

Fostering Entrepreneurship in Clean Energy

Problem:

Small businesses continue to face significant challenges when it comes to volatile energy costs. Yet, small firms are the main source of breakthrough innovation in America and are a driving force of improvements in the clean energy sector. These companies are developing creative products and services that slash carbon pollution and move the clean energy economy forward. In green technologies, while four times as many large as small innovative firms have at least one green patent, small firms are more likely than larger firms to have green technology as a core part of their business.

- To unlock the environmental and economic potential, more can be done to support green entrepreneurship. Clean technology SMEs face daunting challenges, particularly in accessing early and growth stage financing.
- According to NSBA data, more than 90 percent of small business survey respondents said that they were concerned with the future energy costs of running their businesses and 87 percent said that rising and/or volatile energy prices have a negative impact on their companies.
- When asked what ways they are coping with rising and/or volatile energy costs, nearly one-third said they've raised prices and one-in-ten said they have reduced their workforce.
- The On-Bill Financing program, which is currently implemented in several states, has made thousands of loans to small businesses to invest in energy-efficiency with unparalleled success, which is why it should be widely expanded across the country.
- Small businesses would benefit individually as well. Energy-efficiency improvements could help small businesses save every year on their energy bills.

Solution:

NSBA urges policymakers to promote cost-effective energy efficiency opportunities across the federal government and work to better harness the innovation and creativity of small firms in developing clean technologies.

- NSBA believes that adequate, reliable and affordable energy is a key factor in promoting job creation, new business formation and sustainable economic growth for America's entrepreneurs and small business community.
- Keeping electricity and heating costs at a minimum is critical to helping small businesses adapt and remain viable in an increasingly competitive global economy.
- NSBA firmly believes that it is in the country's best interests to pursue an all-of-the-above strategy to achieve adequate and affordable energy from stable and reliable sources while at the same time preventing adverse health effects from pollution and ensuring that any new policy does not place a disproportionate burden on small firms.