

Good morning, I am Byron Kennard, founder and Executive Director of The Center for Small Business and the Environment. We represent a network of small business leaders around the county who are dedicated to mobilizing the immense creativity and power of small businesses on behalf of the environment. This is happening as we speak.

Consider this: if all 19,700 members of the National Automobile Dealers Association reduced their energy consumption by just 10 percent, they would save approximately \$193 million in energy costs and eliminate more than one million tons of greenhouse gas emissions each year. This is now underway. Since early this year, nearly 500 auto dealers made a pledge to cut back as part of the NADA Energy Stewardship Initiative. NADA's initiative is a good example of "silver buckshot."

The "silver buckshot" strategy has emerged from the growing recognition that a cap-and-trade program to reduce carbon emissions, important as that would be, does not constitute a silver bullet that will eliminate the threat.

"Cap and Trade and More," an article written by Michael Northrop and David Sassoon in the June 2007 issue of Environmental Finance, notes that current efforts won't reach 50% of emissions. Even if stronger limits on emissions were imposed today, the authors estimate that it could take up to a dozen years for the federal government to implement them.

In view of this, Northrop and Sassoon call for strategies that produce incremental solutions, aggregate many small gains, and secure immediate greenhouse gas emission reductions. Small business is particularly well equipped to answer that call. America's 26 million small businesses constitute half of our economy. They consume approximately half of all energy used for commercial and industrial purposes. Something like 30% of this energy is wasted through inefficiencies that should and could be reduced.

Here's the good news. Small business energy efficiency doesn't require years of expensive R&D. All the technology needed is available now. And a fast turnaround is possible because energy efficiency upgrades for small businesses involve doing the same simple thing over and over again in lots and lots of places. Small business owners can make a big dent in energy demand, for instance, just by using window film to reduce summer heat, and by installing improved lighting, better thermostats and occupancy sensors in bathrooms, offices and storerooms.

Today, we will describe for you a portfolio of "silver buckshot" strategies for small businesses that are already underway. These are successful working models that we think can be replicated throughout the small business half of the economy.

**First**, we'll zoom in to take an up-close look at one silver buckshot: The Energy Stewardship Initiative of National Automobile Dealers Association. The presenter will be Doug Greenhaus, the association's Environmental Health and Safety Director.

The model that Doug will describe is extremely important. We hope to get it adopted by many of the other 150 small business trade associations, especially those that represent highly energy-intensive small businesses, such as those represented by the National Restaurant Association (380,000 members), the National Grocers Association (50,000 independent stores), and the National Association of Convenience Stores (140,655 stores).

**Second**, we'll zoom back and look at the big picture: the pending energy legislation in the Congress. This contains a raft of provisions for small business energy efficiency, and which, if they became law, could stimulate the launching of countless new "silver buckshot" initiatives.

The presenter will be Kyle Kempf, Director of Government Relations of National Small Business Association. NSBA is the nation's oldest small business advocacy organization and I'm happy to state that it too has launched an Energy Stewardship Initiative aimed at its 150,000 members.

**Third**. Among the measures contained the pending legislation to support On-Bill-Financing, the single best way we've found to make energy efficient for small businesses easy as falling off a log. The presenter will be Chris Lynch, Chair, of our Task Force on Federal Policy and Director, Environmental Program, Pennsylvania Small Business Development Center located at the Wharton School.

**Finally**, we'll look at what's happening in California where the "silver buckshot" scenario is unfolding fast. The presenter will be Scott Hauge, founder and President of Small Business California, the first statewide business group to support AB 32, the landmark climate change legislation passed last year.

Small Business California is promoting a novel "silver buckshot" approach. They've proposed the use of permits and licensing powers of the state to provide incentives for small businesses to become energy efficient. As a test case, they suggest using the process by which restaurant owners apply for or renew liquor licenses. The idea here is to embed greenhouse gas mitigation into the very fabric and everyday processes of government itself -- not as some program on the side.

Here again, this tiny approach could be replicated endlessly not only in California but probably in every state of the union. In sort, we think "silver buckshot" opens a new front in the fight to combat global warming.

One final word. The benefits to be derived from "silver buckshot" are not just economic and environmental, considerable though they are. The benefits are also political.

In the past, the considerable political power of small business has not been deployed on behalf of environmental protection. In fact, to the extent that environmental protection has been equated with government regulation, small business political power has been deployed in opposition. This is not only tragic, it is wrong-headed. Small business owners favor environmental protection as much as anyone; it is government regulation that they often resent and oppose.

The "silver buckshot" approach serves the interests of the environment and small business simultaneously. Consider this for example. Thousands of small firms will profit from the transition to a clean, more efficient economy, among them those that design, make, sell, install, and service energy-efficient appliances, lighting products, heating, air-conditioning, and other equipment.

This is being translated into new support for environmental protection measures. Earlier this year, H.R. 2389, *The Small Energy Efficient Businesses Act* was endorsed by:

- The Air Conditioning Contractors of America (4600 members)
- The Independent Electrical Contractors (3700 members)

- The National Roofing Contractors Association (4600 members)
- The Plumbing-Heating-Cooling Contractors Association (4100 members)

Politically, obtaining the support of these trade associations is of great strategic value. It shows how economic growth and jobs are created – not lost – by anti-global warming measures. Environmental and energy policy-makers badly need to hear this message. That's why we're here today.