

# A JUST TRANSITION TO CLEAN ELECTRICITY IN VERMONT

## Why we need a Tiered Discount Program

**To have an equitable transition to clean energy, we need to protect lower income households.**

In Vermont, low and moderate income households pay a disproportionately large share of their income on energy.

The lowest earning households spend **over 18%** of their income on energy.

Upper income households pay **less than 3%**.

**A Tiered Discount Program in Vermont can make electricity affordable for a wider range of households.**

### WHAT IS VERMONT DOING NOW?

Vermont has an Energy Assistance Program:

- For low-income GMP customers only.
- Administered by GMP and the Department of Children and Families.

**The program is insufficient to meet low income needs.**

- The average low-income household receives \$25 off their monthly electric bill.
- Only a quarter of eligible households use the program.

### WHY DO WE NEED A STATEWIDE ELECTRIC DISCOUNT IN VERMONT?

As we move toward using more electricity—for heating, cooling, and transportation—low and moderate income Vermonters will face higher electric bills. To make the transition to electricity fair and effective, low and moderate income Vermonters need protections already offered in other states.

**A Tiered Discount Program will ensure that low income Vermont households do not pay more than 6% of their income for electricity.**

With a statewide program, impacts on electricity bills of higher-income Vermonters are more distributed, more equitable, and minimal.

### Tiered Discount Programs:

- Distribute benefits more equitably by tailoring discounts to several tiers of income.
- Use federal poverty guidelines to establish both the tiers and the appropriate percentages for the discounts.
- Operate successfully in New Hampshire and Indiana: *Other states use a similar program, a Percentage of Income Protection Plan. A Tiered Discount program provides the same results with lower administrative costs.*

**A Tiered Discount Program will ensure that Vermont households can afford to transition to cleaner electricity and enjoy the benefits of safer, healthier energy.**

### WHAT CAN WE DO?

A new bill—**The Ratepayer Protection and Thermal Energy Networks Act**—would authorize Vermont's Public Utility Commission to implement a Tiered Discount Program.

**Please share this handout with your legislators, friends, and neighbors—and ask them to support the bill—so we can work together for an equitable energy transition.**