



Vermont Businesses
for Social Responsibility

PEOPLE, PLANET, PROFIT: THE VERMONT BUSINESS CASE FOR CARBON PRICING

“You can’t run a healthy business on a sick planet.”

-John Replogle, President & CEO, Seventh Generation

As shown in states and countries around the world, a well-designed carbon pollution pricing system benefits both the environment and the economy.

Why Vermont Businesses Support Carbon Pollution Pricing:

JOBS: Vermont employs over 17,000 workers in clean energy and energy efficiency – and this sector of our economy is growing 10x faster than the workforce as a whole. We lead the nation in solar jobs per capita. Leveling the playing field between fossil fuels and renewable energy plays to Vermont’s strengths and facilitates **job growth**. The Department of Public Service’s *Total Energy Study* forecasts 2,260 to 6,400 new Vermont jobs depending on the design of a carbon pricing program.

A STRONGER ECONOMY: Since the turn of the 21st century Vermont’s economy has begun to “decouple” from fossil fuels. In other words, the state has reduced its carbon pollution emissions by almost 13%, while Vermont’s real GDP has grown by almost 23% – the fastest rate in New England. It’s easy to see why decoupling is good for Vermont’s economy – all fossil fuels used in Vermont are imported. According to the *Comprehensive Energy Plan 2016*, “In 2013, the state spent nearly \$2.3 billion annually – about 8% of Vermont’s GDP – on petroleum products that are extracted and refined elsewhere.” This is a significant drain on the Vermont economy, particularly when there are abundant, low-carbon and comparably-priced sources of energy available locally. Vermont businesses can **save money** and stop sending our energy dollars and jobs elsewhere by phasing out fossil fuels. More money then stays instate and supports the local economy.

INNOVATION: At the turn of the 21st century Vermont committed itself to a process of continuous innovation by launching the first-in-the-nation energy efficiency utility – Efficiency Vermont. This innovation has saved Vermonters tens of millions of dollars in energy bills, and Efficiency Vermont now exports its expertise around the nation and the globe. It’s time to push further.

As a market mechanism, carbon pollution pricing spurs businesses to lead the way in the clean energy transition through **innovation and enterprise**. A carbon pollution fee in particular, with a predictable price, provides **greater certainty** in terms of calculating energy expenses.

VERMONT VALUES: Vermont is viewed as a “green state” and is highly regarded for its progressive and environmental **values**. Businesses that support carbon pricing

demonstrate that they embrace these values and **attract a rapidly growing, socially conscious customer base** including the Millennial market.

Major Vermont brands and employers including Ben & Jerry's, Burton, Gardener's Supply, King Arthur Flour, Seventh Generation, Sugarbush and VEIC have called for a price on carbon pollution.

PROTECTING THE VERMONT BRAND: Iconic Vermont industries like the maple syrup, dairy, and winter recreation industries are at risk from climate change. Warmer temperatures and precipitation changes are leading to shorter sap tapping seasons, decreased milk output from heat-stressed cows, and reduced winter snowpack. Supporting a price on carbon helps **protect these important, iconic industries**.

HEALTHIER, MORE PRODUCTIVE EMPLOYEES: Decreasing pollution through carbon pricing results in measurable health benefits. For example, a 2017 study of associated health impacts from the Regional Greenhouse Gas Initiative (RGGI) from 2009 to 2014 found that the program generated \$5.7 billion in health savings, over 8,200 asthma attacks avoided, and more than 39,000 lost work days averted, including **nearly 400 lost work days avoided here in Vermont**.

A Harvard University study of a carbon pollution pricing proposal in Massachusetts estimates that the Bay State would save more than 300 lives and \$2.9 billion in health costs over two decades. Similar savings of lives and money are available in Vermont.

ECONOMIC SECURITY: Reducing carbon pollution helps **mitigate climate impacts like extreme weather events**, which affect businesses' ability to remain open and profitable. In Vermont, flooding from Hurricane Irene cost taxpayers \$1 billion. The storm hit businesses particularly hard in towns like Waterbury.

GROWING VERMONT'S WORKFORCE: A 2014 Regional Economic Models, Inc. (REMI) analysis estimated that a carbon pollution price would draw 2000-5000 new residents into the Vermont looking for employment opportunities, high real wages, and a higher quality of life.

THE FIRST MOVER ADVANTAGE: Carbon pollution pricing is inevitable. Nearly all of America's trading partners have or are in the process of adopting carbon pricing mechanism. The Paris Climate Accords all but commit countries around the world to design their own carbon fees. Even within the Trump White House there are advisors who understand and support carbon pricing.

The states, and businesses, that adopt carbon pricing now will spur innovation, entrepreneurship and new low-carbon processes and technologies. Vermont businesses want that innovation occurring here, so that Vermont businesses can market their new products and services to other states and nations that implement their carbon pricing programs later.