

Bulletin & Legislative Platform

Published
by the
Vermont
Natural
Resources
Council,
Inc.

THIS YEAR'S TOP ISSUES

ENERGY ISSUES BRING PARTIES TOGETHER

On environmental issues, energy legislation may break the often partisan mold this legislative session, with a strong tripartisan cadre of legislators pushing renewable and sustainable energy policy. Senator Phil Scott (R-Washington) recently summed up the impending climate on energy issues remarking, "I think you'll see the far right and far left meet in the middle to come up with solutions on energy issues. They may get there for different reasons, but the result will be the same."

Some of the basic reasons that energy issues are gaining momentum stem from the increasing threat of global warming, the need to plan for a more stable and cleaner energy future, and the realization that the United States cannot continue to depend on foreign oil. More and more legislators are also realizing that the threat to a stable economic future, our security and long-term electricity reliability are reason enough.

Last year a number of bills were introduced that offered a variety of tax credits and tax exemptions ranging from alternative fuel vehicles to energy efficient appliances to investment in renewable energy systems. All would do wonders to diminish our reliance on fossil fuels, decrease air pollution, bolster conservation efforts, divert resources back into Vermont, and create a more stable economy in the future. Considering projected budget shortfalls in 2002, however,

legislators may have to look toward more creative solutions such as tax shifting that are revenue neutral, or even revenue positive.

Shifting taxes can relieve the burden on cleaner, sustainable uses of energy and make up for the revenue loss with increased taxes on higher energy consuming activities. This makes for revenue-neutral solutions that may be appealing for legislators who are focussed on energy solutions and also concerned about the budget. (See Tax Shifting, page 3)

In October a handful of legislators participated in a conference at the State House sponsored by a coalition of renewable energy businesses and organizations to begin the discourse of where to move next on energy legislation. Lieutenant Governor Doug Racine, Senator Dick McCormack (D-Windsor), Senator Phil Scott, (R-Washington), Senator Sara Kittell (D-Franklin), Rep. Tom Little (R-Shelburne), Rep. Kathy Keenan (D-St. Albans), Rep. Ann Pugh (D-South Burlington), and Rep. Bill Johnson (R-Canaan) were all participants who have sponsored or support legislation that would begin to lay out incentives for investment in renewables and energy efficiency.

In mid December, the administration laid out a set of modest initiatives to promote energy conservation, increase development of combined heat and power projects,

