

# **Electric Generation for the Future: Where the States are Headed**

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# U.S. Federalism

- The powers not delegated to the United States by the Constitution, nor prohibited by it to the States, are reserved to the States respectively, or to the people.
  - Tenth Amendment, United States Constitution
- It is one of the happy incidents of the federal system that a single courageous state may, if its citizens choose, serve as a laboratory; and try novel social and economic experiments without risk to the rest of the country.
  - Justice Louis D. Brandeis dissent in *New State Ice Co. v. Liebmann* (1932)

# Where the States are Headed

- Energy is a front burner issue – generation and infrastructure
- Increasing interest in role of efficiency, renewable energy and other clean technologies -- as part of a portfolio
- Linking efforts to broader economic development and the “green” economy

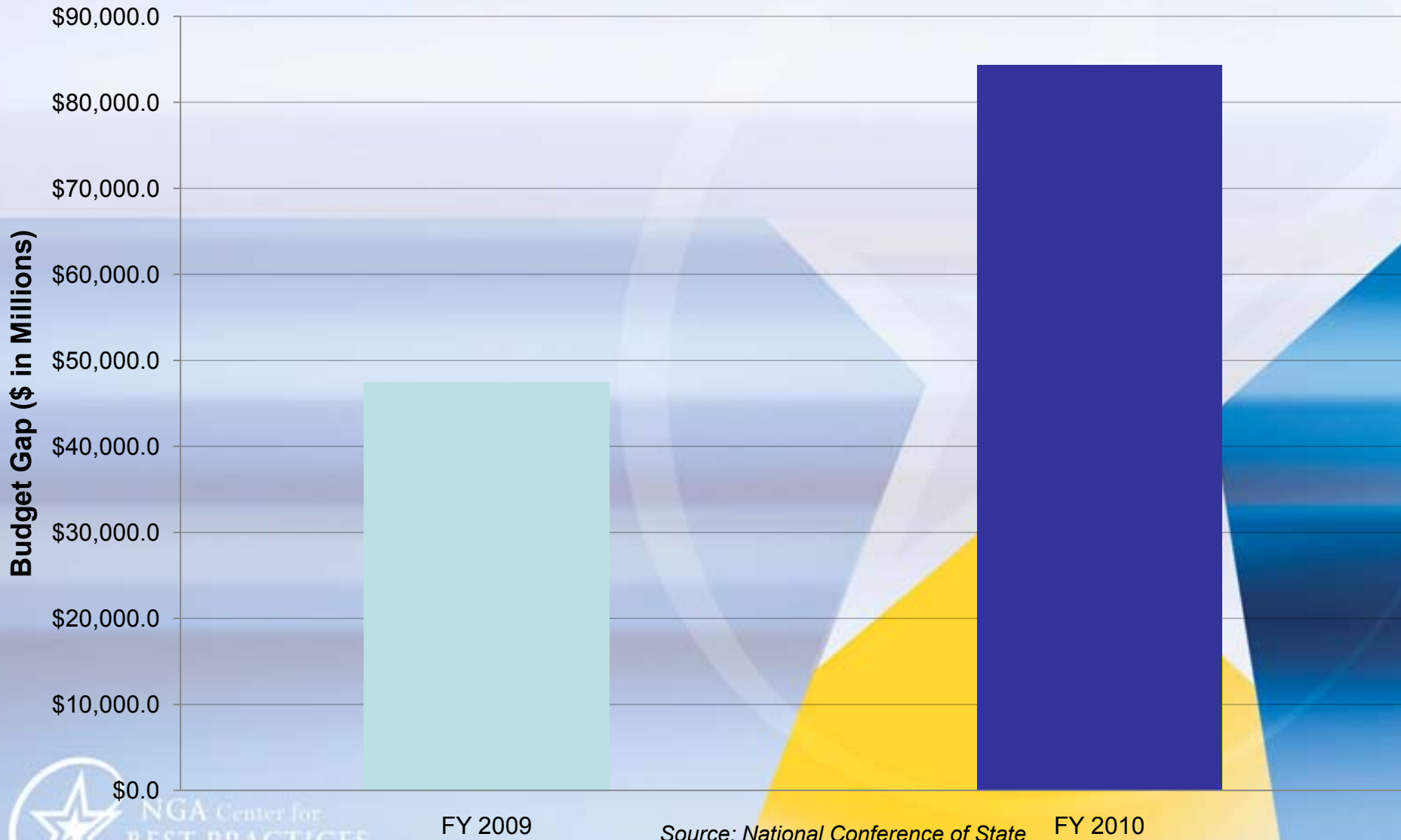
# Drivers

- The economy
- The public
- The environment
- The recovery

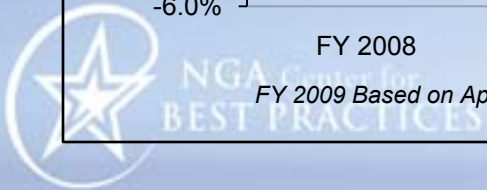
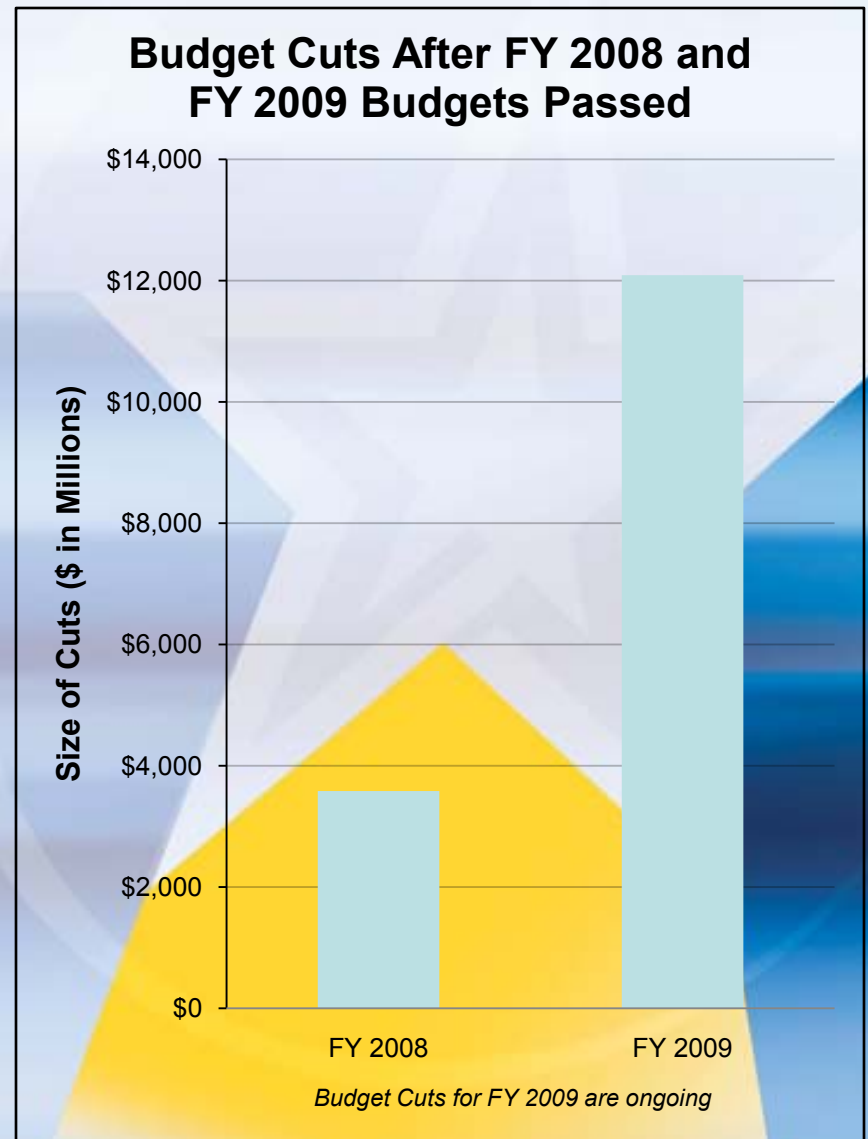
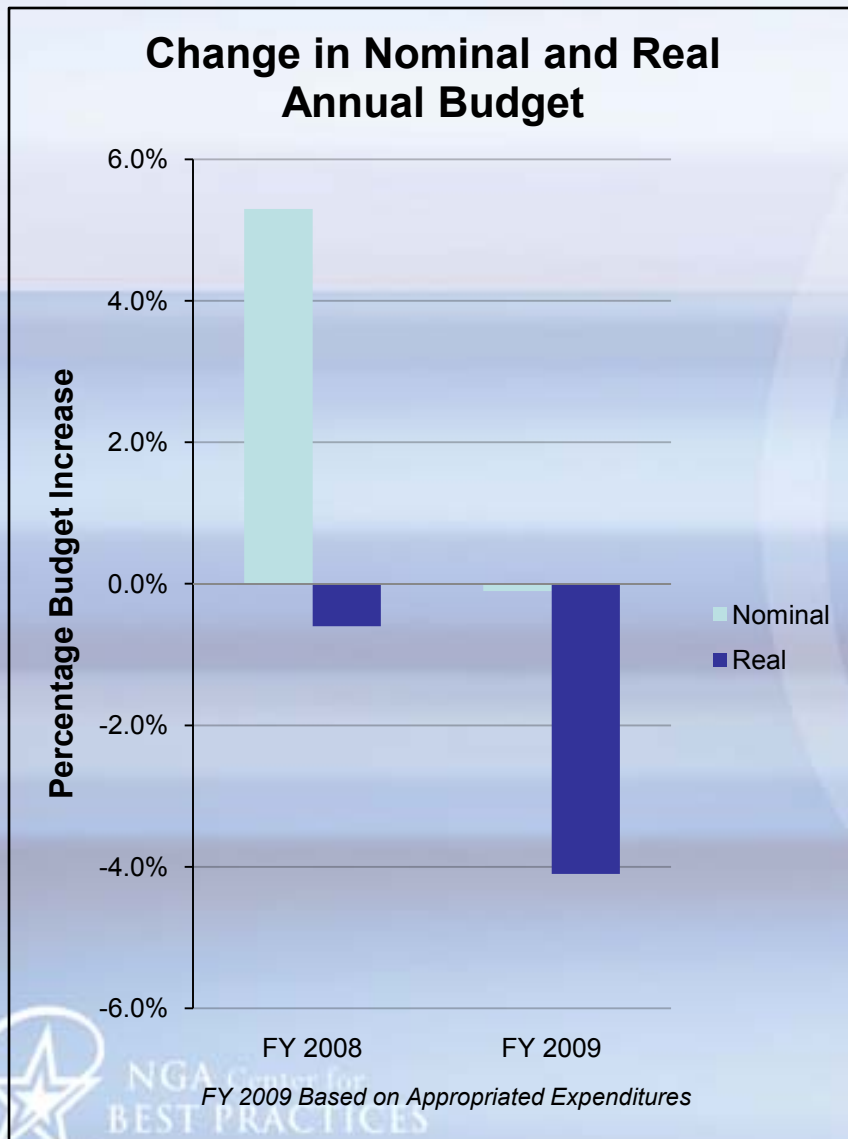
# The Data

- Governors “State of the State” addresses
- Electricity related activities
- Green jobs

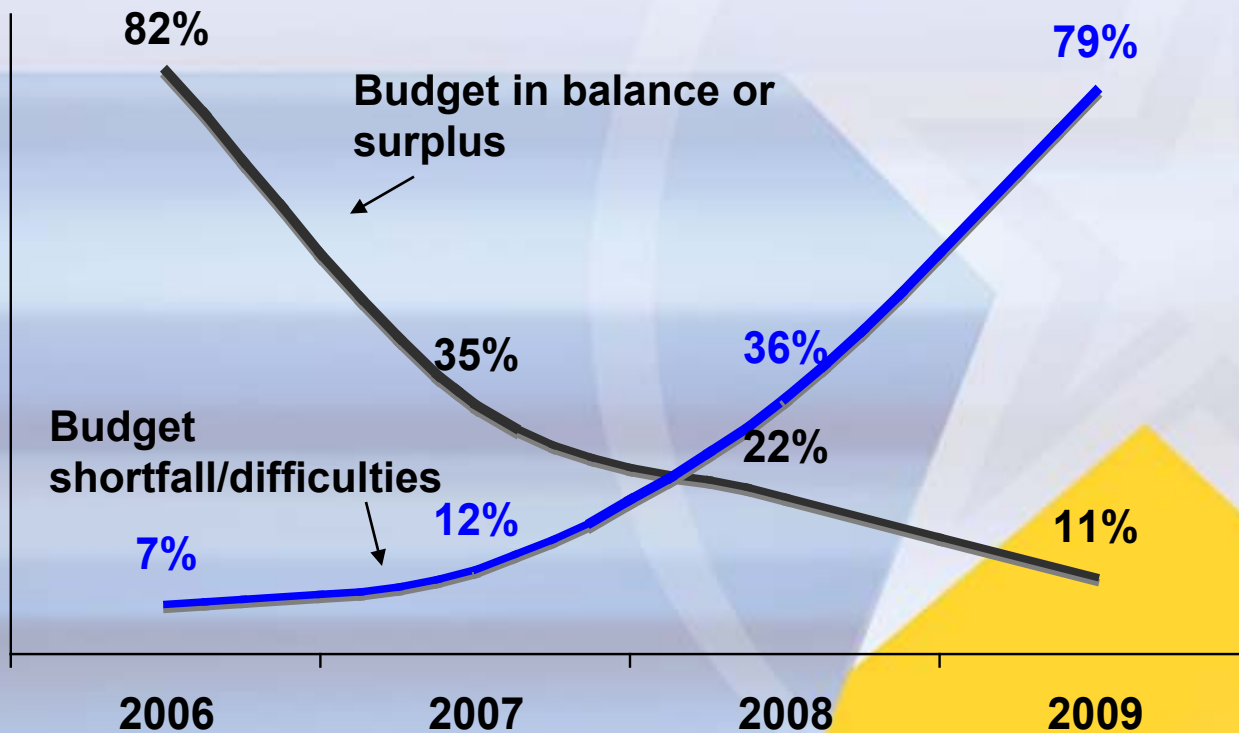
# Annual Budget Gaps



# Decline in State Budgets

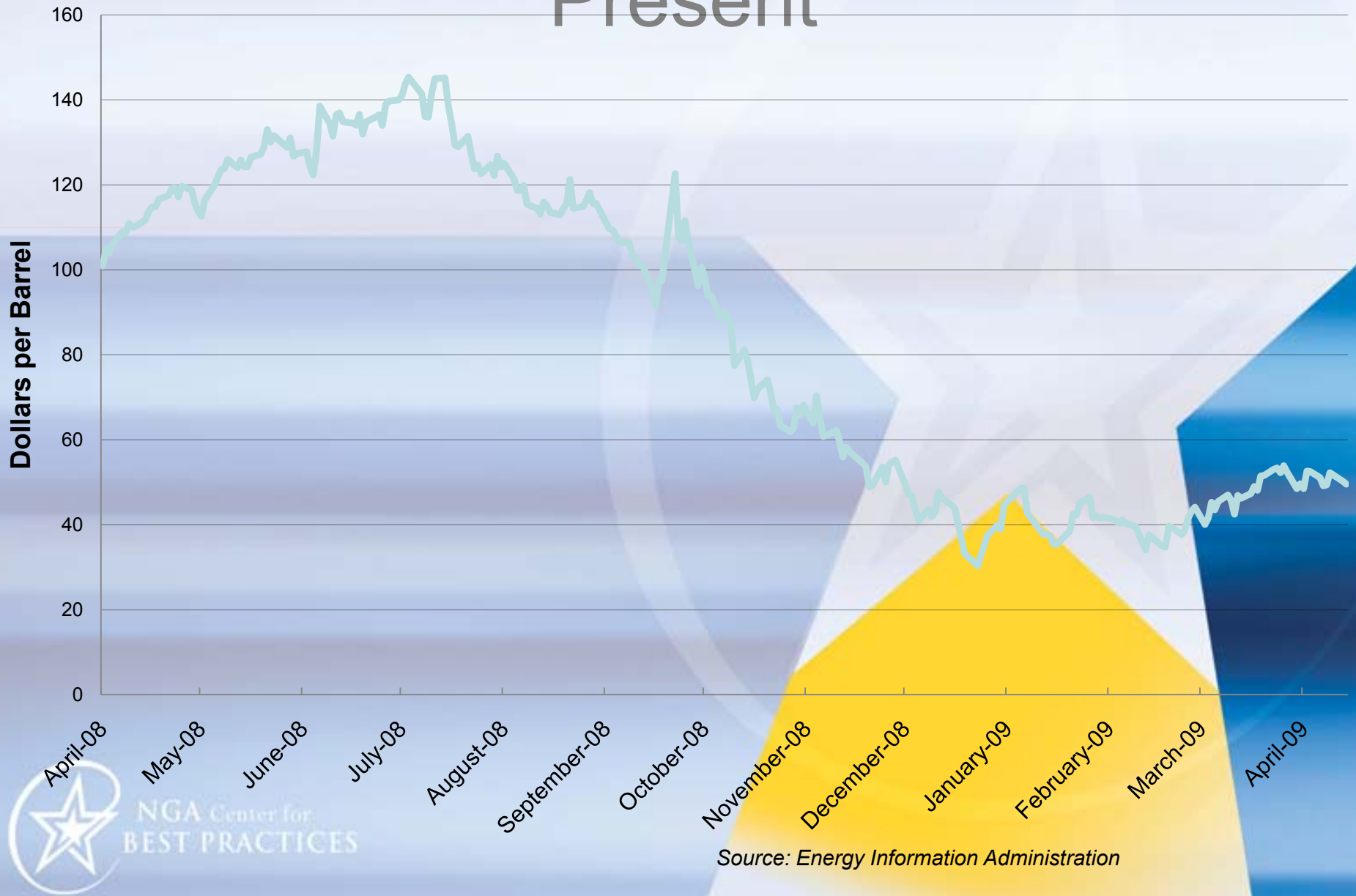


# The percentage of governors describing state budget difficulties increased

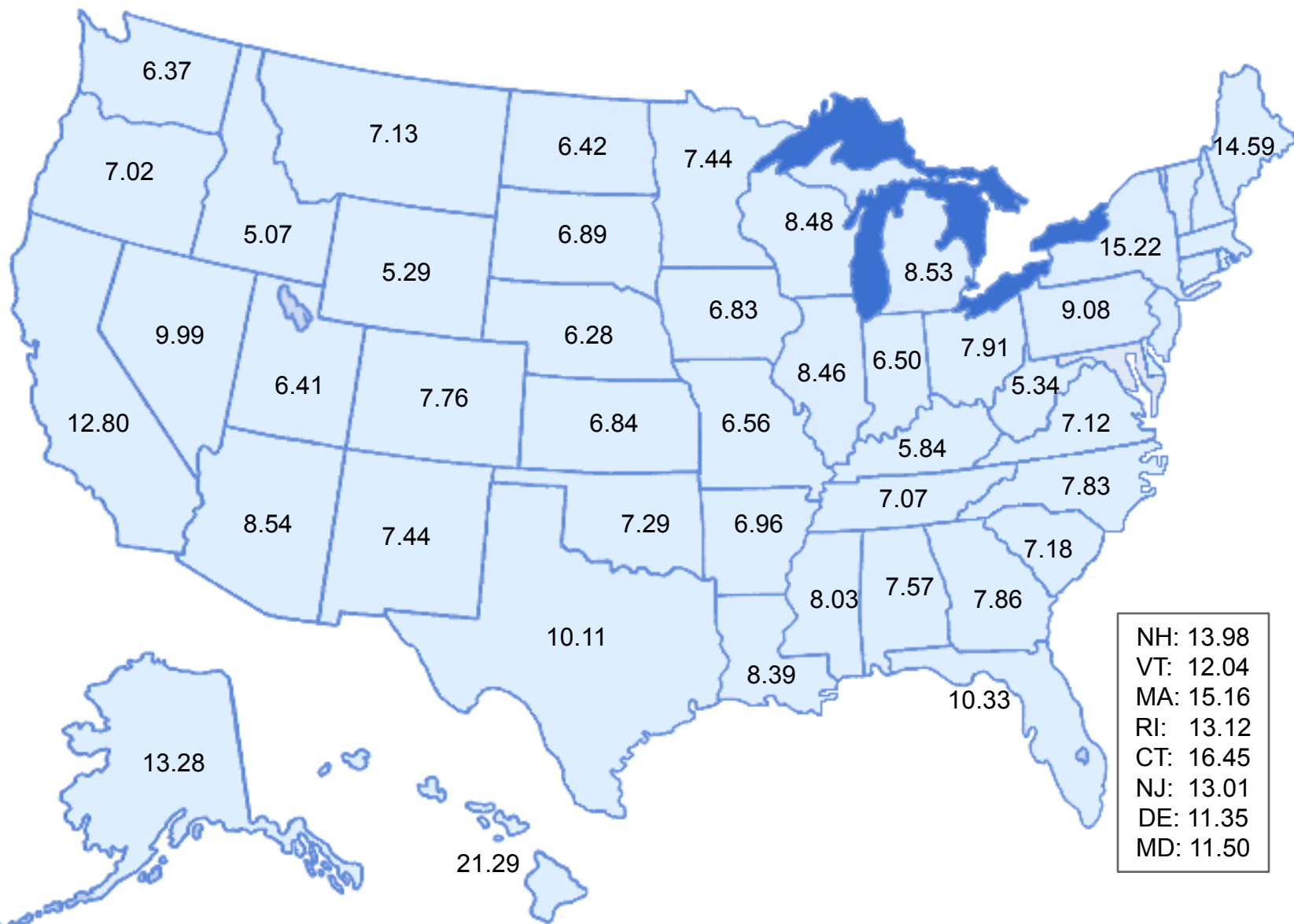




# Crude Oil Prices: April 2008 - Present



# State Electricity Prices: 2007 (cents/kWh)

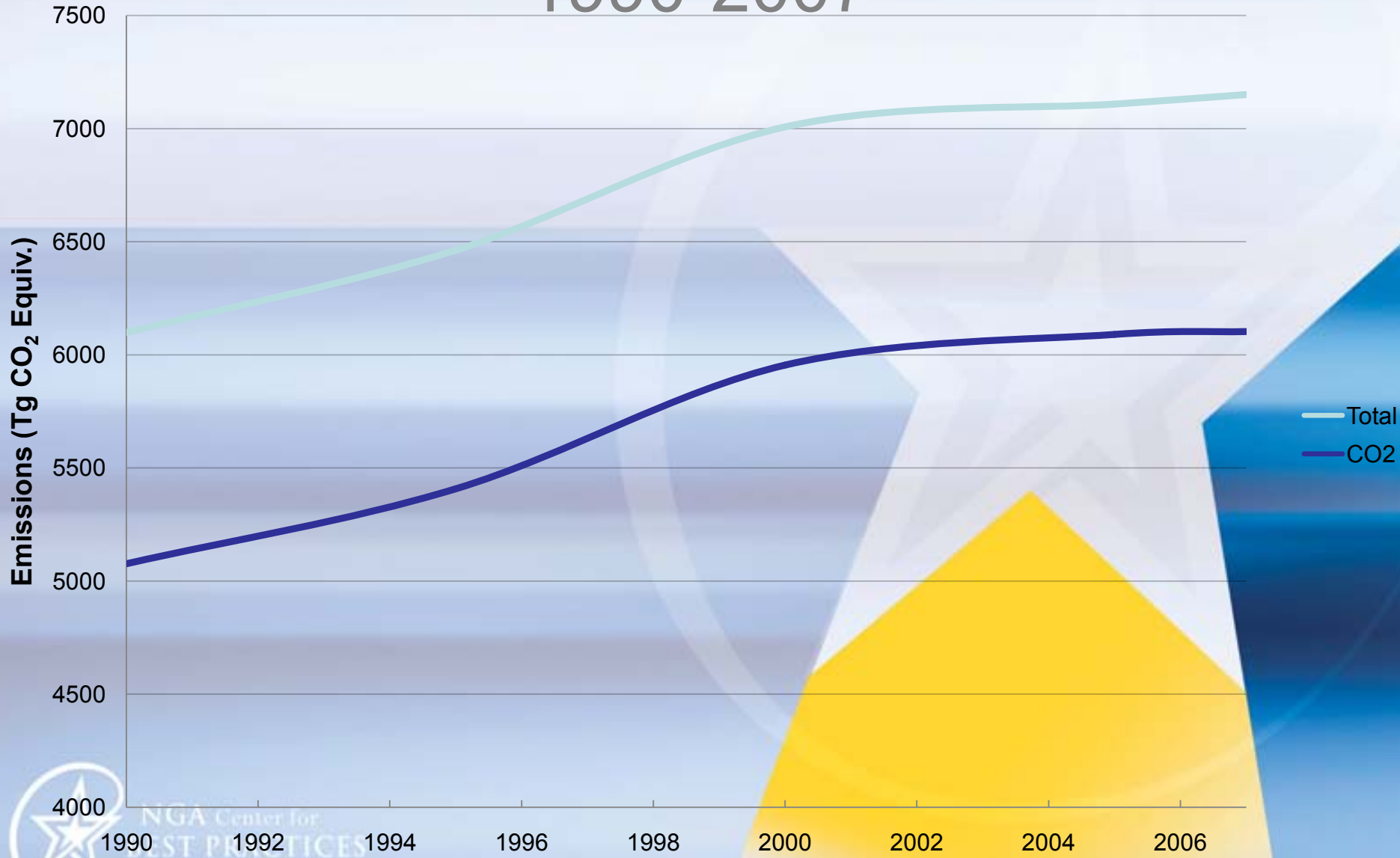


# Energy Facilities & Grid Top America's Infrastructure Priorities

*Poll by Luntz-Malasky Strategic Research*

|   |            |
|---|------------|
| <b>ENERGY FACILITIES</b>                  | <b>41%</b> |
| <b>ROADS AND HIGHWAYS</b>                 | <b>38%</b> |
| <b>CLEAN WATER TREATMENT FACILITIES</b>   | <b>30%</b> |
| <b>THE ELECTRICITY GRID</b>               | <b>22%</b> |
| <b>SCHOOL BUILDINGS</b>                   | <b>18%</b> |
| <b>PUBLIC TRANSPORTATION/MASS TRANSIT</b> | <b>18%</b> |
| <b>BRIDGES</b>                            | <b>15%</b> |
| <b>DAMS AND LEVEES</b>                    | <b>7%</b>  |
| <b>BROADBAND INTERNET EXPANSION</b>       | <b>5%</b>  |
| <b>PASSENGER FREIGHT RAIL</b>             | <b>4%</b>  |
| <b>AIRPORTS</b>                           | <b>3%</b>  |
| <b>BIKE LANE/BIKE PATHS</b>               | <b>1%</b>  |

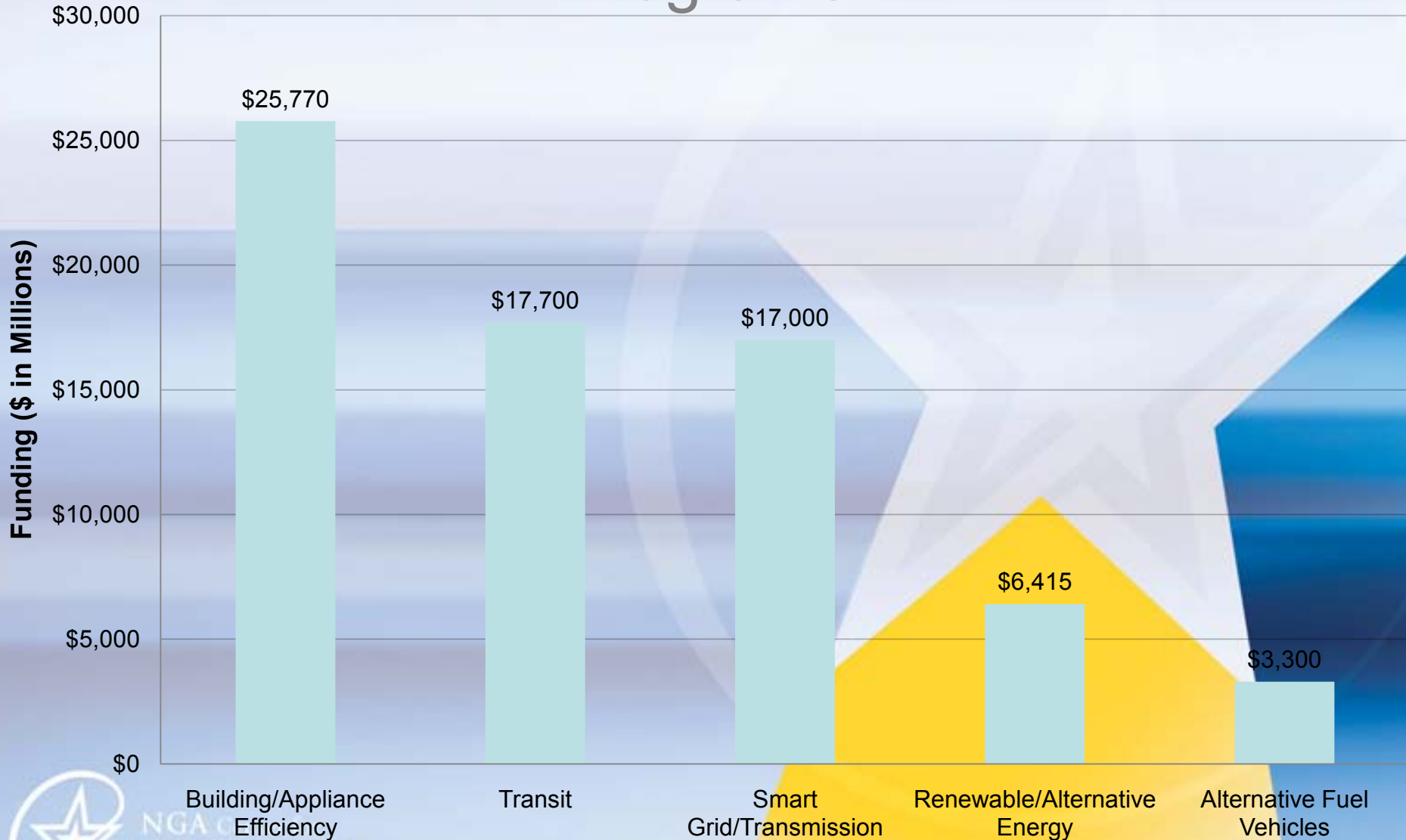
# U.S. Greenhouse Gas Emissions: 1990-2007



NGA Center for  
BEST PRACTICES

Source: Environmental Protection  
Agency

# Federal Stimulus Funding for Energy Programs



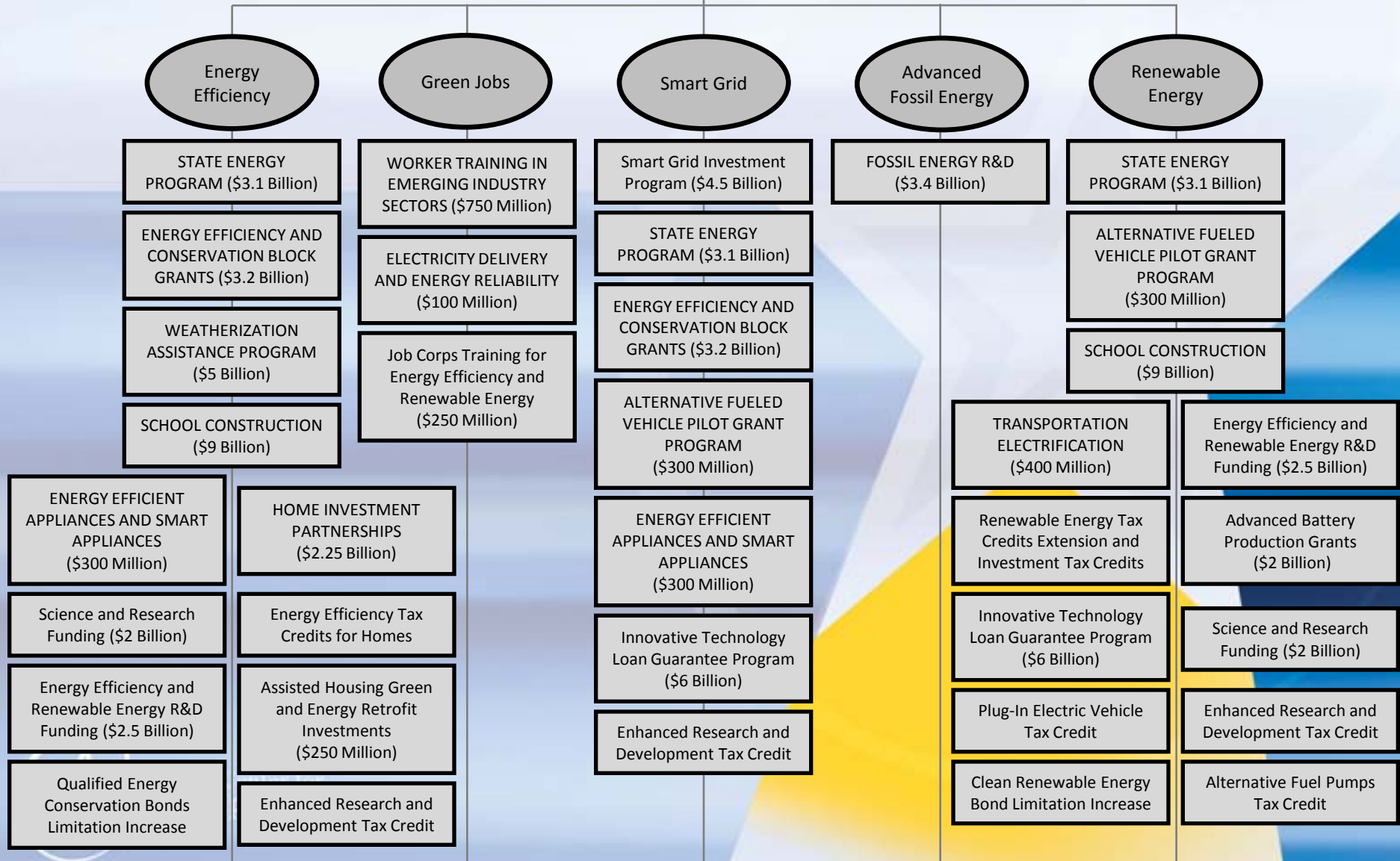
# American Recovery and Reinvestment Act

## Overview of Funding for Alternative Energy, Energy Efficiency, and Green Jobs

### Alternative Energy, Energy Efficiency, and Green Jobs

ALL CAPS denotes that at least a portion of funding will be available to state agencies

Dollars are not additive. Some programs may appear in more than one category.



# Governors' priorities for this year included...

Spurring the **state economy**, including the green economy

91% of governors

Improving **education**, often to create a 21st Century workforce

87%

**Energy development and conservation**, primarily renewable

81%

Improving **health care**, partly to bring down business costs

81%

**Infrastructure development**, often to create jobs

72%

Compiled by: *The Institute for the Study of Knowledge Management in Education*

Represents the percentage of governors discussing proposals in these areas. Total number = 47



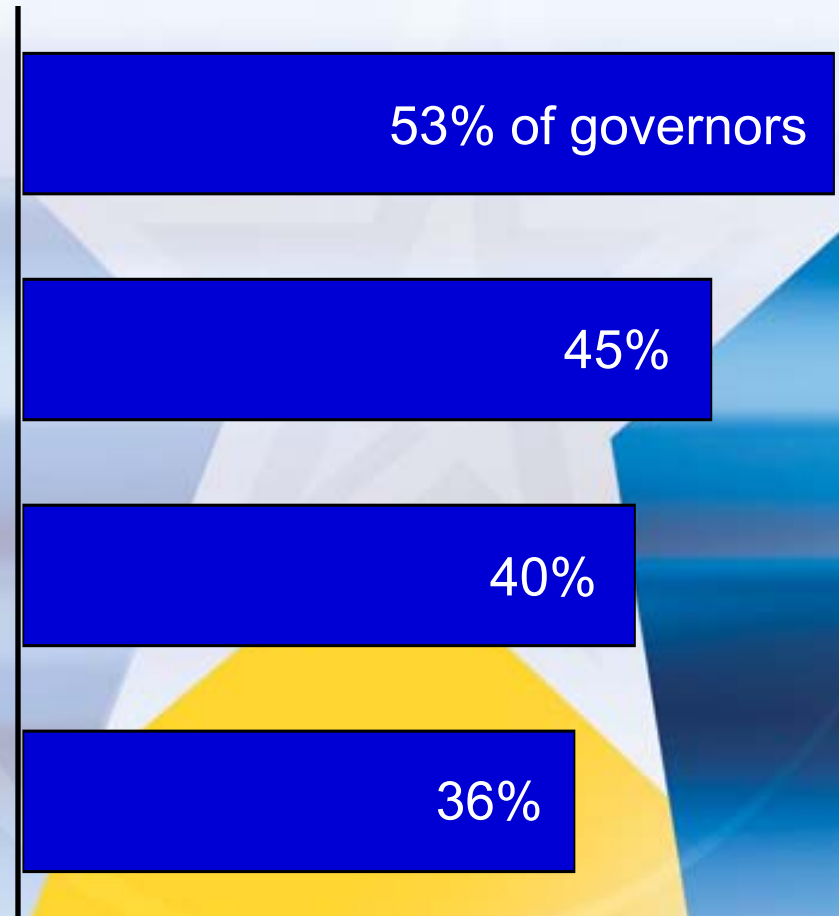
# Governors' priorities for economic development included...

Leveraging the **federal stimulus package**, particularly for infrastructure development

**R & D and innovation**, particularly to attract next-generation jobs in bio-tech and alternative energy

Building a **green economy**, including the creation of green jobs

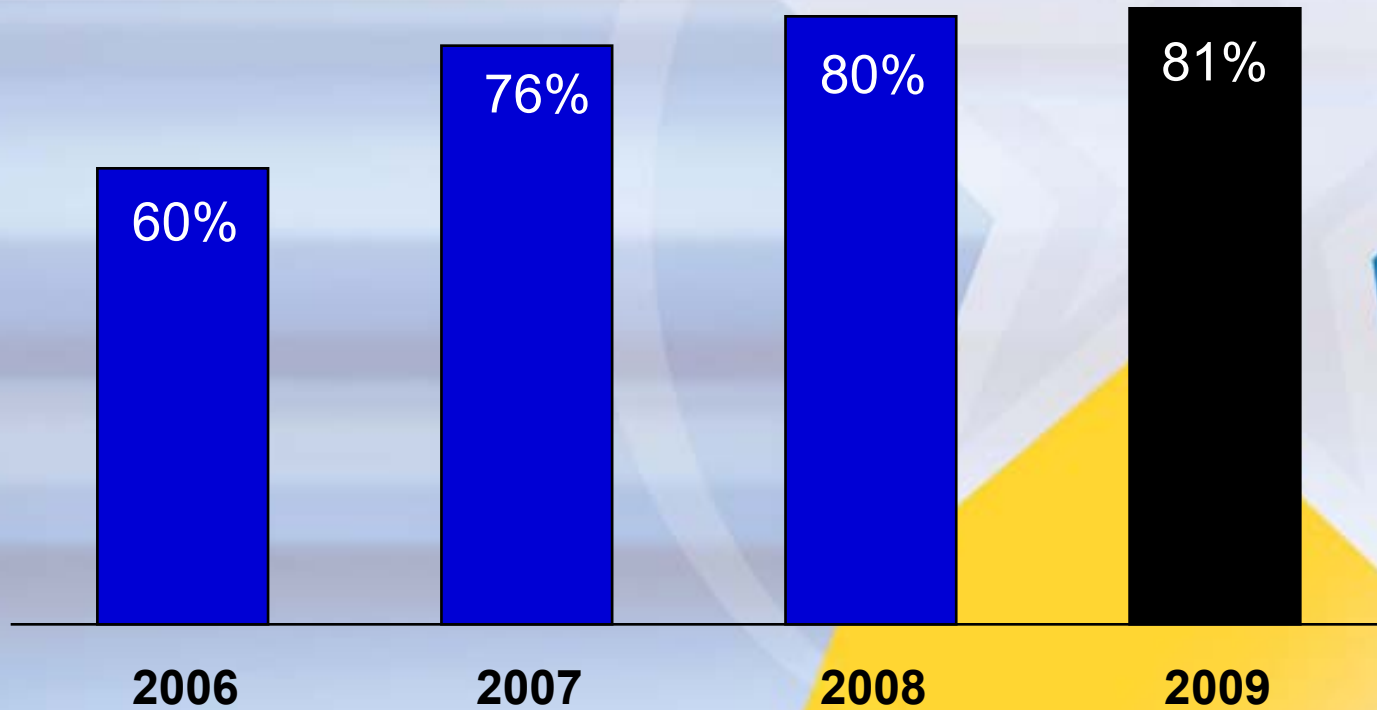
**Workforce development**, including expanding the role of colleges in workforce training



Represents the percentage of governors discussing proposals in these areas. Total number = 47.

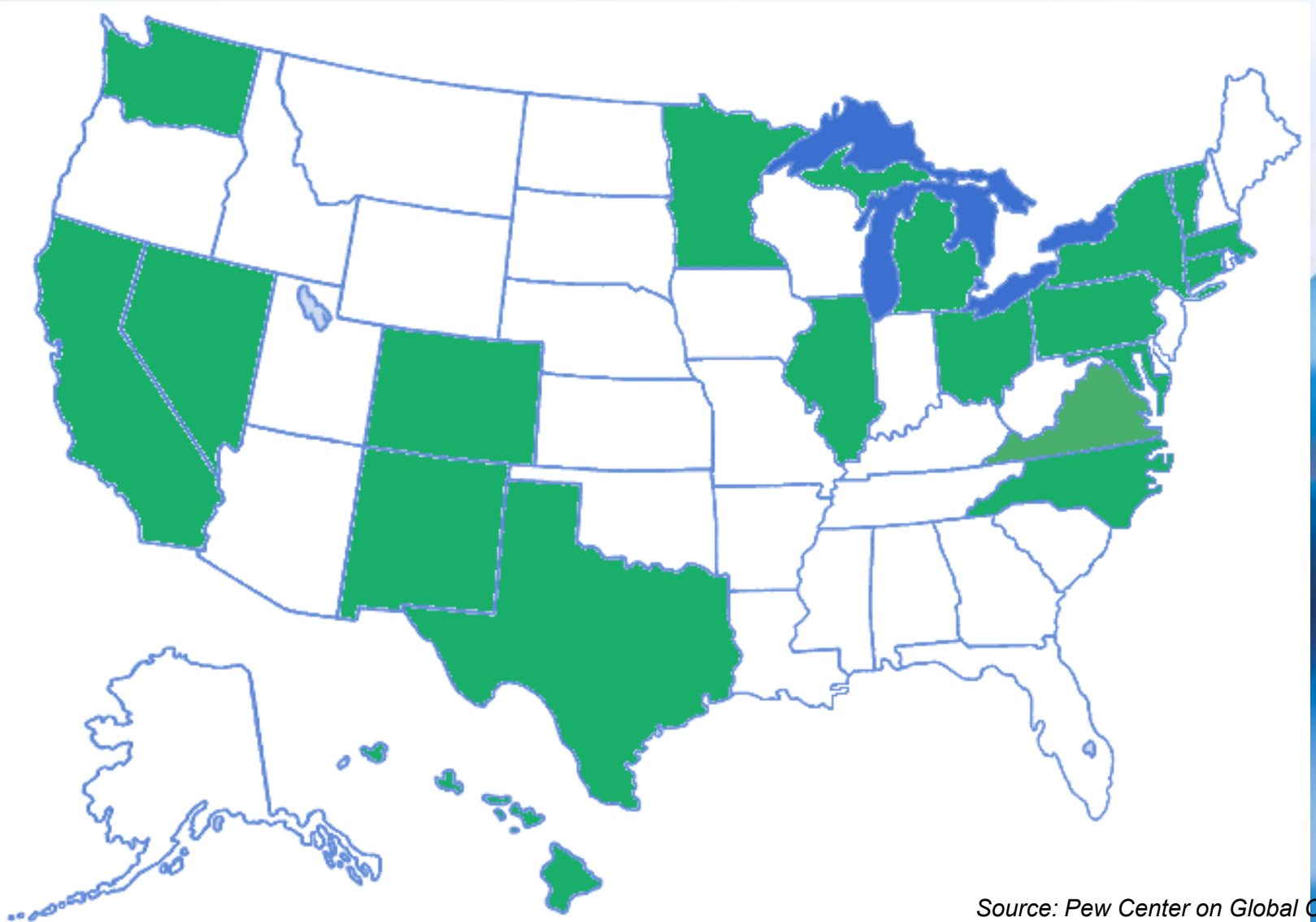


The percentage of governors highlighting plans for renewable energy or conservation remained about the same as last year – very high



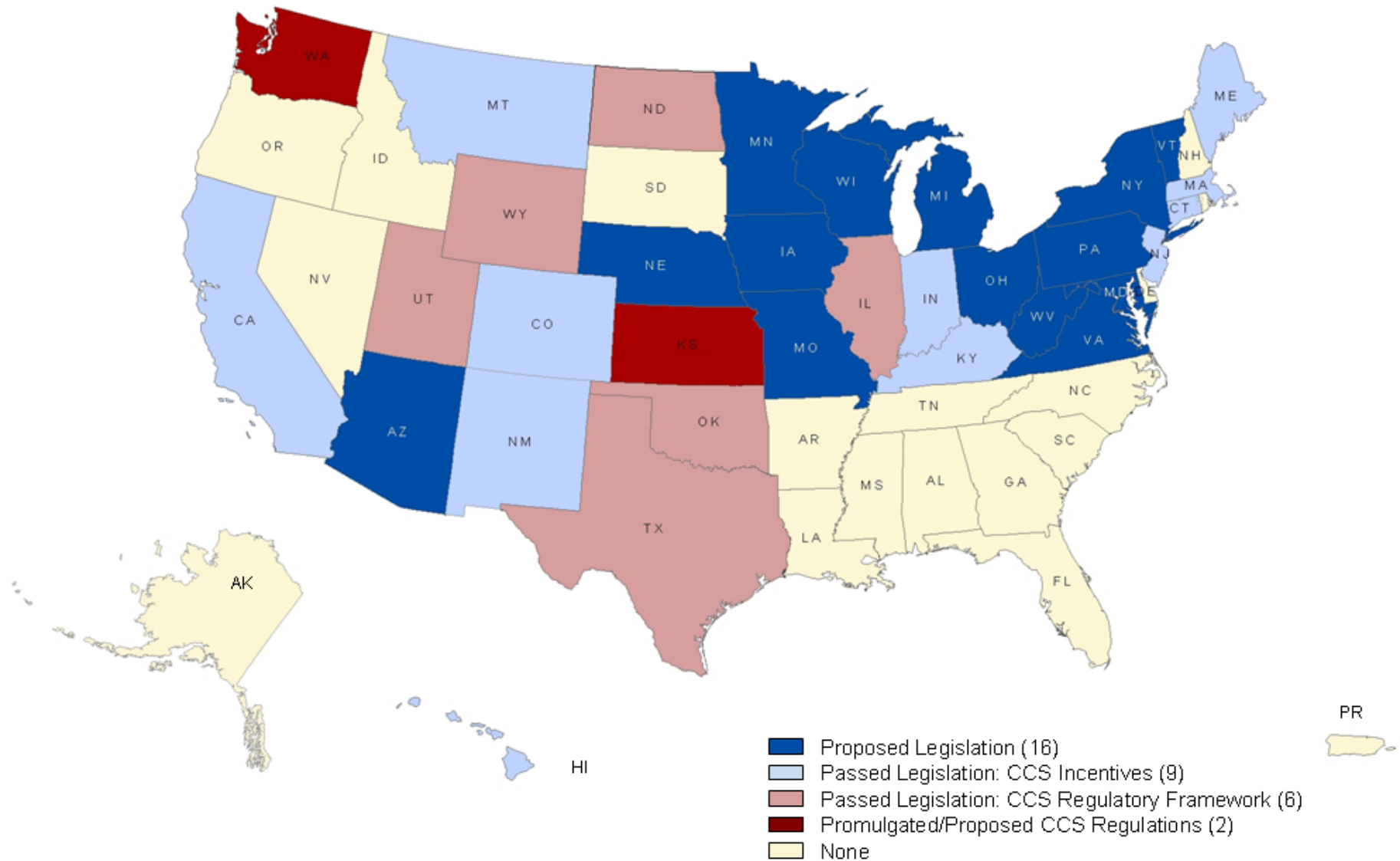


# States with Energy Efficiency Portfolio Standards



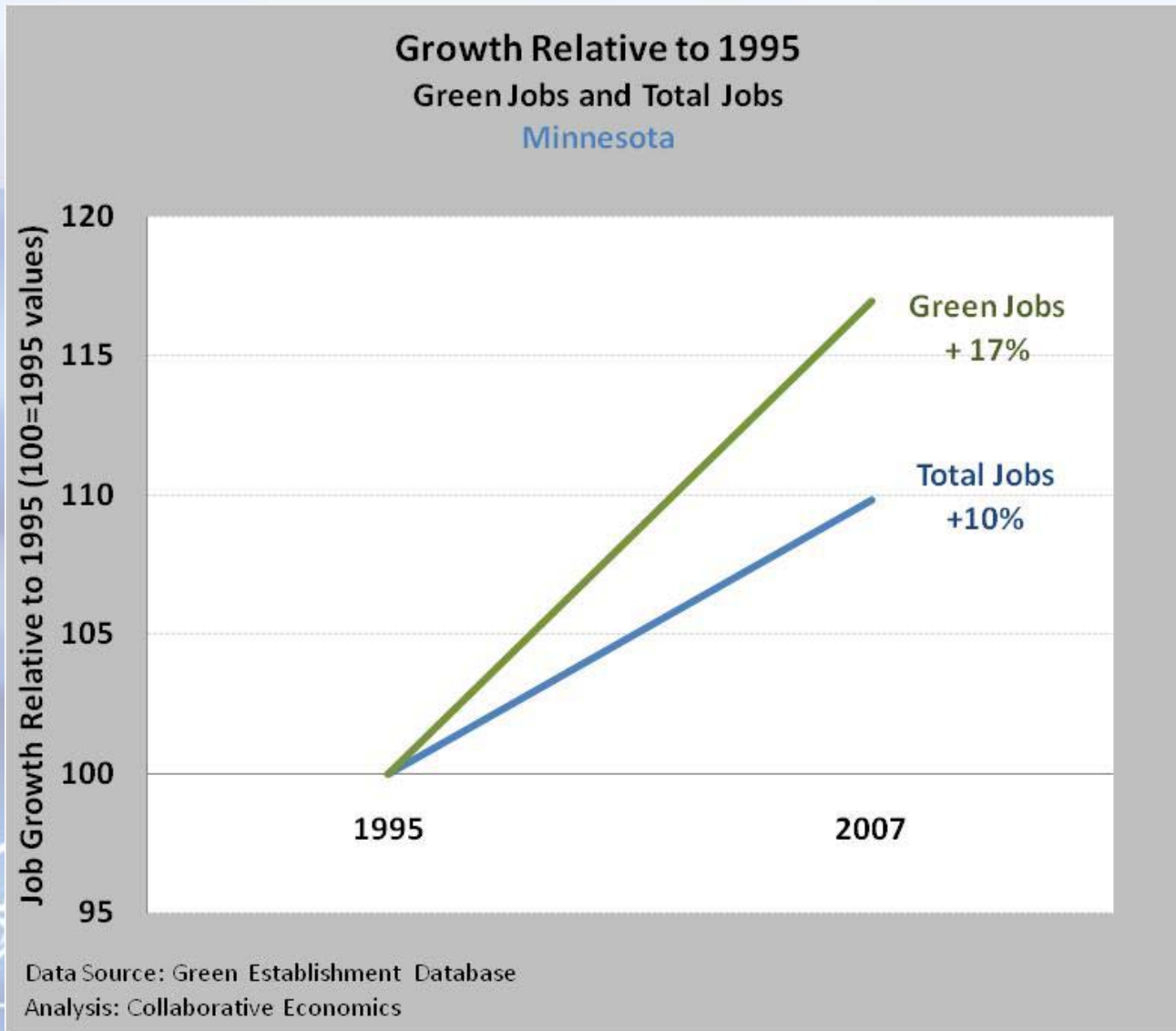
Source: Pew Center on Global Climate

# State CCS Legislative Activities\*



[Courtesy of Industrial Economics]

# Growth in Green Jobs outpaces Total Jobs



**1995 to 2007, jobs in green businesses grew 17% while total jobs grew only 10%.**

For more information:

[www.nga.org](http://www.nga.org)