Cross-Sector Mitigation Subcommittee of the Vermont Climate Council 12:00 PM June 16, 2022 Meeting Notes

Location: Meeting was recorded and posted online here

Subcommittee Members Present: Rich Cowart, TJ Poor, Bram Kleppner, Johanna Miller, Adam Sherman, Jared Duval, Elizabeth Miller, Chris Campany, David Farnsworth, Christine Donovan, Megan O'Toole, Andrea Wright

State Agency Staff Present: Marian Wolz, Michele Boomhower, Melissa Bailey, Tyler DeShong, Karen Blakelock, Collin Smythe, Ken Jones, Brian Woods

12:00 PM Welcome / Opening Remarks

Review of agenda

The committee agreed that report-outs from other subcommittee liaisons be a standing agenda item. No objection.

• Approval of 5/5 minutes – minutes will need to be reviewed and approved at next meeting.

Transportation Task Group Update

Group meets weekly, working on several activities

• Update on Advanced Clean Cars II (ACCII) and Advanced Clean Trucks (ACT) Rulemakings

Rulemakings are in progress and on schedule. Updated results of modeling performed by Northeast States for Coordinated Air Use Management (NESCAUM) analysis of emission reductions and health effects were just received. Rulemaking package to be filed with Interagency Committee on Administrative Rules (ICAR) on June 27 for consideration at their July meeting. A public engagement plan is under development. The Just Transitions subcommittee will discuss the public engagement plan this afternoon. Meetings would take place this September.

There was a brief revisit of the Department of Environmental Conservation (DEC) gap analysis – currently planned actions achieve about 1/3 of the 2030 required reductions in the transportation sector. DEC is working on reconciling their gap analysis w/NESCAUM emission analysis which projects a somewhat larger gap. DEC analysis assumes all vehicles delivered to VT under ACC II are used at the same level as the internal combustion engine vehicles they replace.

Public response to ACC II rulemaking – none reported to date. Note that the Clean Air Act requires adoption of a rule identical to California's, so comment period is an opportunity to hear from Vermonters regarding how this rule could affect them and what

they need as opposed to comments on the rule itself. California is still in proposed rule phase and is still receiving comment. Industry is being supportive.

Joint Fiscal Office (JFO) report on the Climate Action Plan has been released. Report is largely based on the EFG/Cadmus Pathways report.

https://ljfo.vermont.gov/assets/Subjects/Reports-on-Energy-Environment/b1276a979a/JFO-brief-report-on-the-CAP.pdf

• Transportation Analysis - Climate Reduction Program (IIJA) funds

VTrans reported on this program which would provide \$32M over 5 years for projects and programs that reduce greenhouse gas emissions. VTrans is in the process of developing a scope of work. 2 phases – phase 1 is development and application of a methodology that quantifies reductions from existing programs; phase 2 is development of a carbon reduction strategy for transportation sector emissions (by Nov 2023). Public engagement will focus on phase 2.

• Engagement Efforts

The Energy Action Network (EAN) equitable clean transportation action team has commissioned a series of focus groups on transportation equity planned for this summer. Involves eight community-based groups around the state. A report will be available later this year.

VTrans transportation equity framework – this is an effort to examine how to better interface with and respond to underrepresented/underserved communities. The target key communities include 2nd generation new Americans in Burlington/Winooski, low-income households in Rutland, elder communities in Northeast Kingdom, BIPOC communities in Bennington. The process will result in a plan to interface equity into all aspects of VTrans work. Report by Feb-March 2023. Phase 2 is staff training and program adjustments. Closing watching how this interfaces w/Act 154 Environmental Justice.

Transportation Policy next steps memo:

https://outside.vermont.gov/agency/anr/climatecouncil/Shared%20Documents/Transportation%20Policy%20Next%20Steps%20Memo 1 18 22.pdf

Other reduction strategies in transportation still under consideration include participation in the Transportation and Climate Initiative should that become operational, participation in the Western Climate Initiative, and development of a clean transportation standard or low carbon fuel standard. Memo to Climate Council on transportation policy options gap: https://outside.vermont.gov/agency/anr/climatecouncil/Shared%20Documents/Transpo%20in%20CAP-Draft%20process%20and%20PE.pdf

Committee member comment regarding JFO report – report does not account for full health benefits and other benefits of emissions reductions. Comment regarding prioritizing e-vehicle replacements to highest emitting vehicles. VTrans will provide slide deck on MileageSmart/Replace Your Ride.

VTrans Vehicle Miles Travelled (VMT) reduction study underway to measure benefits of Transportation Demand Management.

The subcommittee acknowledged that policies currently in place are inadequate to meet Global Warming Solutions Act (GWSA) targets. Work is underway in several areas, but a deeper strategy conversation is required. Reminder from the chair that recommendations from the transportation task group regarding transportation policy are due to the Climate Council in November. This committee needs to focus on these options to make a recommendation by November.

In response to a question, the task group noted that additional public engagement prior to making policy recommendations is important but the task group has limited capacity and no budget for additional engagement. Past events:

1st Transportation webinar: https://climatechange.vermont.gov/node/465

2nd transportation webinar re: regional cap and invest programs: https://climatechange.vermont.gov/node/503

• Public Comment on Transportation Related Issues

No public comments

Thermal Sector Next Steps

• Discussion on Path forward for Cross Sector Mitigation Subcommittee

Report from Buildings/Thermal Task group (Donovan/Farnsworth) – The Clean Heat Standard(CHS) is still an option with potential to be revisited next legislative session. In the interim it would be useful to have more economic and environmental analysis of the CHS. Need to better understand transition in building sector, need to engage public more thoroughly, need more information on impact of biofuels.

There was a brief report on the municipal energy resiliency bill: https://legislature.vermont.gov/Documents/2022/Docs/ACTS/ACT172/ACT172%20As https://legislature.vermont.gov/Documents/2022/Docs/ACTS/ACT172/ACT172%20As https://legislature.vermont.gov/Documents/2022/Docs/ACTS/ACT172/ACT172%20As

The approved state budget included an appropriation of over \$1M for analysis, staff positions and outreach in support of the CHS. Perhaps some of these funds could be used in coming months to conduct analysis and outreach, but authorizing such expenditures would require support from the administration and the Joint Fiscal Committee. The subcommittee agreed to authorize the Chair and the buildings/thermal task group to draft and send a letter to the administration and legislature requesting use of the approved appropriation for analysis and outreach regarding the CHS, to answer outstanding questions about the proposal, and to support work by the DPS, PUC and ANR on these points. Chair Cowart will work with the buildings/thermal task group on this process. Co-Chair TJ Poor noted his abstention from the sub-committee's requests to the Administration.

• Public Comment

No public comments

Biomass Task Group Update

The task group has heard from biomass experts who are in favor of use of biomass for thermal energy in combination with sustainable forest management. Biomass group is focusing on electric generation from biomass in regard to existing facilities. The group is not immediately taking up biofuels in thermal sector in the context of the CHS. Guiding document:

https://outside.vermont.gov/agency/anr/climatecouncil/Shared%20Documents/BIOMASS%20WG%20TABLE%20ACTIONS%20AND%20STATUS%20QUESTIONS.pdf

Science & Data is working on life cycle analysis of Vermont's energy sources that would be a supplement to the current greenhouse gas inventory. ANR has issued an RFP: http://www.vermontbusinessregistry.com/BidPreview.aspx?BidID=56660

A more detailed analysis of biofuel feedstocks and pathways is a recommended activity should funding become available.

The subcommittee agreed to incorporate regular briefings from state staff on the status and progress of programs and activities in each sector area.

Electric Sector - PSD Renewable Programs Review

The Comprehensive Energy Plan (CEP) calls for a comprehensive consideration of renewable energy programs. The PSD is planning to issue a RFI within a month on a process to engage communities and others with the goal of learning what is required in order to ultimately deliver more renewable energy to more Vermonters. This effort planned as a PSD-led process that will be coordinated with the Climate Council. Engagement is planned to begin in the fall based in the results of and response to the RFI.

Final Public Comment on Biomass & Electric Sector and/or other issues

Public comment: Regarding life cycle RFP – biomass task groups was striving to understand emissions from liquid biofuels. Consequential analysis is recommended but that is time and computationally intensive. The scope of the planned life cycle analysis will be limited by the budget. Additional funding is needed for a more in-depth analysis of biofuels.

Next subcommittee meeting - July 21

Adjourned 2:01PM

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