



## ECONOMIC FOOTPRINT FACT SHEET

Renewable Energy Vermont (REV) reports the results of a recent survey of Vermont businesses engaged in the production of renewable energy, manufacture of renewable energy technology, sales and installation of equipment, and related consulting services.

The survey was conducted by REV, the Vermont renewable energy industry association. We found that there are more than 50 renewable energy businesses in Vermont; that they employ more than 546 Vermonters, with total compensation exceeding \$36 million; and the businesses reported over \$188 million in sales in 2007. The survey found that manufacturing and instate production of renewable energy account for the majority of sales and employment. The remainder is divided between equipment sales and installation, and consulting services.

The renewable energy business is a vital and growing contributor to the economic life of Vermont. These businesses not only provide jobs and income to Vermont workers, they also buy goods and services from other Vermont businesses. In order to determine the broader economic footprint of this sector, REV employed a consultant to estimate the ancillary economic impacts.<sup>1</sup> We found that there are substantial benefits from the supplier chain (indirect effects). In addition, the wages paid by the industry and instate suppliers are spent by workers and their families on goods and services (induced effects). Together, the indirect and induced economic activity is more than \$70 million, including \$19 million in compensation to 568 other Vermont workers.

**In summary, the renewable energy business makes a significant contribution to the state's economy. The study found that after totaling direct, indirect, and induced effects,**

- ▶ total sales are almost \$259 million;
- ▶ the sector is responsible for 1,115 jobs in Vermont;
- ▶ total compensation equals \$55 million;
- ▶ the state receives \$17 million in tax revenues (not counting personal or business income taxes).

People working in the renewable business include a diverse mix of occupations, including business entrepreneurs leading these growing businesses, hydro and biomass power plant operators, equipment installers, mechanics, truck drivers, accountants, economists, office managers, and a variety of specialized trades associated with the development and operation of new renewable energy technology.

Renewable Energy business plays a larger role in the Vermont economy than this fast growing business sector plays in the national economy. Nationwide, almost 200,000 people work in renewable energy businesses<sup>2</sup> in a work force of about 146 million.<sup>3</sup> The proportion of the Vermont workforce in renewable energy is about 20% ahead of the national average.<sup>4</sup>

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1 Doug Hoffer, a Burlington analyst, conducted the research using IMPLAN, a widely used input-output economic model.

2 Bezdek, Roger. 2007. *Renewable Energy and Energy Efficiency: Economic Drivers for the 21st Century*. American Solar Energy Society. See <http://www.ases.org/ASES-JobsReport-Final.pdf>, p.24.

3 Bureau of Labor Statistics, Civilian employment, Dec. 2007. See <http://data.bls.gov/cgi-bin/surveymost?ln>.

4 546 out of 341,600, VT Dept. of Labor, Dec. 2007. See <http://www.vtmi.info/labforce.cfm>.

