Vermont League
of Cities & Towns

Testimony of the Vermont League of Cities and Towns
Ted Brady, Executive Director
House Environment and Energy Committee
Regarding S. 305 (Thermal Energy Networks Act)
April 9, 2024

Thank you for seeking the input of VLCT on S. 305 – a bill relating to thermal energy networks. My name is Ted Brady, and I serve as VLCT's Executive Director. VLCT represents all 247 cities and towns in Vermont – and exists to serve and strengthen municipal government.

Every two years, our membership establishes a comprehensive municipal policy – a set of core policy outcomes every city and town in Vermont votes to establish. I want to bring the committee's attention to Section 5.01.2, Climate Action and Environment, that calls for "implementing policies that empower municipalities to reduce emissions, plan for and increase resiliency to the effects of climate change, and transition to communities powered and sustained by cleaner energy sources."

VLCT understands Section 15 of S. 305 amends 30 V.S.A. § 231 to specifically allow municipalities to establish thermal energy networks. It further exempts them from seeking a certificate of public good to do so.

I believe the provisions of the bill align with VLCT's priorities, and as such, we support inclusion of this provision in the bill.

I want to caution the committee, however, that authorizing communities to run new programs does little without giving those municipalities a way to fund these big ideas. Municipalities largely have to fund their entire operation on one tax – the property tax. No one here needs to be reminded of the pitfalls of doing so. As such, VLCT encourages the Legislature to consider joining every bordering state surrounding us in creating some sort of municipal revenue sharing program, expanding the authority to implement a local option tax to all Vermont municipalities, and consolidating and allocating state grant programs through non-competitive, equitable, needs-based grant programs.

Thank you for your time. I'd be happy to answer any questions.