

To: House Committee on Energy & Digital Infrastructure

From: Johanna Miller, Energy & Climate Program Director, Vermont Natural Resources Council

Date: February 4, 2026

Subject: Support for H.740 – Establishing a Greenhouse Gas Inventory and Registry

Thank you for the opportunity to be here today. I'm Johanna Miller and I lead the Energy and Climate Program at the Vermont Natural Resources Council. I appreciate the opportunity to testify on this bill and to voice our strong support for establishing a GHG reporting program.

I wanted to share two particular perspectives that inform my thinking and our support of this bill. First, I am one of the 23 appointed members of the Vermont Climate Council, which is charged with coming up with a plan to ensure Vermont is doing its part to reduce planet destabilizing pollution in line with established climate science, while also ensuring that we help our communities – and all the people in them – adapt and become more resilient in a warming world. I also help coordinate the Vermont Energy & Climate Action Network, which is a network of over 120, mostly municipally appointed and all volunteer town energy committees – as well as the partner organizations who support their important local-led work. That means I've had the opportunity to work closely with communities all over the state on projects, programs and planning efforts to help their communities – and all the people in them – cut costs and carbon.

H.740 - Foundational for Good Policy Making and Required Climate Progress

First, as you know, Vermont established pollution reduction goals in statute in 2005. In 2020, the Legislature turned those goals into requirements and created a 23-member Climate Council and a process for them to – every four years – craft a plan that outlines a set of recommendations that add up to the state doing its part to reduce climate pollution. After strong public process and engagement, the Climate Council adopted its initial plan in 2021 and then in July last year delivered an updated plan. There are over 200 recommendations in that 2025 plan – and establishing a GHG reporting program was one of the top 10 recommendations the Council recommended the state advance.

We agree. Standing up a GHG reporting program is critical. In part, because you cannot manage what you don't effectively measure. And we are not effectively managing cost-saving pollution reductions in the sectors where over 70% of our pollution comes from – the transportation and thermal sectors – which are also the two sectors where Vermonters pay the vast amount for their energy needs. Also, as you know, we are not on track to reducing emissions in line with the obligations of the Global Warming Solutions Act – particularly in the transportation and thermal sectors. And, that's in part because we lack a strong reporting program that is fundamental to shaping the best policies and programs to cost-effectively cut emissions.

A GHG reporting program is also important to support required regional planning and good municipal planning.

H.740 - Foundational for Required Enhanced Energy Planning and Good Local Planning

As I noted, a big piece of my work is collaborating closely with committed community leaders who comprise the state's network of town energy committees – about ½ of the communities in Vermont. These groups have been – and will continue to be – critical partners in helping their municipalities – as well as the households and businesses in their communities – save energy, save money and reduce reliance on imported fossil fuels.

Specifically, when it comes to planning: As you know, through the Act 174 process we have obligated our regions to create Enhanced Energy Plans that outline how they intend to do their part to meet the state's renewable energy and climate commitments. That is really important work. It's hard work – and it's made a lot harder because regions and communities lack useful, timely and granular data when it comes to the types and amount of fossil fuels being used – heating fuels in particular. We have good electric sector data. But thermal sector data in particular is something I have long and often heard municipalities asking for. This program could help change that – and it's needed. The current process has some significant shortcomings.

As you may know, now regions (and by extension communities) rely on modeled numbers and estimates for the thermal sector in particular. It's not actual, exact data. It's an estimate – and it's a snapshot in time. Unless regions, communities and the state start collecting this data, it will be impossible to craft the best plans and measure progress over time.

In short: A statewide GHG reporting program that provides more granular data at the regional level and, ideally, at the community level, would go a long way to filling this data and information gap and support better, more strategic and actionable plans.

NECESSARY FOR GREATER TRANSPARENCY, ACCOUNTABILITY AND ENERGY EQUITY

Lastly, because this committee does such important work grappling with energy, energy affordability and climate issues more broadly, I want to speak a little bit to the appropriateness of and need for greater regulation of the fossil fuel sector in Vermont. Lack of climate and cost-saving progress in the transportation and heating sectors stands in stark contrast to the significant progress we've made in the regulated electric sector. As you know well, we have obligated our distribution utilities to develop more and more renewable resources as well as required our efficiency utilities to help their customers reduce demand.

That regulation also means we have good data for the electric sector. Again, that's helpful for required regional planning and useful municipal planning. That regulation also means we have accountability and transparency in the electric sector – including when it comes to managing costs. There is a cost-effectiveness bar our distribution and efficiency utilities must meet – and a level of transparency and accountability they are held to, which serves Vermonters well. That regulation has helped keep Vermont's electricity rates among the lowest – if not the lowest – in New England. Through Efficiency Vermont's work, that regulation has also helped dramatically cut costs by reducing energy demand. Over the course of their tenure, Efficiency Vermont has helped save all Vermonters over \$3.5 billion in energy costs.

Contrast that with a lack of data, data sharing, transparency and accountability when it comes to our fossil fuel heating and transportation sectors. Which has significant shortcomings. A little tangentially but relatedly – as a sidenote – is an example from my own recent, personal experience. While my home doesn't use fossil fuels for heating, we have an attached small ADU that is heated by propane with one Rinnai heater. When I called the provider one morning to inquire about the cost for propane to be delivered to us in Montpelier she quoted me \$2.99/gallon to fill our 120-gallon tank. When my husband called later that day to schedule the delivery, the cost for delivery was \$4.99/gallon. Same day, same product, same place. Why the significantly different – and higher – price? It's unclear to me – and likely unclear or unknown to many – but we paid the higher price – and we are lucky to be able afford to. But many can't. This story is not a story unique to me or my family either. That's because these companies have "sole discretion" to set the price per gallon among their customers.

In short, there is a wild discrepancy in prices, transparency and data access for different sectors of our energy economy. In our view, we think greater transparency in the fossil fuel market will be better for Vermonters. It will support better, more informed local and regional planning; it will better inform future policy and regulatory action in the space where the vast majority of pollution and costs come from; and it could lead to strategies that lower energy costs and address current inequities in our current system. Which is why we strongly support H.740, specifically:

- Supporting the ANR and Climate Council's near unanimous recommendation to implement a standalone reporting rule would allow ANR to define, collect, and analyze sufficient data to develop a robust estimate of statewide GHG emissions from covered sectors.
- Supporting the ANR's priority focus on transportation and thermal as a foundational place to start, since its where not only over 70% of the state's pollution comes from but its where a vast majority of energy costs lie for Vermonters.
- Clarifying and supporting the funding necessary for the ANR to successfully stand up and implement such a program.

Lastly: One thing we would encourage you to consider and potentially change relates to data collection at the county level. We would urge you to consider directing that the collection of data happens at the regional level/Regional Planning Commission (RPC) level. This would then align with the geographical districts of the RPCs and support their required Enhanced Energy Planning and other planning efforts. As you likely know, some counties are served by more than one RPC; so data collection at an RPC region level might make more sense. I would also urge you to consider the collection of data at the municipal level. As you know, while we require regions to do Enhanced Energy Planning, many municipalities also opt to do it too. And, many are doing good planning – but they are often running into challenges and are hamstrung by lack of access to thermal and transportation data in particular.

Thank you again for the chance to testify today. In this day and age, you might expect acrimony when it comes to standing up a program like this. But as you heard from the Agency of Natural Resources today, there is broad support for standing up a greenhouse gas emissions reporting program ... nearly unanimous ... and I hope your committee and the full Legislature will support and fund this foundational effort.

With the shortsighted retreat from clean energy at the federal level and a coordinated effort to debunk and erase proven climate science, it's more important than ever that we maintain our commitment to forward progress, that we have good data to make the best, most informed policy and programmatic decisions, and that we continue to reduce GHG emissions – not only because it's good for maintaining a habitable planet but because, in Vermont in particular, it's good economics. Thank you again.