



Vermont Partnership

FOR FAIRNESS AND DIVERSITY

**Vermont Public Utility Commission
Clean Heat Standard Team
Public Engagement Facilitator
Activity Report • 01 February thru 30 April 2024**

This document reviews activities undertaken by Vermont Partnership for Fairness & Diversity (Consultant) for the period 01 February thru 30 April 2024 under the auspices of Contract N°47606 with the State of Vermont. The Consultant has primary responsibility to design and conduct public engagement related to the Clean Heat Standard (S.5 Act 18) enacted by the legislature in May 2023.

General Observations

S.5 (Act 18) embodies a multifaceted legislative strategy aimed at combatting greenhouse gas emissions in Vermont's thermal sector. By instituting a comprehensive Clean Heat Standard program and implementing incentives to promote the adoption of clean heating and cooling technologies, the bill endeavors to propel the state towards a more sustainable energy future. However, the success of this ambitious program hinges not only on its environmental efficacy but also on its ability to prioritize affordability and accessibility, particularly for under-served and sacrificed communities.

At its core, Act 18 targets the thermal sector of Vermont's economy, recognizing heating and cooling as significant contributors to greenhouse gas emissions. By focusing on measures specifically tailored to mitigate emissions associated with these activities, the bill demonstrates a proactive stance towards addressing climate change at the local level. Nevertheless, the bill's emphasis on promoting clean heat adoption raises important considerations regarding equity and social justice.

One key concern pertains to the affordability and accessibility of clean heat measures and credits, particularly for low-income households. While the bill aims to incentivize the adoption of cleaner technologies, there is a risk that associated costs may pose a barrier to entry for economically disadvantaged individuals and families. Moreover, the requirement for Obligated Parties to submit detailed information for credit eligibility could potentially exacerbate disparities in access, as undercapitalized entities may face challenges in meeting stringent documentation requirements.

Another conundrum of the legislation pertains to energy credit eligibility. As of this report only Obligated Parties are eligible for energy credits. These parties cited in Act 18 include regulated natural gas utilities, entities that import heating fuel for ultimate consumption in Vermont, or entities that produce, refine, manufacture, or compound heating fuel within Vermont for ultimate consumption therein.

Whereas the general population, including low- to moderate-income households and small businesses, can participate in the overall reduction of greenhouse gases (e.g. walk/bicycle versus drive, lower thermostats, utilize clotheslines, convert to renewable energy sources), they can neither accrue nor monetize clean heat energy credits as of this report.

Again, Act 18's emphasis on promoting clean heat adoption raises important considerations regarding equity and social justice. According to the 2020 United States Census, of Vermont's 265,858 households the Vermont Housing Finance Agency reports that renters account for 81,849 or 31% of households. Landlords who require tenants to pay heating and electricity costs have no financial incentives for making capital investment towards clean heat energy as the tenant bears the burden for increased heating costs. Landlords who do make clean energy capital investments, regardless of the level of subsidy, simply pass the costs onto tenants with higher rents.

Act 18 specifically requires 16% of energy credits be retired in connection with low- and moderate-income households. If the proposed Standard mandates higher credit values for low- and moderate-income households it runs the risk of exacerbating affordability for these households as they are statistically more likely to be renters. If higher credit values attach to rental installations of clean heat technologies, Obligated Parties and Default Delivery Agents will be incentivized to target landlords as the primary source for such enhanced credit values. Capital investments by landlords will be recouped in the form of increased rents

Homeowners and low- to moderate-income households already have access to weatherization (Efficiency Vermont) and fuel assistance programs (Department for Children and Families). Given that fuel provider and energy representatives weighed in with testimony during the crafting of Act 18, the Consultant questions the timing of broad-based community engagement for the purposes of designing a clean heat standard. The Consultant believes those who possess clean heat technical knowledge are best positioned to assist design the standard. This includes the directly impacted actors of Act 18, the Obligated Parties of fossil fuel providers and Default Delivery agents.

Government protects public safety through various regulatory bodies because the citizenry or end-user lacks the highly specialized knowledge for risk analysis. A proposed Clean Heat Standard and marketplace for energy credits and monetization inherently represents a highly complex and technical field. The Consultant draws parallels with the practice of medicine in Vermont where licensing and accepted medical practice criteria are determined by medical specialists and not the general public. The general public involves itself with public health policy such as access and affordability.

The Consultant found members of the Technical Advisory and Equity Advisory groups hard pressed to imagine what types of information from the general public would impact the technical requirements of Act 18 to reduce greenhouse gases, to create the clean heat standard, or change the marketplace where energy credits are monetized. Whereas state government has at the macro level prioritized the reduction of greenhouse gases and the increased adoption of clean heat measures; at the micro level, consumers concern themselves with how much they pay for heating costs—and all indicators predict these costs will increase under Act 18.

Major Activities

The Consultant owes a considerable debt to the CHS Liaison who assisted the Consultant in winnowing down the steep learning curve of clean energy and clean heat. The Liaison guided the Consultant to documents, websites, and human resources as well as provided insights into Vermont's energy organizational landscape within and outside state government.

The Consultant reviewed documents related to Vermont's clean energy efforts and history of the clean heat energy standard legislation (S.5 Act 18) including interviews with Secretary of Transportation Joe Flynn and Secretary of Agriculture, Food & Markets Anson Tebbetts, as well as reviewed video minutes from the Equity Advisory Group and Technical Advisory Group.

The Consultant met with the CHS Liaison and team to discuss community engagement strategy including final workplan, review of email blast language to targeted audiences, debriefing first CHS Zoom Gathering, and adjusting approach as needed. Consultant met weekly with Erin Hicks-Tibbles, the CHS Liaison. Consultant submitted final workplan to the CHS Liaison on 02 March 2024.

The Consultant engaged Jameson Davis, Esq. of Writing Wrongs, LLC, an environmental law firm, to prepare a simple/plain English version of Act 18 legislative text downloadable [here](#); released a downloadable one-page document for its email campaign [What you need to know about Act 18](#); and updated BIPOC (Black, Indigenous, and People of Color)-owned businesses/civic organizations/ thought leaders, veterans groups and selected disability community groups. The CHS Liaison informed the Consultant that the PUC would release an overview of the clean heat standard in time for use with the second CHS Gathering.

In a review of recent clean energy outreach by state funded agencies or contractors, the Consultant found few instances of intentional targeting of BIPOC residents, notably tabling at the 5th Annual Vermont First African Landing celebration and the Abenaki Land Link Festival as well as an online focus group of ten BIPOC residents under the auspices of the Vermont Climate Action Plan. As a result, the Consultant adopted a strategy to prioritize engagement with marginalized communities during the reporting period before widening the aperture to the general population in subsequent months.

During the reporting period, the Consultant sent three targeted emails to organizations governed and managed by BIPOC residents and thought leaders from BIPOC communities. The purpose of the emails was to inform recipients of the Clean Heat Standard legislation and to invite them to one of three CHS Gatherings. The PUC reposted the emails to their usual networks of professional, technical, and community/environmental groups following the clean energy discussions in Vermont. Click below to download each email blast and corresponding data report.

- [Email Blast #1](#)
- [Email Blast #1 Report](#)
- [Email Blast #2](#)
- [Email Blast #2 Report](#)
- [Email Blast #3](#)
- [Email Blast #3 Report](#)

European Americans accounted for twenty-four (24) or about 5% of the recipients for each email blast presented in Table 1. Over half the BIPOC recipients opened, and presumably read, information on clean heat energy and Act 18.

Table I
CHS Email Blasts to BIPOC Recipients

Recently sent

Campaign	Recipients	Opened ⓘ	Clicked ⓘ	Sent
CHS Gatherings #3	510	51.2%	9.5%	4 Apr 2024
Clean Heat #2	512	51.6%	5.8%	27 Mar 2024
CHS Gatherings	464	55.2%	7.8%	21 Mar 2024

Twenty-three (23) individuals registered for the first CHS Gathering held on 17 April 2024 via Zoom. Of this group, ten (10), seven (7) of which identified with state agencies, actually participated in the session. For reasons unknown, the “no-shows” represented energy industry actors (fuel dealers, HVAC installers), community organizations, or BIPOC businesses. The Consultant will investigate what kept the “no-shows” away. Current registrations for the 07 May and 06 June CHS Gatherings appear in the Addendum.

During the first CHS Gathering, the Consultant experienced a series of technical glitches related the PowerPoint to Zoom interface and ultimately abandoned the [PowerPoint presentation](#) in favor of participant dialogue. Similarly, we opted to not use a detailed chart of the CHS process encompassing over 120 data points for the 17 April session because of the size of the document. Ben Bolaski, PUC Thermal Energy Program Specialist, prepared the chart which can be downloaded [here](#).

Agency personnel attended in hopes of hearing directly from energy industry actors (fuel dealers, installers), community organizations, and BIPOC business owners. During the Gathering agency attendees drew attention to the presence of weatherization and fuel assistance programs for low- and moderate-income households. Click here for the video of the first CHS Gathering.

Table II
Registrants and Attendees for 17 April 2024 CHS Gathering

•	Deirdre Morris	Chittenden	RT	VT Public Utilities Commission
•	Carol Flint	Orange	HO	VT Department of Public Service
•	Annette Smith	Rutland	HO	Vermonters for a Clean Environment
•	Scott Pinkham	Rutland	HO	
•	Dan Fingas	Washington	HO	VT Natural Resources Council
•	Erin Hicks-Tibbles	Washington	HO	VT Public Utilities Commission

•	Geoff Wilcox	Washington	HO	VT Office of Economic Opportunity
•	Henry Mauck	Washington	HO	VT Department of Public Service
•	Daniel Jones	Windsor	HO	
•	Tracy Myers		HO	VT Public Utilities Commission
	Matt Cota	Chittenden	HO	Meadow Hill
	Frederick Parks	Franklin	HO	
	Roy V.	Franklin	BO	FNRE (Fairfax Neighbors for Racial Equity)
	Joe Uglietto	MA	BO	Diversified Energy Specialists
	Catherine Kidder	Orange	HO	Third Act
	Stuart Blood	Orange	HO	
	Justin Turco	Rutland	HO	Cross Road Sugar Co.
	Bob Atchinson	Washington	BO	The Page House
	Dianna Liberty-James	Windham	BO	James Plumbing Heating Oil Co Inc
	Julian Perkins	Windham	HO	Jamaican Jewelz LLC
	Robert Kaplan	Windham	BO	Kaplan HVAC Solutions, LLC
	Laura Simon	Windsor	HO	
Notes: • = Attended HO = Home Owner BO = Business Owner RT = Renter/Tenant				

In spite of the less than expected turnout two concerns emerged from the general public, including a member of the Consultant team:

1. The fear that higher propane costs will cause the consolidation of dealers. The consolidation will leave consumers with fewer, if any, competitive options for propane.
2. The perception that Act 18 will not mitigate the financial burden of increased fuel costs on low-income or households that rent, particularly rentals where landlords require tenants to pay fuel costs. Nor will it mitigate the cost of rent increases whether or not the landlord adopts clean heat measures.

By the close of the reporting period thirty-three individuals had registered for the second CHS Gathering on 07 May (see Addendum).

Findings

- Government officials and clean energy advocates are building the Clean Heat Standard plane as it flies.

- The general public finds it difficult to understand the technical aspects of clean heat energy, energy credits and monetization, and greenhouse gas reduction targets.
- The highly specialized, complex technical knowledge on clean energy and clean heat is concentrated with a small select group of government officials and clean energy advocates.
- Some government officials view portions of Act 18 as malleable or negotiable; notably with regards to who can earn and monetize clean heat energy credits or the percentage of energy credits Obligated Parties shall retire from low- to moderate income households.
- A Clean Heat Standard that proposes to change who may accrue and redeem energy credits or change the percentage of energy credits for social equity purposes may require legislative action.
- Government and clean energy proponents' outreach to BIPOC communities and other marginalized groups has been weak.
- Consumers will pay more to heat their homes and businesses under Act 18.

Recommendations

The Consultant recommends

- Continued outreach to marginalized communities for the next two CHS Gatherings before widening the aperture to the general population.
- The CHS Team transition from public engagement to a public information or education posture on clean heat. Given the general public lacks the highly technical and specialized knowledge to design the Standard, technical experts must ensure clean heat options are universally accessible at the lowest possible price points.
- Amending the Consultant contract by \$22,000 to accommodate public engagement and public information activities through January 2025; the effective end date of the contract is 31 May 2025.

Financial report

The Consultant proposed \$30,920 to be expended over a seven month period from February to August 2024. This report covers activities over a three month period or 43% of the timeline. During the reporting period the Consultant invoiced the PUC/CHS a total of \$9,064.00 which represents 29.3% of the contract amount of \$30,920. Another

invoice for \$3,696 has been submitted with this report bringing expended totals to \$12,760 or 41% of the contracted amount over the course of three months.

The PUC/CHS may have anticipated the CHS design process and community engagement would extend beyond August 2024 and set the effective end date for the contract at 31 May 2025. This period would cover the final CHS design and requisite approval by the legislature. The Consultant proposes extending the contract amount by \$22,000 to cover activities from September through January 2025 in time for the next legislative session.

Addendum

**Table A:
Registrants to date for the 07 May 2024 CHS Gathering**

Jean Terwilliger	Addison	HO	Climate Action Center of Addison County
John McCormick	Addison	HO	Louise Diamond Committee to Protect Next Generations
Sally Burrell	Addison	RT	Bristol Energy Commission
Steve Maier	Addison	BO	Climate Economy Action Center of Addison County
Joanne O'Connor	Bennington	HO	Earth Matters
Kathleen Wilkinson	Bennington	BO	Bennington Cooling & Heating
Ashley Adams	Chittenden	BO	PG Adams, Inc.
Brian Forrest	Chittenden	HO	350VT.org
Debbie New	Chittenden	HO	VT Community Thermal Networks
Ethan Goldman	Chittenden	HO	South Burlington Energy Committee
Matthew Lawrence LeFleur	Grand Isle	RT	VTRC
Erik Schultz	international	HO	NEKCA/GreenSavingSmart
Kevin Grant	NH	BO	Sprague Energy
Geoffrey Gardner	Orange	HO	
Travis Locke	Orleans	HO	Fred's Energy
Jeremy Gildrien	Rutland	HO	Rutland Regional Planning Commission
Stephen Dotson	Vermont	RT	Town of Brattleboro, VT
Gretchen Elias	Washington	HO	
Johanna Miller	Washington	HO	VNRC/VECAN
Melissa Ramsey	Washington	RT	Absolute Spill Repsonse
Norm Etkind	Washington	HO	
Laura Sibilia	Windham	HO	VT General Assembly
Stephen Dotson	Windham	RT	Town of Brattleboro, VT
D Gene Kraus	Windsor	HO	350VT.org
Anderson Leslie		BO	Propane Gas Association of New England
Christine L Peterson		RT	VT Department of Public Service
Jean Hamilton		HO	Vermont Housing & Conservation Board
Kimberly Hornung-Marcy		HO	United Methodist Church
Linda Gray		HO	Norwich Energy Committee
Luce R. Hillman		HO	UVM
Matthew Bakerpoole		HO	VT Department of Public Service
Phet Keomanyvanh		HO	City of Burlington, VT
Notes: HO = Home Owner BO = Business Owner RT = Renter/Tenant			

**Table B:
Registrants to date for 06 June 2024 CHS Gathering**

Mike Roy	Addison	HO	Town of Middlebury
Richard Hopkins	Addison	HO	Climate Economy Action Center of Addison County
Andrea Bacchi	Bennington	BO	Think Dynamic Digital, LLC
Kim Fried	Caledonia	BO	
Beverly Little Thunder	Chittenden	HO	Kunsi Keya Tamakoce
Jennifer Delony	Franklin	HO	
Matthew Lawrence LeFleur	Grand Isle	RT	VT Climate Council
A. Conrad Bellavance	Orleans	HO	Fred's Propane, Inc.
Elizabeth Steel	Orleans	HO	Campwell Connexions
Bill Christian	Vermont	HO	Comfort International
Rick Hackett	Vermont	HO	
Julie Raboin	Washington	HO	VT Department of Public Service
Lauren Hierl	Washington	HO	VT Conservation Voters
Cheri Ann Brodhurst	Windham	HO	
Laura Sibilía	Windham	HO	Vermont House of Representatives
Michael Longo	Windham	HO	Michael Longo Tree Care
Notes: HO = Home Owner BO = Business Owner RT = Renter/Tenant			



Vermont Partnership

FOR FAIRNESS AND DIVERSITY

**Vermont Public Utility Commission
Clean Heat Standard Team
Public Engagement Facilitator
Activity Report N° 2 • 01 May thru 30 June 2024**

This document reviews activities undertaken by Vermont Partnership for Fairness & Diversity (Consultant) for the period 01 May thru 30 June 2024 under the auspices of Contract N°47606 with the State of Vermont. The Consultant has primary responsibility to design and conduct public engagement related to the Clean Heat Standard (S.5 Act 18) enacted by the legislature in May 2023.

Major Activities

Inasmuch as there exists a lot of interest in clean heat energy, an equal amount of confusion, if not more, exists among stakeholders. The transition to clean heat energy in Vermont finds itself at an inflection point evidenced by the creative tension amongst stakeholders.

Environmental groups hold tight to a near non-negotiable position to reduce greenhouse gases whatever the costs. The economic math suggesting an increase of fuel oil costs by \$0.70/gal crushes the budgets and pocketbooks of low- to middle-income households. Landlords have no financial incentives to convert old, inefficient oil furnaces to heat pumps and/or renewable energy while tenants bear the costs of heating/cooling their rental units.

Some stakeholders find Act 18 overly complicated with unintended consequences. Why are energy credits restricted to Obligated Parties and not the end-user consumers? Do small family-owned fuel dealers have the time and capacity to complete the process to acquire and redeem clean energy credits? How does the state incentivize landlords to do right by their tenants and the environment? Other individuals predict when the legislature passes the Clean Heat Standard rules litigation will follow and tie up CHS implementation for years thereafter. There is no

During the reporting period, the Consultant conducted CHS Gatherings on 07 May and 06 June 2024 for 90-minutes each. Four groups attended these Gatherings: businesses or industry groups that deliver or install clean heat measures to consumers, clean energy advocates, consumers of heat/cooling energy, and members from state government working on energy policy. This later group attended to listen to the thoughts of installers, advocates, and consumers.

We queried participants on three points:

1. If a consumer, what is your experience heating and cooling your home or business?
2. If an HVAC installer, how will the clean heat energy credit system impact the way you do business?
3. If an advocate, to what extent do you believe implementation of Act 18 will reduce greenhouse gases?

Table I below indicates thirty-three (33) individuals registered for the second CHS Gathering held on 07 May 2024 via Zoom. Of this group, eighteen (18) or 55% participated in the session. Eight (8) participants represented advocacy groups; three (3) represented HVAC installers or industry associations; three (3) represented state agencies; and two (2) identified as representatives of town government.

**Table I
Registrants and Attendees for 07 May 2024 CHS Gathering**

•	Annette Smith	Rutland	HO	Vermonters for a Clean Environment
•	Christine L Peterson		RT	VT Department of Public Service
•	Gretchen Elias	Washington	HO	
•	Jean Terwilliger	Addison	HO	Climate Action Center of Addison County
•	Jeremy Gildrien	Rutland	HO	Rutland Regional Planning Commission
•	Joanne O'Connor	Bennington	HO	Earth Matters
•	Johanna Miller	Washington	HO	VNRC/VECAN
•	Linda Gray		HO	Norwich Energy Committee
•	Luce R. Hillman		HO	UVM
•	Matthew Bakerpoole		HO	VT Department of Public Service
•	Matthew Lawrence LeFleur	Grand Isle	RT	VTRC
•	Melissa Ramsey	Washington	RT	Absolute Spill Repsonse
•	Norm Etkind	Washington	HO	
•	Stephen Dotson	Vermont	RT	Town of Brattleboro, VT
•	Steve Maier	Addison	BO	Climate Economy Action Center of Addison County
•	Travis Locke	Orleans	HO	Fred's Energy
•	Anderson Leslie		BO	Propane Gas Association of New England
•	Ashley Adams	Chittenden	BO	PG Adams, Inc.
	Brian Forrest	Chittenden	HO	350VT.org
	D Gene Kraus	Windsor	HO	350VT.org
	Debbie New	Chittenden	HO	VT Community Thermal Networks
	Erik Schultz	international	HO	NEKCA/GreenSavingSmart
	Ethan Goldman	Chittenden	HO	South Burlington Energy Committee
	Geoffrey Gardner	Orange	HO	
	Jean Hamilton		HO	Vermont Housing & Conservation Board
	John McCormick	Addison	HO	Louise Diamond Committee to Protect Next Generations
	Kathleen Wilkinson	Bennington	BO	Bennington Cooling & Heating
	Kevin Grant	NH	BO	Sprague Energy
	Kimberly Hornung-Marcy		HO	United Methodist Church
	Laura Sibilia	Windham	HO	VT General Assembly
	Phet Keomanyvanh		HO	City of Burlington, VT
	Sally Burrell	Addison	RT	Bristol Energy Commission
	Zack Porter	Washington	HO	Standing Trees
Notes: • = Attended HO = Home Owner BO = Business Owner RT = Renter/Tenant				

Findings

A recording of the 07 May CHS Gathering can be seen [here](#); and a record of the Zoom chat meeting box appears in the Addendum. Robust discussions focused on level of public understanding of the CHS from cursory to expert; the utility of heat pumps as a viable clean heat measure for all homes; and the classification of what constitutes fossil fuel (propane?) or fuels (wood?) that reduce greenhouse gases. Both state government and advocacy representatives on the call provided links to relevant documents and research in the chat. Salient findings from the 07 May CHS Gathering include:

- An advocate on the Autism spectrum stressed the need for plain language materials; a link to a recently released PUC plain-language overview of CHS was posted in the chat.
- An expressed desire to create an energy navigator program to assist homeowners, tenants, and business owners.
- Town planners would like to have household energy consumption data for energy planning purposes.
- An expressed need for more weatherization installers paid at a higher hourly rate; if unskilled fast food workers are paid \$20/hr, skilled weatherization installers should be paid \$30/hr.
- High density population areas whether urban or village centers should create thermal energy networks.
- Energy storage should be eligible for rebates.
- The public knows of but lacks understanding of clean energy policy.
- Some advocates questioned the State of Vermont as a reliable source of accurate information.
- An expressed desire that state government not alienate the public.

Table II below indicates forty-three (43) individuals registered for the third CHS Gathering held on 06 June 2024 via Zoom. Of this group, seventeen (17) or 40% participated in the session. Five (5) participants represented energy advocacy groups; five (5) represented state agencies; three (3) identified as representatives of town government; and two (2) represented HVAC installers or industry associations. A journalist from Vermont Public who covers the energy sector was also present.

Table II
Registrants and Attendees for 06 June 2024 CHS Gathering

•	Abagael Giles	Chittenden	RT	Vermont Public
•	Anderson Leslie		BO	Propane Gas Association of New England
•	Annette Smith	Rutland	HO	Vermonters for a Clean Environment
•	Ben Bolaski	Windsor	HO	Public Service Department
•	Dominic Gatti			VT Public Utility Commission
•	Elizabeth Steel	Orleans	HO	Campwell Connexions
•	Erin Hicks-Tibbles			VT Public Utility Commission
•	Harry Falconer	Windsor	RT	Two Rivers-Ottawquechee Regional Commission

•	John McCormick	Vermont	HO	Louise Diamond Comm. to Protect Next Generations
•	Julie Raboin	Washington	HO	VT Department of Public Service
•	Kathy Beyer	Vermont	HO	Evernorth
•	Katie Spring	US	RT	Vermont Law and Graduate School
•	Kimberly Hornung-Marcy		HO	United Methodist Church
•	Laura Sibilia	Windham	HO	VT General Assembly
•	Marty Feltus	Caledonia	HO	
•	Mike Roy	Addison	HO	Town of Middlebury
•	Thomas Fort	Vermont	HO	Wallingford Energy Committee
	A. Conrad Bellavance	Orleans	HO	Fred's Propane, Inc.
	Alan Robertson	Caledonia	HO	Town of Sheffield
	Allie Webster	Caledonia	HO	NVDA
	Amy Demetrowitz	Vermont	HO	Champlain Housing Trust
	Andrea Bacchi	Bennington	BO	Think Dynamic Digital, LLC
	Ashley Adams	Chittenden	BO	PG Adams, Inc.
	Beverly Little Thunder	Chittenden	HO	Kunsi Keya Tamakoce
	Bill Christian	Vermont	HO	Comfort International
	Cheri Ann Brodhurst	Windham	HO	
	Daniel Jones	United States	HO	
	Donna Dzugas	Orleans	HO	Barely Affording Vermont
	Eileen Boland	Caledonia	HO	Wheelock Community Initiative
	Jennifer Delony	Franklin	HO	
	Kim Fried	Caledonia	BO	
	Laura Sibilia	Windham	HO	Vermont House of Representatives
	Lauren Hierl	Washington	HO	VT Conservation Voters
	Liz Curry	Chittenden	HO	CommonLand Solutions
	Martine Victor	Bennington	HO	Planning Commission
	Matthew Lawrence LeFleur	Grand Isle	RT	VT Climate Council
	Michael Longo	Windham	HO	Michael Longo Tree Care
	Niki Thran	Washington	HO	
	Richard Hopkins	Addison	HO	Climate Economy Action Center of Addison County
	Rick Hackett	Vermont	HO	
	Sarah Phillips	Washington	HO	Vermont Community Loan Fund
	Srinam Srinivasan	Chittenden	HO	
	Sten Seeman	Vermont	BO	All Efficient, Sierra Energy and Water Conservation
Notes: • = Attended HO = Home Owner BO = Business Owner RT = Renter/Tenant				

Findings

A recording of the 06 June CHS Gathering can be seen [here](#); and a record of the Zoom chat meeting box appears in the Addendum. Major concerns expressed by some participants included the CHS rulemaking process and implementation rollout; equity as related to the split incentive between renters and landlords; and the classification of fuels. Salient findings from the 06 June CHS Gathering include:

- The legislature should be commended for tackling the difficult issue of reducing greenhouse gases by promoting the adoption of clean heat measures.

- Frustration with the unpredictability of fuel oil prices.
- Small family-owned fuel dealers were already diversifying their products and services to include clean heat measures prior to Act 18.
- Industry advocates feel propane should not be classified as a fossil fuel because it is a byproduct of natural gas production.
- Landlords who require tenants to pay heating and electricity costs have no financial incentives for making capital investment towards clean heat energy as the tenant bears the burden for increased heating costs. Landlords who do make clean energy capital investments, regardless of the level of subsidy, simply pass the costs onto tenants with higher rents.
- Data on the number of renter households that pay their own heating/cooling costs would inform equitable policy development.
- Create a statewide clean energy navigator program.
- Data on individual household heating/cooling energy consumption would aid town energy planners.
- Households that burn wood with an oil backup will burn more wood when the price of fuel oil increases.
- Suggested projected increase of fuel oil by \$0.70/gal by the Agency of Natural Resources is “cruel”.
- Suggested increase of fuel fee tax from \$0.02/gal to \$0.04/gal or \$0.06/gal to fund weatherization programs and increase installer hourly wage to \$30/hour.
- Prioritize installation of heat pumps where possible and weatherization programs.

The Contractor appreciated comments from several participants on the facilitation of the CHS Gatherings. These participants felt heard during the session. Some participants were openly skeptical of state government’s ability to be transparent and provide reliable clean energy information. The Contractor presented itself as an “honest broker” without “a dog in the fight”. The Contractor explicitly announced that selected questions during discussions were posed as a “devil’s advocate” and called on those who had not spoken to share their thoughts.

Important to the process, the Contractor encouraged individuals with opposing viewpoints to listen and engage with each other. Information flowed in a multilateral crosspollinated fashion amongst participants rather than bilateral between the Contractor and an individual participant.

Outreach

During the reporting period the Contractor completed the following Outreach activities:

1. Secured a workshop session at the Vermont Council on Rural Development’s Vermont Leadership Summit on 06 August 2024 in Randolph, VT. The short list for potential panelists include Edward McNamara, PUC Commissioner; Jared Duval, Energy Action Network; Kathy Beyer, Evernorth; John McCormick, Louise Diamond Committee to Protect Next Generations.

2. Secured a CHS Gathering session with members of the Vermont League of Cities and Towns scheduled over Zoom for 18 July 2024. The session will be co-hosted with the Vermont Natural Resource Council.
3. Established contact with the Vermont Chamber of Commerce for a virtual CHS Gathering for its members before the end of summer.
4. Scheduled meetings with the ReLeaf Collective and Vermont Professionals of Color to discuss conducting virtual CHS Gatherings for their respective members.
5. Determined that tabling at county fairs would be cost prohibited given remaining funds in the project budget.

In an effort to determine why registrants of all CHS Gatherings were “no-shows” the Consultant requested the “no-shows” respond to the following email message sent the week of 17 June 2024:

We missed you at the Clean Heat Standard Gathering on May 7th or June 6th 2024 for which you had registered. As we search for more efficient and effective ways to engage public input on this issue, would you let us know what kept you from the meeting by returning this email with one or multiple reasons checked:

_____ simply forgot _____ double booked another meeting_____ work emergency

_____ family emergency _____ no longer interested in the topic

Thank you for taking a minute to complete and return this email to help us improve public engagement.

Financial Report

The Contractor proposed and the PUC/CHS Team approved \$30,920 to be expended over a seven month period from February to August 2024. This report marks the end of five months or 71% of the contract period. The PUC/CHS has paid the Consultant a total of \$12,760 which represents 41% of the contract amount of \$30,920. Another invoice for \$9,856 has been submitted with this report bringing expended totals to \$22,616 or 73% of the contracted amount over the course of five months.

The PUC/CHS denied the Contractor proposal to extend the contract amount by \$22,000 to cover activities from September through January 2025 in time for the next legislative session.

ADDENDUM

Chat file 07 May 2024 CHS Gathering

14:03:47 From Stephen Dotson to Everyone:

Stephen Dotson - Town of Brattleboro - Sustainability Coordinator

14:05:58 From VTPFD.org Gemma Seymour to Curtiss Reed Jr(Direct Message):

There are about 45 people who registered or were invited.

14:06:32 From VTPFD.org Gemma Seymour to Curtiss Reed Jr(Direct Message):

Don't forget to start recording.

14:37:11 From Matthew LeFluer VTRC (He/Him) to Everyone:

Sorry Eveyone I Have Autism I Learn Things And Do Things Diffenterly So plain language Woul Defently Help

14:37:48 From ashley adams, mom, concerned citizen, business owner to Everyone:

Replying to "Sorry Eveyone I ..."

No apology necessary!

14:37:59 From VTPFD.org Gemma Seymour to Everyone:

Reacted to "Sorry Eveyone I ..." with 👍

14:41:34 From Johanna Miller, VNRC/VECAN (she/her) to Everyone:

Here's an FAQ about the policy, intended to help the public understand what it is — and isn't. Which, I agree — and said — that the public should be deeply engaged, and they should be able to understand the policy and have their lawmakers describe what it is. My point was that I do not think people need to be experts in a clean heat credit design system. They need to be experts in their own experience, and feed their hopes and goals for any policy — including this one — into conversations like this, legislative hearings and far beyond. Just wanted to clarify, so the intent of my comment is clear. Thanks!

<https://eanvt.org/affordable-heat-faq/>

14:41:55 From Matthew LeFluer VTRC (He/Him) to Everyone:

Reacted to Here's an FAQ about ... with "👍"

14:42:37 From Matthew LeFluer VTRC (He/Him) to Everyone:

Replying to "Here's an FAQ about ..."

Thanks For Sharein...

14:43:15 From Johanna Miller, VNRC/VECAN (she/her) to Everyone:

Reacted to "Thanks For Sharein..." with 👍

14:47:09 From Stephen Dotson - Town of Brattleboro to Everyone:

Who can I contact to find answers to my questions about the Clean Heat Standard?

14:49:52 From Christine.Peterson Dept of Public Service VT state agency to Everyone:

That may have been for the Comprehensive Energy Plan. The feedback sessions

14:51:55 From Johanna Miller, VNRC/VECAN (she/her) to Everyone:

Here is list of eligible clean heat measures, which includes Thermal Energy Networks (but not storage — which could be a recommendation and was discussed as something that could be paired with a clean heat measure, per Stephen's question but is not in the mix yet)...

14:52:14 From Johanna Miller, VNRC/VECAN (she/her) to Everyone:

(d) List of eligible measures. Eligible clean heat measures delivered to or installed in residential, commercial, and industrial buildings in Vermont shall include: (1) thermal energy efficiency improvements and weatherization; (2) cold-climate air, ground source, and other heat pumps, including district, network, grid, microgrid, and building geothermal systems; (3) heat pump water heaters; (4) utility-controlled electric water heaters; (5) solar hot water systems; (6) electric appliances providing thermal end uses; (7) advanced wood heating; (8) noncombustion or renewable energy-based district heating services; (9) the supply of sustainably sourced biofuels; (10) the supply of green hydrogen;

14:52:31 From Johanna Miller, VNRC/VECAN (she/her) to Everyone:

(11) the replacement of a manufactured home with a high efficiency manufactured home and weatherization or other efficiency or electrification measures in manufactured homes; and (12) line extensions that connect facilities with thermal loads to the grid. (e) Renewable natural gas. For pipeline renewable natural gas and other renewably generated natural gas substitutes to be eligible, an obligated party shall purchase renewable natural gas and its associated renewable attributes and demonstrate that it has secured a contractual pathway for the physical delivery of the gas from the point of injection into the pipeline to the obligated party's delivery system.

14:53:02 From Matthew Bakerpoole, VT PSD (he/him) to Everyone:

If you have questions about the clean heat standard that the Department of Public Service can answer as a participant in the Rule Making process you can email psd.cleanheat@vermont.gov.

14:54:46 From ashley adams, mom, concerned citizen, business owner to Everyone:

I agree with Matthew. Unfortunately, the State of Vermont is not a reliable source of accurate information. We need to stop combustion to reduce greenhouse gas pollution. It's not just fossil fuels that we need to be concerned about. Our neighboring states know this.

14:54:48 From Dominic Gatti (he/him) CEIF Fellow with PUC to Everyone:

The PUC recently released a plain-language overview of CHS; it is available here: <https://puc.vermont.gov/document/CHS-Overview>

14:55:26 From Dominic Gatti (he/him) CEIF Fellow with PUC to Everyone:

You can also find out more about the CHS design process here: <https://puc.vermont.gov/clean-heat-standard>

14:56:50 From Johanna Miller, VNRC/VECAN (she/her) to Everyone:

Rewiring America: <https://homes.rewiringamerica.org/calculator>

15:01:35 From Jean Terwilliger (she/her), Cornwall to Everyone:

I agree with Johanna Miller, it is currently much easier to replace a heating system with a similar fossil fuel system, We need to incentivize replacing with heat pump systems now, in almost all cases, not just more efficient fossil fuel systems.

15:03:24 From Matthew LeFluer VTRC (He/Him) to Everyone:

Reacted to I agree with Johanna... with "👍"

15:03:36 From Johanna Miller, VNRC/VECAN (she/her) to Everyone:

Reacted to "I agree with Johanna..." with 👍

15:05:27 From Christine.Peterson Dept of Public Service VT state agency to Everyone:
Thanks Matthew!!!

15:06:49 From Annette Smith, VCE to Everyone:
Renewable Propane, as it is called, is being used for forklifts in warehouses. It is apparently very expensive, and unrealistic to think it will ever be available to Vermonters. There is no alternative to propane now or any time in the foreseeable future. Please do not offer magical alternatives. We need to be realistic.

15:09:26 From Jean Terwilliger (she/her), Cornwall to Everyone:
The Climate Economy Action Center is starting an Energy Navigator program for Addison County as we have heard the same thing from many people as from Gretchen Elias-

15:09:37 From Gretchen Elias she/her (community member/advocate) to Everyone:
Reacted to "The Climate Economy ..." with 👍

15:11:00 From Johanna Miller, VNRC/VECAN (she/her) to Everyone:
Reacted to "The Climate Economy ..." with 👍

15:11:29 From ashley adams, mom, concerned citizen, business owner to Everyone:
Thank you Tom.

15:13:10 From ashley adams, mom, concerned citizen, business owner to Everyone:
Vermont has the highest or 2nd highest per capita pollution from wood heating. It's a major public health concern (as well as environmental hazard). I'll drop a few links into the chat for those who are interested. Vermont needs to stop promoting polluting heating sources. Yes, I grew up with it too- it was what we could afford.

15:13:48 From ashley adams, mom, concerned citizen, business owner to Everyone:
<https://www.env-health.org/new-infographic-on-the-health-and-climate-threat-from-wood-burning/>

15:14:02 From ashley adams, mom, concerned citizen, business owner to Everyone:
<https://www.dsawsp.org/>

15:14:17 From ashley adams, mom, concerned citizen, business owner to Everyone:
<https://www.theguardian.com/environment/2024/jan/26/domestic-wood-burners-having-a-deadly-impact-in-outside-areas>

15:14:30 From ashley adams, mom, concerned citizen, business owner to Everyone:
https://www.hsph.harvard.edu/c-change/news/gas-biomass/?active_tab=1&articles_page=5&research_page=2

15:14:52 From Matthew LeFluer VTRC (He/Him) to Everyone:
I Hear You There on That Doing Everything Yourself Its Hard Work

15:17:33 From ashley adams, mom, concerned citizen, business owner to Everyone:
And a short article: <https://insideclimatenews.org/news/26112019/wood-burning-climate-health-consequences-vermont-forest-energy-plan/>

15:17:42 From VTPFD.org Gemma Seymour to Everyone:
Reacted to "And a short article:..." with 👍

15:17:49 From VTPFD.org Gemma Seymour to Everyone:
Reacted to "Vermont has the high..." with 👍

15:17:58 From Gretchen Elias she/her (community member/advocate) to Everyone:

What about at the community level? We live on the shady side of a small side street. We dream about being able to put in solar panels and batteries just for our street - sharing the cost, but having the panels go on the sunny side.

15:18:56 From Gretchen Elias she/her (community member/advocate) to Everyone:

My kids just got home so I have to drop off now. Thank you all much for doing this.

15:22:29 From ashley adams, mom, concerned citizen, business owner to Everyone:

More information about VT and other states AG's suit against the EPA over wood stove standards not protecting public health: [https://www.pbs.org/newshour/nation/epa-faces-lawsuit-from-10-states-over-emissions-standards-for-residential-wood-burning-stoves#:~:text=JUNEAU%2C%20Alaska%20\(AP\)%20%E2%80%94,appliances%20that%20could%20worsen%20pollution.](https://www.pbs.org/newshour/nation/epa-faces-lawsuit-from-10-states-over-emissions-standards-for-residential-wood-burning-stoves#:~:text=JUNEAU%2C%20Alaska%20(AP)%20%E2%80%94,appliances%20that%20could%20worsen%20pollution.)

15:23:05 From VTPFD.org Gemma Seymour to Everyone:

Reacted to "More information abo..." with 👍

15:25:11 From ashley adams, mom, concerned citizen, business owner to Everyone:

Not trying to dominate chat. One last thought- weatherization immediately reduces GHG emissions whatever the heat source. It also makes your home more comfortable. Glad it's considered a clean heat measure. Could have happened at a much greater scale without this convoluted policy.

15:25:22 From VTPFD.org Gemma Seymour to Everyone:

Reacted to "Not trying to domina..." with 👍

15:25:27 From Matthew LeFluer VTRC (He/Him) to Everyone:

Reacted to Not trying to domina... with "👍"

15:26:14 From Matthew LeFluer VTRC (He/Him) to Everyone:

Replying to "Not trying to domina..."

No Worries We All...

15:26:41 From Jean Terwilliger (she/her), Cornwall to Everyone:

Reacted to "Not trying to domina..." with 👍

15:28:38 From Luce Hillman, TAG to Everyone:

Replying to "Not trying to domina..."

Need to hop off. Thank you for all the comments.

15:31:40 From Matthew LeFluer VTRC (He/Him) to Everyone:

Sorry My Other Statewide Work is With VLCT And VCCT As A Public Statewide Member

15:33:11 From Johanna Miller, VNRC/VECAN (she/her) to Everyone:

Clarification: The policy is of course not intended to raise the cost of fossil fuels. That may be an outcome. It is intended to reduce reliance on dirty, imported fossil fuels and cut TOTAL energy costs by moving people to more efficient, clean heating (and efficiency) solutions.

15:33:32 From Matthew LeFluer VTRC (He/Him) to Everyone:

Reacted to Clarification: The p... with "👍"

15:33:41 From Johanna Miller, VNRC/VECAN (she/her) to Everyone:

Huge thanks Curtiss and Gemma!

15:33:43 From Annette Smith, VCE to Everyone:

This is what the document says "The costs of the CHS requirements are expected to increase the cost of heating fuels."

Chat file
06 June 2024 CHS Gathering

17:59:18 From Gemma Seymour to Everyone:
Overview of the Clean Heat Standard:

<https://vermontpartnership.org/wp-content/uploads/2024/06/Overview-of-CHS-5.3.24.pdf>

18:08:27 From Mike Roy (he/him) to Everyone:
Can you drop them in again as I joined late?

18:08:44 From Laura Sibilia to Everyone:
I am also not seeing the questions

18:09:07 From Gemma Seymour to Everyone:
Overview of the Clean Heat Standard:

<https://vermontpartnership.org/wp-content/uploads/2024/06/Overview-of-CHS-5.3.24.pdf>

18:09:57 From Gemma Seymour to Everyone:
We would like to know...

If you are a consumer, what is your experience heating and cooling your home or business?

If you are an installer, how will the clean heat energy credit system impact the way you do business?

If

you are an advocate, to what extent do you believe implementation of Act 18 will reduce greenhouse gases?

18:10:31 From Gemma Seymour to Everyone:
Sorry about the misnumbering, that happened from cutting and pasting from Outlook.

18:15:49 From Annette Smith to Everyone:
There is one more person on the phone.

18:22:13 From Laura Sibilia to Curtiss Reed Jr(Direct Message):

Would be great to know How have folks been experiencing the oil price spikes of the last 3 years?

18:25:40 From Mike Roy (he/him) to Everyone:

I think we need to also be thinking about battery storage and a much expanded notion of the boundaries of our grid.

18:26:11 From Gemma Seymour VTPFD to Everyone:
Overview of the Clean Heat Standard:

<https://vermontpartnership.org/wp-content/uploads/2024/06/Overview-of-CHS-5.3.24.pdf>

18:26:37 From Gemma Seymour VTPFD to Everyone:
We would like to know...

If you are a consumer, what is your experience heating and cooling your home or business?

If you are an installer, how will the clean heat energy credit system impact the way you do business?

If you are an advocate, to what extent do you believe implementation of Act 18 will reduce greenhouse gases?

18:28:38 From Mike Roy (he/him) to Everyone:

Propane is a fossil fuel.

18:33:40 From Mike Roy (he/him) to Everyone:

I am hoping that all of this testimony gets fact checked.

18:33:49 From Gemma Seymour VTPFD to Everyone:

I would like to remind participants that the Vermont Clean Heat Standard is law, not a proposed bill. This is not the best forum to litigate the law. We are here to try to understand what the consequences of the law as written as going to be for Vermonters, and how best to implement the CHS. Like it or not, the CHS is a passed law, and must by law be implemented.

18:34:53 From Kim Hornung-Marcy she/her to Everyone:

It only becomes law if Legislature passes it with the PUC input so yes there is hope we move ahead but this is a unique "Law".

18:36:45 From Gemma Seymour VTPFD to Everyone:

My point is that Act 18 was passed by the Legislature and signed by the Governor. While the specifics of the CHS are still subject to construction, we are not here to debate whether or not it should have become law.

18:38:59 From Gemma Seymour VTPFD to Everyone:

All dealers who import fossil fuels into Vermont are subject to the CHS, whether or not they are located in Vermont.

18:46:50 From Mike Roy (he/him) to Everyone:

Is there a moment in tonight's program where we can discuss how the legislation defines "clean" energy?

18:48:57 From Annette Smith to Everyone:

I just reviewed the propane bills again, I misread it, the price was 3.090, not 3.90. So it was considerably less than Harry was paying.

18:50:20 From Erin.Hicks-Tibbles (PUC) to Everyone:

Act 18 requires the PUC to do a rulemaking -- develop the proposed legislation -- and return it to the Legislature in January 2025

18:55:12 From Gemma Seymour VTPFD to Everyone:

The definition of "clean heat measure" can be found in 30 VSA 8127.

<https://legislature.vermont.gov/statutes/fullchapter/30/094>

18:56:48 From Gemma Seymour VTPFD to Everyone:

30 VSA 8127 (d), specifically.

19:03:33 From Mike Roy (he/him) to Everyone:

We can't make decisions based on anecdote. I would want to read the study that backs up the claim that heat pumps won't work in 80% of VT homes.

19:05:00 From Annette Smith to Everyone:

Mike, it's in these notes

<http://vtce.org/Clean%20Heat%20Standard%20Meeting%20Notes%20with%20TOC.pdf>

19:05:39 From Laura Sibilia to Everyone:

Empirical analysis of the cost of reducing thermal emissions in the building sector conducted by Sec. Moore's Climate Office post her "back of the napkin" guess on cost of Clean Heat.

https://outside.vermont.gov/agency/anr/climatecouncil/Shared%20Documents/VT%20Thermal%20Analysis%20Final%20Report%202011_28%20revisions.pdf

19:06:46 From Annette Smith to Everyone:

See pages 62 and 85 for the 25% and 30% numbers referring to forced hot air homes.

Limitation: only 30% of VT homes are forced air

- Need solution for hydronically-heated homes
- Converting to forced air - but added cost
- Air-to-water HPs not really commercially available
- Extremely limited, specialized order

19:07:59 From Mike Roy (he/him) to Everyone:

It is simply not true that homes that don't have forced hot air can't have heat pump. Yes, they are challenging for some homes, but we need to stick to actual fact.

19:09:07 From Annette Smith to Everyone:

The statement I quoted above is by Chris Nene, one of the primary authors of the Clean Heat Standard, who works for Energy Futures Group. He notes that it's a specialized order and not really commercially available.

19:09:28 From Leslie Anderson to Everyone:

We have 45 propane company members in Vermont.

19:09:48 From Mike Roy (he/him) to Everyone:

I have plenty of friends who have installed heat pumps in their homes. They simply replaced their old system with a new system.

19:10:57 From Annette Smith to Everyone:

That sounds anecdotal. What is the cost? What are the homeowners' income levels?

19:15:13 From Mike Roy (he/him) to Everyone:

Fossil Fuels Are Bad. Full Stop.

19:16:42 From Kim Hornung-Marcy she/her to Everyone:

Thank you for this forum. Thank you to those working on implementing the methods that truly reduce green house gasses. I need to go to another commitment

19:16:45 From Leslie Anderson to Everyone:

https://pgane.org/wp-content/uploads/sites/12/2020/01/PGANE_Flyer_CleanAir2a_8-27_FINAL_HRz.pdf

19:18:02 From Gemma Seymour VTPFD to Everyone:

While there may be differences between different types of fuels, the fact is that Act 18, the Affordable Heat Act (AHA) defines very specifically what does and does not qualify as a "clean heat measure", and this is a passed law. The specifics of the CHS which are to be determined by the VT PUC cannot affect those portions of the law which are otherwise already defined.

19:21:22 From Annette Smith to Everyone:

Fuel dealers are already doing everything that is required by this legislation. They testified to that effect.

19:23:16 From Gemma Seymour VTPFD to Everyone:

The AHA specifically disallows switching from one form of fossil fuels to another form of fossil fuels from being classified as a clean heat measure

19:24:41 From Curtiss Reed Jr to Everyone:

1. If you are a consumer, what is your experience heating and cooling your home or business?

2. If you are an HVAC installer, how will the clean heat energy credit system impact the way you do business?

3. If you are an advocate, to what extent do you believe implementation of Act 18 will reduce greenhouse gases?

19:24:53 From Gemma Seymour VTPFD to Everyone:

see 30 VSA 8123 (3)

19:25:38 From Curtiss Reed Jr to Everyone:

You can follow and file comments on the Public Utility Commission's rulemaking through the online case management system ("ePUC"). The website for the Clean Heat Standard rulemaking has links to the related cases, 23-2220-RULE and 23-2221-INV:

<https://puc.vermont.gov/clean-heat-standard>. You can contact your Legislator directly: <https://legislature.vermont.gov/people/search/2024>.

19:28:23 From Annette Smith to Everyone:

Thank you Curtiss. This was the best of the three meetings. I appreciate the questions and the conversation.

19:28:46 From Mike Roy (he/him) to Everyone:

Thank you. This was fascinating!



Vermont Partnership

FOR FAIRNESS AND DIVERSITY

**Vermont Public Utility Commission
Clean Heat Standard Team
Public Engagement Facilitator
Activity Report N° 3 • 01 July thru 30 September 2024**

This document reviews activities undertaken by Vermont Partnership for Fairness & Diversity (Consultant) for the period 01 July thru 30 September 2024 under the auspices of Contract N°47606 with the State of Vermont. This document also constitutes the final report under Contract N° 47606. The Consultant has primary responsibility to design and conduct public engagement related to the Clean Heat Standard (Act 18) enacted by the legislature in May 2023.

Overview

The manner in which the Clean Heat Standard process unfolded exemplifies the idiom “putting the cart before the horse.” The Act 18 legislative mandates created an unrealistic timeline that forced the Public Utilities Commission to compress and compromise the regular order of public engagement.

When the Vermont State Legislature passed Act 18 (the Affordable Heat Act) in May 2023 it instructed the Public Utilities Commission (PUC) to deliver a set of draft Clean Heat Standard rules to the legislature nineteen (19) months later in January 2025. The legislation also mandated the PUC to engage a Public Engagement Facilitator and incorporate the Guiding Principles for a Just Transition promulgated by the Vermont Climate Council.

The PUC issued a Request for Proposals on 08 September 2023 and finalized a contract with the Public Engagement Facilitator (Consultant) on 24 January 2024. Shortly thereafter, pursuant to 30 V.S.A. §§ 8128(b) and 8129(b), the Commission was directed to appoint up to fifteen (15) members to a Technical Advisory Group and up to ten (10) members to an Equity Advisory Group to assist in the management, design, and implementation of the Clean Heat Standard. The Vermont Public Utility Commission issued solicitations for membership on the two Advisory Groups on 19 September 2023. The PUC established the Technical Advisory and Equity Advisory Groups on 19 November 2023.

According to its approved workplan, the Consultant was to complete its work over a seven month period or the end of August 2024. The Consultant wrongly assumed that the PUC had already issued a proposed CHS rule by the time work began in February 2024. As a consequence public engagement focused on the CHS rulemaking process rather than a proposed CHS rule itself.

Many participants attending the CHS Gatherings organized by the Consultant expressed frustration as they wanted to comment on an actual proposed CHS rules. Some stakeholders found Act 18 overly complicated and projected unintended consequences whatever the eventual CHS Rule.

Some gave the PUC a vote of no confidence to provide Vermonters with timely and relevant information. The Consultant believes these negative viewpoints should have been directed at the Vermont State Legislature and not the PUC because it was the legislature which mandated an unrealistic timeline. Ideally, the legislature should have given the PUC 12 months to develop a CHS Rule followed by eight months of public engagement for stakeholders to critique the proposed Rule. The PUC would then take three months to integrate stakeholder input before a finalized draft is sent to the legislature.

As it stands, the PUC hopes to release its draft CHS Rule in October 2024. Stakeholders want to be part of a process with partners that values their time. The Consultant has advised participants to contact their statehouse representatives with their critiques of an eventual CHS Rule.

General Observations

Act 18 embodies a multifaceted legislative strategy aimed at combatting greenhouse gas emissions in Vermont's thermal sector. By instituting a comprehensive Clean Heat Standard program and implementing incentives to promote the adoption of clean heating and cooling technologies, the bill endeavors to propel the state towards a more sustainable energy future. However, the success of this ambitious program hinges not only on its environmental efficacy but also on its ability to prioritize affordability and accessibility, particularly for under-served and sacrificed communities.

The Consultant conducted five on-line and one in-person Clean Heat Standard Gatherings with a total of 132 registrants. The off-line observations indicated frustration with being limited to commenting on the *process* of rulemaking and not on the rules themselves. The Public Utilities Commission had not yet issued the CHS rules. This frustration might have been markedly reduced or eliminated if the PUC had waited until after the CHS rules were drafted and published before engaging a public engagement process. The Consultant believes there would have been far more substantive public comments based on actually proposed rules. In the absence of proposed CHS rules, equity, accessibility, and the mitigation of fuel price impacts became mere abstractions.

At its core, Act 18 targets the thermal sector of Vermont's economy, recognizing heating and cooling as significant contributors to greenhouse gas emissions. By focusing on measures specifically tailored to mitigate emissions associated with these activities, the bill demonstrates a proactive stance towards addressing climate change at the local level. Nevertheless, the bill's emphasis on promoting clean heat adoption raises important considerations regarding equity and social justice.

The Consultant completed its proposed workplan at the end of September 2024. There was a one month delay in the completion due to prospective participant end of summer August vacations. Leadership at Vermont Professionals of Color, The ReLeaf Collective, and the Vermont League of Cities and Towns suggested postponing August dates until September. The PUC indicates it will release the CHS rules sometime in October 2024. The PUC would ideally include robust public comment as part of its presentation of the CHS rules to the next legislative session that begins in January 2025.

One key concern pertains to the affordability and accessibility of clean heat measures and credits, particularly for low-income households. While the bill aims to incentivize the adoption of cleaner technologies, there is a risk that associated costs may pose a barrier to entry for economically disadvantaged individuals and families. Moreover, the requirement for Obligated Parties to submit detailed information for credit eligibility could potentially exacerbate disparities in access, as undercapitalized entities may face challenges in meeting stringent documentation requirements.

Another conundrum of the legislation pertains to energy credit eligibility. As of this report only Obligated Parties are eligible for energy credits. These parties cited in Act 18 include regulated natural gas utilities, entities that import heating fuel for ultimate consumption in Vermont, or entities that produce, refine, manufacture, or compound heating fuel within Vermont for ultimate consumption therein.

Stakeholders are interested and eager to comment on how the PUC/CHS rules address these key concerns and conundrums. The Consultant framed the challenges in previous reports as follows:

Whereas the general population, including low- to moderate-income households and small businesses, can participate in the overall reduction of greenhouse gases (e.g. walk/bicycle versus drive, lower thermostats, utilize clotheslines, convert to renewable energy sources), they can neither accrue nor monetize clean heat energy credits as of this report.

Again, Act 18's emphasis on promoting clean heat adoption raises important considerations regarding equity and social justice. According to the 2020 United States Census, of Vermont's 265,858 households the Vermont Housing Finance Agency reports that renters account for 81,849 or 31% of households. Landlords who require tenants to pay heating and electricity costs have no financial incentives for making capital investment towards clean heat energy as the tenant bears the burden for increased heating costs. Landlords who do make clean energy capital investments, regardless of the level of subsidy, simply pass the costs onto tenants with higher rents.

Act 18 specifically requires 16% of energy credits be retired in connection with low- and moderate-income households. If the proposed Standard mandates higher credit values for

low- and moderate-income households it runs the risk of exacerbating affordability for these households as they are statistically more likely to be renters. If higher credit values attach to rental installations of clean heat technologies, Obligated Parties and Default Delivery Agents will be incentivized to target landlords as the primary source for such enhanced credit values. Capital investments by landlords will be recouped in the form of increased rents

Homeowners and low- to moderate-income households already have access to weatherization (Efficiency Vermont) and fuel assistance programs (Department for Children and Families). Given that fuel provider and energy representatives weighed in with testimony during the crafting of Act 18, the Consultant questions the timing of broad-based community engagement for the purposes of designing a clean heat standard. The Consultant believes those who possess clean heat technical knowledge are best positioned to assist design the standard. This includes the directly impacted actors of Act 18, the Obligated Parties of fossil fuel providers and Default Delivery agents.

Government protects public safety through various regulatory bodies because the citizenry or end-user lacks the highly specialized knowledge for risk analysis. A proposed Clean Heat Standard and marketplace for energy credits and monetization inherently represents a highly complex and technical field. The Consultant draws parallels with the practice of medicine in Vermont where licensing and accepted medical practice criteria are determined by medical specialists and not the general public. The general public involves itself with public health policy such as access and affordability.

Environmental groups hold tight to a near non-negotiable position to reduce greenhouse gases whatever the costs. The economic math suggesting an increase of fuel oil costs by \$0.70/gal crushes the budgets and pocketbooks of low- to middle-income households. Landlords have no financial incentives to convert old, inefficient oil furnaces to heat pumps and/or renewable energy while tenants bear the costs of heating/cooling their rental units.

Some stakeholders find Act 18 overly complicated with unintended consequences. Why are energy credits restricted to Obligated Parties and not the end-user consumers? Do small family-owned fuel dealers have the time and capacity to complete the process to acquire and redeem clean energy credits? How does the state incentivize landlords to do right by their tenants and the environment? Other individuals predict when the legislature passes the Clean Heat Standard rules litigation will follow and tie up CHS implementation for years thereafter.

During the reporting period, on 06 August 2024, the Consultant moderated a CHS Gathering at the 5th Vermont Council on Rural Development Community Leadership Summit held at the Vermont State University Randolph. The in-person workshop was entitled *Clean Heat Standard: What is it Intended To Do and What Does It Mean for Vermont*.

Panelists for the workshop included: Edward McNamara, Public Utilities Commissioner; Jared Duval, Vermont Climate Council; Mia Watson, Vermont Housing Finance Agency; and John McCormick, Louise Diamond Committee to Protect Next Generations.

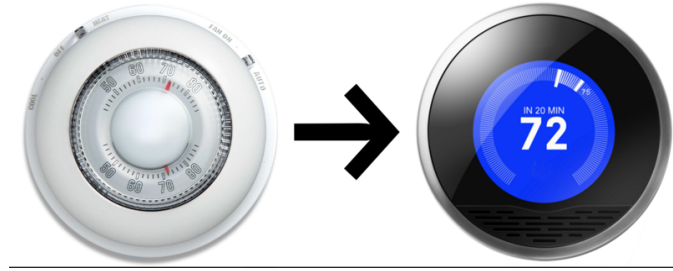
Click [here](#) to view a recording of the session. The workshop description and list of the thirty-three (33) registrants appear in the Addendum. Participants expressed considerable appreciation for the detailed information on: the CHS process; mitigating fuel price volatility; the regulatory environment relative to electricity; the Inflation Reduction Act vis-à-vis affordable housing and weatherization; and the science of energy/fuel efficiency. Salient findings that resonated with prior gatherings included:

- An expressed desire to create an energy navigator program to assist homeowners, tenants, and business owners.
- Town planners would like to have household energy consumption data for energy planning purposes; legislative
- An expressed need for more weatherization installers paid at a higher hourly rate; if unskilled fast food workers are paid \$20/hr, skilled weatherization installers should be paid \$30/hr.
- An expressed desire to create a landlord rental registry as one means to enforce energy efficiency of rental properties
- In spite of their efforts to reduce fossil fuels by living “off grid”, these property owners feel they are being penalized for using propane and would like price offsets

During the reporting period the Consultant also organized two online CHS Gatherings on 18 and 26 September 2024 for 90 minutes each. The first gathering on 18 September was organized for BIPOC environmentalists from ReLeaf and end-use consumers from Vermont Professionals of Color (VTPoC). Unfortunately none of the eight registrants attended. Respondents to our follow-up email indicated a medical/dental emergency, double booked with another meeting, and loss of interest in the topic kept registrants away. At the request of the VTPoC, the Consultant designed a graphic image to promote the event to BIPOC communities.

**Table I
Registrants for 18 September 2024 CHS Gathering**

n	Li Ling Young	Chittenden	HO	VT Energy Investment Corporation
n	Jean Hamilton	Washington	HO	VT Housing & Conservation Board
n	Cori Hirai	Windsor	HO	
n	Beverly Little Thunder	VT	HO	Kunsi Keya Tamakoce
n	Nader Hashim	Windham	HO	VT Legislature
n	Offie Cherry Wortham	Lamoille	RT	
n	Roy V. Hill	Franklin	BO	FNRE
Notes: • = Attended n = No Show HO = Home Owner BO = Business Owner RT = Renter/Tenant				



Members of the Vermont League of Cities and Towns participated in the second gathering on 26 September 2024. Participants in this group wasted no time in calling the CHS a costly waste of time destined to increase fuel costs. A recap of key findings appears below. Click [here](#) to view a recording of the session.

**Table II
Registrants for 26 September 2024 CHS Gathering**

• Ted Brady	Washington	HO	VT League of Cities and Towns	Executive Director
• Cheryl Letourneau	Franklin	BO	Town of Georgia, VT	Town Administrator
• Christina Adams	Orleans	HO	Town of Lowell, VT and Fred's Energy	Health Officer
• Mary Brewster	Windham	HO	Town of Halifax, VT	Lister
• Gig Zboray	Windham	HO	Town of Whitingham, VT	Selectboard, Administrator
• Jacqueline Lumbra	Washington	HO	Town of Cabot, VT	Lister
• Caroline Klosowski	Lamoille	HO	Stowe Electric Department	Business and Communications Manager
Notes: • = Attended n = No Show HO = Home Owner BO = Business Owner RT = Renter/Tenant				

- An expressed concern for seniors living on fixed incomes or social security to cover increased fuel prices.
- Questioned the utility of Act 18 given Vermont's leadership on climate change.
- Off grid residents feel they are being penalized due to propane gas price volatility.
- Fearful of propane dealer monopolies in some parts of the state.
- Act 18 should only apply to high density population centers such as the City of Burlington metroplex.
- Concern over the certainty that landlords who make property upgrades will pass along the investment costs to low- to moderate-income tenants.
- Fear that rising fuel costs will drive low- to moderate-income residents out of the state.
- Some will register complaints regarding the CHS with their legislators.

Financial Report

The Contractor proposed and the PUC/CHS Team approved \$30,920 to be expended over a seven month period from February to August 2024. The consultancy timeline was extended through the end of September to accommodate the schedules of three organizations. This final report marks the end of eight months or 100% of the contract period. The PUC/CHS has paid the Consultant a total of \$22,616 which represents 73% of the contract amount of \$30,920. A final invoice for \$8,304 has been submitted with this report bringing expended totals to the \$30,920 contracted amount.

Addendum

Clean Heat Standard: What Is It Intended to Do and What Does It Mean for Vermonters (PANEL) – Green 216

Act 18 creates a Clean Heat Standard (CHS) program with financial incentives that promote the adoption of clean heating and cooling technologies. The bill brings the state closer to a more sustainable energy future. However, the success of this program hinges not only on its environmental effectiveness, but also on its prioritization of affordability and accessibility. Hear how you can be a part of shaping the Clean Heat Standard.

Jared Duval Member Vermont Climate Council | jduval@eanvt.org

Jared Duval is a member of the Vermont Climate Council, appointed to provide expertise in energy and data analysis. Jared co-chairs the Climate Council's Science & Data subcommittee and also serves as a member of the Cross-Sector Mitigation subcommittee. He is a co-author of Vermont's Climate Action Plan, of which the Clean Heat Standard was the single largest pollution reduction recommendation. Jared is a 9th generation Vermonter who originally grew up in the Upper Connecticut River Valley (Fairlee). He now lives with his wife and son in Montpelier.

John McCormick Director Louise Diamond Committee to Protect Next Generations | jmccormick@imtd.org

John's environmental career began lobbying Congress on coal strip mining regulations, acid rain control, toxic waste and pesticide control for the Environmental Policy Center during the 70s and 80s. Using a German Marshall Fund grant, he organized a tour for 6 U.S. timber industry representatives to witness German forest dieback, from polluting Yugoslav coal-burning power plants. The companies agreed to strongly support acid rain control. Retired, he is actively following Vermont's efforts to decarbonize, and respond/adapt to earth's warming climate.

Edward McNamara Chair Vermont Public Utility Commission | ed.mcnamara@vermont.gov
Ed McNamara was appointed Chair of the Public Utility Commission (PUC) in January 2024. From 2022 to 2024, McNamara served as general counsel for the Agency of Natural Resources. Prior to his work at ANR, McNamara worked on energy issues for 20 years, including at the Public Service Department where he performed numerous roles, including as planning director, assisting with emergency response activities, and representing Vermont's interests before the Federal Energy Regulatory Commission. McNamara started his legal career as a hearing officer and staff attorney for the PUC.

Mia Watson Special Programs Manager Vermont Housing Finance Agency | mwatson@vhfa.org

Mia Watson (she/her) oversees VHFA's pilot on-bill Weatherization Repayment Assistance Program (WRAP) and other energy finance initiatives, as well as supports new capital formation for the Agency's Vermont Housing Investment Fund. She is the Chair of the Equity

Advisory Group advising the Vermont Public Utility Commission on the design of the Clean Heat Standard. Watson was previously a researcher at VHFA and has been an author on many agency publications, including the 2020 Vermont Housing Needs Assessment. She has a Master's degree in Public Administration from the University of Vermont.

VCRD Leadership Summit Registrants • Clean Heat Standard: What Is It Intended to Do and What Does It Mean for Vermonters (PANEL)

Dan Adams Selectboard member Town of Pittsford adamsrevt@aol.com
David Blittersdorf dblittersdorf@gmail.com
Shannon Bryant Board Member Lake Horton Community Trust bryantshannon11@gmail.com
Brent Burgee MD/JD brentburgee@gmail.com
Simeon Chapin simeonchapin@gmail.com
Liz Curry Principal CommonLand Solutions lcurry@commonlandsolutions.com
John Dasaro Village Manager Village of Enosburg Falls jdasaro@enosburg.net
Eun-Young Denny Sr. Commercial Loan Officer VT Economic Development Authority edenny@veda.
Jared Duval Councilor Vermont Climate Council jduval@eanvt.org
Dan Fingas Climate Action Coordinator Vermont Natural Resources Council dfingas@vnrc.org
Danielle Fitzko Commissioner VT Dept of Forests, Parks and Recreation danielle.fitzko@vermont.gov
Jeff Gadapee jgadapee@lochmondhomes.com
Jay Greene Policy and Research Analyst State of Vermont Office of Racial Equity jay.greene@vermont.
Jeffrey Grout Planning and Zoning Administrator Town of Randolph jgrout@randolphvt.org
Erin Hicks-Tibbles Policy Analyst II State of Vermont Public Utility Commission erin.hicks-
Peter Johnke Deputy Director Vermont Center For Independent Living peter@vcil.org
Fred Kenney Executive Director Addison County Economic Development Corporation
Bradley Long Senior Community Engagement Manager Efficiency Vermont blong@veic.org
Justin Marsh Political Director Vermont Conservation Voters jmarsh@vermontconservationvoters.org
John McCormick jmccormick@imtd.org
Ed McNamara Chair Vermont Public Utility Commission ed.mcnamara@vermont.gov
Erik Moses erik.moses2@gmail.com
Curtiss Reed, Jr. President and CEO CRJ Consulting Group, L3C creed@vermontpartnership.org
Joel Rhodes Sustainability & Environmental Compliance Coordinator Sugarbush Mountain Resort
Jessica Roberts Zoning Administrator Town of Wilmington JROBERTS@WILMINGTONVT.US
Laura Sibilia Director of Regional Strategies Brattleboro Development Credit Corp. lhsibilia@gmail.
Elizabeth Steel Chair Greensboro Energy & Climate Action Committee steelfamilyus@gmail.com
Megan Sullivan Vice President of Government Affairs Vermont Chamber of Commerce
Chloe Tomlinson Community Division Director Front Porch Forum chloe@frontporchforum.com
Kitty Ufford-Chase Community Relations Manager NEK Broadband kitty@nekbroadband.org
Sophi Veltrop Communications & Community Engagement Coordinator State of Vermont, Climate
Mia Watson Special Programs Manager Vermont Housing Finance Agency mwatson@vhfa.org
Laurie Wilson member Chittenden Planning Commission lwilson128@hotmail.com