

**Minutes of the Cross-Sector Mitigation Subcommittee (CSMS)
of the Vermont Climate Council (VCC)
1-22-25**

1. Attendees

Melissa Bailey, Subcommittee Co-Chair

Rich Cowart, Subcommittee Co-Chair

Adam Sherman, CSMS

Ben Bolaski, CSMS

Brian Woods, CSMS

Christine Donovan, CSMS

Eric Schulz, CSMS

Gina Campoli, CSMS

Jared Duval, CSMS

Johanna Miller, CSMA - Adjourned at 11:00am

Liz Amler, Climate Action Office

Liz Miller, CSMS - Adjourned at 11:00 am

Sam Lash, CSMS

2. Minutes

The Minutes of the CSMS's December 12, 2024, December 18, 2024, and January 16, 2025 meetings were approved.

Jared Duval noted that the minutes of the joint meeting between CSMS and the Climate Council's Science and Data Subcommittee December 12, 2024 were also approved by the "data subcommittee" so there is consistency between the minutes for both subcommittees. Jared also noted that the attendees were not listed on some of the minutes and that attendees are typically listed in the minutes. Brian Woods offered to review the recordings and to update those minutes that do not happen (yet) to list the attendees.

3. Thermal / Buildings Sector Task Group's Recommended Pathways, Strategies, and Actions dated January 13, 2025

Rich Cowart provided an overview of the 7 pathways recommended by the Task Group and discussed at the previous CSMS meeting (as well as multiple CSMS meetings since the summer and fall of 2024). Those recommendations are included in the meeting announcement for this meeting on the Climate Council's calendar.

Rich noted there is one "overarching sectoral policy" to:

- Adopt a Clean Heat Standard to include a price cap and a design for gradual implementation (as explained in 1.1.1. in the 1/13/25 recommendations); and/or to
- Participate in a cap and invest regime that would include the thermal / buildings sector.

Jared Duval noted that the two approaches are not mutually exclusive and that at least one will be needed to have confidence there is a pathway for achieving the GHG emissions reductions needed in the Thermal / Buildings sector and to have the financial capital needed to achieve those reductions.

Rich also noted that in addition to the overarching sectoral policy recommended by the Thermal / Buildings Task Group, there are 6 other pathways recommended for the 3 major components of the Thermal / Buildings sector. The pathways and strategies and actions for achieving the pathways address the:

- Buildings themselves;
- Equipment used in the buildings; and
- Fuels used to run equipment in the buildings.

These were all discussed at the last CSMS meeting (as well as during previous CSMS meetings during the summer and fall of 2024).

Liz Miller reminded the Task Group and the CSMS as a whole that in the Initial Climate Action Plan (CAP), the weatherization discussion and recommendations included not only the need for increased weatherization of buildings but also the need to upgrade electrical panels and related issues that enable the electrification of heating and/or cooling in buildings.

Jared Duval noted this issue is addressed in Pathway 4 which recommends “reducing greenhouse gases by ensuring beneficial electrification of building space and water heating, with a focus on ensuring equitable access to cost-effective and affordable electrification by low- and moderate-income households.”

Sam Lash noted Strategy 4.1.1. in Pathway 4 is where the issue Liz noted is addressed. Sam explained that the Task Group had separated weatherization and electrification into two different (and important) pathways. For example:

- Strategy 4.1. recommended by the Task Group states “Encourage equitable adoption of electric heat pumps as replacements for fossil fuel heating and ensure access to beneficial electrification regardless of household income”.

- Further, Action 4.1.1. recommended by the Task Group states “Through legislation or administrative action, develop a long-term sustainable source (or sources) of funding to enable expanded outreach, consumer support, funding, and financing for the beneficial electrification of low- and moderate-income households, including home repairs and electrical wiring and panel upgrades needed in order to be ‘heat pump ready’”.

The CSMS then discussed how best to make the link between weatherization discussed in Pathway 2 and electrification discussed in Pathway 4. Melissa Bailey expressed concern about potentially (either explicitly or implicitly) leaving the impression a fuel tax recommended by the Task Group to help fund weatherization is also recommended to be used to support the cost of electrical improvements in buildings. She noted there are other ways for funding and/or financing non-weatherization electrification improvements.

After discussion, it was agreed by the CSMS that a sentence would be “added to 2.1.1. that makes Liz’s point and that links 2.1.1. to 4.1.1”. Specifically, it was agreed that “language from the Initial CAP would be added to the Task Group’s document in order to make the point that the CSMS intends for future weatherization to include upgrading electrical panels, etc. as necessary in order to enable the further electrification of buildings”.

It was also agreed that an additional action related to this issue and expressed in the Initial CAP would be added as a new 2.1.4. and that the “old” 2.1.4. currently included in the 1/13/25 Task Group recommendations would be renumbered to 2.1.5.

Rich Cowart then asked for any further suggested changes to the remaining Pathways, Strategies, and Actions recommended by the Thermal / Buildings Task Group in the 1/13/15 document. There were no changes recommended or agreed to for the remaining recommendations. In addition, it was noted that those topics highlighted in green at the back of the document were “cutting room notes” (also known as a “past parking lot”) maintained over multiple months by the Task Group as a housekeeping mechanism and that those noted highlighted in green are not intended for consideration by the Climate Council.

Melissa Bailey noted that the results of this discussion and the substance in the 1/13/25 Task Group document will be entered into the Excel spreadsheet “template” that all Subcommittees and Task Groups have been asked by the Climate Action Office to fill out.

Brian Woods noted he will be doing that. He also noted that completing the Excel spreadsheet template involves applying criteria to the content in the Task Group’s document and that such criteria and their application to the Task Group’s document have not been reviewed and discussed by the Task Group and/or the CSMS yet.

Melissa Bailey noted that since the state does not have the modeling results needed as the basis for applying the criteria, the CSMS and/or the Task Group are not able to do that

assessment yet. Both Johanna Miller and Rich Cowart noted, however, that while that is true, most if not all of the Task Group's recommendations are based on much work done previously and the knowledge and expertise developed from many previous analyses and modeling projects.

4. Electricity Task Group's Recommended Pathways, Strategies, and Actions Documented in the Excel Spreadsheet Template

Rich Cowart began discussion of the Electricity Task Group's recommended pathways, strategies, and actions by reminding the CSMS that the Task Group's work has been entered into the Excel spreadsheet template and the template has been shared with the CSMS. Rich observed that the recommendations now in the spreadsheet seemed to be consistent with the priority actions agreed to previously by the CSMS. Liz Miller affirmed that all the pathways, strategies, and actions are identical to what the CSMS reviewed previously.

The Subcommittee discussed the structure and content of the following in the spreadsheet:

- Pathway 7 (Electricity): Further decrease GHG emissions from the electric sector purchases;
- Pathway 8 (Electricity): Enable all Vermonters to Choose Electrification; and
- Pathway 9 (Electricity): Load Management and Grid Optimization.

Some clarifying questions were raised about the strategies in Column A and the Actions in Column D. Confusion was expressed about the relationship between the wording in Column A and the wording in Column D.

Rich Cowart, for example, wondered about the removal of the recommendation (included in the Initial CAP) to achieve 100% renewable electricity. He wondered if that is because the legislature has passed a law since the Initial CAP was developed in 2021 to achieve that goal as part of the Renewable Energy Standard law passed in 2024. Jared Duval noted that it is important that the next CAP be clear that- from a climate action perspective - it is still important to achieve 100% renewable electricity and that that is now being addressed through implementation of the 2024 RES law. Rich concluded this part of the CSMS discussion by stating "Let's agree that the implementation pathway is added to the spreadsheet and that the past recommendation about achieving 100% renewable electricity is also added to the spreadsheet.

Sam Lash noted she does not believe Vermont is implementing the RES law in a way that will result in equitable access to renewable electricity. Specifically, she believes the feedback the Public Utility Commission received during the RES process regarding community solar and many municipal projects needing group net metering has not been addressed. She believes Vermont has lost the main pathways affordable housing and community solar renewable electricity projects were relying on and using.

Rich Cowart asked if the existing Pathway 10 addresses this. Can we hold Sam's comments until we get to Pathway 10? Jared Duval noted that the spreadsheet refers to reviewing design parameters but the last CAP stated something different that was more specific. Rich noted it needs to be made clear in Pathway 7 that we are still committed to what was in the last CAP and the language in Column A is needed in order to understand the language in column D. Melissa Bailey noted that what is in Line 6, cell D is supposed to be able to stand on its own and we are not supposed to need what is in cell A. Rich noted that the language in Column A and in Column D need to be sorted out. Liz Ambler noted that all new Actions are meant to be together in Column D.

Rich noted that the CSMS has reviewed all of the actions previously except one new one. It was agreed by the CSMS that there is still consensus supporting the priority recommendations previously provided to the Climate Council for the electricity sector. It was also agreed that anything more or different should not be forwarded to the Climate Council until the CSMS has agreed to the exact wording.

Rich noted there is a problem with the way the Electricity Task Group's recommendations were sorted in the spreadsheet template and that the CSMS does not want to create additional confusion through the structure of the spreadsheet.

It was agreed by the CSMS that the Electricity Sector portion of the spreadsheet would not be sent to the Climate Council (yet). It was agreed that before the material is submitted to the Climate Council explanatory language in Column A and related actions in Column D would be further sorted and clarified.

It was also agreed that Rich and Melissa will review the spreadsheet once such sorting and clarifying are completed and will decide then whether to send the spreadsheet to the Climate Council or, instead, to resubmit the previous narrative document recommending priority pathways, strategies, and/or actions agreed to by the CSMS.

5. Meeting Adjourned at 11:40 am.

Minutes respectfully submitted by:
Christine Donovan