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Energizing New York's Small Businesses

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While headlines focus on individual unemployment and the travails of big-name firms, New York City's small businesses have suffered greatly in the current recession. Even in the best of times, small firms in the city often get by with razor thin profit margins. But with their customers spending far less in this downturn while many of their fixed costs—from taxes and rent to insurance—remain as high as ever, numerous local companies have had to downsize or shut down. Countless others are just trying to hang on until business picks up again.

Nonetheless, at a time when small businesses need all the help they can get, one big opportunity to reduce costs has gone mostly ignored: becoming more energy efficient. Significant savings—up to thousands of dollars a year for even the smallest firms—have been left on the table.

Businesses across the five boroughs now pay more for electricity than firms anywhere in the U.S. outside of Hawaii. Recent surveys find small firms citing high electricity bills as one of their three greatest obstacles to doing business in New York. Taking steps to make their

operations more energy efficient—from upgrading their lighting systems to retrofitting their HVAC system and adding extra insulation—quickly pay for themselves and then some.

But despite the prospect of substantially reducing their monthly expenses, only a fraction of the city's small businesses have taken steps to make their operations more energy efficient. The city and state offer a number of energy conservation programs targeted at small businesses, but as we detail in this report, shockingly few firms in the five boroughs have taken advantage of them.

The full report from the [Center for an Urban Future](#) is attached below as a PDF file.