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Yankee, divestment votes fail to put Vermonters over special interests

By Vermont Senators Richard Mazza, Robert Starr, and Peg Flory

In recent years, the political winds of promised change have blown in and out of Vermont like a nor'easter. But as the dust has settled, we seem to be falling short, in some important areas, of the open, pragmatic, good governing Vermont that we all know and love. Recent issuances from Vermont's government have overridden fiduciary responsibility and due process in favor of special interest campaigns and political gestures.

For instance, in 2010 the Senate led by then-Senate Pro Tem Peter Shumlin prevented the Vermont Public Service Board from ruling on Vermont Yankee's application to continue to operate. We three, along with then-Senator Phil Scott, alone voted to let the PSB rule. Then as now, we believed in the importance of due process.

It is ironic, to say the least, that Gov. Shumlin is now invoking carbon reduction as a reason for short-cutting the due process of our pension fund investment system. For 42 years Vermont Yankee was an instate goldmine of very low-carbon electricity. We, along with Sen. Scott, also lamented the loss of more than 600 well-paying jobs, the ripple effect of that loss on the Windham County economy, and millions of dollars in local and state tax revenue.

The eventual, unfortunate decision to close Vermont Yankee has now increased the state's carbon footprint, as Vermont uses more fossil fuels for energy generation. State government officials at the time called the loss of high paying jobs and expanded tax base "hard news," as if nothing could have been done to prevent the closure and its consequences. But this was just one of the many conscious steps taken away from Vermont's history of good governance. Today some in state government seem too willing to do an end run around legislatively-required due process, to the detriment of the prosperity and quality of life of our people.

In recent months another proposal has been laid on the table: to divest the state's pension funds from fossil fuels, or alternatively, its limited coal and ExxonMobil assets. State Treasurer Beth Pearce and her Investment Committee have stressed again and again the millions of dollars in financial losses the state would incur, as well as the committee's primary fiduciary responsibility to protect state retirees' livelihood. Pearce has repeatedly called divestment a "bad practice," saying "My first priority is to protect the 49,000 active, vested and retired members of the system, the beneficiaries, and the taxpayers who put dollars into that system." While the proposal might have the semblance of tackling "big issues," by making a "statement," it sadly boils down to lost returns and no

measurable impact of the fossil fuel industry or climate change. We need a practical approach to governance in Vermont that puts the taxpayers, retirees, employees and their families first.

Vermont's next governor must make Vermont more affordable for families and employers by building out a strong economy and raising wages. Lt. Gov. Scott's position on Vermont Yankee and divestment embody his pragmatic approach to improving Vermont's business climate and combating income reduction caused by state government. We ask our next governor, whomever he or she may be, to commit to such prosperity-based decision-making and pragmatic, good governance.

Sen. Mazza represents Colchester and Grand Isle County. Sen. Starr represents Essex and Orleans County. Sen. Flory represents Rutland County.