

Testimony of Jen Kimmich
CEO, The Alchemist

House Energy and Digital Infrastructure Committee
March 19, 2025

Thank you, Chair James and the House Energy and Digital Infrastructure Committee, for the opportunity to speak today. My name is Jen Kimmich, I am the co-founder and CEO of The Alchemist brewery, an independent, family-owned business that employs 50 full time, salaried Vermonters. We were the first certified BCorp brewery on the East Coast of the U.S., and we are industry leaders in sustainability.

Our efforts to address climate change and the drastic weather that it creates, began after we lost our original brew pub to Tropical Storm Irene in 2011. Flooding from that storm was devastating to our small business. We lost all of our inventory, we lost all of our equipment, we lost much of our building, and we lost our only source of revenue- our restaurant. Following the devastation of the flood we were hopeful- we had insurance afterall. But after several weeks of the dirtiest and toughest work you can imagine, we were informed that nothing below street level would be covered by insurance. Further, we found out that only about 30% of our losses would be covered. We found out the hard way that most insurance policies have fine print regarding floods (even when you have a "flood" insurance).

Aside from having only about 30% our losses covered (and a loss exceeding ~1/2 million dollars), we discovered 2 more important things in the weeks following that flood. First, since we had become a FEMA designated flood zone, we could no longer have any new underground construction, where our basement brewery had been located. And second, our bank wouldn't finance us to rebuild our brew pub in the same space, nor would our insurance company provide further flood insurance. We had hit a wall. We could not possibly rebuild our brew pub. No basement construction, no bank loan, no insurance....

People have asked me, what would it have cost you to reopen the pub? As though it was a choice not to re-open. And to that I say, "there is no amount that would have allowed us to reopen. The door closed on our pub with that storm".

But, we were also very lucky as a company. Prior to Tropical Storm Irene, we had started building out our new, small production facility up the road. Ironically, the day after our brew pub was destroyed, our first cans of Heady Topper rolled off our new canning line. This is what ultimately saved our company- a lot of good luck with timing. Because frankly, if we did not have that new brewery up and running, we would have run out of money and hit a wall. And *that* is the cost of drastic weather to small business. Severe storms and flooding kill the small businesses that give our state and our Main Streets so much character. If it were not for our new business venture at the time, there would be no Alchemist today. Just like all of the independent cafes, bookstores, retail shops and restaurants Vermont has lost to flooding these past 2 years, The Alchemist would be something of the past.

Today, after 22 years of business, drastic weather caused by climate change is still the biggest threat to our business. The 3 main ingredients in our beer- clean water, hops and malt- are all at threat. Between wild fires that impact hops, and draughts in the UK that devastate our malt growers, we understand how much our business, and most businesses, rely on a healthy environment.

I agree with Governor Scott- we need to find a way to make Vermont more affordable. But also, we need to stay committed to a comprehensive Energy Plan that works for all Vermonters. We need to make smart investments, and we need to support pragmatic legislation that will help build a cleaner and more sustainable Vermont. We need to make smart investments **today**, that will protect us and save us money in the future. Investments in flood and storm mitigation will only get more expensive in the years ahead; the time for action is now. My company, The Alchemist, depends on it, but so does the future of our entire economy and the health of Vermont.

Thank you.