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Gas Industry Fuels a Legislative Campaign to Keep Its Fires Burning

Attempt at predatory delay reveals a fossil fuel sector on the defensive

By James Steinbauer (/sierra/authors/james-steinbauer) | Jul 8 2021

In the summer of 2019, Berkeley, California, became the first city in the nation to ban gas hookups in new buildings and in the process drew attention to an often underestimated health risk and driver of climate change. Over the next two years, the gas ban trend spread rapidly. At least

(https://www.sierraclub.org/articles/2021/06/californias-cities-lead-way-gas-free-future)46 other California cities (https://www.sierraclub.org/articles/2021/06/californias-cities-lead-way-gas-free-future) and a handful of major metropolitan areas—including Denver, Seattle, and New York—either passed or proposed their own "electrification codes."

It seemed, at least for a while, that one of the pillars of the fossil fuel industry was crumbling.

Then the gas industry launched a counteroffensive.

From Arizona (https://www.azleg.gov/legtext/54leg/2R/bills/HB2686P.pdf) to Alabama (https://legiscan.com/AL/bill/HB446/2021), the gas industry's own legislation has moved through statehouses with what climate advocates say is alarming speed. At least a dozen states have now passed laws prohibiting cities from restricting gas hookups in new construction, and just as many have introduced similar bills this year. The laws have dealt a stinging setback to the accelerating effort among cities to ban natural gas—a significant contributor of emissions of methane, a greenhouse gas 86 times more potent than carbon dioxide

(https://science.sciencemag.org/content/sci/361/6398/186.full.pdf) that is accelerating the climate crisis. Yet some climate activists say that even as the preemption laws have put up hurdles to electrification, they betray an industry that is increasingly worried about its future.

"It's not a surprise," said Bruce Nilles, the executive director of the Climate Imperative project at Energy Innovation (https://energyinnovation.org/), a think tank focusing on clean energy policy. "The gas industry has wielded enormous power and influence for decades and is now facing an existential threat. As coal disappears, they know they are next."

Buildings are the second-largest source (https://ww2.arb.ca.gov/research/research-green-buildings) of greenhouse gas emissions in California after transportation, and gas appliances like furnaces and stoves are partially to blame. Each year, the infrastructure that funnels gas to buildings and homes leaks enough methane to match the emissions of all vehicles in the United States

(https://science.sciencemag.org/content/sci/suppl/2018/06/20/science.aar7204.DC1/aar7204_Alvarez_SM.pdf). "There's no way we can stave off the worst impacts of the climate crisis if we continue to use gas as we do," said Rachel Golden, the deputy director of the Sierra Club's Building Electrification program

(https://www.sierraclub.org/articles/2019/12/building-electrification-action-plan-outlines-how-policymakers-can-equitably-phase). "For most cities, the building sector is the top source of greenhouse gas emissions, so it will be harder to move forward if they are hamstrung like this."

Gas stoves are also linked to respiratory illnesses, and children who live in homes with gas stoves are 42 percent more likely to have asthma. According to one study (https://coeh.ph.ucla.edu/effects-of-residential-gas-appliances-on-indoor-and-outdoor-air-quality-and-public-health-in-california/), cooking on a gas stove for just one hour can

lead to levels of indoor air pollution that if recorded outdoors would be considered illegal by the EPA.

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We are calling on local governments to support all-electric new construction of homes and buildings to ensure that our communities are more affordable, climate-resilient, and healthy.

Golden said the preemption bills were "damaging" to the larger fight for building electrification, but by no means are they the end of the story. "The gas industry has basically launched this effort because they're freaked out," she said. "They don't want to see the gas bans that have passed in California spread, so they're focusing

on red states where it's an easy win for them."

Florida is the latest state to throw down a broad challenge to building electrification. A bill sent to Governor Ron DeSantis in June prevents cities from banning natural gas as an energy source in new construction and restricts their ability to decrease the use of natural gas obtained through fracking. David Cullen, a lobbyist for the Sierra Club of Florida, said that the bill didn't come as a surprise—preemption is part of the state's political DNA. "You name it, they preempt it," he said. "They do it with plastic bags. They do it with Styrofoam. They do it with sunscreen. They take away the ability of cities to regulate, and they give it to the state. Then, the state does nothing. It's like the Wild West."

The irony is inescapable: Florida, much of which is underlain with largely porous limestone (http://www.ces.fau.edu/nasa/impacts/i4-sea-change/explanation3b.php), faces an immediate threat from a warming climate—rising sea levels—caused by burning oil and gas. Miami, which is particularly vulnerable, recently announced that it would need to block natural gas hookups in new construction if it hopes to reach its goal of going carbon neutral by 2050 (https://www.miamigov.com/files/83823a92-dffe-4da0-a2c4-0897e0153577/Miami-GHG-Plan-DRAFT.pdf).

The bill, HB 919 (https://flsenate.gov/Session/Bill/2021/919), prevents cities from passing any law that prohibits or, importantly, "has the effect of restricting or prohibiting" the sale of any form of energy. This includes oil and gas, but also electricity.

"I have no problem with clean energy," state senator Travis Hutson, a Republican from St. Augustine and the bill's sponsor, told the *Tampa Bay Times* (https://www.tampabay.com/news/florida-politics/2021/04/29/florida-legislators-pass-more-restrictions-on-local-regulations/). "In fact, I encourage everyone, our cities and counties to do clean energy."

Following a playbook written by the American Gas Association (literally (http://playbook.aga.org/)), state politicians across the country are rationalizing preemption bills as protecting "consumer choice." A bill signed by Mississippi governor Tate Reeves in March bore the deceptive name the All Fuels Act of 2021. (https://legiscan.com/MS/bill/HB632/2021) This "all of the above" approach allows conservative politicians to argue that the bills treat all energy sources equally. The Sierra Club's Cullen said the law's real effect will be to prevent cities from moving away from fossil fuels.

"For every individual in the state to choose, voluntarily and willfully, to shift to renewable energy sources would be wonderful," Cullen said. "But that's not the way the world works. Particularly when you have a well-established industry that receives government subsidies and has tremendous access to decision-makers."

In Georgia, where Governor Brian Kemp signed a preemption bill in May, the message was framed sharply in terms of reacting to gas bans in California and other progressive states. "The reason for House Bill 150," Stephen Loftin, a representative for the Natural Gas Association of Georgia, told the Atlanta NPR affiliate WABE (https://www.wabe.org/georgia-lawmakers-consider-prohibiting-local-natural-gas-bans/), "is that we have seen a number of local governments around the country announce bans on natural gas."

The preemption bill in Georgia was also noteworthy because it passed without the support of the state's major energy provider. Georgia Power—and, to some extent, Southern Company, its behemoth parent utility—has already begun to embrace electrification. Last year, it announced it would electrify 50 percent of its vehicle fleet by 2030. And its new Plant Vogtle Units 3 and 4 will be the first new greenhouse-gas-emissions-free nuclear units built in the United States in the past three decades.

At least compared with some of its national counterparts, Southern Company has been relatively more supportive of building electrification, said Nilles. The utility has promised to achieve net-zero greenhouse gas emissions by 2050 (https://www.southerncompany.com/content/dam/southerncompany/pdfs/clean-energy/Net-zero-report.pdf) (though that vague goal does include burning gas with carbon capture technology). And in Georgia, Alabama, and Mississippi, it has invested in experimental "smart neighborhoods" that boast rooftop solar panels and battery storage, electric vehicle chargers, and heat pumps that use thermal energy stored in the earth to heat water.

The recent preemption bills betray a weakness in the gas industry's strategy. Each of the states where it has succeeded in passing a bill is politically conservative. They're among the very last places climate activists expected to pass gas bans. Beyond these states, the gas industry doesn't really have a path forward. "The efforts by the gas industry in most of these states are really, really premature," said Jen Hensley, the director of state lobbying and advocacy for the Sierra Club.

The states that have made it impossible for cities to put in place gas bans are also relatively modest gas consumers. Most of these states are in the South, which has historically had a higher amount of electric stoves and heat pumps (and a lower need for gas heating in the winter) than states in the cooler, more politically progressive north. According to the Energy Information Administration, electricity makes up more than two-thirds (https://rmi.org/insight/the-impact-of-fossil-fuels-in-buildings/) of the energy source for heating homes in the South. The rest comes from a combination of gas, renewables, and coal. In the Northeast, where state politicians are introducing climate-friendly legislation—including gas bans—that ratio is flipped. Just three solidly blue states—California, New York, and Illinois—are responsible for almost 25 percent of all greenhouse gas emissions from buildings.

None of this is to belittle the gas industry's strategy of predatory delay. It's only to say that these preemption laws appear to be more of a nuisance than anything—hurdles on a road that's only heading in one direction.

The Sierra Club's Golden said there are also federal policy pathways to electrify buildings that don't involve cities. A clean energy standard, like the one the Biden administration has proposed (https://www.reuters.com/article/us-usa-biden-clean-energy/white-house-will-seek-law-to-require-carbon-free-power-from-u-s-utilities-idUSKBN2BO6NV), would require utilities to source more power from renewable energy and could nullify the recent preemption laws. It could include, for example, a provision calling for a 100 percent clean grid by 2050, she said. "There are many other ways we can drive forward clean energy buildings. Even if the gas industry succeeds here, that doesn't mean we're losing. This is basically the gas industry fighting for its life. The writing is on the wall."

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