

Powering 'Green Jobs'

'On-bill recovery' will spark economic, environmental benefits

By News Editorial Board

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The Green Jobs/Green NY bill was approved in 2009, but unlocking its enormous potential requires approval of another piece of legislation, known as "on-bill recovery." With it, New Yorkers will be able to lower their energy costs, create thousands of jobs across the state and limit greenhouse gas emissions. The Legislature and governor need to make it a priority.

The Senate bill is being drawn up by Sen. George D. Maziarz, R-Newfane, who should offer a strong, effective piece of legislation that will have the expected effect in leveraging Green Jobs/Green NY. The Assembly has already approved the measure, (A07006), sponsored by Assembly Energy Committee Chairman Kevin Cahill, an Ulster County Democrat.

Green Jobs/Green NY is the state's largest energy efficiency program and was passed with the goal of retrofitting 1 million homes and businesses and creating 60,000 direct jobs and 60,000 indirect jobs.

But the way to achieve these ambitious goals is to allow a way for home and building owners to have access to safe, full financing through "on-bill recovery."

Here's how it works: Green Jobs/Green NY offers upfront cash for energy efficiency improvements. It allows homeowners to pay back the cost of the retrofit over 15 years or less.

"On-bill recovery" allows homeowners to repay the cost of the retrofit on their utility bills. There would be no upfront costs. The monthly repayment charge would be less than the amount of the energy savings, so the homeowner would see an immediate savings.

And since it would, at least in theory, increase consumer demand, "on-bill recovery" would also allow the state to raise \$5 billion in third-party capital to retrofit more homes. Without this piece, the state would not be able to raise such a large amount of money in private retrofit investments, maximize consumer demand or help create thousands of jobs and help hundreds of small businesses.

Community organizations like PUSH Buffalo, which is already working with contractors to improve homes on Buffalo's West Side, see the great potential. PUSH Buffalo sees "on-bill recovery" as a way to scale up the amount of weatherization capital available to neighborhoods. What is more, the program could be a model for the nation.

Without "on-bill recovery," the number of retrofits would shrink from 1 million to tens of thousands, because Green Jobs/Green NY would be accessible only to wealthier homeowners with capital and good credit. And in poor cities across the state like Buffalo, this is a crucial point.

Not everyone likes the concept. Con Edison has offered a series of amendments proponents say would essentially shut down Green Jobs/Green NY. Utility companies would disagree and might have an issue with their own administrative costs, although proponents say any costs to the utility can be recouped.

However, the potential economic and environmental impact is undeniable. "On-bill recovery" is the tool to unlock enormous potential for New York State. It ought to get the support it needs.