

**ENERGY**  
**INDEPENDENT**  
**VERMONT**

Vermonters Save. Polluters Pay.

[www.EnergyIndependentVT.org](http://www.EnergyIndependentVT.org)



# Who We Are

A growing coalition of diverse groups, businesses and concerned citizens, including:



# State Goals are great. But we need action to meet them.

- Comprehensive Energy Goals
  - 90% of all energy from renewables by 2050
- Carbon Pollution Reduction Goals
  - 25% reduction from 1990 levels by 2012 (missed)
  - 50% reduction from 1990 levels by 2028
  - 75% reduction from 1990 levels by 2050
- Homes weatherization
  - 1 in 4 homes (80,000) weatherized by 2020

# Who Supports a Carbon Pollution Tax?

## A small sampling

- Anne Applebaum, Washington Post
- Paul Anderson, former Chairman and CEO, Duke Energy
- Alan Blinder, former Federal Reserve vice-chairman and Princeton Professor of Economics and Public Affairs
- Michael R. Bloomberg, former New York City Mayor
- David Brooks, The New York Times
- Michael Canes, former American Petroleum Institute Chief Economist
- Henry Paulson, former Treasury Secretary under President Bush**
- Gail Collins, The New York Times
- Clive Crook, Financial Times
- Jamie Dimon, Chairman and CEO JPMorgan Chase & Co
- E.J. Dionne, Washington Post
- Thomas Friedman, The New York Times
- Bill McKibben, founder of 350.org**
- Dr. James Hansen, Director, NASA Goddard Institute for Space Studies
- Kevin Hassett, Director of Economic Policy Studies at the American Enterprise Institute (and McCain campaign advisor)
- Doug Henwoodwrote, The Nation
- Bob Herbert, The New York Times
- Bob Inglis, former U.S. Congressman (R-South Carolina)
- Holman W. Jenkins Jr, Wall Street Journal
- Elizabeth Kolbert, The New Yorker
- Nicholas Kristof, The New York Times
- Paul Krugman, The New York Times**
- Arthur Laffer, former economic adviser to President Reagan
- J. Wayne Leonard, former CEO of Entergy Corp**
- Gregory Mankiw, former Chair, President's Council of Economic Advisers for President George W. Bush

# Vermont is not alone

## Active campaigns underway in:

- **Massachusetts**
- **Oregon**
- **Washington**
- **Rhode Island**

# British Columbia has one!

## How it works:

- **Applies to all fossil fuels, little to no exemptions.**
- **Phased in by small predictable increments:**
  - **\$10/ton '08**
  - **Increased \$5/ton per year**
  - **Peaked at \$30/ton '12**
- **Levied upstream: easier to administer.**
- **Shielded low-income earners**
- **Revenue neutral tax relief (>\$1 billion cuts across business, income, and climate-related sectors)**

# British Columbia – It works!

## Results:

- **Fuel use down**
- **Economy up**
- **Income progressive**
- **Public support increased over time**
- **Survived “Axe the Tax” campaign**
- **Backers reelected**
- **Modified to address rural & agricultural concerns**





## Our Goals

- **Substantially reduce VT's carbon pollution**
- **Create economic benefits to the state and grow jobs**
- **Do so in a way that is equitable for low-income VTers**

# Our Plan

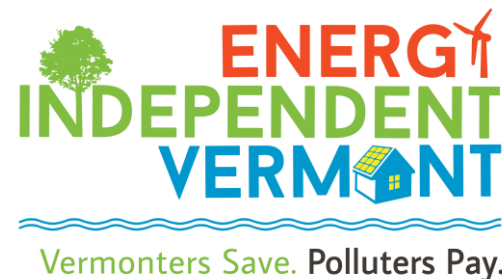
- 1) Put a price on carbon pollution.**
- 2) Invest in Vermonters by helping us save money and cut pollution.**
- 3) Cut taxes for Vermonters and Vermont businesses**

**90% tax cuts and rebates for Vermonters**

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**10% investments in efficiency & clean energy**

**100% stays in Vermont**



# H.412

## “An act relating to establishing a carbon pollution tax”

- Introduced by Reps. Mary Sullivan (Burlington) & David Deen (Westminster)
- Also cosponsored by:

Rep. John L. Bartholomew

Rep. Steven Berry

Rep. Patsy French

Rep. Maxine Grad

Rep. Warren F. Kitzmiller

Rep. Martin LaLonde

Rep. James McCullough

Rep. Michael Mrowicki

Rep. Jean O'Sullivan

Rep. Amy Sheldon

Rep. Mollie S. Burke

Rep. Johannah Donovan

Rep. Diana Gonzalez

Rep. Mary S. Hooper

Rep. Willem Jewett

Rep. Jill Krowinski

Rep. Joan G. Lenas

Rep. James Masland

Rep. Curtis McCormack

Rep. Barbara Rachelson

Rep. Keshia K. Ram

Rep. Thomas Stevens

Rep. Valerie A. Stuart

Rep. Maida Townsend

Rep. Donna Sweaney



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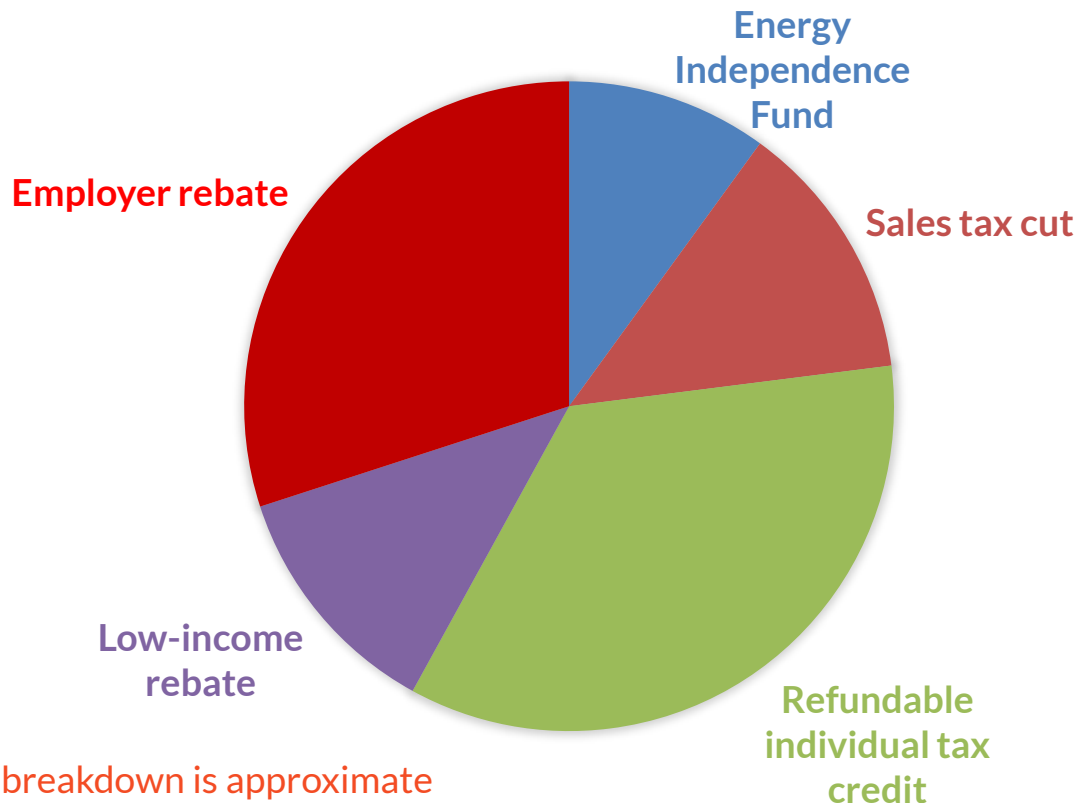
# 1) Put a price on carbon pollution

- Assessment on CO<sub>2</sub> pollution from heating and transportation fuels
  - Paid by fossil fuel distributors
- Exempts electricity (covered by RGGI now)
- Price per ton: \$100/ton proposed in H.412
- Phased in over 10 years
  - Starts at \$10/ton in 2018, goes up \$10/ton/year
  - \$10/ton equates to 10 cents/gallon of gasoline, assuming distributors pass on the whole cost

# And get the money back to Vermonters:

**10 PERCENT** would go into efficiency and clean energy investments

**90 PERCENT** would go back in the form of individual rebates and tax relief

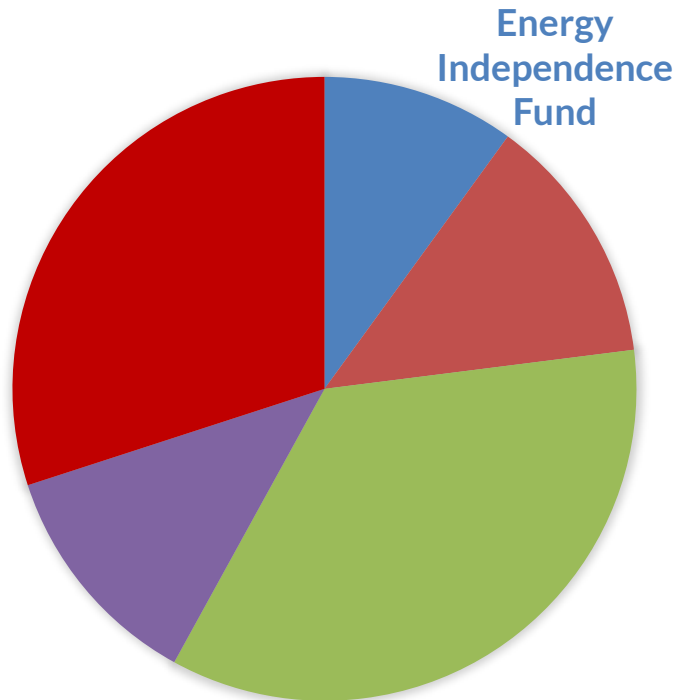


\*Chart breakdown is approximate

## 2) Help Vermonters save money and cut carbon pollution

### 10 PERCENT to Low Income Weatherization & an Energy Independence Fund

### Helping people transition off fossil fuels...



\*Chart breakdown is approximate

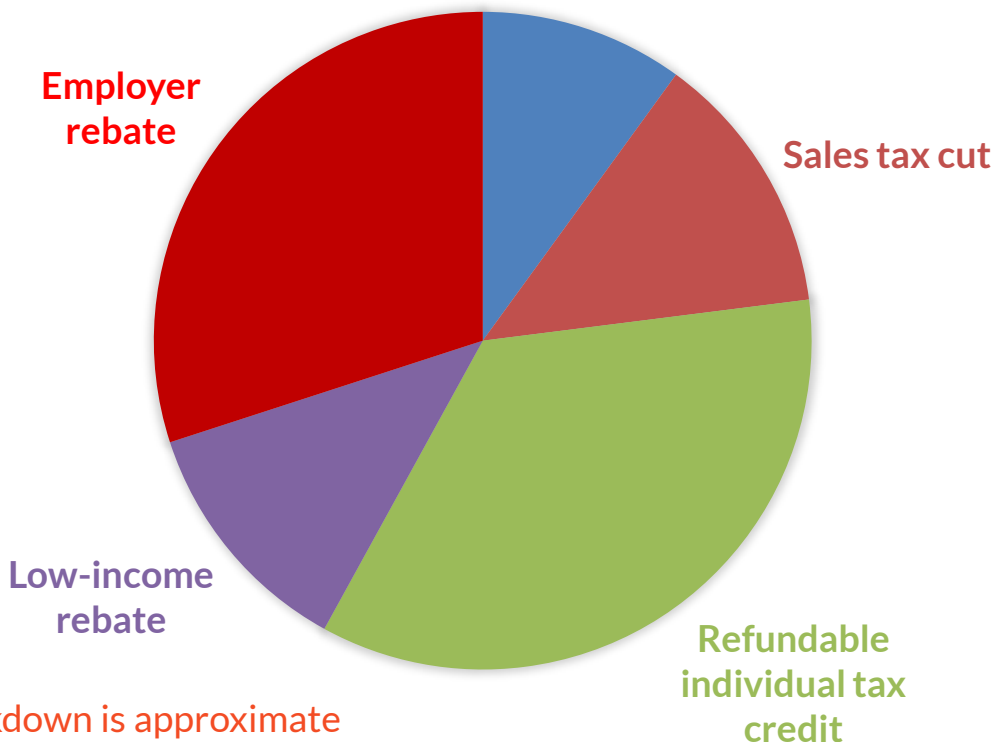
# Saving energy & money

- **Weatherization:**
  - Average job cuts heating bill by 25-30%, costs \$8,000
- **Cold climate air-source heat pumps:**
  - Can cut fossil fuel use 60-80%+, energy bills by over 40%
  - Generally costs \$4-10,000 per home
- **More fuel efficient vehicles**
- **More efficient schools & public buildings, saving all taxpayers money**
- **Park & rides, public transportation, solar...**



# 3) Cut taxes for Vermonters & VT businesses

**90 PERCENT** directly back to Vermonters through tax cuts and



\*Chart breakdown is approximate





# We are committed to addressing the needs of low-income Vermonters.

- Working with low-income advocates and experts to shape the best policy possible
- **H.412: Approximately 12 percent of revenue dedicated to additional rebate for Vermonters at or below 200% of the Federal Poverty Level**
- Every Vermonter gets the refundable tax credit, and low-income individuals get additional money sooner (possible ways: EBT card, regular check)



# Tax Reform: Vermonters and Businesses Win Big

- **We took the time to do the research necessary to get the policy design right, and to understand its effects.**
- **Commissioned Regional Economic Models, Inc. (REMI) to model its impacts on Vermont's economy and carbon pollution.**
- **REMI is an independent, non-partisan, nationally-recognized economic modeling firm.**
- **Clients in 47 states; in VT, includes Agency of Commerce and Community Development, Legislative Joint Fiscal Office, Public Service Dept.**

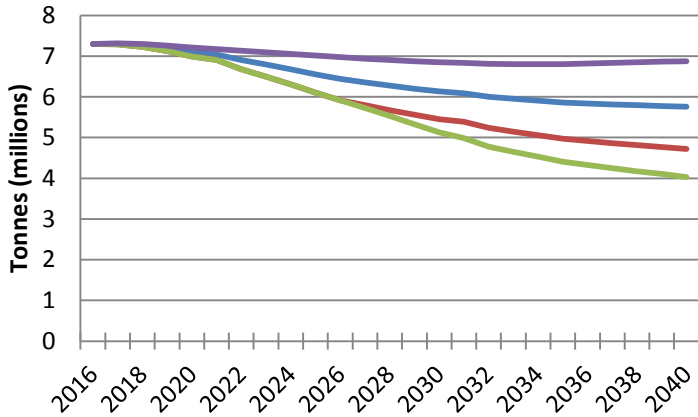


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# REMI Results

REMI analyzed a scenario *similar to H.412*

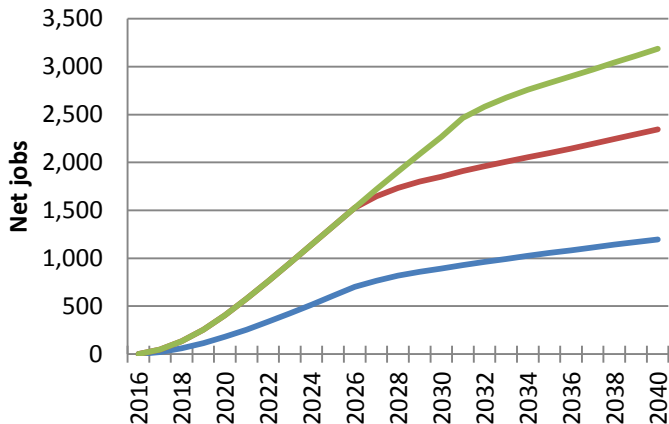
**Carbon Pollution**  
(metric tons CO2)



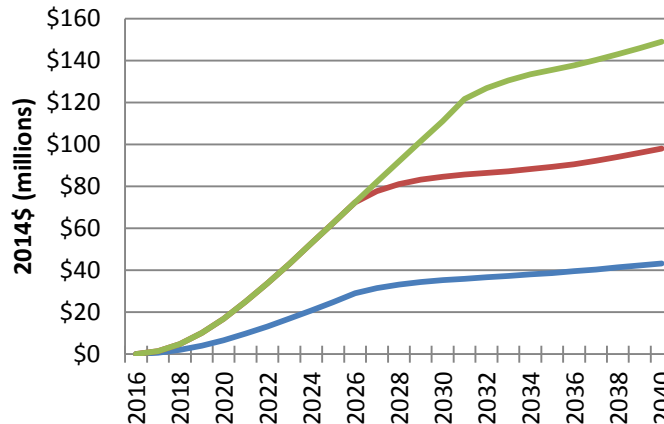
- Carbon pollution goes down
- Economic indicators go up
- Higher pollution tax = bigger benefits

**WHY? We save money by using less fossil fuel.**

**Total Employment**



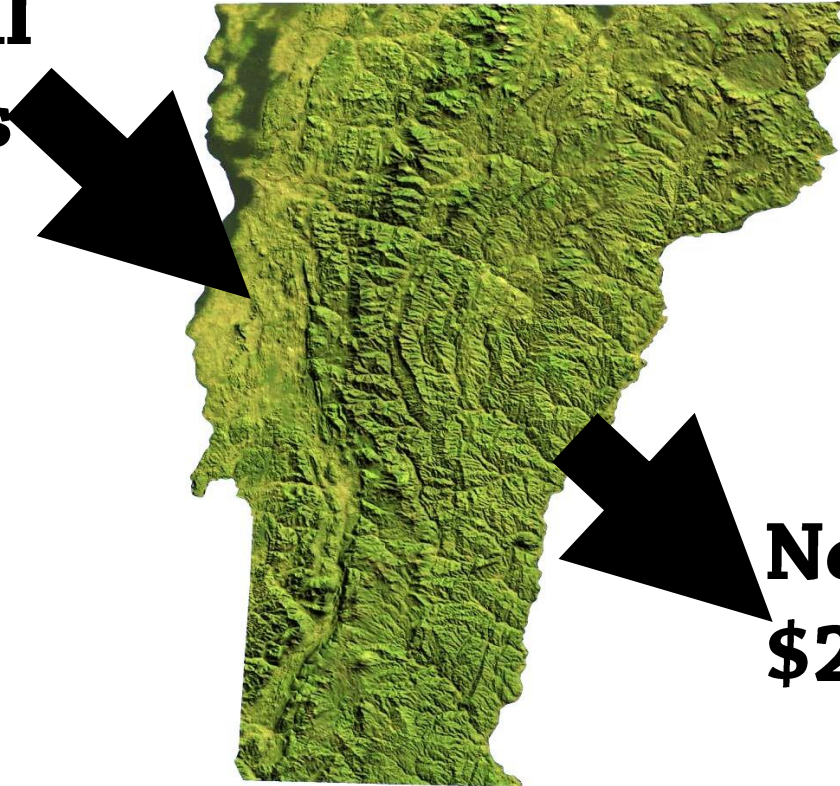
**Gross State Product**



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# Why a pollution tax is good for Vermont

**Fossil  
Fuels**



Helping Vermonters save money on their energy bills and cut our dependence on fossil fuels keeps money in Vermont.

**Nearly  
\$2 billion**



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For more info, or to get involved, contact:

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