

Bringing Real Benefits to California Consumers

California's pioneering clean energy and climate law (AB 32) is advancing a strong economy and healthy environment—proof that a thriving, prosperous and fair economy is one that also addresses climate change. After nearly a decade in effect, it's helping to create and sustain jobs, facilitate the development of sustainable communities and save consumers money while providing more options for how we fuel our cars and power our homes.

"The policies that Californians have put in place are lowering electricity bills, insulating consumers from roller-coaster gas prices and providing everyone with a broader array of fuel choices."

Shannon Baker-Branstetter,
Consumers Union

California is building a clean energy future, which is putting money in the wallets of consumers.

- California homeowners are expected to **save \$200 a year on electricity due to AB 32** because energy efficiency measures allow households and businesses to use less energy.ⁱ
- Rate-payer funded **energy efficiency programs** have provided **\$1.8 billion in net benefits over the past 9 years.**ⁱⁱ
- Over the last 35 years, energy efficiency measures have **enabled California households to save as much \$1,000 per household** – creating **1.5 million FTE jobs with a total payroll of \$45 billion.**ⁱⁱⁱ
- Our state's innovative energy policies have **saved Californians \$75 billion in reduced electricity bills** and allowed them to reduce expenditures on imported fossil fuel.^{iv}
- Clean energy standards will result in a **\$76 billion increase in our Gross State Product, \$48 billion increase in real household incomes, and 403,000 new jobs.**^v
- A review of several economic studies concluded that clean energy solutions are **affordable and consistent with economic growth.**^{vi}

Consumers save money by doing more with less energy. Over the last 35 years, energy efficiency measures have enabled California households to save as much as **\$1,000 per household.**

Polluters are paying for their emissions through the cap and trade program, creating revenues that flow into California communities, spurring the growth of clean energy and contributing to:

- More **affordable housing**, facilitating **construction jobs** across the state, as well as **affordable living** opportunities for working families.
- Energy efficiency upgrades such as **weatherization and solar installation grants**, allowing home-owners to cut down on utility bills.
- **"Climate credits"** that lower household electricity bills
- **Consumer rebates for clean vehicles.**
- **Water conservation and efficiency** programs.
- Inter-city and high-speed rail that create **demand for high-skill workers**, beginning in the Central Valley where unemployment remains high.
- **Increased recycling and composting facilities** that create more jobs and reduce pollution.
- **Better public transit and more frequent bus services**, providing ways for Californians to get to work without relying on personal vehicles.

Climate Investments for CA

- 2014-15 = \$832 million
- 2015-16 = \$1.7 billion+
- Min. 25% to disadvantaged communities

Energy efficiency measures have diverted **\$75 billion** away from energy bills and into the local economy.

Creating clean, efficient and affordable transportation

- More **efficient vehicles** are already **cutting consumers' fuel bills** and will lead to even more dramatic savings.
- AB 32 policies reduce demand for imported fuels and **shield Californians from price volatility**. One study equated this with savings between **\$2.4 to \$5.2 billion**, were an oil price shock to occur in 2020.^{vii}
- Low carbon fuels have **displaced over 2 billion gallons of gasoline** in recent years – equal to removing 1/2 million vehicles from the road.
- Per capita fuel costs from light duty vehicles and fuel use are predicted to drop by about **30% by 2020 and by about 50% in 2035** thanks to clean vehicle standards.
- AB 32 policies are bringing the **next generation of fuel-efficient cars** to the state, which are estimated to **save drivers more than \$5 billion in fuel costs by 2030**, which translates to \$315 per household.^{viii}
- The **LCFS in particular** is likely to **lower the average price of transportation fuels** and bring greater stability.^{ix} The standard will result in **\$1.4 - \$4.8 billion** in societal benefits by 2020 from reduced air pollution and increased energy security.^x

Climate policies will **accelerate the trend of decreased spending on gas**, as consumers have greater options for low-carbon transportation.

Promoting economic opportunities and job growth

- California had a **job growth rate of 3.1%** in 2014 – adding jobs faster than the overall national rate of 2.3% in the same period.^{xi}
- **California's jobless rate fell more than any other state's** in the 24-month period ending in September 2014.
- Despite overstated fears of AB 32's impact on manufacturing, **California continues to lead the nation in manufacturing jobs, firms and output**.^{xii}
- Many of the state's largest employers have **adapted to the state's climate policies** by improving the efficiency of their operations and reducing pollution - thus maintaining jobs and improving air quality.

Building sustainable, healthy communities

- All this work on transportation is leading to cleaner air and walkable communities.
- Reduced emissions have led to a decrease in the amount of **cancer-causing toxins in the Los Angeles basin air by 65% since 2005**.
- American Lung Association in California research has demonstrated that the Low Carbon Fuel Standard and cap and trade program's implementation will save more than \$23 billion in societal damages, **including \$8.3 billion in respiratory health impacts by 2025**.
- By 2025, the Low Carbon Fuel Standard and cap and trade program will prevent:
 - 600 heart attacks
 - 880 premature deaths
 - 38,000 asthma attacks and respiratory symptoms
 - Nearly 75,000 lost work days^{xiii}
- Measures resulting from AB 32 enable local governments to conduct community planning with a specific focus on sustainability.

"Time and again, consumers have expressed support for strong clean air and energy standards. This is especially good news for the poorest among us who disproportionately suffer from the health effects of pollution."

Ken McEldowney,
Consumer Action

California Delivers is supported by Consumers Union (the policy arm of *Consumer Reports*) and Consumer Acton as well as hundreds of individuals. For a complete list of California Delivers supporters, go [here](#).

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- xiii http://www.edf.org/sites/default/files/content/dcf_fact_sheet_may_21_2014_final2.pdf