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VPIRG Testimony to Senate Finance on S.259, the Climate Superfund Act  
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VPIRG strongly supports S.259, the Climate Superfund Act, for the simple reason that the costs of climate change are staggering, and Vermonters should not have to shoulder those costs alone. The parties responsible for the climate crisis should be required to pay their fair share for the cost to Vermont to adapt to, become more resilient to, and respond to the climate crisis.

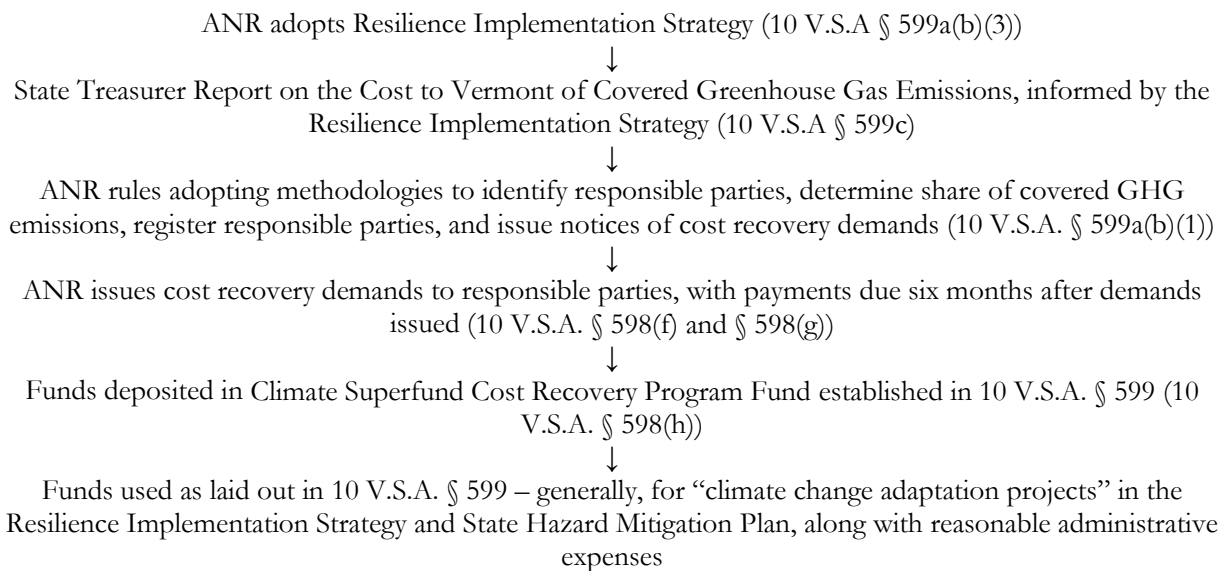
Historically, in the climate space VPIRG has primarily advocated for actions specifically designed to reduce climate pollution. That's not what this bill is about – it's about ensuring that Vermont has the resources necessary (in particular over the medium to long term) to deal with the effects of the climate crisis.

The largest fossil fuel companies in the world made more than \$200 billion in profits in 2022, and again in 2023. Meanwhile, Vermonters have gotten stuck with the costs of climate change cleanup in our communities. That shouldn't be the case. These same fossil fuel companies knowingly made a mess of the climate. They knew about the dangers of carbon pollution decades ago, as was clearly laid out in the record before Senate Judiciary. They should be required to help pay to address the costs of this crisis to Vermont.

This “polluter pays” principle is well-established in state and federal law, and has been repeatedly upheld in our nation's courts.

The key question is, who do we think should pay for the costs caused by the climate crisis? In our view the answer is clear: Vermont should do everything it can to ensure the largest fossil fuel companies pay their fair share, rather than accepting that Vermont and Vermonters have to shoulder this burden on our own.

**Process as laid out in S.259:**



## What investments are included?

“Climate change adaptation projects” defined in 10 V.S.A § 596: “means a project designed to respond to, avoid, moderate, repair, or adapt to negative impacts caused by climate change and to assist human and natural communities, households, and businesses in preparing for future climate-change-driven disruptions.” The definition also includes a non-exhaustive list of eligible projects.

## How are total costs to Vermont calculated?

10 V.S.A. § 599c (Treasurer’s report):

- “an assessment of the cost to the State of Vermont and its residents of the emission of covered greenhouse gases for the period that began on January 1, 1995 and ended on December 31, 2024” including
  - o “a categorized calculation of the costs that have been incurred and are projected to be incurred in the future within the State of Vermont” from those emissions
  - o “a categorized calculation of the costs that have been incurred and are projected to be incurred in the future within the State of Vermont to abate the effects” of those emissions

## How are cost recovery demands determined?

Cost recovery demand formula ANR would implement (laid out in 10 V.S.A. § 598(b)):

$$(X/Y) * Z = \text{Cost Recovery Demand}$$

- X = Covered emissions during covered period from a responsible party, expressed in metric tons CO<sub>2</sub>e
- Y = All covered emissions during covered period, expressed in metric tons CO<sub>2</sub>e
- Z = Total costs of covered GHG emissions from the covered period per the Treasurer’s report

## Testimony on attributional science

In regards to the Treasurer’s report, as Prof Justin Mankin of Dartmouth College (an expert in attributional science) told Senate Natural Resources this morning, “Using peer-reviewed, consensus scientific methods, scientists can *quantify* the economic losses a region like Vermont has endured from the impacts of global warming to date, trace those losses back to particular emitters, and provide estimates of future losses.”

And as it relates to the responsibility of ANR to determine proportional liability of responsible parties, Richard Heede of the Climate Accountability Institute, who has done extensive research into emissions from historic fossil fuel extraction, made clear in testimony to Senate Judiciary that data from SEC and other publicly available filings make the analysis required of ANR entirely feasible.