

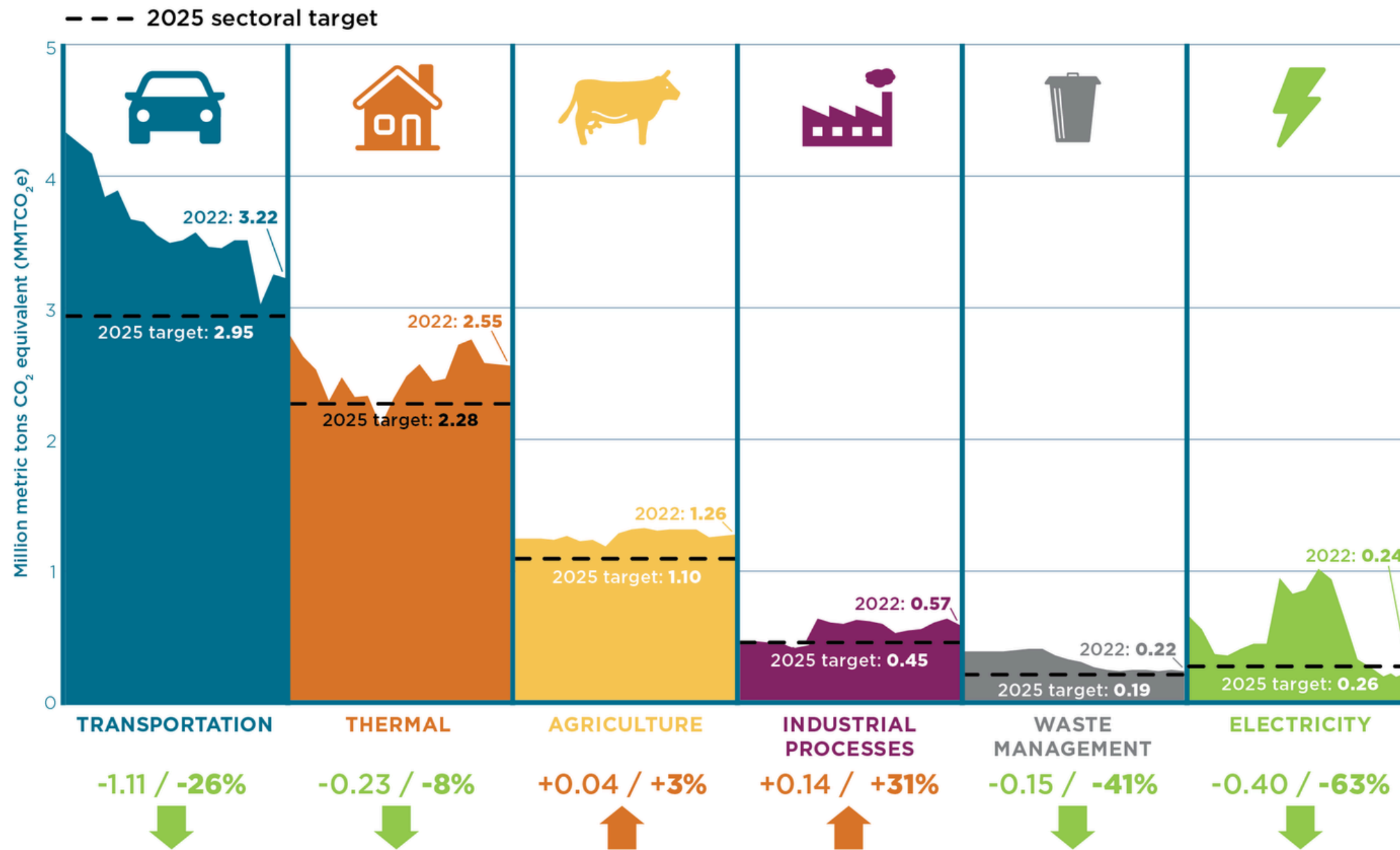
MILEAGE BASED USER FEE RECOMMENDATIONS

APRIL 13TH
2026

CLIMATE +
CLEAN ENERGY

Transportation is consistently the **largest source** of the state's climate pollution

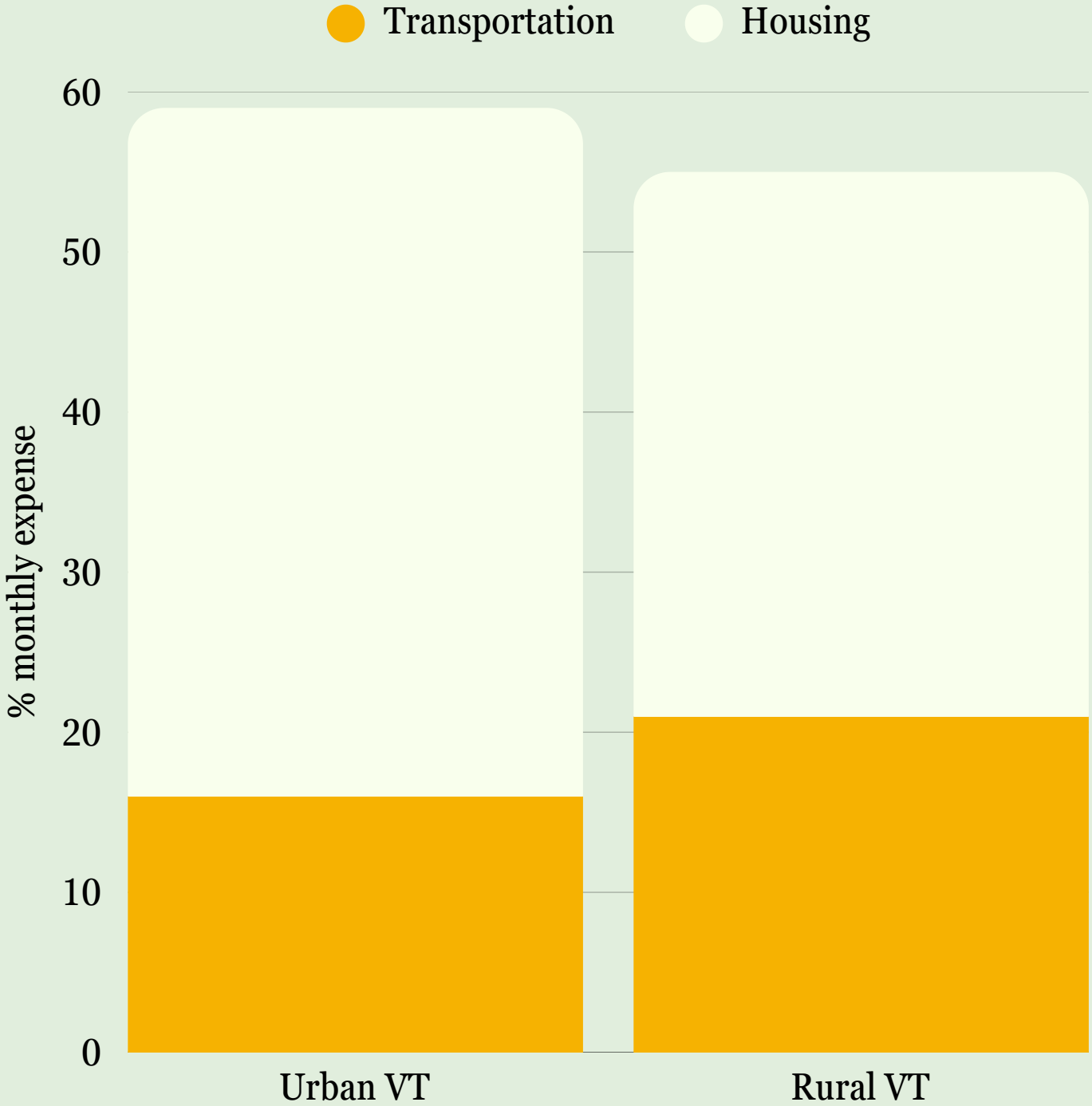
Vermont GHG emissions by sector, 2005-2022



Source: Vermont Agency of Natural Resources, "Vermont Greenhouse Gas Emissions Inventory and Forecast: 1990-2022," 2025. Note: A small amount of emissions from the "fossil fuel industry" category (i.e., fugitive emissions from fossil gas pipelines in VT), accounting for 0.4% of Vermont's overall emissions in 2022, is not visible on this graph.



2024 Vermont Basic Needs Budget Single Person



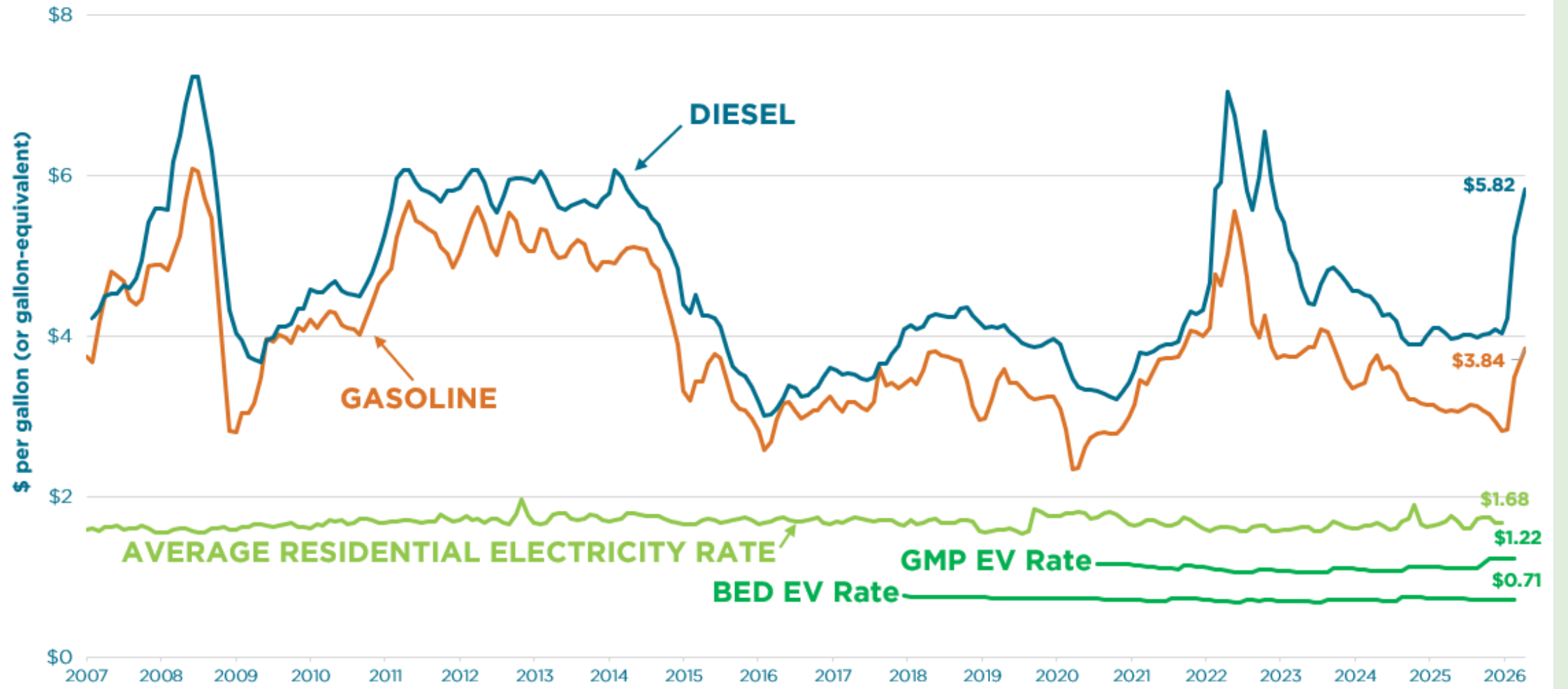
Vermont JFO, 2025

Especially in rural areas, transportation costs tend to be one of the **largest expense** categories, often second only to housing

21%

The cost of gasoline for the average Vermont driver increased by **more than \$50** a month by the end of March.

Prices of different transportation fuels over time in Vermont



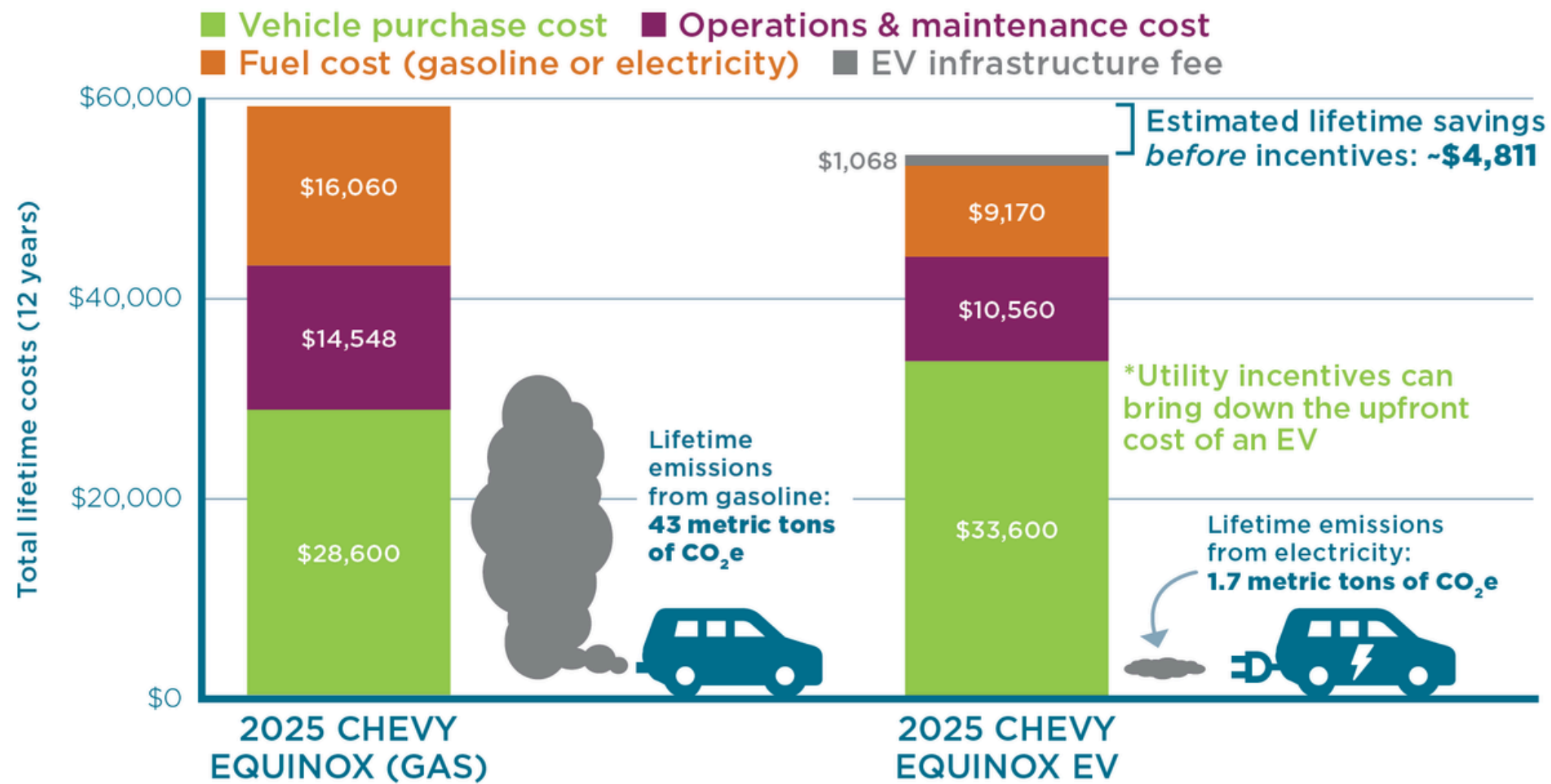
Monthly and annual additional costs from gasoline price increases by vehicle type

VEHICLE	Fuel efficiency	Gallons used per year (kWh for EV)	Cost at \$3/gal (\$0.20/kWh for EV) (monthly / annual)	Additional cost from gasoline price increases	
				From \$3 to \$3.50/gal (monthly / annual)	From \$3 to \$4/gal (monthly / annual)
2025 Ford F-150	21 MPG	534	\$178 / \$2,135	+\$30 / +\$356	+\$59 / +\$712
Vermont Average	23 MPG	479	\$160 / \$1,916	+\$27 / +\$319	+\$53 / +\$639
2025 Toyota Prius	52 MPG	216	\$72 / \$862	+\$12 / +\$144	+\$24 / +\$287
2025 Ford F-150 Lightning	68 MPGe	0 (5,555 kWh)	\$93 / \$1,114	\$0 / \$0	\$0 / \$0
2025 Nissan Leaf	111 MPGe	0 (3,148 kWh)	\$57 / \$682	\$0 / \$0	\$0 / \$0

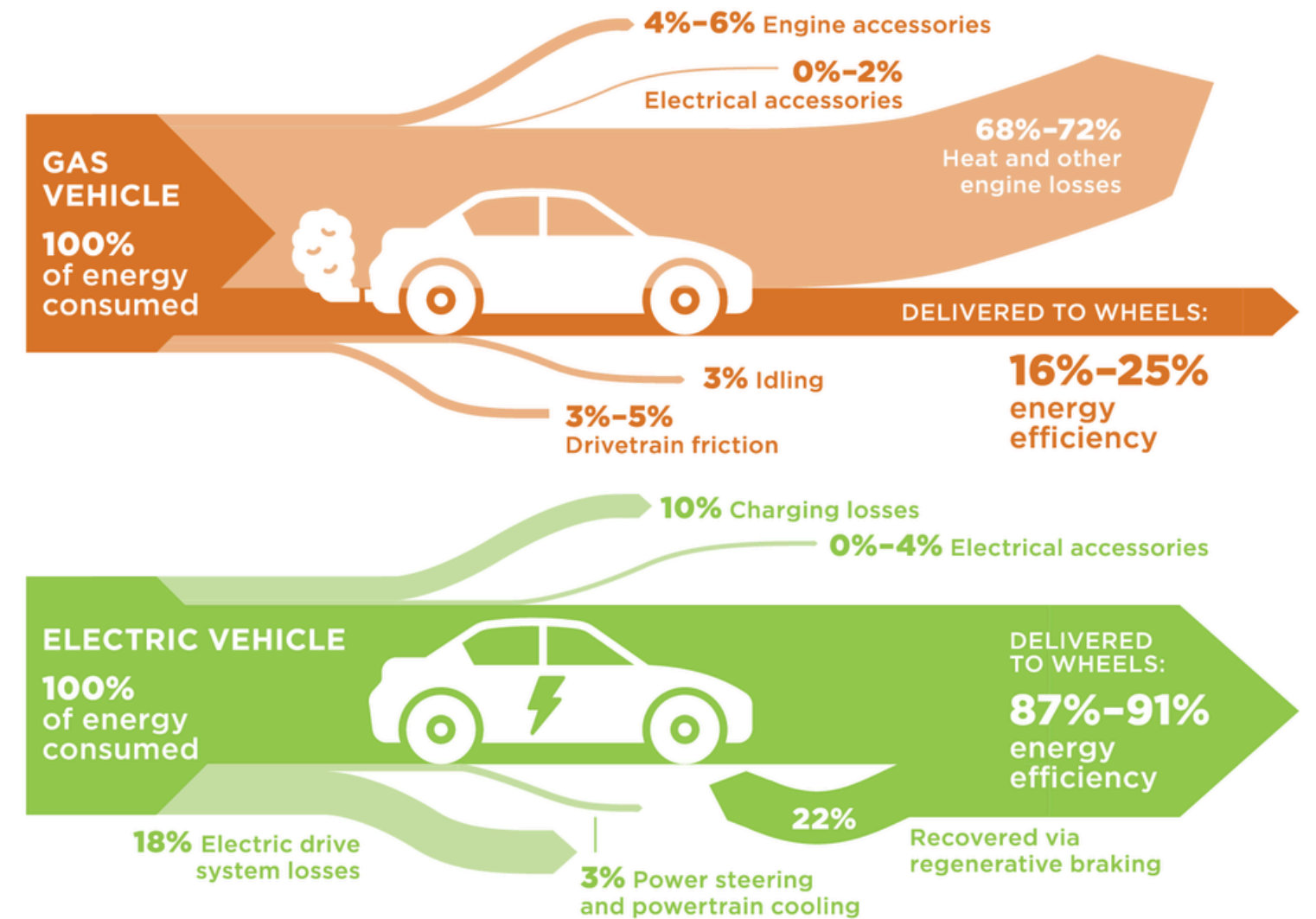
Sources: VTrans, Vermont Transportation Energy Profile, 2021. MPG values from Fueleconomy.gov. Federal Highway Administration, 2024. Electricity rate from 2025 Vermont electric utility rate filings. **Note:** Electricity rate of \$0.20 represents the average 2025 Vermont electricity rate.

EVs are cleaner, more cost effective vehicles

Lifetime costs and GHG emissions of comparable gas vs. electric vehicles in Vermont



Efficiency of energy use: Gas vehicles vs electric vehicles

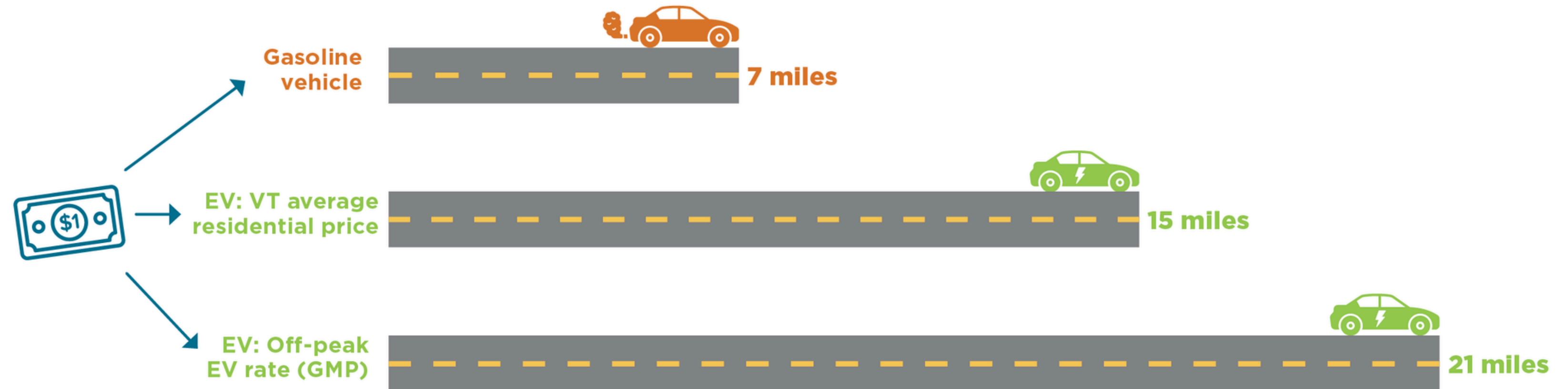


Source: Fueconomy.gov, 2024. Note: Estimates shown are for combined city and highway driving.

With an EV your car and your dollar go farther

With an electric vehicle, your dollar takes you farther

Average miles per dollar: gasoline vs. electric

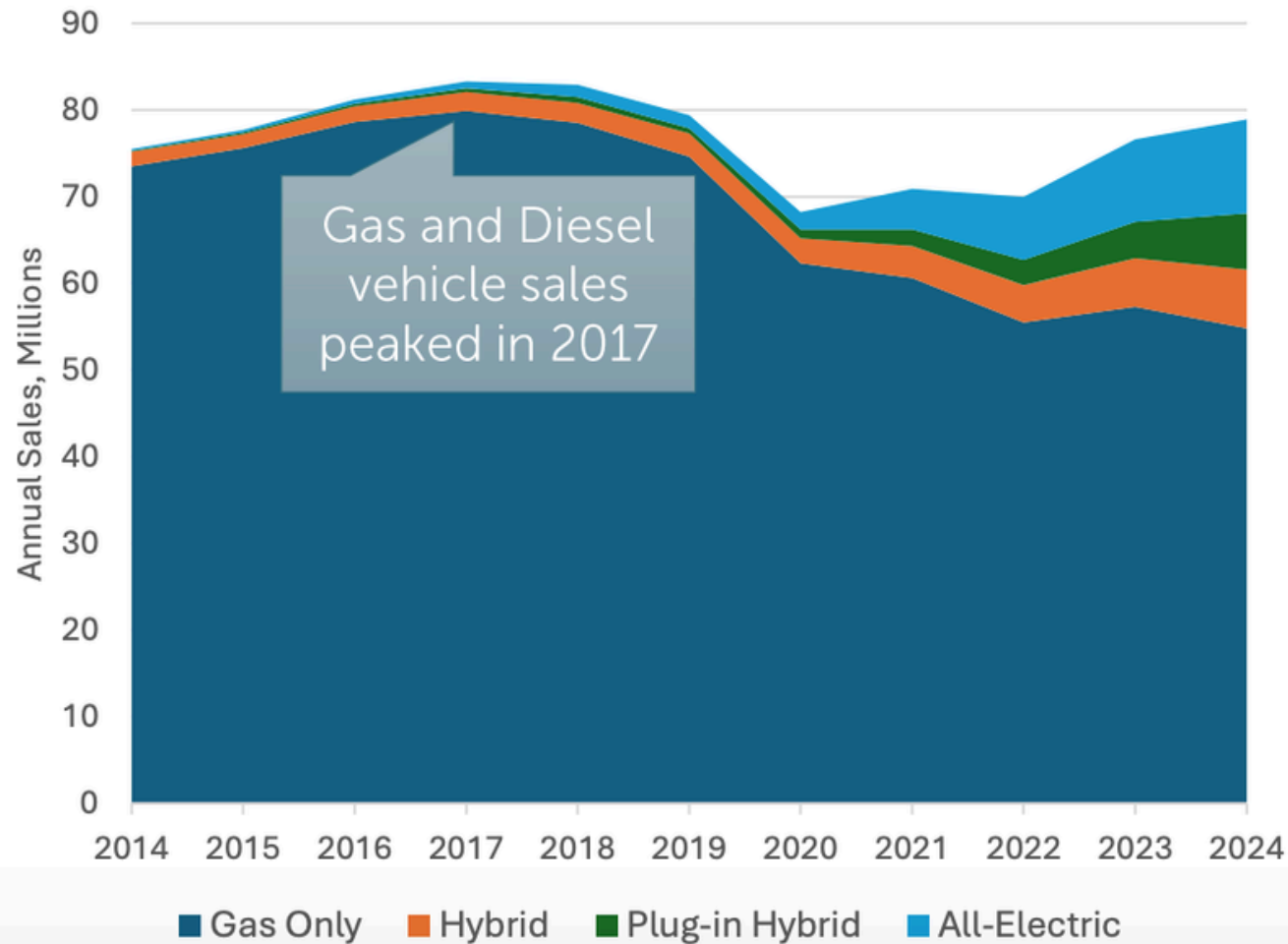


Sources: Average 2024 gasoline prices (\$3.24/gal) for New England and average residential electricity prices (\$0.22/kWh) for VT from EIA; Off-peak EV charging rate (rate 74: \$0.15/kWh) from Green Mountain Power (GMP); Average EV efficiency rate of 0.306 kWh/mile and average VT fleetwide fuel economy of 23.4 MPG from "Vermont Transportation Energy Profile 2021."

The World is Transitioning to EVs

The auto industry remains on a long-term path toward electrification

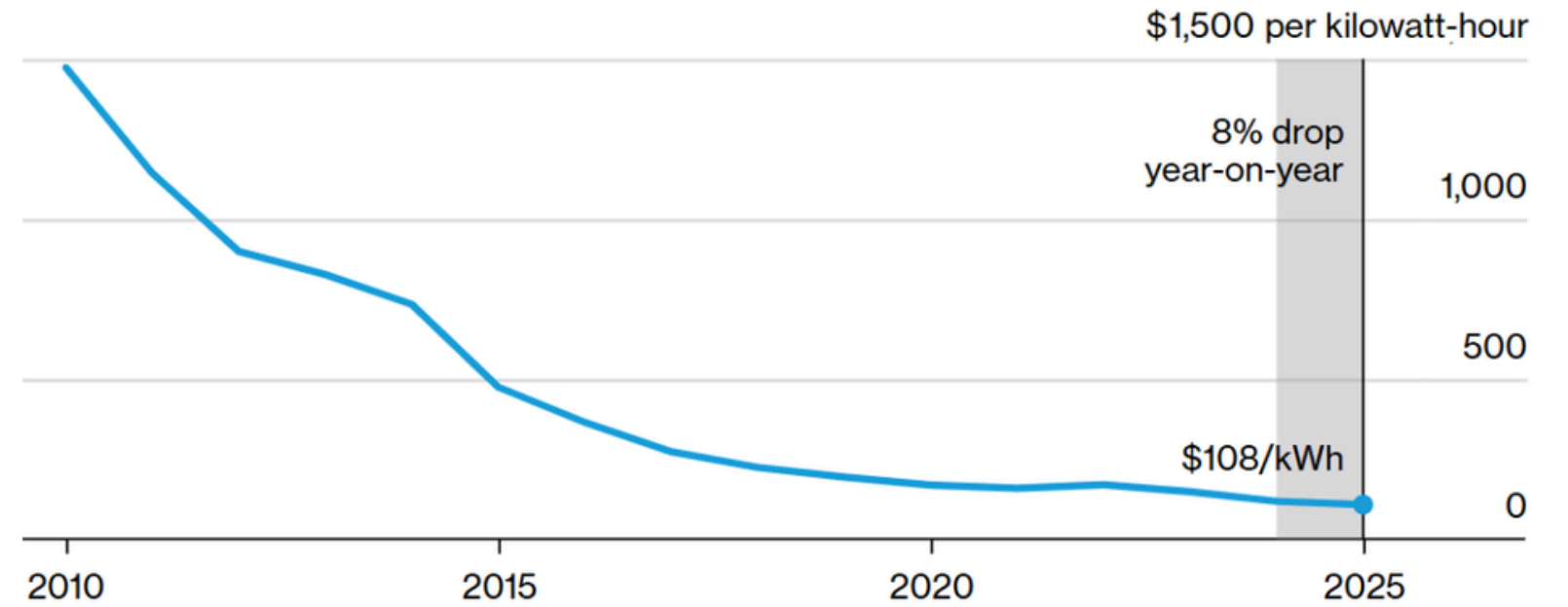
Global New Car Sales by Powertrain



Battery Pack Prices Fall in 2025, Despite Rising Metal Prices

Lithium-ion battery pack prices

Volume-weighted average in real 2025 dollars



Source: BloombergNEF

Note: Historical data has been adjusted to real 2025 dollars. Sectors include passenger cars, buses, commercial vehicles, two- and three-wheelers and stationary storage.

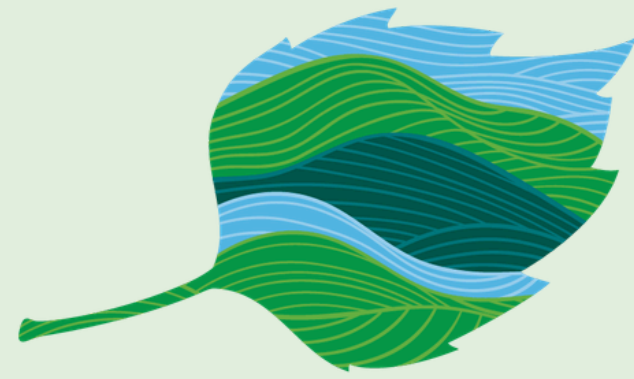
Principals for a Fair & Flexible MBUF

1. As electric vehicle adoption continues to grow, it is important that these vehicles help fund our shared transportation network.
2. It's important to fairly fund roads and bridges – avoiding making it more expensive or more difficult for EVs over internal combustion engines.
3. It's important to get a big, new program right for long-term efficacy and successful implementation

Principals for a Fair & Flexible MBUF

4. Contributions to Vermont's Transportation Fund should accurately reflect vehicles' true impacts on the environment, infrastructure, and public health.
5. Recognizing the need to implement the MBUF in a way that supports 10 V.S.A. § 578, the Global Warming Solutions Act (GWSA) is critical.

MBUF RECOMMENDATIONS



VNRC

VERMONT NATURAL RESOURCES
COUNCIL

1. The MBUF should be voluntary – meaning you can pay an increased flat fee or participate in the MBUF – until AOT completes the necessary reports on the transition plan for all vehicles and all vehicles are covered.

2. The flat fee/cap should not be more than what the average VT ICE driver pays in annual gas tax (\$154). The most recent proposal to double the infrastructure fee would have EVs paying more than the least efficient vehicles. If you move forward with doubling the fee, we urge allocating the \$24 difference to Charge Vermont's EVSE Grant Program

State	Year implemented	Eligible Vehicles	Current mileage rate	Payment options	Alternative flat fee
Vermont (as proposed)	Jan, 2027	2027-2029: EVs 2029-2031: EVs and fuel-efficient vehicles (25 mpg average or higher) 2031 on: all light duty vehicles not more than 10,000lbs	\$0.014 cents / mile proposed	Odometer Readings	\$178 until 2029
Hawaii	2025	EVs	\$0.008 cents / mile	Odometer Readings	\$50
Oregon	2015	EVs and fuel-efficient vehicles (20 mpg average or higher)	\$0.023 cents/ mile	Odometer Plug-in, non-GPS odometer, Smart Telematics	Reduced registration fee for EVs and 40+ mpg avg
Utah	2020	EVs	\$0.0125 cents per mile (Indexed to fuel tax rate)	Smart Telematics, Odometer Readings via App	\$180 in 2026
Virginia	2022	EVs and fuel-efficient vehicles (25 mpg average or higher)	HUF is 85% of the difference between taxes paid by a vehicle with a 23.7 rating and taxes paid by a vehicle using the manufacturer's combined MPG rating based on the average miles driven by all Virginians (updated annually)	OBD Plug-in, Smart Telematic	Depends on the fuel efficiency of the vehicle - EVs pay \$131.88 in 2026

2. Add language in the Mileage Based User Fee Transition Plan Report Section that directs AOT to study how the state of Vermont can capture out-of-state revenue from EV drivers – now a significant portion of transportation funding.

3. Add language to index the gas tax in 2032 along with the MBUF, or before.



TRANSPORTATION

The future of four wheels is all electric

Goldman Sachs

Thank you for
your time!



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RESOURCES COUNCIL