

Friends and allies of clean energy and climate action,

For those of you interested in following what's happening (or not happening) at the state level on climate and clean energy, this email is for you. It's chock full of information intended to provide context about the current lay of the land – and how you can help shape it, which will be essential to making needed progress.

In this email you will find:

- **A Legislative Lowdown:** Analysis and information about what's happening this legislative session on climate and clean energy, including specific bills.
- **Climate Action Commission Update:** Get an overview of what's happening with Governor Scott's Climate Action Commission – and if or when the governor might take action.
- **A New, Weekly Way to Follow and Shape Climate and Clean Energy Efforts.** Each week, VNRC, partners, legislators and allies will share a "Dispatch on Climate from the State House" – a short video posted on Facebook and Twitter – for you to follow the conversation, share the info with other climate concerned Vermonters and tips on timely actions you can take.

THREE SHARED PRIORITIES = Opportunities for Collaboration

Governor's VT Climate Action Commission (VCAC)

- Support advanced wood heat
- Increase pace of weatherization
- Study all regulatory and market decarbonization mechanisms
- Foster the climate economy
- Electrify the transportation system

Legislative Climate Solutions Caucus (CSC)

- Carbon pricing
- Regenerative agriculture
- Use of VW settlement funds
- Subsidizing renewable home heating solutions
- Funding for expanded weatherization efforts (e.g. bonding)

The Legislative Lowdown on Climate and Clean Energy

Now in its third week, the 2018 legislative session is heating up. There have been many new bills introduced related to climate and clean energy, bills that remain "on the wall" from last year (but could be taken up this year) and some bills expected soon that have yet to be introduced. Here's a high-level overview of the landscape – as well as a short summary and links to some of the bigger climate and energy bills in the mix this session:

House Speaker Mitzi Johnson's Climate Commitment

House Speaker Mitzi Johnson gavelled in the 2018 legislative session with an overview of her priorities. Among them was a commitment to [taking action on climate](#). She charged every [House committee](#) with exploring and advancing climate solutions in their purview. To date, a few committees have embraced this charge, though exactly what they will do is TBD. This week, for example, the [House Health Care committee took testimony on climate change and health care](#). Call or email [your Representative](#); ask them what they plan to do on climate this year ... and encourage them to be as bold as possible. Reach out to your Senators too. Senate leadership has not made it clear what they plan to do, if anything, on these issues this session. As our [greenhouse gas emissions are on the rise](#) – falling dramatically short of our [state's statutory goals](#) – moving beyond rhetoric to meaningful action on climate is required. Ensuring

your lawmakers know that you hope and expect they will support and advance strong, diverse policies is key.

The Focus of the Legislative “Climate Solutions Caucus”

The 60+ member legislative Climate Solutions Caucus (CSC) meets most every Thursday in Room 10 of the Vermont State House. In their first meeting, last week, lawmakers got an update on the work of Governor Phil Scott’s Climate Action Commission from its co-chairs. They also heard about three overlapping areas of priority for the legislative [Climate Solutions Caucus](#) and the [Vermont Climate Action Commission](#) – 1) further electrifying our transportation system, 2) expanding weatherization opportunities and 3) fully and fairly examining carbon pricing/market based policy approaches to bend the curve on Vermont’s rising greenhouse gas emissions. You can also check out this week’s CSC meeting – where House Speaker Johnson laid out her climate strategy – [here](#).

Some 2018 energy and climate-focused bills this session:

- **The electric bill-reducing “ESSEX” carbon pricing plan.** Lawmakers in both the House and the Senate have introduced a bill modeled off of the innovative idea put forward by business, academic, low income and other advocates last November. This plan – the “Economy Strengthening Strategic Energy eXchange” – or [ESSEX plan](#) – would put a gradually rising price on heating and transportation fuels – the state’s two biggest GHG emitting sectors – and return all of that revenue to Vermonters by reducing their electric bills, helping to accelerate the transition to renewable electrification, and providing additional financial relief to lower-income and rural Vermonters. The policy concept is now in bill form. Senators Chris Pearson (Chittenden) and Alison Clarkson (Windsor) have introduced [S.284 – the Senate version](#). A House version is expected to be introduced in the coming days...
- **Carbon pricing study.** There is a bill – [H.394](#) – that was introduced last year that calls for an independent, funded study of different market-based and carbon pricing approaches to reducing greenhouse gas emissions. A carbon pricing/decarbonization study is a valuable first step to exploring how to make a policy work well for Vermont – and all Vermonters. While such a study is a recommendation of the Governor’s Climate Action Commission, a priority for the legislative Climate Solutions Caucus and [a recommendation of the Vermont Council on Rural Development’s Climate Economy Action Team](#), it is unclear if this bill will pass or if a study will be funded through the legislative appropriations process. Either approach – a bill or a budgetary commitment – will require strong public support, calling for lawmakers and the Governor to prioritize it, so please ask [your legislators](#) and [the Governor](#) to support a full, fair and funded examination of carbon pricing – including [the ESSEX plan](#); a uniquely Vermont approach to transitioning to a more clean, affordable energy system.
- **Appliance Efficiency Standards.** Following the success of H.411 (Act 42 of 2017), which enshrined Federal Appliance Efficiency Standards into Vermont law, [this year the legislature is working on H.410](#), which would expand appliance standards in Vermont to cover products that aren’t covered at the Federal level. Together, these bills help ensure that we continue to move forward on appliance efficiency even as the Trump

administration is threatening to [stop or even roll back the program](#). If interested, check out VPIRG's petition on this topic and add your name [here](#).

- **Electric Vehicles.** Senator Bray has introduced a bill ([S.271](#)) dealing with several different electric vehicle issues. In particular, the bill would provide a sales tax reduction for electric vehicle purchases, but would also impose an increased registration fee for those vehicles, with the funds being split between the Clean Energy Development Fund and the Transportation Fund. [VTrans issued a report prior to the 2017 session](#) recommending that no increased registration fees be imposed on electric vehicles until electric vehicles reach 15% of the vehicles in Vermont. We will be examining the overall anticipated impact of this bill and will develop a position in the coming days.
- **Social Cost of Carbon.** Senator Bray has introduced a bill – [S.270](#) – which would require the Joint Fiscal Office to prepare a fiscal note for any bill that proposes to cause an increase or decrease in consumption of electric, thermal, or transportation energy, thereby helping to quantify the external costs related to fossil fuel use and have that info available to inform policy making, state investments, etc.
- **Volkswagen Settlement Funding.** The Legislature will be developing their position and recommendations on how these funds are used – and a bill about to be introduced outlines the legislature's interest in harnessing these dollars to catalyze clean electric transportation – not furthering fossil fuel investments. This bill – still without a bill number – reflects overwhelming public input into the VW settlement discussion over the last few months. Check out [VNRC's comments](#) on how we think this one-time infusion of potentially catalytic dollars should be used – as well as [a recent VTDigger story](#) on this matter.

These are some of the bigger energy and climate focused bills, but not all. There will likely be other bills moving – or other efforts underway, including the need to stay vigilant and respond to any potential rollbacks to good climate policy. For example, though it's unclear how or if it will happen, there will be a need to guard against potential attacks on weatherization and efficiency funding this session. We will keep you posted on that issue – and all issues – as the session progresses, so stay tuned...

An Update on the Climate Action Commission

Last summer, Gov. Scott convened the [Vermont Climate Action Commission](#) and charged its 21 diverse members with recommending solutions to and, by July 2018, outlining a plan for reducing our state's contribution to climate change and meeting our state's 90 by 2050 all-energy Comprehensive Energy Plan goal. In December 2017, the VCAC delivered [its initial report and its first, shorter-term recommendations](#) to Gov. Scott, outlining five steps the Governor should take soon. The Commission met in early January 2018, but there was no clarity at that time on what – or if – the Governor's proposed actions will be on any or all of those recommendations. The five recommendations delivered for the Governor's consideration were:

- Support Advanced Wood Heat (21 for; none against)
- Increase Pace of Weatherization (21 for; none against)
- Study All Regulatory and Market Decarbonization Mechanisms (20 for; 1 against)

- Foster the Climate Economy (21 for; none against)
- Electrify the Transportation System (21 for; none against)

The Governor will deliver his budget address next Tuesday, January 23rd before the full legislature. Commonly seen as a reflection of an executive's priorities, it's hoped the Governor will outline which of these efforts he will take up and advance this year, if any. Ideally, the Governor will embrace them all, widely supported by his hand-picked commission and recommendations that could move the ball in much-needed ways – in particular in the transportation and heating sectors, our two largest GHG-emitting arenas.

UPDATE: Feb. 2018 – In late January, the Governor [wrote a letter to his appointed Climate Action Commission in response to the recommendations](#) they put forward. He embraced few of the commission's recommendations, expressing a need to consider, examine and explore many ideas further, and rejected some outright, including an impartial and full analysis of different carbon pricing or other market based mechanism. Check out [a response from VNRC's Johanna Miller, an appointed member of the commission](#).

Keeping You in the Loop and Influencing Action: A WEEKLY Dispatch via [#ActonClimateVT](#)

Each week, we plan to bring you a weekly from-the-State House short video distillation via social media of what's happening – or *not happening* – on climate and clean energy and ideas at the state level and, importantly, what concerned Vermonters can do about it to help make progress. Using Facebook and Twitter, we will post a "Dispatch on Climate" each week by tuning into – and sharing – this hashtag: [#ActonClimateVT](#). PLEASE follow and share this hashtag... Our goal is to help make it easier for climate concerned Vermonters across the state to follow what's happening on these issues, build and help integrate our movement under this umbrella and outline how you might help so that we can make much needed progress...

In Closing....

As you know well, there is urgency – and an economic opportunity – to take action on climate change. Unfortunately, despite ostensible consensus from the highest levels of government on down on this pressing issue, we aren't doing nearly enough. Our rhetoric far outpaces our actions. There is no time to waste on this issue – and significant job-creation opportunities for everyone; putting people to work weatherizing homes, installing heat pumps, putting solar on homes, schools, municipal buildings and more. We must embrace a wide range of policies and approaches to bend the curve on our rising greenhouse gas emissions, and we need policies commensurate with this challenge, like carbon pricing, to be part of the mix.

Let us know how we might help you stay better informed and turn your passion for these issues into action. Ultimately, our goal is to help move the dial on climate action in a way that protects the most vulnerable, seizes the economic development opportunity and actually manifests in real results. We've been co-hosting some community conversations with local leaders across the state – maybe we can organize an event with you in your region? If interested, [email us](#) and let us know!

Thanks for all you do – and all you can do to help.