WESTERN ENERGY ALLIANCE

November 3, 2022

Brenda Mallory
Chair
Council on Environmental Quality
730 Jackson Place NW
Washington, D.C. 20503

RE: Request for Information, Environmental Justice Scorecard CEQ-2022-0004

Dear Chair Mallory:

Western Energy Alliance applauds CEQ's intention of addressing adverse human health and environmental impacts on disadvantaged communities. Our interest in commenting is to encourage a holistic approach is used in determining what measures are considered when scoring government efforts to advance environmental justice. The dominant public dialogue has focused rather narrowly on a limited set of metrics and does not always comprehensively address all the factors that are necessary for maintaining the health, safety, and welfare of disadvantaged and low-income communities.

Western Energy Alliance represents 200 companies engaged in all aspects of environmentally responsible exploration and production of oil and natural gas across the West. The Alliance represents independents, the majority of which are small businesses with an average of fourteen employees.

Western Energy Alliance generally supports the broad goal of environmental justice, although we may have a different perspective on how to achieve that goal. The oil and natural gas industry has provided a positive contribution to environmental justice for over a century and a half. By enabling the internal combustion engine and other machinery that freed humans from lifetimes of menial labor and toil, oil, natural gas, and coal should be credited with the first huge environmental justice achievement in world history.

American oil and natural gas will continue to provide an overwhelming benefit to humanity today and far into the future as the foundation of human health, safety and welfare. Oil and natural gas not only keep people warm in the winter and cool in the summer, get them to school and work to better their lives, and power all facets of the economy, but put food on the table, medicines in the cabinet, and deliver clean drinking water to the tap. Without the energy and products we provide, modern life is not possible and environmental justice unattainable. Providing more oil and natural gas to the world will bring those benefits to the billion people without sufficient energy and help lift them out of poverty. Encouraging more American oil and natural gas production will help lower prices for consumers and ensure all communities have access to energy that provides so many benefits to them. Conversely, stigmatizing American oil and natural gas production would only lead to energy imports from overseas and decreased access to affordable energy for low-income and disadvantaged communities, which would decrease environmental justice by putting the basic necessities of life out of reach.

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Oil and natural gas also provide a net benefit to the environment. Countries like the United States with greater access to reliable, affordable energy not only have higher standards of living but enjoy cleaner environments and healthier populations. Increased use of natural gas electricity generation leads to lower levels of air pollution and reduced GHG emissions. Natural gas, as acknowledged by the U.S. Energy Information Administration (EIA) and the International Energy Agency (IEA), is the number one reason the United States has reduced more greenhouse gas emissions than any other country over more than a decade.[1] Fuel switching from coal to natural gas in the electricity sector has reduced more greenhouse gas emissions than have wind and solar energy combined. Natural gas has delivered 61% of the reduction in greenhouse gases resulting from fuel switching in the electricity sector, removing 3,351 million metric tons of carbon dioxide equivalents (MMT CO2e) since 2005. In contrast, wind and solar have reduced GHG emissions by 2,125 MMT CO2e or 39% of the total reduction.[2] Intermittent wind and solar energy are not possible without backup, with natural gas electricity being the best backup source. CEQ should recognize that the balance of benefits from oil and natural gas heavily outweigh the impacts.

Environmental Justice Metrics

For the environmental justice scorecard, CEQ should look more comprehensively at the concept and include metrics on how agencies enhance access to jobs and affordable energy, which enhance environmental justice and human well-being. We suggest a few metrics to consider.

Jobs and Tax Base Metric: One of the best ways to provide meaningful environmental justice is by providing decent, well-paying job opportunities available to all, no matter race, religion, or gender. Oil and natural gas support 10.3 million jobs nationwide both directly in the industry and throughout the economy.[3] These jobs are held by all segments of our population, including people of color, women, LGBT, Native Americans, and other members of disadvantaged or marginalized communities. The $1.7 trillion annual contribution to the economy, 7.9% of the national total, results in prosperity spread across the entire nation. Further, oil and natural gas provide about 80% of industrial energy.[4] Lower energy prices from increased oil and natural gas production in the United States not only decrease prices for manufactured goods that Americans use everyday, but also create good, high-paying jobs for workers of all genders, races, and creeds. The tax revenue generated by the oil and natural gas industry as well as the manufacturing sector enhance environmental justice by supporting education, public safety, health services, infrastructure, and other human welfare programs at the city, county, state, and federal levels for all communities.

Personal Mobility Metrics: Personal mobility not only enables freedom of movement, but is fundamental to quality of life. Personal mobility enables people to: get to work to provide for their families; attend school to better their lives; travel to conferences, business meetings, and other work-related settings to enable the sharing of information and formation of networks to solve societal

[1] *Global CO2 Emissions in 2019*, IEA, Paris, February 2020; U.S. Energy-Related Carbon Dioxide Emissions, 2019, U.S. Energy Information Administration (EIA), September 2020.
[2] EIA, September 2020, p. 14.
[3] *Impacts of the Oil and Natural Gas Industry on the US Economy in 2019*, PriceWaterhouseCoopers LLP for the American Petroleum Institute, 2021.
[4] Calculated from EIA's *Monthly Energy Review* (April 2021), Tables 1.3, 1.11b, and 2.2—2.6.

problems and develop life-enhancing products and services; travel on vacation to enrich their lives; and visit and care for relatives and friends to maintain the fabric of society, to name but a few benefits of travel and mobility. Government programs that increase American production and therefore, provide greater access to affordable energy should score favorably in the scorecard.

Transportation & Production of Goods Metric: Diesel refined from oil enables food to be sowed, tilled, and harvested. It enables the distribution of goods that meet all basic human needs including food, clothing, shelter, medicines, and medical devices. Diesel is also a primary source of fuel for public transportation that enables mobility for those who cannot afford personal vehicles. The country is right now experiencing a shortage of diesel, caused in part by reduced refinery capacity in reaction to efforts by both the government and activists to reduce investment in fossil fuels. This constrained supply is driving high inflation throughout the economy, which falls disproportionately on low-income and disadvantaged communities. People are struggling to pay for basic necessities. Government programs that reverse that trend by supporting greater American energy production and refining will help to bring down inflation and should be recognized as increasing environmental justice in CEQ's scorecard.

Lower-Emission Public Transportation Metric: Over 12,000 natural gas-powered buses operate in the United States, each one reducing nitrogen oxides (NOx) by 4,078 pounds compared to older vehicles at a more affordable cost to municipalities of $129 per pound of NOx reduced than other pollution reduction programs.[5] Each bus also delivers between 11% and 17% lower GHG emissions than traditional diesel-powered buses.[6] Government programs that result in increased natural gas production should score well in the scorecard and be recognized for the ability to decrease emissions of pollutants in cities, where many communities of color reside.

Electricity Metric: Natural gas provided 38% of U.S. electricity generation in 2021.[7] The benefits of electricity generation are perhaps too obvious and numerous to mention here and it must be recognized that natural gas, along with coal, nuclear, and hydro, provides baseload electricity that ensures reliable, affordable power to meet demand for all communities. Further, as wind and solar energy are intermittent only, with between 20% and 30% of operational capacity in the best-case scenarios and much below that or zero in certain weather conditions or at night, natural gas is the most efficient backup that can be ramped up quickly when the wind doesn't blow and the sun doesn't shine. Other baseload electricity cannot be as easily ramped up and down to meet the fluctuating demand as intermittent renewables fall off. Government programs that encourage more natural gas electricity generation should score well in the scorecard.

Home Heating and Cooling Metrics: According to the American Gas Association, 69 million homes use natural gas for heating, with the average home using 175 cubic feet daily. In the United States, lower natural gas prices have been shown to save 11,000 lives annually because they enable low-income and disadvantaged individuals to avoid the risks of cold weather mortality.[8] Likewise, natural gas saves lives by providing cooling in the summer via

[5] *Transit Buses* information sheet, NGVAmerica.
[6] NGVAmerica web page on the environment accessed Nov. 22, 2021. 11% lower for compressed natural gas (CNG) and 17% lower for liquefied natural gas (LNG).
[7] https://www.eia.gov/energyexplained/electricity/electricity-in-the-us.php
[8] *Inexpensive Heating Reduces Winter Mortality*, Janjala Chirakijja, et. al., National Bureau of Economic Research, March 2019.

affordable, reliable electricity. Air conditioning has been found to save 18,000 American lives annually.[9] Government programs that increase access to affordable natural gas heating and cooling should be scored well in CEQ's scorecard.

Access to Food Metric: Natural gas is the primary feedstock for industrial nitrogen-based fertilizer, which has propelled modern agriculture and increased food security. Affordable natural gas supplies ensure higher agricultural yields and decrease the cost of food. Because of today's high inflation, fertilizer prices have risen and food insecurity globally has become a concern, including in the United States. Government programs that increase the supply of natural gas and hence, increase food security for all communities at a reasonable price should score well in CEQ's scorecard.

Feedstock Metric: Oil and natural gas are used as the feedstock for petrochemicals that enable thousands of products from the computer chip to cell phones, pharmaceuticals to medical devices, and clothing to hygiene products. To illustrate the vast usefulness and benefits provided to humanity, the appendix below gives a partial list of the myriad products made from oil and natural gas feedstock.

Western Energy Alliance appreciates the opportunity to comment as CEQ seeks input on the environmental justice scorecard. We encourage CEQ to broaden its conception of environmental justice and we look forward to commenting further as the scorecard is developed.

Sincerely,

Kathleen M. Sgamma
President

[9] "Adapting to Climate Change: The Remarkable Decline in the US Temperature-Mortality Relationship over the Twentieth Century," Alan Barreca, et. al., March 8, 2017.

Appendix. A Sampling of Products Made from Oil and Natural Gas

Electronics
Bearing Grease
Ink
Sterile Packaging
Computer Chips
Floor Wax
Ballpoint Pens
Football Cleats
Upholstery
Sweaters
Heart Valves
Boats
Insecticides
Bicycle Tires
Medicines
Wind Turbines
Nail Polish
Fishing lures
Dresses
Tires
Perfumes
Dishwasher parts
Toolboxes
Electronics
Motorcycle Helmet
Caulking
Surgical Masks
Antiseptics
Electric Vehicles
Ventilators
Window Coverings
Food Preservatives
Soap
Vitamin Capsules
Antihistamines
Purses
Shoes
Dashboards
Cortisone
Deodorant
Dyes
Refrigerant
Percolators
Life Jackets
Rubbing Alcohol
Linings
Skis
Food Packaging
Cabinets
Rugs
Electrician's Tape
Tool Racks
Battery Cases
Epoxy
Paint
Mops
Insect Repellent
Fertilizers
Hair Coloring
Roofing
Toilet Seats
Solar Panels
Fishing Rods
Lipstick
Denture Adhesive
Linoleum
Ice Cube Trays
Synthetic Rubber
Speakers
Clothing
Electric Blankets
Glycerin
Tennis Rackets
Rubber Cement
Fishing Boots
Syringes
Nylon Rope
Candles
Trash Bags
Water Pipes
Lotion
Outdoor Gear
Shampoo
Wheels
Paint Rollers
Vaccinations
Shower Curtains
Guitar Strings
Luggage
Aspirin
Safety Glasses
Antifreeze
Sporting Equipment
Eyeglasses
Clothes
Toothbrushes
Footballs
Combs
Detergents
Vaporizers
Balloons
Unbreakable Glass
Tents
Crayons
Parachutes
Cell Phones
Enamel
Pillows
Dishes
Cameras
Anesthetics
Artificial limbs
Bandages
Dentures
Hand Sanitizer
Movie film
Soft Contact lenses
Drinking Cups
Medical Devices
Shaving Cream
Ammonia
Refrigerators
Diapers
Engine Coolants
Insulation
Toothpaste
Backpacks
Personal Protective Equipment