

January 28, 2020

TESTIMONY OF LESLIE ANDERSON

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BEFORE THE VERMONT COMMITTEE ON THE ENVIRONMENT

Concerning H 688 the Vermont Global Warming Solutions Act of 2020

The Propane Gas Association of New England (PGANE) is pleased to have the opportunity to offer its comments regarding H688.

PGANE is a regional alternative energy trade association representing members of the propane industry in the 6 New England States. We exist to serve the propane industry by promoting safety, education and public awareness of the uses of propane. Our membership includes propane companies and suppliers, including numerous small companies who are often family owned and operated, many for several generations.

The proposed rulemaking process in the VGWS is unprecedented and of concern to our members, many of whom are small local family owned businesses. The bill requires the Secretary to submit proposed rules to the Council 45 days, and to legislative committees 30 days, before submitting them to the executive branch Interagency Committee on Administrative Rules. Once the emissions reduction rules are finalized, the General Assembly will not vote on them. This provision is unprecedented and contrary to the founding principles of our democracy.

Another concern to our members is the "Cause of Action" whereby any person or group can go to Superior Court to allege that "the rules adopted by the Secretary have failed to achieve the greenhouse gas emissions reductions requirements". That plaintiff can seek a judicial order (mandamus) directing the Secretary to adopt or update rules that do achieve the requirements. That order would require a judge to decide the agency compliance with the emissions requirements, and possibly order state agencies to undertake more vigorous regulation. We are concerned that special interest groups will take advantage of this component to further their agenda and cost the citizens and state of Vermont in the process. For example, if a group sues to require a carbon tax on fuels, it might disincentivize our energy source. Across the globe, propane is being used to replace wood and coal to reduce carbon emissions and move people out of energy poverty. A tax on propane would cause additional wood burning in Vermont and increase carbon emissions. Without input from those affected or the legislature, any agency action on its own that could implement something as impactful as a carbon tax is not proper in a democracy.

Using propane furthers the fundamental environmental goal to Reduce, Reuse, and Recycle as promoted by EPA and DEP. Most people do not realize that propane is a beneficial byproduct of natural gas processing. About 5% of natural gas processing produces propane. If propane is not captured and beneficially used to offset another energy source, it is simply burned off. Thus, it should be promoted as key component of Vermont's energy strategy, since reuse of this underutilized byproduct is essentially carbon neutral (surplus byproduct is wasted energy).

Propane is a perfect partner with renewable energy as it is the cleanest backup for solar installations and wind turbines. Unlike toxic battery storage, propane is a recognized clean alternative fuel by EPA under the 1990 Clean Air Act, and it is an essential backup for our ever-increasing use of the electric grid. Propane is nontoxic and has no ozone depleting chemicals, unlike electricity transformers. Renewable propane is also a viable innovation and under development from both algae sources. Renewable propane is also being produced today from bio sources in Louisiana, California, and Europe. As the biofuels industry continues to develop and create greater volumes, traditional propane can be replaced with renewable propane without any change to equipment. Today, renewable propane use isn't even necessary, because traditional propane is an underutilized resource. The reason propane is underutilized is because so much of it is available due to the increase in natural gas energy power plants replacing coal and nuclear power plants. Indeed, here in New England over 50 percent of our electric grid energy comes from natural gas. Thus, if we are truly going to be good environmental stewards, we should be reusing this beneficial byproduct.

Our industry is concerned about the environment and is actively working to reduce carbon emissions. Let me tell you how the propane industry is reducing millions of tons of carbon emissions each year. Across the globe, propane is being used to solve the world's greatest health threat, indoor air pollution caused primarily by burning wood for cooking and heating. Over 3.5 million people die annually from cooking with solid fuels. This leads to deforestation at an alarming rate in many developing countries and causes enormous carbon dioxide emissions. Moving one family from wood to propane saves over one ton of CO₂ per year. In India, the propane industry has partnered with the Indian government to move 3 million people annually from solid fuels to propane, saving over 3 million tons of CO₂ emissions per year for the last three years. In addition, moving 50 families to propane from wood saves an acre of rainforest land. **Across the globe propane is being used improve human health, reduce carbon emissions, and reduce deforestation.** Propane is also literally improving the lives of women around the globe. Once women and girls switch from gathering wood, an activity that takes up to six hours per day and is fraught with danger including snake bite and rape, women are freed to become educated, and spend more quality time with their children. Vermont needs to join in this effort recognized by many countries around the globe, and partner with propane as a solution for reducing carbon dioxide emissions!

We support the goals of this act to consider the largest possible greenhouse gas emissions reductions in the most cost-effective manner, and the importance of building resiliency and energy security. Propane is a proven solution for transportation emissions. Around the globe, propane is the highest used alternative fuel for transportation. Propane school buses are proven solutions for rural states. Propane buses cost one third the price of an electric bus and start at forty-five below zero without engine warmers.

Propane is a critical backup energy used by many citizens and businesses when the power goes out. Because propane is blessed by chemistry and easily compacted into a portable tank it is the perfect fuel for emergency situations and for rural states.

In 2017, when Hurricanes Irma and Maria hit the island of Puerto Rico, propane bulk plants provided the only reliable energy security to the citizens hit by this emergency. Propane was the only energy that was available before, during and after the hurricanes across the island. Hospitals and businesses using combined heat and power propane systems were the only ones that continued to be operational following the hurricane and throughout the recovery period. Wind and solar farms were completely decimated by the storms and power lines took between 2 and 12 months to be restored.

It is important to have an energy infrastructure of propane spread across our rural state so that the energy is available when roads are flooded, washed away or otherwise impassable. This is what saved Puerto Rico and Vermont's history with Irene shows the importance of this need for critical infrastructure in Vermont. During the coming decades, we will continue to experience extreme climate events such as floods and winter storms. Vermont needs a reliable backup power to provide heat to our homes and to cook and boil water during emergencies. Propane is the best solution for Vermont since it is nontoxic, does not contaminate groundwater or surface water, is portable, and is already present across our state supporting local businesses and employees by providing green jobs. Propane microgrids are increasing in use across Europe and are also a potential solution for Vermont energy security.

I thank you for the opportunity to comment.