Minutes of the Cross Sector Mitigation Subcommittee Vermont Climate Council 11/30/23

Attendees:

TJ Poor, Co chair, Subcommittee Member Megan O'Toole, Subcommittee Member Andrea Wright, Subcommittee Member Dave Farnsworth, Subcommittee Member Christine Donovan, Subcommittee or Council Member Bram Kleppner, Council Member Jared Duval, Council Member Julie Moore, Council Member Brian Woods, Agency of Natural Resources Melissa Bailey, PSD Jane Lazorchak, Agency of Natural Resources Billy Coster, Agency of Natural Resources Dylan Zwicky Lexi Krupp Jason Christensen Steve Crowley Chris Neme, EFG Liz Bourget, EFG David Hill, EFG Taylor Binnington, SEI

- 1. Welcome, Agenda Review, approve <u>Minutes</u> from 10/26/23 Meeting no comments, minutes approved.
- 2. Thermal Sector Analysis Final Report
 - a. <u>Presentation</u> Brian Woods, ANR and TJ Poor, PSD and David Hill Liz Bourguet, Chris Neme Energy Futures Group; Talyor Binnington SEI, and
 - The team provided an overview of the various scenarios, an updated business as usual, and the highlights of the key findings.
 - ii. A reminder of the objectives of the work was provided.
 - iii. A high-level review of the approach was provided.
 - iv. Discussion ensued on the basis of the Social Cost of Carbon. That will need to be looked at more closely offline.
 - v. Customer Economic Workbook objective and takeaway. The analysis included measure incentives for consumers at 100% for low-income households and 75% for moderate-income households. Switching from propane or fuel oil to decarbonization measures (e.g. heat pump) are often economical but market rate incentives to offset up-front costs are important for that to happen.
 - vi. Program and Administrative costs objectives and key takeaways. Program and Administrative costs vary by scenario, but in all cases incentives for low- and moderate-income households represent a significant but necessary share of those costs. State administration costs also vary by policy, with the regulatory policy scenario having the highest state administration cost (but lowest program and administrative costs).

- vii. Rate and fuel price workbook -shows 50% increase to natural gas by 2034; and 15-17% for propane and fuel oil prices by 2034.
- viii. Conclusions include that multiple policy options can achieve the GWSA requirements, and within each policy option multiple measure adoption profiles can achieve the requirements.
- b. Questions and Discussion from Subcommittee Members
 - Jared: Expression of gratitude for the work. Net societal cost question needs answering. Also concern about populational demographics and assumption about demographic adoption rates as well as some of the scenarios going beyond the sectoral requirements and what that does to the modeling of costs and impacts, etc.
 - Christine Donovan what is ANR, PSD, VCC doing given this work. Concerned about potential for cherry picking information to support a position without including the whole of findings. TJ Poor noted that PSD is already using some of the information provided.
 - Taylor Binnington replied in greater detail to concerns raised by Jared.
- c. Public Comment there was no public comment.
- 1. Transportation Task Group Update and Proposal
 - a. Overview: Johanna Miller and Gina Campoli, Task Group co-chairs were not in attendance, so Bram Klepner and Jared Duval provided an overview of the proposal.
 - b. Committee members provided thoughts on moving forward.
 - i. David Farnsworth encouraged some level of engagement by ANR with NYDEC.
 - ii. State staff provided an overview of suggested edits and the justification for them.
 - iii. Due to some disagreement on inclusion of a couple of the recommendations; in particular the proposal for the legislature to appropriate funding for the analysis to be carried out by an independent consultant, there is a need for the Transportation Task Group to reconvene and the group to come to a consensus document.
 - iv. There was interest to move this forward prior to the next Council meeting on the 18th which means another CSM meeting for a vote early the week of Dec 11th. The Task Group will need to meet the week of December 4th.
 - c. Public Comment on Transportation Proposal was not solicited or thus received.
- 2. Adjournment the meeting adjourned slightly after the 2hour timeframe.