



February 13, 2023

Senate Committee on Natural Resources and Energy
Vermont State House
115 State Street
Montpelier, VT 05633

Dear Senators,

Thank you for the opportunity to offer comments on S. 5, the Affordable Heat Act. We appreciate the efforts of this Committee to both support and expand access to clean energy in Vermont while also maintaining our state's environmental integrity and shared commitment to creating just, equitable communities.

Vermont Businesses for Social Responsibility (VBSR) is a statewide, nonprofit business association with a mission to leverage the power of business for positive social and environmental impact. For over 30 years, our organization has promoted the opportunity and responsibility of the business community to set a high standard for protecting the natural, human, and economic environments of our citizens.

Most of our members are small employers. Roughly 35% employ 10 Full time employees (FTEs) or less, 65% employ 50 FTEs or less, and only about 6% (or 40 companies) employ 300 or more FTEs.

VBSR is strongly supportive of the Affordable Heating Act as we feel a Clean Heat Standard represents a tremendous opportunity to move away from fossil fuels and in doing so reduce our climate pollution, keep more dollars in our local economies, and help Vermonters make the shift to more affordable, clean, and predictably priced energy sources.

We have not only an environmental obligation to tackle our transportation emissions but an economic one as well. In 2018 alone, Vermont spent over \$769 million on fossil fuels for heating. Of that total, a whopping 67% left the Vermont economy entirely. Conversely, electricity and wood heat keep a much higher share of dollars in state—with electricity keeping an average of 62 cents per dollar in our local economy and for wood heat, an average of 80 cents per dollar. Fossil fuel prices are also generally higher and more volatile than electricity and wood prices. In other words, switching to cleaner more affordable alternatives such as electricity, wood heat, or biofuels allows consumers to save money with lower-cost, less price-volatile heating options.

Unfortunately, there is no one size fits all approach when it comes to decarbonizing our thermal sector. It will take a combination of different heating sources to effectively wean our state off fossil fuels. Solutions like wood heat and biofuels are not exactly a carbon neutral option, however they are nearly always less harmful than fossil fuels — especially when they are locally and sustainably sourced. Wood, for example, offers a 50% reduction in GHG emissions compared to fossil fuels. Meanwhile, other alternatives such as B100 biodiesel and natural gas can also offer an affordable, less carbon intensive choice for Vermont consumers.

I understand the concern from some advocates about the transition to these “carbon better” heating options, but it is important to remember that the Clean Heat Standard legislation includes language requiring the state to conduct lifecycle carbon accounting to track emissions from fossil fuel alternatives. This in concert with the rigorous, two-year public and regulatory process and required input from the legislature will ensure that we are reducing our emissions transparently and at a pace and scale that is commensurate with the science.

Thank you for your tireless work on behalf of Vermont's businesses, communities, and natural environment. VBSR appreciates the opportunity to offer comments on S. 5 and we are available for further questions and testimony at your convenience.

Sincerely,

A handwritten signature in black ink, appearing to read "Roxanne Vought". The signature is fluid and cursive, with the first name being more prominent than the last.

Roxanne Vought
Executive Director

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