



The **FACTS** About California's Clean Energy Security Plan and Its Impact on Business

- FACT 1** **The state's clean energy and climate security plan will result in lower costs for businesses.**
Once the state's climate plan is fully implemented, companies that follow a business-as-usual approach are likely to see higher energy bills, but savvy businesses that utilize readily-available incentives will save money. By taking advantage of these incentives to help pay for upfront costs of more efficient buildings, plumbing, lights and appliances, businesses can boost their bottom lines and improve operations. California's history of energy efficiency and clean energy policies have resulted in lower per capita electricity bills even while energy costs increased across the country. The state's climate plan can help protect businesses and consumers from volatile energy prices.
- FACT 2** **Improving air quality means fewer employee sick days and increased worker productivity.**
Reducing air pollution, smog, and toxic pollutants will significantly decrease health impacts that contribute to lost productivity and more than 75,000 worker sick days, costing California businesses and residents billions of dollars each year. In fact, the state's climate plan is expected to save Californians \$2.2 billion in health costs in 2020 as a result of cleaner air.¹
- FACT 3** **The most expensive option is to do nothing.**
Putting California's plan to curb global warming into action is far cheaper than the cost of doing nothing. We are already feeling climate change impacts, which if left unchecked could cost California as much as \$47 billion every year in direct damages and put at risk trillions of dollars of real estate, infrastructure, and other assets.² Climate change also threatens water resources and important industries like tourism, entertainment, agriculture, and recreation that fuel the state's economic engine.
- FACT 4** **Clean cars will cost less for business owners and employees to drive.**
The next generation of alternative-fuel and fuel-efficient cars and trucks will cost less to run and will save California drivers more than \$12 billion in 2020 through lower operating costs. For the average buyer of a new, fuel-efficient vehicle, that translates into hundreds of dollars saved each year. ³ In addition, by diversifying our energy supplies we can protect the state's economy from the increasing volatility of fossil fuel markets.
- FACT 5** **Shifting to a clean energy economy creates jobs.**
The state's efforts to cut global warming pollution will create as many as 403,000 new jobs.⁴ Plus, by curbing our reliance on fossil fuels, we can invest billions of dollars in California businesses instead of sending that money out of state.
- FACT 6** **Greening our workplaces is cost-effective and improves worker health.**
Building design features that increase energy efficiency (e.g., natural lighting, improved airflow) also contribute to better air quality and health, reducing sick days, and increasing worker productivity. Since green buildings are so water and energy efficient, they quickly pay for themselves.⁵
- FACT 7** **Consumers want to have more clean and green choices.**
Consumers are supportive of companies tackling climate change and want them to do more—they are more likely to trust a business that supports the environment and more likely to buy its products.⁶ Consumers are also willing to reward or punish a business for its climate change-related activities.⁷

1 California Air Resources Board, December 2008, AB 32 *Scoping Plan*.

2 F. Kahrl and D. Roland-Holst, November 2008, *California Climate Risk and Response*, p. 5.

3 J. Fine and C. Mihm, June 2009, *Saving Fuel, Saving Money, Saving Our Planet*.

4 D. Roland-Holst, October 2008, *Energy Efficiency, Innovation, and Job Creation in California*

5 G. Kats, October 2003, *The Costs & Financial Benefits of Green Buildings: A Report to California's Sustainable Building Task Force*.

6 McKinsey & Company, *Addressing Consumer Concerns About Climate Change*, March 2008.

7 Yale University & George Mason University, *Climate Change in the American Mind*, October 2008.