Ethan Allen Institute

Newsletter – September 2020 (Printer Edition)

Top Story: EAI Releases Updated Legislator Vote Profiles

The Ethan Allen Institute released its officially updated legislator "Roll Call Profiles" today to reflect the key votes from the 2020 legislative session. This year's highlighted legislation includes votes on the Global Warming Solutions Act, a minimum wage increase, Paid Family Leave, creating a tax and regulatory structure for the sale of recreational marijuana, "ballot harvesting," and more.

The profiles can be <u>viewed here</u>.

Each vote receives a brief overview of the issue at stake and links to more in-depth information, including original records, supporting documents and analysis. One benefit of new Covid protocols allows us to, in some cases, provide links to video of the "floor" debate on these votes.

Each profile, in addition to detailing each legislator's voting history going back to 2013, contains contact information, links to campaign websites and social media accounts, and links to contact local papers in the district. "These profiles are a tool that allows Vermonters to better understand the issues under debate by lawmakers, to see what their elected representatives are doing, interact with them directly on multiple platforms, and hold them accountable in public forums," said EAI president, Rob Roper. "It's a one-stop-shop tool kit for being an active, engaged, responsible citizen."

Along with the updated content, EAI is also excited to announce an updated, more user friendly format, allowing for easier use on phones and tablets.

The 2020 Roll Call section of these profiles will likely be updated to include votes following the reconvening of the legislature on August 25th.

Commentary: Renewable Energy and Blackouts

By John McClaughry

A year ago the California Public Utilities Commission warned that the state could face an energy shortage on hot summer evenings as early as 2021. Its projection was off by a year. On August 14 from 200 to 250 thousand California residents experienced rolling blackouts.

Officialdom and the media have blamed the blackouts on a heat wave: too many people turned up too many air conditioners. But the same heat wave did not cause blackouts in Nevada and Arizona, or in California in equally hot past years. Why in California on August 14?

A Wall Street Journal editorial (8/17/20) explains: "Democrats have mandated that renewables account for 60% of [California's] electricity by 2030, which has forced power providers to invest in renewable energy sources now to meet the deadline... During peak daylight hours, California produces a surplus of solar energy, and power generators may be ordered or paid to cut back their production so the grid isn't overloaded."

"But supply shortages can occur in the evening when solar energy plunges but demand remains high... California's antipathy even to natural gas and nuclear power has resulted in higher energy prices and now power surpluses and shortages because renewables are intermittent energy sources."

"Take out all of the solar and wind capacity," energy analyst Francis Menton writes, "and California has only about 43 gigawatts of capacity to meet demand that could well exceed that on any hot summer day. And to get to that 43 GW, you would need all other facilities up and running at absolutely full capacity with no scheduled or unscheduled outages, which is not realistic. As more and more reliable fossil fuel and nuclear facilities get closed in favor of wind and solar, the problem looks set to worsen dramatically over the next several years."

Now let's look at similarly renewable-infatuated Vermont. Over the past twenty years Vermont's climate activists have built a full-throated movement to achieve Gov. Shumlin's declared goal of meeting 90% of Vermont's total energy demand with renewables – wind, solar, imported hydro, and wood – by 2050.

Their particular bugaboo was the dependable 285 Mw Vermont Yankee nuclear plant, that emitted none of the greenhouse gases that those activists believe are driving the Menace of Global Warming. The plant's owners, fed up with never-ending litigation costs, regular extortions to stay in operation, and price competition from suddenly plentiful natural gas-powered electricity, closed the plant in 2014.

The activists' Shining Vision is a fossil-fuel free Vermont of super-insulated homes and businesses with electric heat pumps, and an increase from today's 3,600 electric vehicles to 60,000 in the next four years, coupled with a ban on human settlement outside of approved downtown centers to reduce the need for transportation energy.

The January 2020 State Energy Report says "These uses will likely add significantly to the amount of electricity used by Vermonters, and one of the more significant challenges will be managing this new load to minimize impacts on the electric system."

Where will this new electricity come from, if nuclear and natural gas energy is ruled out? Doubling electricity imported from HydroQuebec would help, but VPIRG's "Energy Independent Vermont" campaign would have to be abandoned. Vermont would have to find hundreds of millions of dollars to subsidize an astonishing amount of renewables, mainly solar PV farms since Big Wind is now out of favor.

Forcing ratepayers to pay ever higher electric bills would cover some of those subsidies, but the most tempting revenue source would be a carbon tax on fossil fuels. For five years the activists have tried and failed to enact a carbon tax, to the point where they have quit openly advocating for it. And if they could tax fossil fuel out of Vermont, the carbon tax revenues would disappear. The most they can hope for now is getting Vermont into the multistate Transportation and Climate Initiative (TCI), that would put increasingly heavier tax burdens on motor fuels, not to pay for highways and bridges, but to subsidize electrification and, yes, more renewable generation.

Vermont energy expert Meredith Angwin, whose book on New England's electric future is due out in October, tells us that "New England will probably have rolling blackouts by 2025, due to reliance on intermittent renewables plus just-in-time deliveries of natural gas. However, our blackouts will occur in winter, because that is when natural gas is used for heating and is less available to fuel our generating plants." Not good.

With steadily increasing electricity demand and the increasing reliance on renewables, Vermont's blackout likelihood is likely to grow. No amount of (subsidized) solar farms and wind towers is going to provide enough electricity to prevent those blackouts on cold January days. It's just a question of how soon.

- John McClaughry is vice president of the Ethan Allen Institute

Commentary:

What's In the Global Warming Solutions Act?

By Rob Roper

The legislature returned in late August to tie up the loose ends of the 2020 session, and one of those loose ends is the Global Warming Solutions Act (GWSA). Both the Speaker of the House, Mitzi Johnson (D-Grand Isle) and the Senate President Pro Tem, Tim Ashe (D/P-Chittenden), promised to get the bill through its final stages of passage and to the governor's desk before they break again for good (Sept. 25 at the latest).

The GWSA is and always has been a Trojan horse piece of legislation. Its outer appearance is inviting: Let's mandate that Vermont lower its greenhouse gas (GHG) emissions so we can, as the name implies, "solve" global warming. Specifically, the bill requires GHG reductions of 26% below 2005 levels by 2025, 40% below 1990 levels by 2030, and 80% below 1990 levels by 2050.

Great! But what's inside? How do we accomplish this? What will it cost? What impact will it actually have on future climate trends?

On all of these rather significant questions, the bill – and its advocates – are silent. We'll figure that out later after we pass it, they say! And what happens if we fail at this currently undefined but clearly daunting task? Well, then anyone from anywhere can sue the state at taxpayers' expense. That bit is in the bill.

Seriously, what rational person would sign a contract like this? Sending your bank routing number to the prince of Zambia who just emailed you that you won their national lottery and he's ready to wire you the money exhibits sounder judgement than voting for the GWSA.

But, the lack of any plan or details is a key part of the cynical design of the GWSA. If voters knew what was required to achieve the mandates the law, it would be a political non-starter. So, as it stands, a newly appointed panel of unelected "stakeholders" (that's political-ese for "special interests") will design a plan to meet the GHG reduction mandates and give it to the unelected bureaucrats at Agency of Natural Resources (ANR), who will then create, implement, and enforce rules impacting the lives and livelihoods of Vermonters based on that plan.

As of now, we the citizens have no idea what that plan is. Nor do the legislators who will vote to pass this bill (and, again by cynical design, will never vote on the rules that will result because of it). This is inexcusable negligence.

But we can speculate as to what the GWSA will ultimately require.

The only way to reduce GHG emissions is to limit or eliminate the activities that generate GHG emissions. And the only way to reduce GHG emissions by the amounts mandated in the bill is for ANR to limit or eliminate a whole lot of those activities. What sort of things fall into this category? ANR could ban ATVs and snow machines. They could ban gas powered landscaping equipment. They could ban backyard barbeques and fire pits. They could ban fireplaces and wood stoves in new homes and/or curtail their use where they already exist. They could disallow fossil fuel heating systems from being used in new or renovated homes or other buildings. They could limit the types of vehicles and appliances allowed for purchase, they could ban racing at Thunder Road....

Hold on, our critics wail. You're just fear mongering. None of that stuff is in the bill! Exactly. That's the point. It's not, but for the sake of transparency and honest government, it should be.

We know what items are on the GWSA menu. We deserve to know what's going to be ordered off that menu – every bit of which we will be mandated to swallow – and what the price of each item is before we agree to sit down for this meal.

If the GWSA becomes law, what kinds of actions will ANR be allowed to take and to what degree necessary to meet the GHG emissions goals laid out in the law? What will it cost, directly and indirectly, to do this? What tangible benefit will Vermonters gain as a result? Until those questions are well and clearly answered – and defined in the bill itself -- nobody has any business supporting the GWSA in any way, shape or form.

Most importantly, does passing this bill now, in the midst of the Covid-19 economic recession make any sense? When Vermonters are struggling to rebuild their household finances and businesses are fighting to remain viable, how can legislators justify saddling our citizens with significant new expenses and draconian restrictions on economic activity? Supporters of the GWSA don't want these questions asked, likely because they know the answers.

- Rob Roper is president of the Ethan Allen Institute.

Events

Coming Soon: EAI's 27th Annual Jefferson Day Event Last March we announced that popular Vermont economist and longtime EAI Board member Dr. Art Woolf would be our Jefferson Day Dinner speaker on April 21. Alas, the emergence of the pandemic forced us to cancel the dinner. EAI will, however, host a virtual Jefferson Day event in mid-November, available in real time and thereafter on YouTube (date and details to come.) Art recently retired as Associate Professor of Economics at UVM. His topic will be "Settling Mr. Jefferson's Republic, and Resettling Ours", and he'll look at what demographic and migration trends Vermonters can expect after the pandemic subsides. Stay tuned!

News & Views

VT Ranks 49th for Economic Outlook: The American Legislative Exchange Council just published its annual analysis of states' economic outlooks, Rich States, Poor States. Vermont ranks 49th, or next to worst. The ranking consider fifteen subcategories, with notables like: top marginal income tax (43), top corporate income tax (39), income tax progressivity (49), property tax burden (49), sales tax burden (7), remaining tax burden (48), estate/inheritance tax (50), recently levied tax changes (36), debt service as share of revenue (2), per capita public employees (47), judiciary (2), minimum wage (39), workers' compensation costs (42), right to work (50), and number of tax expenditure limits (34). (ALEC, 8/12/2020)

NO NEW TAXES! Governor Scott presented a budget for the balance of FY2021with no new or increased taxes. One major sticking point as the legislature returns to take it up will likely be that it also does not provide the \$30 million necessary to keep the state college system afloat. (JFO, 8/24/20)

More than 6000 Vermonters Disenfranchised Voting Absentee. "Of the 174,987 votes cast on August 11 — a record for a primary — 6,055 were ruled defective and discarded. That's 3.6 percent of ballots, nine times higher than the 0.40 percent from 2018's primary." (Seven Days, 8/19/20). This number doesn't account for ballots lost in the mail. A recent experiment in Pennsylvania showed that 3% of sample mail in ballots were lost on their way from the voter to election officials.

VT Independent Schools Have Figured Out How to Open. Most Vermont private schools, both religious and secular, are adopting the same Covid protocols as public schools. But unlike their public school counterparts, independent school teachers are ready to hit the ground running with in-person teaching five days a week. And parents are noticing. (VT Digger, 8/17/20)

Education Dollars Should Follow the Child. "President Donald Trump has called for more school choice as a response to shuttered schools. Sens. Tim Scott (R–S.C.) and Lamar Alexander (R–Tenn.) have introduced the School Choice Now Act, which would earmark COVID dollars for parents to spend directly on education. And Sen. Rand Paul (R–Ky.) has introduced a bill that would require states to give parents direct access to federal education dollars to spend on tuition or homeschool materials.

Oklahoma and South Carolina have already begun to redirect money earmarked for schools in the emergency CARES Act directly to parents to cover private school tuition, and some Colorado legislators are proposing to put the money right into parents' hands." (Reason) Let's hope Vermont has the common sense to follow suit.

California Heat Wave Highlights Flaw in "Green" Agenda. California is suffering a major heatwave with temperatures coming in at significantly over 100 degrees. Compounding the danger is the unfortunate reality that California's electricity capacity – arguably the most "green" in the nation – can't handle the demand needed to run the air conditioning. California Governor Gavin Newsom admitted that California's extreme shift to renewable energy sources is at the root of the current crisis. California's plight

highlights the major flaw in the "green" energy policy: reducing carbon emissions doesn't stop the climate from changing, but it does hamper – in cases like this severely – humans' ability to adapt. A cautionary tale for Vermonters about to consider passing The Global Warming Solutions Act with its greenhouse gas reduction mandates, which are modeled largely on California's.

Covid Lockdowns a Bigger Mental Health Problem. A study by the University of Vermont Center for Rural Studies surveyed over 1,500 Vermonters in June, three months after the beginning of the state's stay-home order, about issues of well-being, from psychological and physical health to time balance, social connectedness, financial stress and work lives. During the pandemic, Vermonters report being more lonely, but less stressed about their personal finances, and significantly more trustful of their state and local governments, according to new research on Vermonters' well-being. (VTDigger 8/19/2020)

Big Wind Marches On. Congress put the Wind Production Tax Credit in full phaseout for new wind projects in 2020. Good riddance? Lina Linowes, in Taxes and Subsidies (8/10/20), writes "The Moving Forward Act (H.R.2) passed by the [Democratic] House in July 2020 calls for another 5-year extension of the PTC at the 60% [1.5 cents/kwhr] rate and no phase down. The bill also provides for a direct payment option where developers can opt for a portion of the subsidy, up to 85%, to come in the form of direct cash payments from the Treasury. "Its fate is now in the Republican Senate.

Covid Decimating Small Businesses. "Yelp Inc., the online reviewer, has data showing more than 80,000 permanently shuttered from March 1 to July 25. About 60,000 were local businesses, or firms with fewer than five locations. About 800 small businesses did indeed file for Chapter 11 bankruptcy from mid-February to July 31, according to the American Bankruptcy Institute, and the trade group expects the 2020 total could be up 36% from last year." Bloomberg, 8/11/20

Burlington Weighs Awarding Slave Reparations. "The Burlington City Council on Monday passed a resolution to create a task force to to study reparations for American descendants of enslaved people. The resolution, which passed with unanimous support, additionally proposes a citywide apology for Burlington's role in the institution of slavery. Local residents, as well as state officials, chimed in during a public comment section of the City Council meeting to align their support with the reparations resolution. Last month, the city of Burlington declared racism a public health emergency, with over 30 Chittenden County organizations, including Burlington Mayor Miro Weinberger and the Vermont Racial Justice Alliance, outlining their plans to address systemic issues across the city." (Burlington Free Press, 8/11/20)

Magazine Ban Declared Unconstitutional. The Ninth Circuit Court of Appeals struck down California's ban on high-capacity magazines (those that hold more than 10) rounds as unconstitutional. This is encouraging news for Vermont Second Amendment advocates as the Green Mountain State's similar ban is likely headed to the same ash heap.

Bollox to Ben & Jerry's. When Ben & Jerry's (aka Unilever) decided to play the SJW card over immigration policy in the UK, the Brits were having none of it. "After calling the ice cream "overpriced junk food." James Cleverly, a lawmaker from Patel's Conservative Party, "tweeted: "Can I have a large scoop of statistically inaccurate virtue signaling with my grossly overpriced ice cream please." Andrew Neil, a prominent conservative media personality, accused the brand of "posing as some kind of hippy ice cream play," and, "You're now wholly owned by a massive global conglomerate called Unilever. Perhaps if it paid the taxes [the U.K. tax authority] thinks you should pay we could afford to accommodate many more asylum seekers."" (Fortune CEO Daily, 8/12/20).

Book of the Month: Apocalypse Never

Why Environmental Alarmism Hurts Us All By Michael Shellenberger Harper, 2020 432 pages

Michael Shellenberger is a life-long environmentalist, or at least since he was a teenager in the 1990s committed to saving the rain forests. He is the founder and president of Environmental Progress. His <u>resume</u> is long and distinguished. Which is all why left-wing heads exploded when he published *Apocalypse Never*, *How Environmental Alarmism Hurts Us All*, in an attempt to separate fact from dark fiction regarding environmental science.

Shellenberger decided the book was necessary when he realized the lies and distortions being put out by Green New Dealers and the Bill McKibbens of the world (Vermont's McKibben is featured often in the book) were causing unnecessary fear and anxiety in young people, damaging their mental health. Additionally, he needed to expose how many of the "science based" policy solutions being proposed are neither scientific nor solutions. Often, the "green" policies end up causing more environmental damage than the policies and practices they replace.

Shellenberger doesn't deny climate change is happening, but it is occurring at a rate slow enough for people to adapt. It's not a crisis, and the doomsday proclamations are distracting citizens and policy makers from real problems civilization is facing and standing in the way of real solutions.

The greatest threat to the environment, as Shellenberger sees it, is third world poverty. "Green" policies that discourage economic development, especially in poor countries, are the principal source of environmental degradation. And, denying third world countries access to energy dense fuels is a leading cause of keeping these countries poor. Reliance on wood, for example, for heat and cooking is a major cause of deforestation. Not allowing these economies to develop oil based infrastructure is environmentally stupid. Shellenberger doesn't say oil is inherently good. It's good when it replaces wood. Natural gas isn't inherently good; it's good when it replaces oil, as is nuclear power when it replaces natural gas.

Shellenberger argues that forcing first world "green" policies on developing nations is a form of environmental colonization. With the old-world form of colonization, wealthy nations took the natural resources from the indigenous populations so the locals

could not use them to improve their own lives. Now, the colonizers simply prevent the indigenous populations from using those natural resources to improve their lives.

Moreover, Shellenberger points out that the "green" darlings, renewable energy and organic farming, are terribly inefficient. They require significantly more land development – destroying or intruding on more wildlife habitats – than other forms of energy and farming.

One example he cites is genetically modified AquAdvantage salmon which, proven to be safe and nutritious, "grows to adult size twice as fast — in two rather than four years — and requires 20% less feed than today's Atlantic salmon, 100% of which are already farmed. It also requires no antibiotics, unlike conventionally farmed Atlantic salmon, which public health officials warn can contribute to antibiotic resistance."

Adopting this method of producing fish would save the oceans from over-fishing, require less greenhouse gas emissions from catching and shipping the fish, and the AquAdvantage fish don't mingle with (contaminate) the natural environment of wild fish. But, so-called environmentalists oppose this. Why?

Shellenberger spends the last section of his book detailing how environmentalism has become a secular religion – one based on faith not science. And, while the author says that there are many positive aspects to any religion, this one has become dangerously "toxic", obsessed with its end-of-the-world visions, demonizing non-believers, and increasingly violent.

- Review by Rob Roper, president of the Ethan Allen Institute.

The Final Word

September Survey: Vermont Post-Covid

Are you optimistic or pessimistic about Vermont's prospects for rebounding from the Covid economic recession?

- Optimistic. Our economy will bounce back quickly when restrictions are lifted.
- Pessimistic. The damage done to our economy will take a long time to fix.

August Survey Results:

Should education fund dollars continue to go to publicly funded schools if they are closed due to Covid, or should the money be used to immediately fund more stable educational alternatives such as homeschooling, individual tutoring, micro-schools, etc.?

- Keep funding closed schools to maintain them until they can safely re-open. 4.92% (3)
- Repurpose the money to help kids and families find functional alternatives now. 95.08% (58)