

# NC green power jobs expected to grow from stimulus

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RALEIGH, N.C. -- The \$787 billion federal stimulus package signed into law Tuesday was expected to mean more than \$163 million in spending on North Carolina energy efficiency projects in the next two years, money that could pump new life into businesses that offer energy alternatives.

One such business, Sundance Power Systems, had been on pace to double the number of its technicians who install home solar water heating systems and wire solar panels, until economic fears froze credit and spending last fall, president David Hollister said.

The stimulus package, in addition to its hoped-for effect of stabilizing the national economy, could also juice green-energy businesses like Sundance with targeted incentives and tax cuts.

"There's no lack of desire" to adopt renewable energy technologies, Hollister said. "There's more uneasiness about the financial future."

The stimulus package offers North Carolina \$113 million in weatherization spending, and the Solar Energy Industries Association said the bill contains \$49.5 million for other clean-energy projects in the state. State officials said Tuesday they did not yet have detailed figures for the state's share of spending on energy programs.

Alternative-energy advocates expect the stimulus bill will be followed by more legislation that will nurture an industry ready to hire. The industry's North Carolina trade association is urging the Legislature to do even more, which it says could translate into thousands of new jobs performing manufacturing, installation and other tasks.

"We could use an opportunity to leverage the federal stimulus package to more than double the industry in the next two years," said Ivan Urlaub, executive director of the N.C. Sustainable Energy Association.

The group's top priority is removing a \$100 million cap on energy-efficiency work in which companies doing the design and installation of moneysaving features guarantee to cut consumption costs on state buildings. The contracts totaled \$99 million as of last week.

The association also thinks state income tax credits for installing energy-saving features at home should be extended from 2010 to 2016.

Sen. Dan Clodfelter, D-Mecklenburg, said he expects to introduce legislation later this month that would remove the cap on energy-savings contracts, encourage smart-power construction methods, and other incentives to go green.

"This is a growth industry. This is exactly, in the present economy, the type we need to be investing in," Clodfelter said.

But there are doubters, like state Rep. Paul Stam, R-Wake.

The Apex lawyer said he gained renewable energy tax credits 28 years ago when he built his home with a solar water heating system.

The hope then was that tax incentives would help get the solar energy industry off the ground, Stam said. He warned that similar hopes will be dashed again if the costs remain higher than traditional sources of electricity.

"The best thing you can do for economic development is reduce the marginal tax rate permanently," he said. "These targeted things are interesting, but ultimately they're self-defeating."

The size and potential growth of the state's renewable energy companies are difficult to estimate, but a survey last summer by the N.C. Sustainable Energy Association estimated firms employed about 6,500 workers. About 70 percent of those jobs were in manufacturing. Companies responding to another survey this month said they could more than double employment by the end of 2010 if economic conditions loosened. Nearly six out of 10 responding companies said the credit crunch is the biggest drag on expansion.

In Colorado, where Obama signed the stimulus, employment at renewable energy and energy efficiency companies is expected to grow from nearly 40,000 in 2007 to about 192,000 in 2030, according to Management Information Services Inc., a Washington, D.C.-based economic consulting firm.

A Duke University researcher who studied the potential for green-collar job growth said parts suppliers and manufacturers should see sharp growth, but predictions are difficult.

"Even for really specific technologies, those job estimates were hard to come by and were just guesstimates," said Duke sociologist Gary Gereffi, who co-authored a study on green-collar jobs last fall.

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