

Indiana: Home to 86,900 Clean Energy Jobs

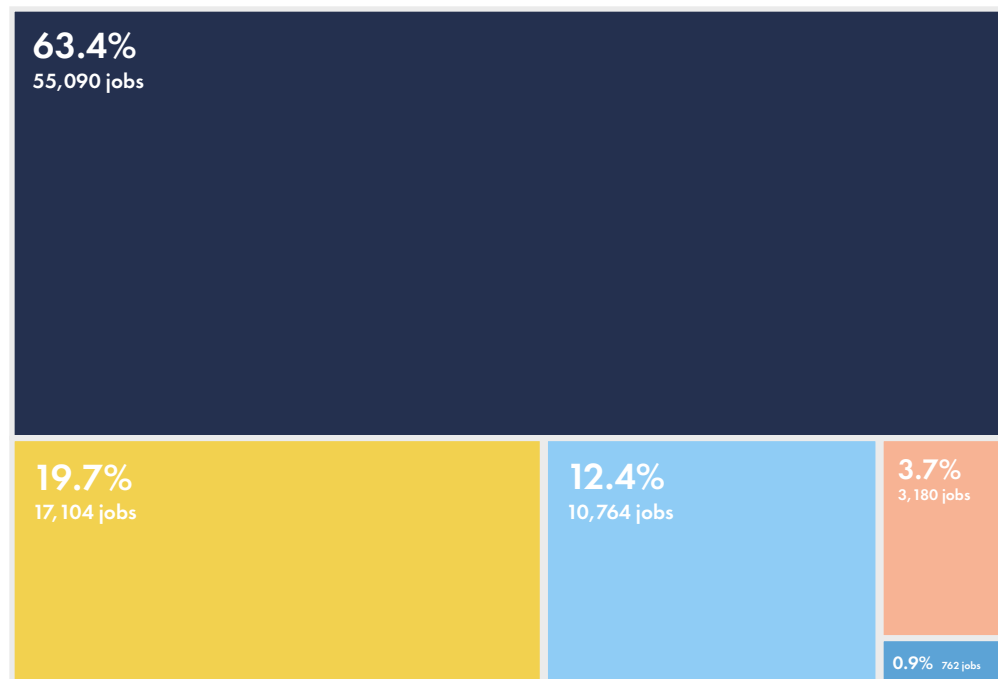
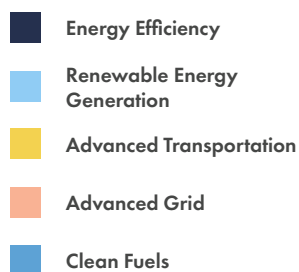
INDIANA'S CLEAN ENERGY JOBS GROW FASTER THAN MOST OF MIDWEST

Clean energy is a major employer in Indiana with 86,900 jobs—the fourth-most in the entire Midwestern region and more than enough to fill Lucas Oil Stadium in Indianapolis on any given Sunday. Employment in the industry grew 4.7 percent in 2018. That's one of the fastest growth rates in the region, and it represents an addition of nearly 3,900 jobs.¹

Energy efficiency jobs remain the largest individual sector in terms of clean energy employment in Indiana, with more than 60 percent of all clean energy jobs across the state. Compared to the rest of the region, Indiana clean energy employers have a less-optimistic outlook for job growth this year. Whereas employers across the Midwest project a 7 percent growth in jobs, in Indiana that number falls to a 1.1 percent increase, with about 950 jobs expected to be added in 2019.

SECTOR BREAKDOWN

Fig. 1:
Clean Energy Technology
Sectors, 2018

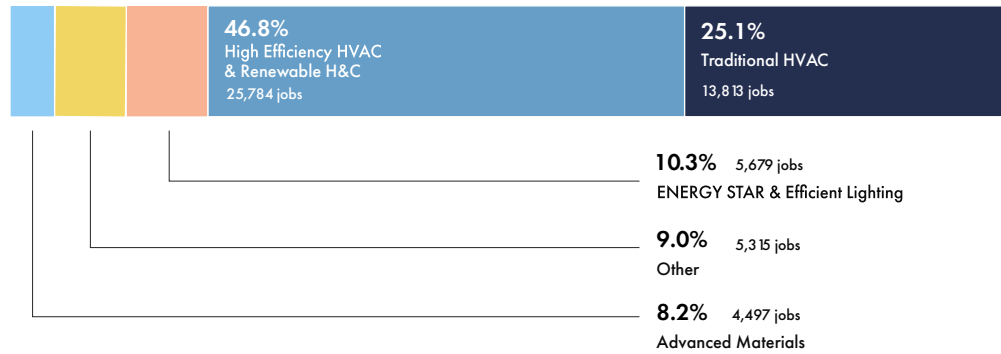


1. Unless otherwise stated, all data is based on the 2019 USEER. Energy Futures Initiative. (2019). The U.S. Energy Employment Report. Washington, DC. www.usenergyjobs.org. The Data provided relies on thousands of data points provided via survey. EFI, NASEO and BWRP have made every effort to supply current and accurate information but assume no responsibility or liability for any decisions based upon the information presented. For more information on the survey methodology see cleanjobsmidwest.com/about.

ENERGY EFFICIENCY IS INDIANA'S DOMINANT CLEAN ENERGY SECTOR

More Hoosiers work in energy efficiency—55,090—than any other sector in the clean energy industry. In 2018, Indiana energy efficiency jobs grew by more than 1,100, which is a 2.1 percent growth rate. Energy efficiency workers manufacture ENERGY STAR-rated appliances and install efficient lighting systems; tweak traditional heating, ventilation, and air conditioning (HVAC) systems; design high-efficiency HVAC units, and handle advanced building materials.

Fig. 2:
Energy Efficiency Subsectors,
2018



ADVANCED TRANSPORTATION JOBS REV UP

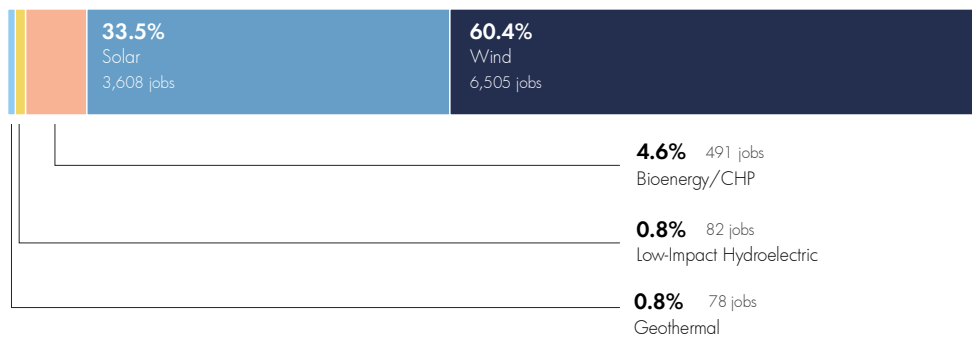
Advanced transportation is Indiana's second-largest clean energy sector in terms of jobs, employing more than 17,104 people. That's about 2,600, or 18.3 percent, more than in 2017 when the state's advanced transportation sector actually lost jobs.

Across the region, only the traditional automotive industry powerhouse of Michigan put more people to work in the advanced transportation sector in 2018. Jobs relating to plug-in hybrid vehicles had a particularly strong year, surging 33 percent to employ 3,570 people, about 900 more than just a year ago. EV jobs, meanwhile, grew by a quarter to 4,584 people.

RENEWABLE ENERGY JOBS RESILIENT IN FACE OF NEGATIVE NATIONAL TRENDS

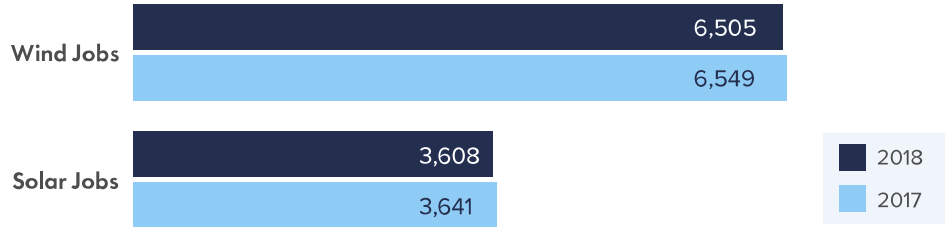
Renewable energy employs 10,764 people in Indiana. That's only a few dozen more than in 2017 (a 0.8 percent uptick), but still the third-highest number of renewable energy jobs in the Midwest.

Fig. 3:
Renewable Energy Subsectors,
2018



The resiliency of Indiana’s renewable energy labor market contrasts with the national trend of job losses in the sector. Nationwide, renewable energy jobs fell 1.5 percent. In Indiana, wind (6,505 jobs) and solar (about 3,608) are the two largest employers in the sector. Each saw moderate declines in 2018: wind jobs contracted by 0.7 percent (a loss of about 40 jobs), while solar shrunk 0.9 percent (a loss of roughly 30 jobs). However, compared to national solar numbers, Indiana fared relatively well. Across the country, solar jobs declined 4.5 percent.

Fig. 4:
Wind and Solar Jobs, 2018 and
2017 Comparison



ENERGY STORAGE JOBS LIFT THE ADVANCED GRID SECTOR

Advanced grid jobs employ 3,180 people in Indiana. These jobs grew by about 50, or 1.5 percent, in 2018. Energy storage jobs are the sector’s largest employer in Indiana with 1,791 jobs, about 30 more than in 2017. The advanced grid sector also includes jobs in smart grid, microgrid, and other grid modernization work.

SMALL DROP IN CLEAN FUELS JOBS

762 Hoosiers work in clean fuel jobs. This is about 10 fewer jobs than in 2017, or a 1.4 percent decrease. The clean fuels sector encompasses non-corn ethanol, non-woody biomass and other technologies not yet in wide commercial production, including algal biofuel, syngas, bioheat blends, landfill gas, and advanced biofuels.

Fig. 5:
Top 3 MSAs in Clean Energy
Employment, 2018

Metro Area (MSA)	Total Clean Energy Employment	Renewable Energy Employment	Energy Efficiency Employment
Indianapolis-Carmel, IN MSA	24,648	2,729	15,832
Chicago-Naperville-Joliet, IL-IN-WI MSA	10,526	1,939	6,301
Fort Wayne, IN MSA	8,660	1,064	5,488

CLEAN ENERGY INDUSTRY OUTLOOK

Clean energy jobs grew at a faster pace in Indiana than in most other Midwestern states. All told, clean energy jobs in Indiana constitute nearly 3 percent of all jobs in the entire state, the second-highest ratio in the entire region.² Nevertheless, Indiana’s clean energy industry grew at a slower pace than the rest of the state’s overall labor market. In 2018, Indiana clean energy jobs grew by 4.7 percent, while the overall Indiana job market grew by more than 6 percent.

Looking toward the future, clean energy employers anticipate further growth (1.1 percent in 2019) but not at the same rate as their neighbors (7 percent). This relatively dim view may be linked to difficulty hiring—nearly 77 percent of the Indiana clean energy employers surveyed reported that it was “somewhat” or “very” difficult to hire workers.

COMPARING CLEAN ENERGY JOBS TO FOSSIL FUEL JOBS

In 2018, 17,287 Hoosiers worked in fossil fuel energy jobs in industries like coal, natural gas, and oil.³ While significant, it’s less than a fifth of the total number of people working in clean energy in the state. Electric power generation jobs using fossil fuels employed 6,789 people. Renewable energy generation, meanwhile, employs about 10,764. Additionally, whereas coal jobs dropped 4.5 percent, renewable energy jobs grew by 0.8 percent.

VALUE CHAIN

Clean energy jobs can also be categorized by the role they play in the value chain. This report divides the clean energy jobs value chain into the following categories: agriculture, utility, construction, manufacturing, trade, professional service, and other service jobs. Each category captures jobs from multiple different clean energy sectors. For example, construction jobs can include energy efficiency jobs and renewable energy jobs. When Indiana clean energy jobs are broken down by their placement in the value chain, manufacturing represents 46 percent of the jobs while construction makes up 35 percent.

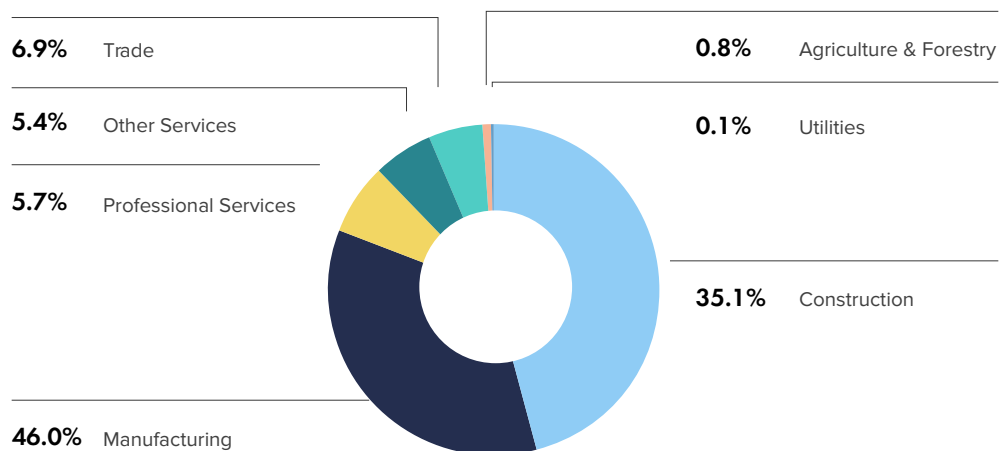


Fig. 6:
Clean Energy Jobs Value
Chain, 2018

2. U.S. Bureau of Labor Statistics Local Area Unemployment Statistics, 2018 Preliminary data

3. 2019 US Energy and Employment Report. This figure does not include gas station workers.

DEMOGRAPHICS

In Indiana, 12.5 percent of the state’s clean energy workers are veterans. By comparison, veterans make up 6 percent of the national labor force.⁴ The large ratio of veterans transitioning to clean energy jobs is the result of the U.S. Department of Defense’s long- standing commitment to investing in renewable energy, energy efficiency and training programs that prepare veterans for private-sector employment in industries like solar.

Small businesses drive the state’s clean energy sector—71.9 percent of Indiana’s clean energy businesses employ fewer than 20 individuals.

SUMMARY

There are a few reasons why clean energy industry employment data in Indiana stands out when compared to its Midwestern neighbors. On the positive side of the ledger, Indiana has a significant number of clean energy jobs, and the state has been adding them at a healthy clip. Across the Midwest, Indiana now has the third-fastest growth rate and the fourth-most clean energy jobs.

However, there were some concerning signals. Specifically, the state’s employers expect considerably slower growth than their neighbors in the coming year, perhaps in part due to hiring difficulties.

Focusing on specific sectors, advanced transportation employment surged as jobs relating to electric, hybrid and plug-in hybrid vehicles led the way. All the more remarkable was that this sector-specific jobs growth came on the heels of job losses a year ago. Finally, looking just at renewables, jobs in that sector increased in Indiana despite falling nationally.

The data and analyses presented in this report by Clean Energy Trust and Environmental Entrepreneurs are based on data collected for the 2019 U.S. Energy Employment Report (2019 USEER), produced by the Energy Futures Initiative (EFI) in partnership with the National Association of State Energy Officials (NASEO) and collected and analyzed by BW Research Partnership (BWRP).

4. 2018 Bureau of Labor Statistics Current Population Survey (CPS)

2019 CLEAN JOBS MIDWEST

