



SMALL BUSINESS ENERGY LOANS

A.5494-a (Weprin, et al.)

Summary

This bill would amend the Urban Development Corporation Act and establish a small business energy loan program. Eligible small businesses could receive either zero percent or reduced interest rate loans, of up to \$100,000, to finance the cost of facility improvements which would reduce energy use. The corporation would also be authorized to buy down a participating lender's interest rate. In addition, the bill would require small businesses participating in the program to have an energy audit to identify strategies to conserve energy.

Explanation

Despite successes achieved by state's energy efficiency programs, a 2003 study commissioned by the New York State Energy Research and Development Authority (NYSERDA) found that six out of seven kilowatt hours of cost-effective and achievable energy efficiency savings remain unrealized. This bill would make additional capital available to small businesses in economically distressed areas to help reduce energy consumption.

Reducing energy consumption will result in decreased local and statewide electricity demand, place less of a strain on the aging transmission system — which caused outages for more than 120,000 Queens residents in 2006 — and protect New Yorkers from the harmful effects of air pollution created by fossil fuel-fired power plants.

These harmful effects include respiratory problems for people suffering with asthma, increased levels of mercury contamination, destruction of our forest ecosystems by acid rain, as well as wide ranging negative effects associated with climate change.

Environmental Advocates of New York supports this bill.

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