



NATIONAL ECONOMIC IMPACTS OF NETL

The U.S. Department of Energy's (DOE) National Energy Technology Laboratory (NETL) supports energy-related research and development (R&D) activities and science education programs throughout the United States. Through these actions—and participation in state economies from employment and operational activities—NETL serves as an important economic catalyst for the country.

NETL conducted an economic analysis using a national-level input-output (IO) model to quantify the laboratory's economic impacts on the nation. This document presents the findings of that analysis, as well as an estimate of NETL employment impacts specific to funding in the American Recovery and Reinvestment Act (hereafter referred to as the Recovery Act).

The table below presents NETL's direct impact on the nation's economy during 2009. Data include employment, wages, and salaries of the 689 U.S. residents employed at NETL. It also includes NETL's direct operational expenditures (e.g. hand tools, copier paper, laboratory supplies), as well as R&D award and grant monies spent within the country. The analysis indicates that through these activities NETL injected \$1.2 billion directly into the national economy in 2009 (all dollar figures in the tables are in millions).

Direct Economic Impact of NETL on the United States, 2009

| Input Category | United States |
|--|----------------------|
| Federal Employment (jobs) | 689 |
| Federal Wages and Salaries | \$81 M |
| Federal Operational Expenditures and Federal R&D Awards & Grants | \$1,152 M |
| Total Direct Impact on the U.S.* | \$1,234M |

*Inputs may not sum to total due to rounding



The impact of NETL on the national economy is greater than the total of the lab's direct spending because money spent by NETL is spent again by the recipient employees and US businesses. This economic "ripple effect" is measured in the IO model through a series of multipliers that provide estimates of the number of times each dollar of direct spending cycles through the economy in the form of additional (indirect and induced) spending, personal income, and employment.

***Total Economic Impact of NETL
on the United States, 2009***

| Impact Category* | United States |
|---|---------------|
| Employment (jobs) | 26,327 |
| Expenditures (including wages, salaries, operational, and R&D spending) | \$5,457 M |

*Monetary data adjusted to millions of dollars (\$2009)

NETL also received Recovery Act funding in 2009, which is not factored into the economic estimates above, to make public investments that save and create jobs, and cushion the impacts of the economic downturn. NETL followed guidance provided by the Executive Office of the President¹ to estimate the national job creation and retention impacts from the \$7.7 billion in NETL Recovery Act funding. These estimates are not comparable to the non-Recovery Act sponsored employment impacts because the methodology applied to the Recovery Act funding measures the impact over the entirety of the project life, whereas the economic impact estimates in the tables above reflect single-year funding and employment.

***Recovery Act Economic Impact of NETL
on the United States***

| Impact Category | United States |
|--|---------------|
| Employment (job years created or retained)* | 83,958 |
| Recovery Act Funding | \$7,724M |

*Not comparable to estimates in other tables due to different job impact methodologies

¹Executive Office of the President - Council of Economic Advisers from their May 2009 report titled "Estimates of Job Creation from the American Recovery and Reinvestment Act of 2009"

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