

# Making the Case for Phasing Out Fossil Fuels at the Local Level by building SAFE cities and communities: Health, Jobs and Financial Risk

Right now, local governments are deeply and rightly concerned with managing the twin public health and economic crises brought about by the COVID-19 pandemic. Investing in a green recovery and phasing out fossil fuels has the ability to address both, while also serving as a tangible next steps for municipalities' climate action plans or climate emergency declarations.

It's clear that tackling air pollution is essential to reducing people's vulnerability to COVID-19, and reducing fossil fuel production and combustion is a key way to improve air quality. At the same time, local governments have a huge opportunity to create jobs and accelerate the transition to a clean energy economy by investing in green 'shovel-ready' projects.

In many places across the US, local governments are already playing a crucial leadership role by deploying their local land use powers to pass policies that accelerate the clean energy economy while systematically preventing fossil fuel companies from acquiring the local permits they need to build any bulk fossil fuel project. At the same time, they're passing policies that reduce the demand for oil and gas, like mandating all-electric homes or banning the construction of new gas stations within city limits.

These policies, geared towards keeping communities safe from explosion, spill, and pollution risks, mean that instead of investing limited resources in evaluating fossil fuel projects one by one, local government leaders and are instead freed up to build the clean energy infrastructure that we so desperately need.

This briefing note includes more details and references on the health risks and economic benefits of enacting policies to keep communities safe from fossil fuel expansion.

To learn more about local government leadership in action or to pass policies in your own community to restrict fossil fuel expansion, visit Stand.earth's SAFE Cities website at: https://www.stand.earth/safe

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#### Cleaner Air Saves Lives

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#### Fossil fuels and air pollution deaths

- Fossil fuels are responsible for 40% of all global deaths from air pollution according to a new peer-reviewed study. "These numbers are staggering," noted a Forbes piece about the study. 10,000 people die per day, or 3.6 million per year, from fossil fuel pollution, rivaling deaths from tobacco smoking.
- In California alone, air pollution from fossil fuels causes an estimated 12,000 deaths every year.
- Studies have linked fine pollution particles called PM<sub>2.5</sub> to many other detrimental health effects, including aggravated asthma and decreased lung function, according to the <u>U.S.</u>
  EPA. Fossil fuel refining and automobile exhaust are major sources of PM<sub>2.5</sub>

## Air pollution and Covid-19

- Research at Harvard University shows a strong relationship between exposure to air pollution and mortality from COVID-19. For every slight increase in the pollutant PM<sub>2.5</sub> there is an 8% increase in the death rate from COVID-19, and communities of color are more likely to be exposed to this pollutant long term.
- Black and Latino people are especially vulnerable to COVID, and are more likely to live in communities with higher air pollution. Articles from the Guardian and the New York Times show the much higher death rate from COVID-19 for Black people across the nation and for Black and Latino people in New York City. The Environmental Working Group says: "Studies have clearly established that communities of color are disproportionately exposed to sharply higher levels of long-term air pollution because they are closer to congested streets and highways, as well as refineries and power plants. A 2011 study by researchers at the University of Southern California and the RAND Corporation found that African Americans in California were 2.5 times more likely to go to the hospital as a result of air pollution. That may help explain why African Americans make up a disproportionate share of COVID-19 deaths in many areas."



### Gas threatens indoor air quality and community safety

- Gas appliances lead to toxic indoor air. A UCLA study commissioned by the Sierra Club showed that exhaust from gas appliances produces carbon monoxide and nitrogen dioxide exposures that exceed national and California standards in 90% of the homes modeled.
- The impact from gas appliances is worse in smaller households, especially smaller apartments, disproportionately harming low-income people. As the <u>Sierra Club</u> put it, "the air quality inside nearly every apartment was so bad that it would be illegal if measured outside."
- Gas infrastructure increases health and safety risks to communities. Storage wells, operating pipelines, and cut pipelines threaten community health and safety in California and across the country, and gas leaks and explosions threaten first responders as well as occupants.

## Job Opportunities in a Green Recovery

By investing in home electrification, home insulation, transportation electrification, and renewable energy capacity, municipal leaders can help create good, lasting jobs while improving their constituents' health and quality of life.

- All-electric new home construction could be a net job creator. A <u>study by Inclusive</u>
   <u>Economics and UCLA's Luskin Center for Innovation</u> on the job impacts of switching to
   all-electric for new construction shows job growth in the construction industry rather than job
   losses. As the <u>Sierra Club</u> puts it, "The analysis reveals that electrifying 100% of California's
   existing and new buildings by 2045 would create over 100,000 full-time equivalent jobs, even
   after accounting for losses in the fossil fuel industry."
- Fossil fuel industry jobs pay less and are more dangerous. This <u>primer from the NAACP</u> outlines how jobs created by the fossil fuel industry pay less and involve more risks, including high rates of exposure to toxins versus new energy economy jobs.
- Investments in green energy yield more jobs. As communities look at what will get people back to work now, lessons from stimulus considerations during the 2008 recession are useful. As a Spring 2020 piece in <a href="the Verge">the Verge</a> notes, "renewables like solar and wind create more jobs per unit of energy delivered than coal or natural gas, a <a href="2010 study">2010 study</a> published in the journal Energy Policy found. While \$1 million in stimulus spending on oil and natural gas generated roughly five jobs, the same amount would result in 13 to 14 jobs in wind and solar, a <a href="2009 report">2009 report</a> found."



- "When this first started, they said jobs would leave and all that. And jobs have not left, and also the industry keeps profiting. With this moratorium in place, it's just protecting the people of Whatcom County and the environment." Whatcom County Councilmember Carol Frazey speaking about their unrefined fossil fuel export moratorium. Instead, Whatcom has added hundreds of jobs in the manufacturing and construction sectors over the time that the moratorium has been in place.
- There is a demand for workers in the new energy economy. Job sites show high demand for workers with expertise in electric heating and cooling systems.
- Communities can help workers transition to the new energy economy. Providing training and retraining programs for workers is a critical step to ensuring a just transition.

# Financial Risks from a Dying Industry

The world is moving to a new energy economy and fossil fuel companies are declining. Phasing out fossil fuels is the right move for communities and workers.

- Energy companies have vastly underperformed the rest of the stock market since the late 1980's. In 1980 fossil fuel companies made up most of the S&P's top 10 list, but in 2018, only ExxonMobil was in the top 10. In September of 2019, there was not a single fossil fuel company left on the list.
- Investment is moving to green energy. In this piece in <u>Politico</u>, "Blackrock's Brian Deese says the world remains 'at the front end of an historic trend in investor preferences toward sustainability." The switch to cleaner, renewable energy is not letting up. Supporting workers and a healthy, resilient economy means training and retraining workers to succeed in the growing new energy economy not the dying fossil fuel economy.
- Taxpayers are often on the hook when fossil fuel projects fail. There are tens of thousands of failing and abandoned oil and gas wells all over California, for example, and it could take \$550 million in taxpayer funds, and potentially much more, to plug them so they don't pose immediate threats to public health and groundwater in California communities. Bill McKibben talks about this on a global scale in the New Yorker.