Ohio ranks 7th in use of Recovery Act funding for energy and environment  
New report finds spending well targeted to areas of economic distress

Companies, organizations, local governments and individuals in Ohio aggressively pursued the billion dollars in Recovery Act clean energy and environmental funds awarded as of June 30, according to a new report from Policy Matters Ohio. Ohio ranked seventh in use of award funding in the Department of Energy’s cumulative summary dated September 10.

Close to $7.9 billion has been awarded to Ohio and of that funding, about $2.5 billion has been spent. As a result, 25,894 direct jobs were created in Ohio in the fourth and most recent quarter (April-June 2010). The President’s Council of Economic Advisors estimates that the American Recovery and Reinvestment Act of 2009 has resulted in 117,000 direct, indirect and induced jobs in Ohio.

“The Recovery Act was an effective tool to promote domestic participation in clean energy, which is a fast-growing market that is well-suited to Ohio’s diverse manufacturing base,” said Wendy Patton, Senior Associate at Policy Matters and author of the report.

The Recovery Act provided almost $800 billion dollars over three years nationwide for tax cuts, services for the eight million workers who lost their jobs; and capital to stimulate the moribund American economy. In the area of clean energy and the environment, the stimulus created jobs and built infrastructure.

The report found that energy and environmental funding under the Recovery Act was targeted to areas of greatest economic need in Ohio. Dividing Ohio counties into four equal parts or quartiles, the report found that the poorest counties received $172 per capita, moderately lagging economies received $79 per capita, moderately strong economies received $73 per capita, and the strongest quartile of counties received $60 per capita. Economic distress was measured by combining poverty and unemployment levels.

In addition to measuring where funding was targeted, the report documents examples of spending. Over 18,000 homes have been retrofitted and more than 2,000 jobs created in home weatherization. In Pike County, up to 1,000 jobs will be
created cleaning up the nuclear reservation. In Wilmington, a $352,600 grant to install a 58.3 Kilowatt solar electric system at the wastewater treatment facility will cut costs and lower water bills. In Wood County, a $173,097 grant will replace less efficient boilers at the county jail. The projects will employ local residents in installation and will benefit Ohioans in long-term energy savings.

Other examples of companies benefitting include First Solar, AcuTemp and Dow Chemical, which will invest in Perrysburg, Dayton and Findlay, entering clean energy markets and creating jobs. Smart Paper Holding and JP Leasing will generate electricity on-site, cutting costs. First Energy in Akron will modernize its grid, increasing reliability and efficiency, employing electricians who will install new smart meters in homes and creating demand in firms that make smart meters. Many more firms and projects are described in the report and appendices.

The top line items under clean energy and the environment awarded to entities within Ohio and reported on by county on the state website at the end of August included projects funded under the Clean Water State Revolving Loan Fund ($216.6 million), home weatherization ($205.6 million of the $266 award already awarded/spent), nuclear clean-up ($138 million), renewable energy R&D ($89.2 million) and the Energy Efficiency Conservation Black Grants ($59.2 million of an $82 million award has been allocated to the field).

The analysis found that Recovery Act projects will result in cleaner air, cleaner water, remediated nuclear defense sites, and slower growth in energy use. It is also likely that manufacturing facilities will find new markets as a result of this spending. The report recommends improving reporting about demographic characteristics of workers hired with this funding, to improve understanding of the impact of the Recovery Act. Other recommendations include benchmarking against Midwestern neighbors in clean energy generation projects to make sure Ohio is getting its share. The report points out that continued investment in a clean energy economy, on the scale of our trade competitors, requires national legislation that charges for carbon pollution and directs the funds to ongoing investment in projects like those funded by the Recovery Act and described in this report.

“The Recovery Act has sponsored a wide range of projects that will underpin a more sustainable future built on cleaner transit, energy efficiency and renewable energy development,” said Patton. “All of these activities are necessary to reduce pollution and create jobs.”