



THE BUCKEYE INSTITUTE

Appendix

The Buckeye Institute estimates the RPS program’s future economic impact under four scenarios.

- Scenario I assumed the RPS remained suspended at 2014-2016 levels indefinitely and that renewable energy credits prices stayed constant at 2014 levels.
- Scenario II assumed the RPS was suspended indefinitely at 2014-2016 levels and that renewable energy credits prices gradually rose from 2014 levels to their historical maximum in 2022.
- Scenario III assumed the RPS mandates increased to 12.5 percent in 2022 and that renewable energy credits prices stayed constant at 2014 levels.
- Scenario IV assumed that the RPS mandates increased to 12.5 percent in 2022 and that renewable energy credits prices gradually increased from 2014 levels to their historical maximum in 2022.

These four scenarios are measured against a baseline estimate without RPS costs. That baseline provides a counterfactual that predicts what the Ohio economy would have looked like without an RPS in place, and what the economy would likely become if the RPS were repealed entirely.

Table 1 shows the model’s estimate for all Ohio employers:

Table 1: Effects of RPS on the Ohio Economy

Year	Baseline Levels No RPS		Effect of RPS (Deviations from No RPS Baseline)							
	GDP	Empl.	Scenario I		Scenario II		Scenario III		Scenario IV	
	GDP	Empl.	GDP	Empl.	GDP	Empl.	GDP	Empl.	GDP	Empl.
2011	440,925	4,403,600	-1,183	-12,200	-1,183	-12,200	-1,183	-12,200	-1,183	-12,200
2012	449,850	4,497,000	-820	-8,600	-820	-8,600	-820	-8,600	-820	-8,600
2013	453,837	4,573,000	-1,033	-10,900	-1,033	-10,900	-1,033	-10,900	-1,033	-10,900
2014	465,828	4,646,800	-680	-6,800	-680	-6,800	-680	-6,800	-680	-6,800
2015	473,206	4,646,800	-643	-6,700	-720	-7,200	-643	-6,700	-720	-7,200
2016	480,701	4,646,800	-653	-6,300	-810	-8,300	-653	-6,300	-810	-8,300
2017	488,315	4,646,800	-836	-8,400	-1,204	-11,900	-1,168	-11,900	-1,659	-16,500
2018	496,050	4,646,800	-836	-8,300	-1,335	-12,900	-1,510	-14,900	-2,360	-23,400
2019	503,907	4,646,800	-849	-8,300	-1,470	-14,000	-1,826	-17,600	-3,233	-31,100
2020	511,888	4,646,800	-812	-7,700	-1,623	-15,500	-2,138	-20,400	-4,225	-40,400
2021	519,996	4,646,800	-824	-7,700	-1,819	-17,200	-2,460	-22,800	-5,456	-50,800
2022	528,232	4,646,800	-785	-7,200	-2,020	-18,600	-2,791	-25,400	-6,859	-63,100

Source: The Economic Research Center’s dynamic scoring model.

Note: GDP and tax revenues in millions of 2009 dollars. Employment in units of full-time equivalent non-farm jobs, rounded to the nearest hundred.

