As fuel dealers continue to work long hours in the frigid cold to deliver life saving fuel throughout Vermont, lawmakers in Montpelier are reviewing a Carbon Tax Study and other policies designed to eliminate oil and gas.

The 146 page analysis [(found here](https://legislature.vermont.gov/Documents/2020/WorkGroups/House%20Energy%20and%20Technology/Witness%20Documents/Decarbonization/W~Marc%20Hafstead~An%20Analysis%20of%20Decarbonization%20Methods%20in%20Vermont~1-22-2019.pdf)) comes to the conclusion that making fuel unaffordable will force people to use less.

*Here are some more take aways from the report.* **It will not “solve” climate change.**According to the analysis, Vermont will not meet climate goals by implementing a carbon tax.

**It will not benefit the economy.**A carbon tax could lower Vermont GDP nearly 1%

**Large employers and low income Vermonters will feel the pain.**Low-income and rural households spend a larger percentage of their income on energy. A carbon tax is regressive, particularly in rural areas of Vermont, where people are more dependent on gasoline to get to work and heating oil to stay warm. Energy intensive industries like factories are affected more than other industries.

**A low carbon price will not reduce emissions, a high price will hurt the economy.**A carbon tax will signal to large employers not to move to Vermont— or current employers to move out. Due to the sales tax, pollution fee, and fuel tax, Vermont businesses already pay 7% more per gallon than our neighbors in New Hampshire (based on $3 gallon heating oil). A carbon pricing policy that levies a $100 per metric ton tax would make the same fuel 50% more expensive. Raising the cost of energy purchased in our state will provide an economic advantage for businesses to operate outside of Vermont’s borders.

**If Vermont goes it alone “emissions reductions are overestimated.”**Half of Vermont’s population lives near the border of New Hampshire, Massachusetts, or New York. The carbon tax study recognizes that liquid fuels are easily transportable, delivered directly to a tank at a home or business. Out of economic necessity, carbon tax avoidance will become widespread. There is no prohibition on consumers purchasing untaxed fuel outside of Vermont and transporting fuel in cars, trucks, cans or portable tanks in their personal vehicle (up to 110 gallons are allowed). This method of transporting fuel is inherently unsafe.

**Chittenden County wins…..again.**According to carbon tax study author Marc Hafstead “We do find that rural households are on average slightly worse off from the policy than the Chittenden County residents.” No wonder the [Mayor of Burlington](https://vtdigger.org/2018/12/03/mayor-miro-weinberger-calls-for-carbon-pricing-law/) called for a carbon tax back in December. Urban areas where homes employers are more concentrated and where public transportation is readily available will do better than those living in the “Other Vermont."

**We will need another tax.**The study recognizes that if the state of Vermont achieves its goal of reducing fossil fuels, lawmakers will need to replace the hundreds of millions of dollars in taxes paid every year by the gasoline, diesel, heating oil, and propane industries. These taxes are what pay for road construction, pollution mitigation and low income weatherization, as well as contribute to the general fund.

**What the Study Missed**The study has a major flaw when it discusses benefits of reduced fuel consumption by suggesting that it will improve air quality. That would be true if Vermonters no longer needed to heat their homes. But if raising the cost of heating oil convinces people to fire up a wood stove, air quality in Vermont will suffer. Due to the ultra-low sulfur fuel law, oilheat has virtually eliminated particulate emissions, including sulfur dioxide and nitrogen oxide. In fact, SO2, NOX, and particulate emissions from ULSHO are the equivalent of natural gas, [according to research conducted at Brookhaven National Laboratory](http://heatcleanvt.com/). As recently [reported on VPR](http://digital.vpr.net/post/what-are-pros-and-cons-heating-wood#stream/0), wood is nearly as dirty as coal. Zoe Chafe, of Cornell University, says breathing wood smoke is worse for kids, elderly people, and anyone with heart or lung problems. In other words, if raising the price of clean ultra low sulfur heating oil forces Vermonters to use inefficient old dirty wood stoves to stay warm, the environment and our health will suffer.

**More fact checks for the pro-tax people.**Switching from oil to electricity does not “keep money local” when most of our electricity (just like our fossil fuels) comes from Canada and the largest electric utility in Vermont is owned by a corporation in Quebec.

**Winter peaking means we have oil fired electric heat.**The ISO NE mix is 70% coal/oil/gas in 2017 and is expected to be 76% coal/oil/gas in 2025. This past winter, heating oil proved critical to ensuring that ISO NE had enough power. New England power generators used 84 million gallons of heating oil between December 25th and January 9th. This is about the same amount of residential heating oil sold in Vermont during an entire year. In other words, New England electric utilities needed a year's supply of Vermont's heating oil to ensure the region had enough electricity for two weeks.

**Vermont is still cold.**As anyone who has huddled inside their home in January knows, the temperature in Vermont drops below zero frequently. While cold climate electric heat pumps (ccHP) are great air conditioners in the summer and provide warm air in the fall, you need combustion to stay heated in the winter. They do not heat the whole building, only the rooms where the appliance is located. You still need an oilheat or propane fired central heating system operating in the winter to ensure your pipes don't freeze. When pipes freeze up they can crack and cause significant damage. And, if there is no back up oil or gas system, Vermonters will rely on costly and dangerous electric space heaters to stay warm. Read more at[vermontfuel.com/heatpump](http://vermontfuel.com/heatpump)