



H. 688 TESTIMONY

Vermont Ski Areas Association

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Thank you Chair Briglin, Vice Chair Sibilia and Committee for the opportunity to testify on H. 688 this morning. The Vermont Ski Areas Association is a trade association representing 20 alpine and 30 cross-country ski areas across Vermont. Skiing is a major economic driver, making up about a third of tourism; and two-thirds of the direct spending brought in by skiing occurs in the towns and communities surrounding the ski areas, so it is particularly a major economic driver in rural areas.

Climate change is a global issue, and Vermont is a small state, so regional, national and international focus and concerted effort is critical, but our local state efforts are very important, too, to do our part.

I'm going to talk about the effects we are seeing now, what the industry is doing and then talk about H.688.

It's probably no surprise to anyone in this room that climate change has serious ramifications for our industry – and we are already experiencing its effects. Many people assume that our issues are just the snow and cold, but it's also weather volatility which manifests in several ways: thaw/freeze cycles, more frequent and more severe wind events and infrastructure damage from intense storms. And while we have not been experiencing shorter seasons at the alpine areas, it's a different story for the cross-country ski areas. Few of them have snow making capacity and so they rely completely on natural snow to stay in business. In many cases, these are family-owned businesses, employing local people and benefitting the local economy. Efforts to limit climate change and its effects are critical to the survival of these businesses.

This season is a great example of thaw/freeze cycles – we've had five so far, and these events cause us to have to make more snow to reopen terrain and resurface terrain. Earlier this month we had a significant thaw the weekend before what should be one of our busiest weekends of the season. The weekend prior to MLK weekend we had rain and mild temperatures, causing terrain closures and temperatures rising into the 70's in southern New England and other core markets, where many of our guests come from. Fortunately, the forecast turned around with well-timed snow and cold temperatures allowing round-the-clock snowmaking heading into the weekend. And, fortunately, people DID come to Vermont, resulting in a very successful weekend with several areas posting record attendance. That's very important to our economy.

Infrastructure damage from intense storms, such as the damage Killington sustained to its base lodge, snowmaking plant, roads and trails and Sugarbush losing their snowmaking pond as a result of Irene, is very costly to fix.

More frequent and more severe wind events. Last week, Win Smith mentioned spending \$400k to bury powerlines, to better maintain power to the resort for lift and other operations, but beyond power transmission, we're also seeing more intense winds which affect lift operations. On the Monday of MLK weekend last year, several areas had to shut down entirely due to very strong winds - and that wasn't the only instance wind shut areas down last year. Fortunately, this season we haven't had as many of these events.

So, our industry is doing climate work in four areas: 1) the hard work the ski areas have done and continue to do to increase operational efficiency and sustainability, often working with Efficiency Vermont; 2) advocacy for a carbon tax at the national level along with other large and small businesses from around the country; 3) support of climate legislation at the state level, which is why I'm here talking to you today and 4) asking the skiing public to make their voices heard.

Our industry has done extensive work with Efficiency Vermont to make improvements in operational efficiencies over the better part of the past two decades. Last spring, I asked Efficiency VT for some cumulative data to put that work into some context. From 2000-2018 Vermont ski areas collectively completed 668 projects, ranging from lighting to low energy snow guns – and these projects represent a lifetime savings of 990 million kWh, and 1.77 billion pounds of carbon equivalent (or more than 708,000 tons) and a cost savings of more than \$175 million for the industry. That's pretty significant! The biggest single effort was the "Great Snow Gun Roundup" in 2014, when ski areas partnered with Efficiency Vermont to expand the efficiency, quality and coverage of their snowmaking systems by replacing over 1,800 inefficient older-model snow guns with 2,300 new low-energy snow guns. These new guns not only save significant amounts of energy, allowing for less power use and have lower emissions, but they are also allowing the ski areas to create higher-quality snow surfaces, more quickly. So, this is a win-win and being nimble with snowmaking is a huge competitive edge, now more than ever. I'm proud to say that our Vermont ski areas are industry leaders in operational efficiency, and they will continue to further their work in this area.

During the 2018 legislative session, Vermont ski areas advocated for the bill that created the Energy Efficiency and Productivity Pilot Program, a hybrid economic development and energy efficiency proposal that included a three-year energy savings account (ESA) partnership pilot, allowing a limited number of businesses to work with Efficiency Vermont to administer their own efficiency projects and would expand the eligibility of eligible projects into other areas like thermal energy, productivity measures, demand management, and energy storage - providing the initiatives benefit both the customer and its interconnecting utility. At least four ski areas are participating in this pilot, and we supported it as a great step toward evolving efficiency programs and helping businesses leverage their EEC payments for continued growth and increased efficiency.

VSAA has been down in Washington DC, along with other state and regional ski area associations, the National Ski Areas Association – part of the Outdoor Business Climate Partnership along with the Outdoor Industries Association and the Snowsports Industries Association; and other businesses, to advocate with members of Congress and their staff for a carbon tax at the national level, and we will be back down there this May for another round of advocacy to continue this push.

Our guests do care about how we operate and what we are doing, particularly among younger Gen Z consumers. They are well-educated about brands, what they stand for and whether they are actually walking the walk. According to a recent McKinsey & Co report on Gen Z consumers, 70% say they try to

purchase products from companies they consider ethical. It's important for brands to know what they stand for and demonstrate it in the way they conduct their business. And climate is an issue on which we, in the ski industry, better have and do have a perspective for both near term and long-term business.

I would also like to mention ski areas' role in helping their communities recover from climate-related infrastructure damage. Ski areas are uniquely resourced with workforce and technical talent, heavy and other equipment, lodging, food & beverage, and more – a lot of resources in one business. After Irene, Stratton Mountain partnered with the Stratton Foundation and with their local community Emergency Services Committees to get resources to families who lost homes or had catastrophic damage as a result of the flooding. They also provided support with their equipment (ATV's and heavy equipment), and personnel as needed to assist with roads and emergency services. Killington provided lodging support to families displaced by flooding and infrastructure damage in their local area. These are just two examples, but in these ways, ski areas can help their communities in times of crisis.

The Vermont Ski Areas Association is broadly in support of H. 688, for bringing Vermont's Climate policy together in a single plan and for meaningful progress toward meeting the emissions reduction requirements set out in the bill. We do have a suggestion:

The Climate Council's Action Plan should come back to the legislature for adoption, rather than going straight to rulemaking by ANR. We suggest this for several reasons: the legislature can affirm that the Action Plan meets their intent; and there are likely to be a number of solutions put forth in the Plan that may require policy changes and budget allocations that may be outside the purview of ANR and involve other agencies.

It is our hope that the solutions to meet the reduction requirements set out in this bill will take many forms and not singularly a regulatory approach. There will no doubt be issues and interests that will need to be balanced in pursuit of our reduction goals. The Legislature has an important role to play as the body to set policy: taking into consideration a balance with economic interests, hearing from the public and determining what policy and budget considerations or adjustments may need to be made.

I'd like to close by saying that we would prefer to invest our dollars into technologies and solutions that will further our efficiency and sustainability and be a part of the solution, rather than paying fines and penalties that would add to our cost of doing business and subtract from our ability to become more efficient, sustainable and further limit emissions. We don't need penalties and lawsuits, we need action.

Thank you for the opportunity to testify today.