

## CALIFORNIA'S RECOMMENDED "GREEN" ADDITIONS TO THE 2012 NAICS REVISION

The Employment Development Department's Labor Market Information Division recently analyzed over 70 studies, reports, and publications that cite -- and sometimes describe -- industries in the emerging "green" industry sector. Links to these reports are found in the [Green Industry Index](#) on the [LMID Web site](#). Based on this analysis, the LMID recommends the following codes and titles for addition to the 2012 North American Industry Classification System:

| NAICS                          | Suggested NAICS Title                         | Comments  |
|--------------------------------|---|---|
| 238231<br>(suggested new code) | Residential Solar Installation Contractors    | Includes contractors who install or repair solar photovoltaic and thermal systems for residential buildings.  |
| 238232<br>(suggested new code) | Nonresidential Solar Installation Contractors | Includes contractors who install or repair solar photovoltaic and thermal systems for commercial or industrial buildings.   |
| 325194<br>(suggested new code) | Biological Fuels Manufacturing                | Includes companies involved in the chemical production of fuels made from living and recently deceased biological material.<br><i>Illustrative Examples Include:</i> <ul style="list-style-type: none"> <li>• Biomass Production (includes biodegradable waste)</li> <li>• Biofuel Production</li> <li>• Biodiesel Production</li> <li>• Biomass to Liquid Converters</li> </ul>  |
| 447120<br>(suggested new code) | Alternative Fuel Stations                     | Industry includes establishments engaged in retailing alternative automotive fuels (Does not include gasoline, diesel, or gasohol). Establishments may also provide repair services.<br><i>Illustrative Examples Include:</i> <ul style="list-style-type: none"> <li>• Biodiesel/Biomass Fueling Stations</li> <li>• Hydrogen Fuel Stations</li> <li>• Ethanol/E85 Fuel Stations</li> <li>• Electric Vehicle Charging Stations</li> <li>• Methanol Fuel Stations</li> <li>• Natural Gas Fuel Stations</li> <li>• Liquefied Petroleum Gas/Propane Fuel Stations</li> </ul> |
| 811320<br>(suggested new code) | Wind Turbine Repair and Maintenance           | Includes companies involved in the repair and maintenance of wind turbine machinery.  |

Analysis to Support Recommendations Above:

- The Solar and Wind Industries have been around for decades and each possesses unique occupations and skill requirements that don't exist in standard industries. There also appears to be a growing number of people doing these jobs. The [American Wind Energy Association states that wind energy currently powers 4.5 million homes and generates about 1 percent of all energy in the US](#). Combining current production and the [US Department of Energy's Goal to have 20% of all US power generated by wind farms by 2030](#), there should be a lot of room for industry growth. The [California Community Colleges Centers of Excellence produced a report in 2008](#) that estimated solar-related firms employed 14,500 to 17,000 employees in California and were projecting an increase of 5,000 workers in the next 12 months.
- Biological Fuels Manufacturing represents a part of the supply chain for Alternative Fuel Stations. Firms that produce Biological fuels take living or recently deceased organic materials and turn that substance into fuels using chemical processes. There are similarities to ethanol in the production process, as both types of fuels can be derived from plants. Biological Fuels Manufacturing would include more diverse inputs (i.e. biodegradable waste and anything living or recently deceased that is/was carbon based) and outputs (i.e. biodiesel and biomass) than ethanol manufacturing, but is more related to fuel production than 325199-All Other Basic Organic Chemical Manufacturing.
- Alternative Fuel stations do not fit under gasoline stations as currently defined by NAICS codes 447110 and 447190 as they specifically state as examples gasoline, diesel, and gasohol in their definitions. Alternative fuel stations currently possess significant enough numbers to warrant their own industry code and should continue to grow due to increased legislation at the [state](#) and [national](#) level to reduce carbon emissions. The US Department of Energy, Alternative Fuels & Advanced Vehicles Data Center, defines alternative fuels based on the Energy Policy Act of 1992 and counts over [6000 alternative fuel stations in the US, with over 900 in CA](#).