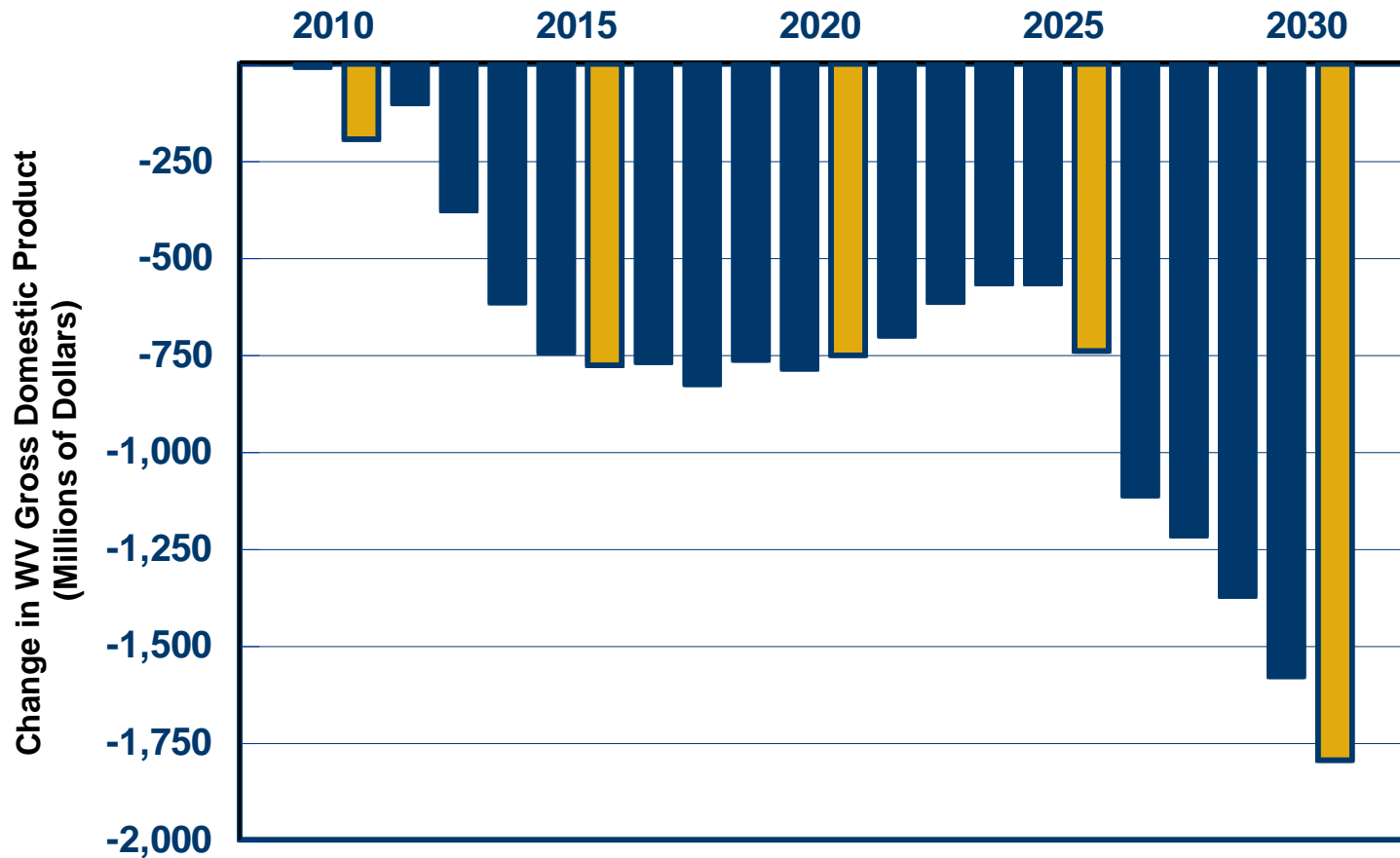
Major Sources of Impacts on the West Virginia Economy

- Government Spending
 - Declines Due to Reduced Coal Production, Coal Prices, and Overall Economic Activity
- Energy Efficiency
- Energy Related Investment Spending

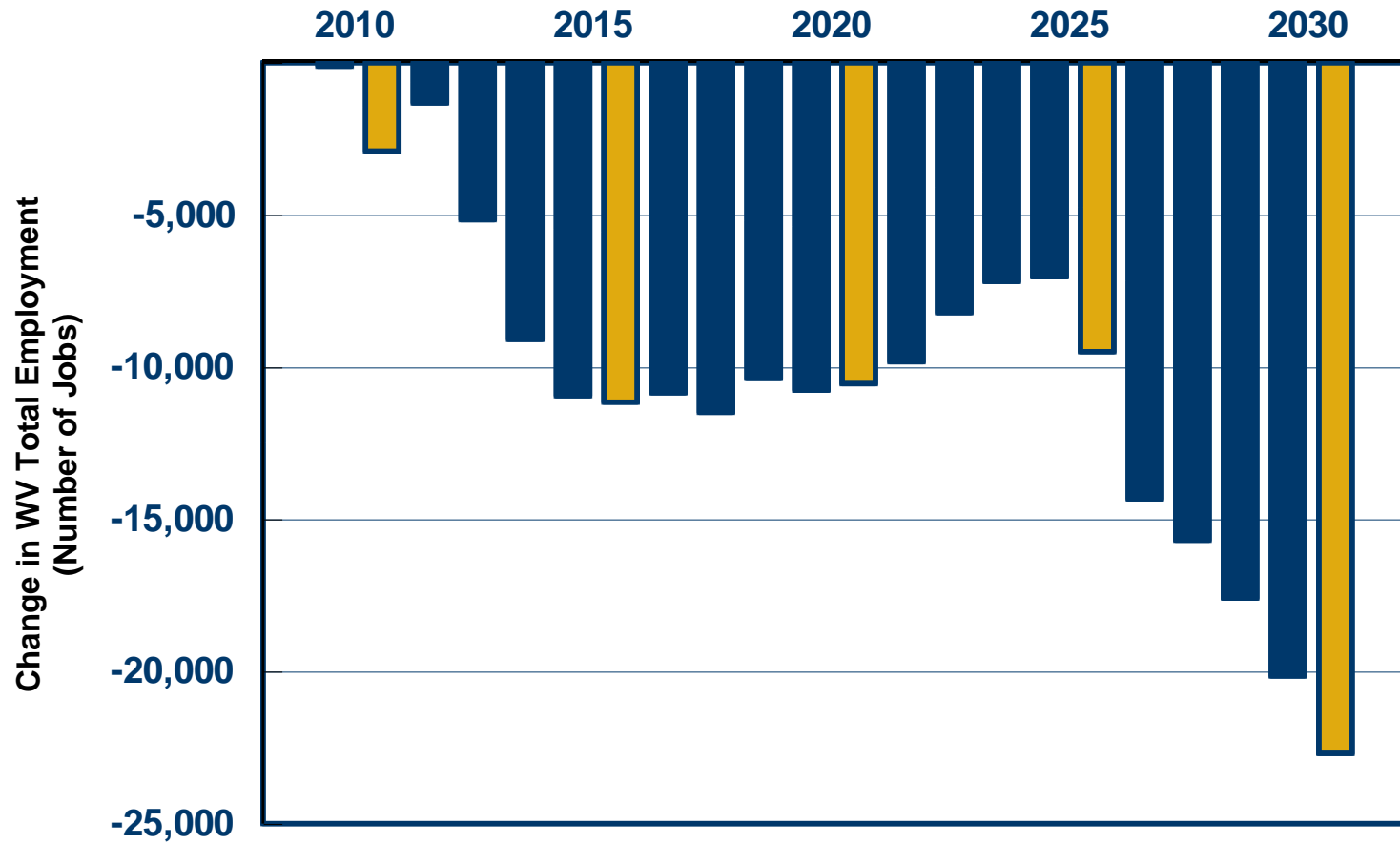
Impact of ACESA on the W.Va. Economy 2009-2030 (Base Scenario)



Change in W.Va. Gross Domestic Product with ACESA Relative to the Reference Case, 2009-2030 (Base Scenario)



Change in W.Va. Total Employment with ACESA Relative to the Reference Case, 2009-2030 (Base Scenario)



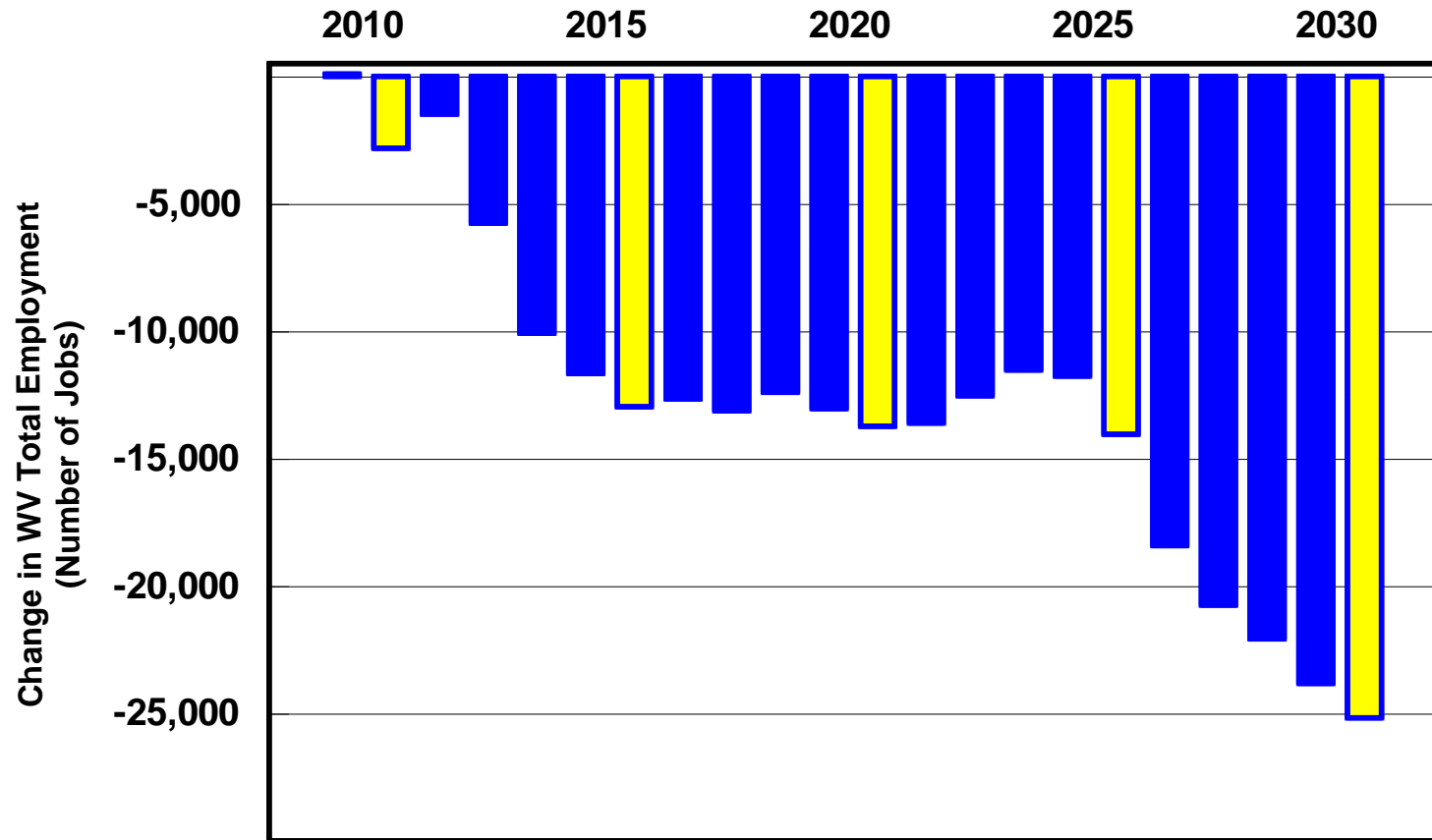
Change in W.Va. Employment by Industry with ACESA Relative to the Reference Case in 2030 (Base Scenario)

Industry Sector	Employment Change	Industry Sector	Employment Change
Forestry and Fishing	-14	Real Estate and Rental and Leasing	-854
Mining	-2,262	Professional and Technical Services	-910
Utilities	-163	Management of Companies	-104
Construction	-1,296	Administrative and Waste Services	-794
Manufacturing	-321	Educational Services	-443
Wholesale Trade	-312	Health Care and Social Assistance	-3,175
Retail Trade	-2,243	Arts, Entertainment, and Recreation	-395
Transportation and Warehousing	-601	Accommodation and Food Services	-1,395
Information	-148	Other Services	-1,230
Finance and Insurance	-317	Government	-5,719

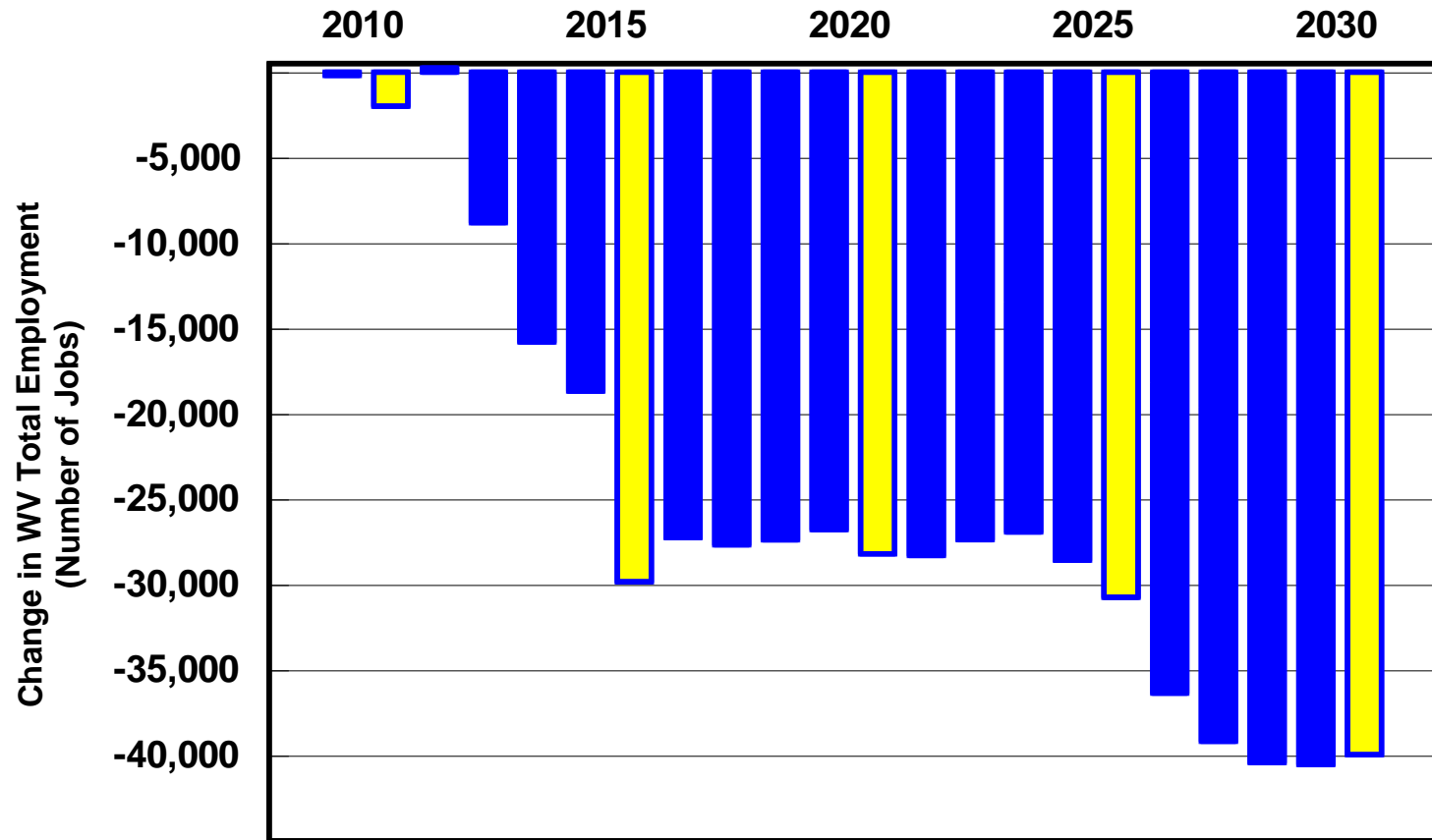
Risks and Alternative Scenarios

- Risks
 - Role of International Offsets
 - Timing, Cost, and Public Acceptance of Alternatives
- Two Alternative Scenarios Examined
 - Average Change in Coal Production from EIA's Alternative Cases
 - Change in Coal Production from EIA's No International/Limited Alternatives Case

Change in W.Va. Total Employment with ACESA Relative to the Reference Case, 2009-2030 (Average of EIA's Alternative Cases)



Change in W.Va. Total Employment with ACESA Relative to the Reference Case, 2009-2030 (No International, Limited Alternatives Case)



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