

**STATE OF VERMONT
PUBLIC SERVICE BOARD**

Amended Petition of Entergy Nuclear Vermont Yankee, LLC and)
Entergy Nuclear Operations, Inc. for amendment of their Certificate)
of Public Good and other approvals required under 30 V.S.A.) Docket No. 7862
§ 231(a) for authority to continue after March 21, 2012, operation)
of the Vermont Yankee Nuclear Power Station, including the)
storage of spent nuclear fuel)

DIRECT TESTIMONY OF ANDREA COHEN
ON BEHALF OF THE
VERMONT DEPARTMENT OF PUBLIC SERVICE

October 22, 2012

Summary: Ms. Cohen discusses surveys commissioned by Vermont Businesses for Social Responsibility, studies commissioned by the State of Vermont, and Vermont laws that relate to the Vermont “brand” and how Vermont is perceived by current residents, businesses, and visitors as well as potential residents, businesses, and visitors.

Ms. Cohen sponsors the following exhibits:

Exhibit PSD-AC-01	Leveraging the Vermont Brand, Resource Systems Group, Inc. (July 2010)
Exhibit PSD-AC-02	The Travel and Tourism Industry in Vermont, Vermont Department of Tourism and Marketing Outlook (2010)
Exhibit PSD-AC-03	The Vermont Brand, A report to the General Assembly (January 2006)
Exhibit PSD-AC-04	Consumer Perceptions of Word Use in Front Panel Labels: Study of the Use of the “Vermont” Name, Center for Rural Studies, University of Vermont (April 7, 2005)
Exhibit PSD-AC-05	The Vermont Brand, O’Neal Strategy Group (May 21, 2003)

1 Q1. Please state your name and occupation.

2 A1. My name is Andrea Cohen and I am the Executive Director of Vermont
3 Businesses for Social Responsibility (“VBSR”).

4

5 Q2. Please describe your educational background and experience.

6 A2. I have a M.A. in Environmental Science from Antioch University and a B.A. in
7 Psychology and Economics from Vassar College. I was named Executive
8 Director of VBSR in the fall of 2010. I joined VBSR in the fall of 2006 as the
9 Public Policy Program Manager. Before joining VBSR, I worked for 16 years
10 at the Vermont Agency of Natural Resources in a variety of management
11 positions involving pollution prevention, resource conservation, and solid waste
12 management.

13

14 Q3. Have you previously testified before the Public Service Board?

15 A3. No.

16

17 Q4. On whose behalf are you testifying?

18 A4. I am testifying on behalf of the Vermont Department of Public Service.

19

20 Q5. What is the purpose of your testimony?

21 A5. My testimony discusses surveys commissioned by VBSR, studies
22 commissioned by the State of Vermont, and Vermont laws that relate to the

1 Vermont “brand” and how Vermont is perceived by current residents,
2 businesses, and visitors as well as potential residents, businesses, and visitors.

3

4 Q6. Please describe the mission of VBSR.

5 A6. VBSR is a non-profit statewide business trade organization with a mission to
6 advance business ethics that value multiple bottom lines: economic, social, and
7 environmental. We strive to help members set a high standard for protecting the
8 natural, human, and economic environments of the state’s residents while
9 remaining profitable. VBSR advances this mission in several ways, including
10 by providing concrete resources and information to help improve our members’
11 business practices related to environmental, social, and economic problems, and
12 representing socially responsible ideals to legislative bodies, news media, and
13 the general public.

14

15 Q7. Who are VBSR’s members?

16 A7. VBSR has a diverse business membership of over 1100 businesses that
17 represent all sectors and geographic regions of Vermont. Collectively, VBSR
18 members employ more than 14% of Vermont’s workforce and generate more
19 than 4 billion dollars in revenue annually. 60% of our members have been in
20 business more than 10 years. VBSR counts among its members some of
21 Vermont’s largest and most recognizable businesses, including Ben & Jerry’s,
22 Green Mountain Coffee, and Seventh Generation, as well as many of the

1 smaller, local, independent businesses such as bookstores (e.g., Bear Pond
2 Books, Northshire Bookstore.), food producers (e.g., Vermont Smoke and Cure,
3 Vermont Butter and Cheese), artists (e.g., Vermont Stage Company, Jules
4 Olitski Warehouse), accountants, attorneys, restaurants, and many others. A
5 complete listing of VBSR's member businesses is available at
6 http://vbsr.org/member_directory.

7

8 Q8. Does VBSR ever solicit its members' views on policy issues?

9 A8. Yes. Every year VBSR invites members to participate in a policy survey that is
10 used by VBSR to inform our policy positions and program priorities.

11

12 Q9. What do the results of those surveys indicate about the attributes of Vermont
13 that are identified by and important to your members?

14 A9. For the past 3 years our policy survey has asked members questions about what
15 factors contribute to success of their business, and provided a variety of choices
16 they could select as important factors. More specifically, our surveys asked:
17 "What do you see as the greatest contributor(s) to the success of your business
18 in Vermont? Rate on scale from 1-5, with 1 meaning 'not a contributor' and 5
19 meaning a 'major contributor.'" Every year, our member businesses identified
20 the "Vermont Brand" and "Vermont's Quality of Life" as the greatest
21 contributors to their success. In 2012, "Vermont Brand" had an average score
22 of 3.48 and "Vermont's Quality of Life" had an average score of 3.88. In 2011,

1 “Vermont Brand” had an average score of 3.49 and “Vermont’s Quality of Life”
2 had an average score of 3.92. In 2010, “Vermont Brand and quality of life” was
3 a combined choice that had an average score of 3.9. No other choices in any of
4 the 3 years had higher average scores.

5

6 Q10. Has VBSR conducted surveys of its members concerning other issues?

7 A10. Yes. In 2010, we asked: “Do you believe that Vermont Yankee should be
8 allowed to operate past 2012 (the end of the current operating license)?”
9 Seventy-six percent of our member businesses answered “no.” Members were
10 given the opportunity to identify what reason or reasons informed their response
11 that the Vermont Yankee Nuclear Power Station (the “VY Station”) should not
12 allowed to operate past 2012. Over 60% of our members who responded to this
13 question named “other [non-radiological] environmental impacts from the
14 plant” as a reason for this view, and over 75% of members identified as a reason
15 the “financial capability and responsibility of the facility owner.” The 2010
16 member survey was conducted in the midst of Entergy’s since-abandoned effort
17 to spinoff the VY Station into the separate Enexus entity, an effort that
18 engendered significant mistrust of Entergy, as represented in this response.

19

20 Q11. Have you reviewed other surveys or studies that have been conducted
21 concerning the Vermont “brand”?

1 A11. Yes. In July 2010, the state of Vermont commissioned a study, the results of
2 which were presented in the report “Leveraging the Vermont Brand,” provided
3 in Exhibit PSD-AC-01. This study sought to generate a common understanding
4 of the Vermont brand through information gathered from vacationers from New
5 York, Massachusetts, and several Canadian metropolitan areas, as well as from
6 vacationers from within Vermont. The study reported that attributes such as
7 “unspoiled landscape,” “natural,” “environmentally-minded,” and
8 “independent” were both strongly associated with Vermont and important to
9 visitors and potential visitors to the state.

10 A 2010 outlook prepared by the Vermont Department of Tourism and
11 Marketing, entitled “The Travel and Tourism Industry in Vermont” and
12 included here as Exhibit PSD-AC-02, describes the importance of the Vermont
13 brand to the tourism industry. This outlook describes how the Vermont brand is
14 used to encourage existing visitors to return to Vermont and to purchase
15 Vermont products even when they return home, as well as to attract to Vermont
16 younger and emerging generations. In describing the importance of the
17 Vermont brand to these efforts, this report notes that visitors are increasingly
18 seeking Vermont out due to spring, summer, and fall outdoor recreational
19 activities such as hiking and bicycling.

20 A January 2006 study entitled “The Vermont Brand,” included here as
21 Exhibit PSD-AC-03, was commissioned in connection with the establishment of
22 the Chief Marketing Officer position, a position that was created to coordinate

1 statewide marketing activities. This study describes the perception of the
2 Vermont brand by visitors to include attributes such as “natural,” “pure,”
3 “authentic,” and “respectful of the environment,” and the perception of the
4 Vermont brand among business owners to be “natural,” hard working,” and
5 “independent.” The study was geared towards identifying a shared brand image
6 that state agencies might use to attract out-of-state skilled workers and
7 businesses to invest in the state, and described the aspects of the Vermont brand
8 identified by state agencies as including the attributes of “integrity,”
9 “stewardship,” and “authentic.”

10 In 2004, the Vermont Attorney General’s Office commissioned a study
11 on consumer perceptions of the word “Vermont” on product labels. That study,
12 included here as PSD-AC-04, concluded that consumer buying decisions may
13 be significantly influenced by the appearance of the word “Vermont” on
14 product labels.

15 A May 2003 report by the O’Neal Strategy Group, entitled “The
16 Vermont Brand” and included here as Exhibit PSD-AC-05, was commissioned
17 by the state Marketing and Promotion Team, with a goal of developing a brand
18 identity that could be used by all state agencies and departments to promote
19 Vermont. The report details that Vermont’s image for visitors is dominated by
20 the attributes “beautiful,” “peaceful,” “respectful of the environment,” and
21 “authentic.” Purchasers of Vermont products describe Vermont as “authentic,
22 genuine” and “natural, pure.” Among Vermont businesses, the key attributes of

1 the state are described as “hard working,” “exceptional quality,” and “natural,
2 pure.”

3 The popular press also has reported on the value of the Vermont brand.
4 For example, a 2003 *Boston Globe* article entitled “The Brand Called Vermont:
5 How the Green Mountain State Cornered the Market on Purity,” included as
6 Exhibit PSD-TEK-03 to the testimony of Thomas E. Kavet, explained that
7 “purity” is a key part of the Vermont brand and reported on cases in which food
8 producers sought to capitalize on that brand by falsely representing their
9 products as being made in Vermont, or by making use of the term “Green
10 Mountain” in company and trade names.

11

12 Q12. Is the importance of the Vermont brand the subject of any Vermont laws, rules,
13 or regulations?

14 A12. Yes. For example, when it created the Vermont Working Lands Enterprise
15 Program, the Vermont legislature expressly stated its intent to “use Vermont’s
16 brand recognition and reputation as a national leader in food systems
17 development, innovative entrepreneurship, and as a “green” state to leverage
18 economic development and opportunity in the agriculture and forest product
19 sectors.” VT. STAT. ANN. tit. 6, § 4604. A 2006 regulation prohibits the
20 deceptive use of the word “Vermont” in company names and the unqualified
21 representation of Vermont origin in connection with a food product that is not a
22 Vermont product. 06-031-021 VT. CODE R. § 120, adopted under the Vermont

1 Consumer Fraud Act, VT. STAT. ANN. tit. 9, § 2453. Vermont law also prohibits
2 maple syrup from being labeled “Vermont maple syrup” or “Vermont syrup”
3 unless it is produced in compliance with specific statutory requirements. VT.
4 STAT. ANN. tit. 6, § 490(c). And in recent amendments to the law establishing
5 the state’s Agricultural Development Board, the Vermont legislature found:
6 “[t]he Vermont brand ... signals quality and value and reminds consumers of
7 the rural beauty of Vermont.” Act No. 158, § 1 (2009), amending VT. STAT.
8 ANN. tit. 6, § 2966.

9

10 Q13. Based on the surveys conducted by VBSR, as well as the studies and reports on
11 the Vermont brand described above, what attributes of the Vermont brand are
12 important to businesses, like VBSR’s members, in attracting customers, visitors,
13 employees, and business to Vermont?

14 A13. The Vermont brand continues to be associated with environmental quality and
15 “green” values. The studies and reports on the Vermont brand show that these
16 attributes are an important driver of economic benefit to Vermont in terms of
17 tourism and consumer products. VBSR’s members also count Vermont’s
18 reputation for environmental stewardship as an important factor in their ability
19 to attract and retain a skilled workforce. This and other attributes of the
20 Vermont brand contribute to the success of our member companies’ businesses.
21 Our survey results and other feedback we hear from our business members also
22 report the importance of being able to network and do business with other

1 credible and socially responsible businesses in Vermont as important to their
2 continued success.

3

4 Q14. Does that conclude your testimony?

5 A14. Yes it does, at this time.