

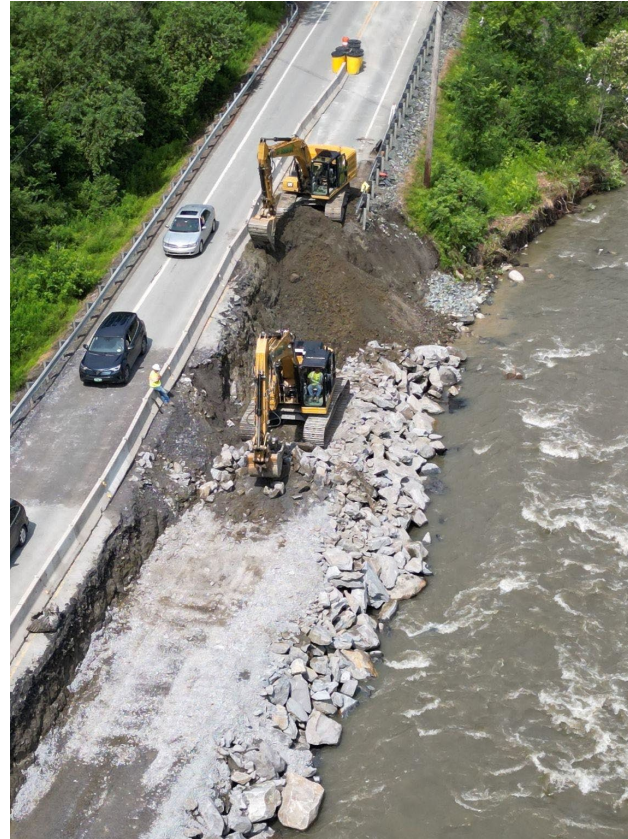
House Energy and Digital Infrastructure

January 13, 2026

Julie Moore, Secretary, Agency of Natural Resources
Jane Lazorchak, Climate Action Office, Agency of Natural Resources

Today's Agenda

- **Climate Action Plan:**
 - What it is
 - How it was updated
 - Priority actions
- **Greenhouse Gas Reporting Program**
 - Overview of recommendation
 - Approach
 - Cost



Vermont's Climate Action Plan (CAP)

**Global Warming
Solutions Act
Passed; Climate
Council established**

2020

**Initial Climate Action
Plan Adopted**

December 2021

**Implementation and
update every four
years**

Updated
July, 2025



CAP Overview

01	Reduce Climate Pollution (Cross Sector Mitigation)	<ul style="list-style-type: none">• Transportation• Buildings• Electricity
02	Support Agriculture and Ecosystems	<ul style="list-style-type: none">• Nature-based solutions• Working lands• Investment
03	Rural Resilience & Adaptation	<ul style="list-style-type: none">• Capacity and planning• Built environment• Public health
04	Implement Cross-Cutting Solutions	<ul style="list-style-type: none">• Education• Workforce• Financing and funding

Updating the Plan: How the Work Happened

Vermont Climate Council & its Five Subcommittees



**Rural
Resilience
&
Adaptation**



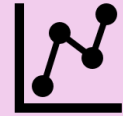
**Agriculture &
Ecosystems**



**Cross-Sector
Mitigation
(Reducing
Climate
Pollution)**

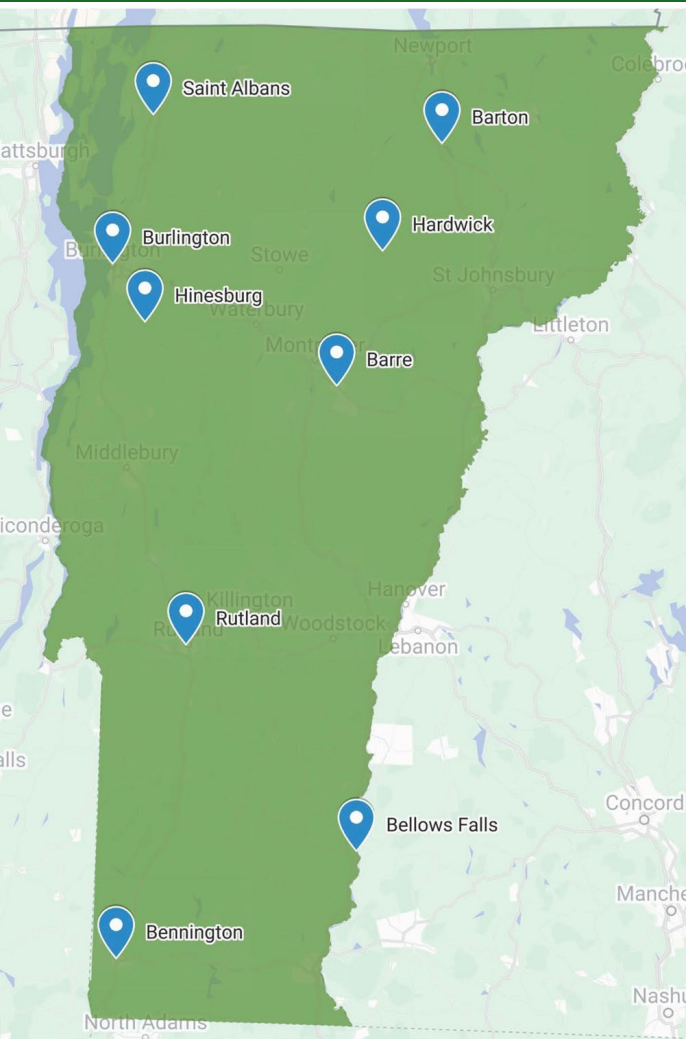


**Just
Transitions**



**Science &
Data**

Public Engagement Around the CAP



January 2026

- Held **8** in-person and **11** virtual public meetings
- Attended / tabled **24** events
- Partnered with community-based organizations
- Offered multiple ways to provide written or verbal comments



Examples of how public input shaped the CAP

Key Messages from Vermonters:

- “Too many ideas - Prioritize!”
- “Language is not accessible”
- “Be mindful of costs”
- “Need to ensure funding”
- “Why no mention of geothermal networks?”

Climate Council Response:

- Identified Top 10 Priority Actions
- Created a plain language intro and executive summary
- Focused on affordability
- Recommended bridge funding to support near-term action
- Created a new recommendation

Context for the CAP Update

- Unprecedented federal investment in climate action is abruptly ending, requiring significant changes to underlying assumptions about the financial resources and operational capacity available for climate action, impacting Vermont's efforts to both reduce emissions and support disaster recovery and resilience initiatives.
- The federal government is also pulling back on key policies, such as support for electrification of vehicles and deployment of renewable energy.
 - Even before this challenging context came into focus, Vermont faced a heavy lift to achieve its 2030 emissions reductions requirements under the GWSA and has struggled to fully recover from recent disasters.
- Reduced federal funding, coupled with the finite financial capacity of Vermonters and their municipalities, will require the state to carefully consider how to raise revenue and prioritize investments in reducing emissions and making the state more resilient.

Context for the CAP Update

The CAP Update emphasizes actions that would:

- Make investments in resilience, preparedness, and community development that help Vermonters recover more quickly and save money and lives as Vermont faces future climate hazards
- Make homes more efficient and help Vermonters switch to price-stable and affordable sources of heat and transportation, particularly for Vermonters living on low and moderate incomes
- Invest in building the workforce needed to implement these actions
- Identify sustainable, long-term funding to support the actions

Top 10 Priority Actions

- ▶ Expand and maintain a permanent Flood Resilient Communities Fund
- ▶ Invest in municipal infrastructure to support compact development



Top 10 Priority Actions *(continued)*

- ▶ Increase funding for programs that achieve climate goals on farms and in forests
- ▶ Promote equitable landscape connectivity and conservation



Top 10 Priority Actions *(continued)*

- ▶ Weatherize homes, focusing on low- and middle-income households.
- ▶ Take preparatory steps and join a cap-and-invest program when viable.



Top 10 Priority Actions *(continued)*

- ▶ Support utility programs that ensure the electric grid supports customer electrification and resilience
- ▶ Reduce greenhouse gas emissions from vehicles and buildings through electrification



Top 10 Priority Actions *(continued)*

- ▶ Identify revenue sources (“bridge funding”) to immediately support priority actions
- ▶ Implement the U.S. Climate Alliance’s Climate-Ready Workforce Initiative



Implementation

- **CAP recommendations require a combination of legislative and administrative action**
 - Implementation of the CAP will require the Legislature to pass significant legislation, as well as allocate the necessary resources to advance the recommendations.
 - While the GWSA requires ANR adopt rules consistent with the Climate Action Plan, on or before July 1, 2026. *The CAP does not direct any rules under that timeline.*
- **Additionally, the Council will work to further efforts in several key areas:**
 - Monitoring and tracking the progress of implementation of the Update to the Climate Action Plan
 - Considering additional resources to make the Plan actionable
 - Working in partnership with State government and the Legislature
 - Convening Climate Council meetings on a quarterly basis to engage with the public
 - Bringing Subcommittees together as needed to support the work of the Climate Council

Greenhouse Gas Reporting

The CAP Update included the following request to ANR:

Develop a framework for the reporting of greenhouse gas emissions data from fuel suppliers and other significant emitters of climate pollution. ANR will work expeditiously to put a reporting framework in place and recommend to the Legislature by December 15, 2025, statutory changes and funding needed to support streamlined reporting requirements and a stepped implementation plan.

Rationale

Builds on recommendations in the Treasurer's February 18, 2025, report to the Vermont General Assembly on approaches to a cap-and-invest program:

A comprehensive greenhouse gas (GHG) reporting program is foundational for any sector-wide or multi-sectoral policy or regulatory approach to reduce GHG emissions.

Treasurer Pieciak identified the development of a framework for reporting GHG emissions data as a foundational step.

Specifically, ***Treasurer Pieciak concludes that there is no viable cap-and-invest program to join and recommends further evaluation of the benefits and impacts of joining such a program in future, including studying whether and when to establish a GHG emissions reporting program.***

Approach

ANR analyzed two reporting frameworks:

Harmonization

ANR staff compiling and reconciling various types of data already being collected by other departments (DMV and Tax).

Standalone Reporting Rule

Covered entities reporting GHG emissions data directly to ANR.

Recommendation

A standalone reporting rule would best support the goals of the CAP, allowing ANR to:

- Define, collect, and analyze sufficient data to develop a robust estimate of statewide emissions from covered sectors.
- Adjust the scope of the reporting program, if necessary, for future mitigation activities.
- Decrease reliance on federal datasets, as federal data reporting requirements are rolled back.

Were a reporting rule to move forward, it is important that the General Assembly **specifically authorize ANR to create a comprehensive GHG reporting program** that covers all sources of emissions and **ensure adequate resourcing.**

Resources

Adequately resourcing this work is essential.

A high-quality dataset is critical to Vermont's ability to fully understand and evaluate the costs and benefits of emissions reduction efforts, inform future policy discussions, and to ensure program design is truly able to meet the needs of low- and middle-income Vermonters.

Resources are needed to both create the program and support compliance, ensuring all covered entities are reporting.

If some covered entities are reporting while others are not, there is not only incomplete data, but also an inequitable system.

In the Public Utility Commission's (PUC) January 15, 2025, report to the Legislature on the Clean Heat Standard, Chair McNamara cites the challenges of standing up their reporting program as a result of inadequate funding.

Estimates in the PUC's report showed that roughly only **40% of entities were reporting**.

Resource Needs

Task	Program Establishment & Management	Platform Development & Maintenance	Data Analysis & Verification	Compliance & Enforcement	Totals
Staff Time (FTEs)	1 FTE	0.25 FTE	0.25 FTE	0.5 FTE	2 FTEs = \$300,000 Base funding increase
One-time Costs	N/A	\$300,000 for platform development	N/A	N/A	\$300,000 One-time
Ongoing Annual Costs	N/A	\$100,000 for platform maintenance each reporting year	\$100,000 for third-party verification each reporting year	N/A	\$200,000 Base funding increase

Program Scope

At minimum, the program should cover the transportation and the residential, commercial, and industrial (RCI) sectors.

- Together, transportation and RCI represent 70% of statewide GHG emissions.
 - Covered entities would be suppliers of transportation and heating fuels.
- Open questions include whether to incorporate non-energy industrial process emissions and/or voluntary reporting in other sectors.
 - Conversations on scope should continue as the Legislature considers whether to establish a reporting program.

Additional Resources

Appendix A: Supplemental Tables

- State GHG Reporting Programs
- Vermont GHG Emissions by Sector
- Proposed Program: Sectors and Scope
- Existing Reporting Requirements for VT Entities

Appendix B: Comparison of Data Collection Strategies

Questions?

January 2026