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# Guest Commentary

## *Affordable Heat Is Prudent Economic Policy*

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**BY REP. SCOTT CAMPBELL**

Last Friday, April 21, the House passed S.5, the Affordable Heat Act. It is the most significant climate action bill this session, and the main recommendation of the 2021 Climate Action Plan to meet our obligations to address carbon pollution.

For me, the measure of a policy is how much it increases the viability and sustainability of Vermont's mostly rural economy, and enhances the security of our community.

After listening in over the summer and fall to the working group redrafting the bill after last year's veto, and studying drafts through the legislative process this year, I believe S.5 is a plan that checks all those boxes.

There are a lot of misleading claims about this bill.

Rather than debunking false assumptions one by one, let's step back and start from propositions most of us can agree on.

- The climate is changing.
- Oil and propane prices are volatile and driven by global mar-

kets. Vermont has zero influence on them.

- The oil and propane price rollercoaster is especially hard on lower-wage and fixed-income households, who have little margin for absorbing price spikes.

- Public policy should help everyone — especially low- and moderate-income households — reduce their vulnerability to unstable prices.

- There are two main ways to do that: weatherization, and non-fossil heating systems.

- Both require significant up-front investment, which is difficult for most people even though in the long run they would save money.

- It's better policy to prioritize incentives, not penalties.

- To be effective, incentives for weatherization and non-fossil heating systems must be predictable and dependable.

- Predictable and dependable incentives require a revenue source separate from general taxes.

In short, incentives good, penalties bad. People need incentives to be able to insulate their homes

and pick more price-stable options when they must replace a dead furnace. (Let me debunk one false claim: Nothing in this bill requires you to weatherize or replace heating equipment.)

S.5 sets up the dependable revenue source to fund those needed incentives.

The Public Utility Commission will design it over the next 18 months, with particular attention to low- and moderate-income households and rural areas. The next Legislature and Governor, in 2025, will decide whether to implement the program.

The bill requires the PUC to keep the impact on oil and propane prices low, most likely a matter of pennies per gallon (contrary to another false claim). The ups and downs of the global market are overwhelmingly more significant. A small investment to reduce our exposure to that market is wise and prudent.

The climate crisis's impact on Vermont is not only environmental, it is economic. Global, national and regional economies are

changing — transitioning away from near-total reliance on fossil fuels. Governments are incentivizing, and beginning to require, carbon reductions. Vermont is not prepared. We need to build out the EV charging network. We need weatherization installers and heat pump mechanics. We need to upgrade the electric grid.

All this takes time and investment — and the longer we delay, the higher the costs and the greater the disruption, and the greater the threat to those most vulnerable economically. Foot-dragging will not protect us from high prices, it will only prolong our vulnerability.

Is S.5 perfect? No, it's not perfect. That's why implementation is two years in the future, so careful design can be done and tweaks made. But it is a solid, carefully thought-out roadmap. And that's why I support it.

*Rep. Scott Campbell, D-Caledonia-Essex, lives in St. Johnsbury. His House district includes his hometown plus Kirby and Concord.*