## The Value of Energy Efficiency as a Public Health and Climate Change Mitigation Strategy

Cassandra Kubes, Research Manager, Health and Environment American Council for an Energy-Efficient Economy (ACEEE)

European Council for an Energy Efficient Economy Summer Study Belambra Presqu'île de Giens, France

3-8 June 2019





The American Council for an Energy-Efficient Economy is a nonprofit 501(c)(3) founded in 1980. We act as a catalyst to advance energy efficiency policies, programs, technologies, investments, & behaviors.

Our research explores economic impacts, financing options, behavior changes, program design, and utility planning, as well as US national, state, & local policy.

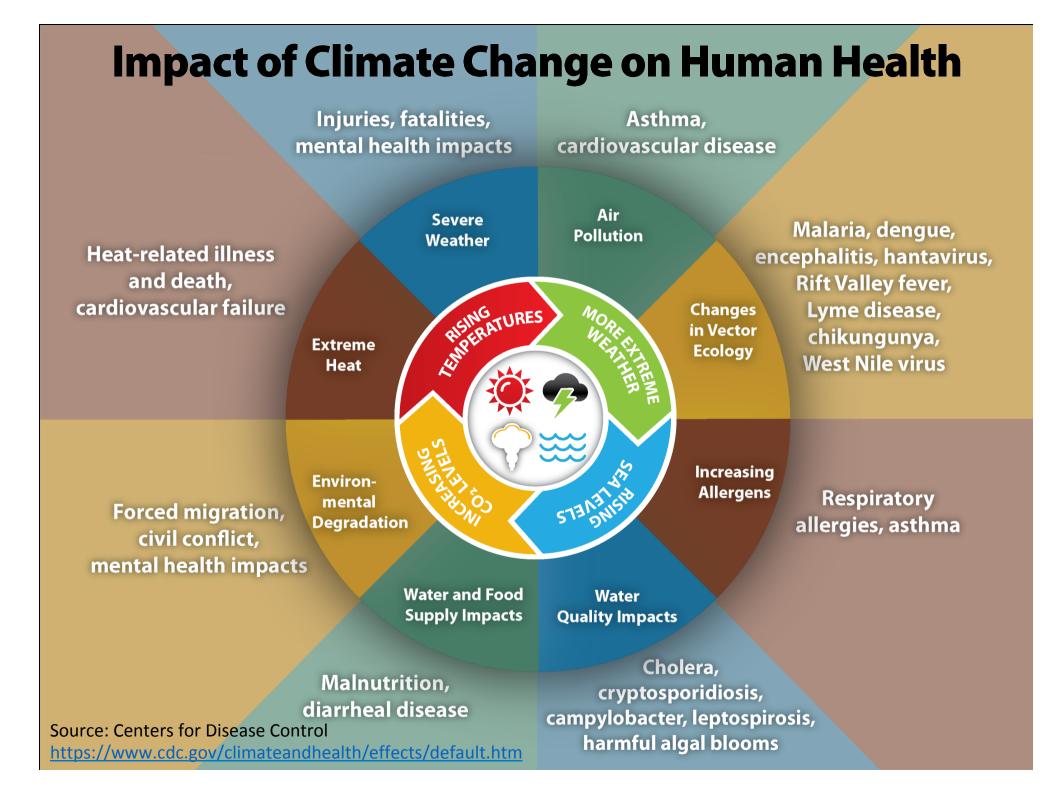
Our work is made possible by foundation funding, contracts, government grants, and conference revenue.



#### Accounting for Health Impacts of EE

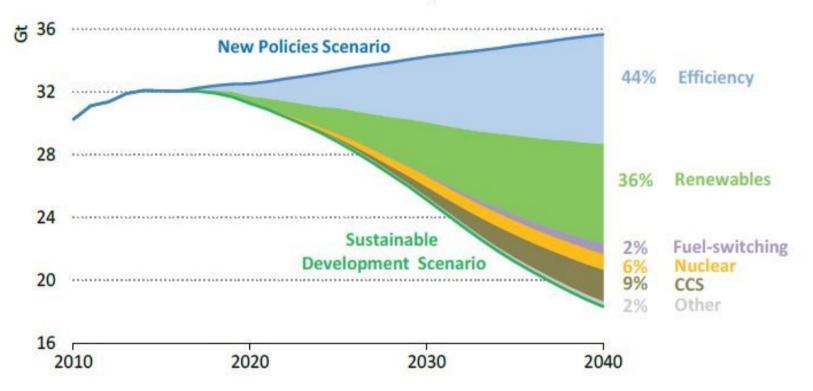
- Public health benefits of energy efficiency (EE) are oftentimes underestimated or omitted when communicating its value as a climate strategy.
- Understanding the health benefits of EE creates an opportunity to motivate leaders to take action on climate change.
- Estimates from two analyses underscore the magnitude of public health benefits that can be achieved through EE and make the case for an increased commitment from the US to mitigate climate change.





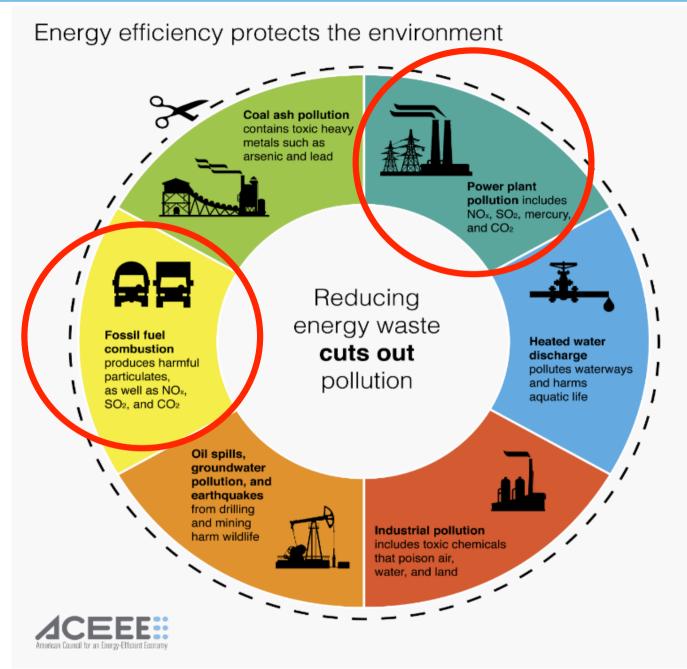
#### IEA: Efficiency Indispensable to Achieving Global Climate Targets

Figure 1.8 Global carbon dioxide (CO<sub>2</sub>) emissions reductions in the WEO 2017 New Policies and Sustainable Development Scenarios





Source: IEA Market Series Report 2018 - https://webstore.iea.org/market-report-series-energy-efficiency-2018





#### Health Effects of Fossil Fuel Pollutants

**BRAIN** Mercury and lead target the nervous system, particularly the brain, leading to serious neurological consequences. These include **stroke** and **loss of intellectual capacity**.

**LUNGS** Fine particulate matter, such as sulfur dioxide and nitrogen oxides, contribute to **lung cancer**; **COPD** (chronic obstructive pulmonary disease), and **asthma**.

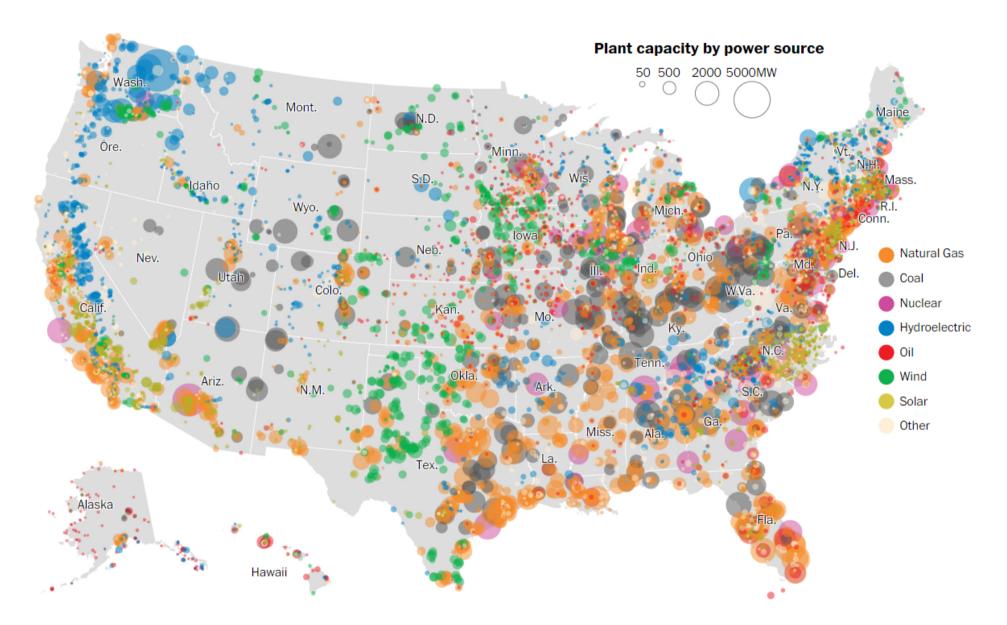
**HEART** Air pollutants such as nitrogen oxides, sulfur dioxide and particulate matter harm cardiovascular health. They contribute to **coronary heart disease**, the leading cause of death in the U.S.; hospitalizations for heart attacks; and **congestive heart failure**.







Source: http://aceee.org/sites/default/files/ee-health-1008.pdf





Source: <u>https://www.washingtonpost.com/graphics/national/power-plants/?</u> <u>utm\_term=.bd46236fb569</u>

#### Saving Energy, Saving Lives The Health Impacts of Avoiding Power Plant Pollution with Energy Efficiency

Sara Hayes and Cassandra Kubes

February 2018

Report H1801

A CEEE: American Council for an Energy-Efficient Economy https://aceee.org/research-report/h1801

#### Methodology

- Applied a 15% reduction in annual electric consumption evenly across the country.
- Estimated emission reductions from power plants using EPA's AVoided Emissions and geneRation Tool (AVERT).
- Entered emission reductions for more than 3,000 counties into EPA's CO-Benefits Risk Assessment (COBRA) model to quantify the health harms avoided by our energy efficiency scenario.



#### Save Energy. Protect Health.

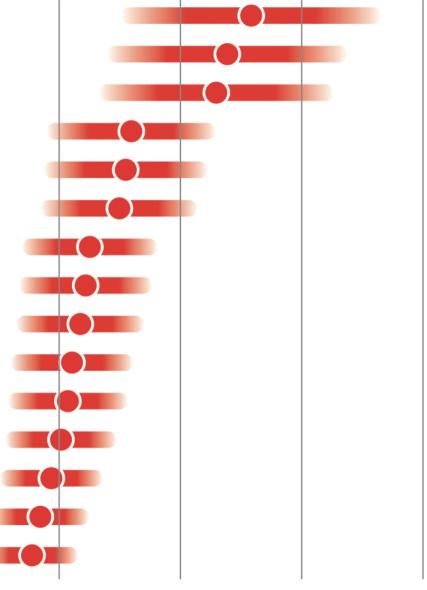
Reducing annual electricity use by **15%** with **ENERGY EFFICIENCY** would reduce air pollution, and...

- + Save more than SIX LIVES every day
- + Prevent nearly 30,000 ASTHMA EPISODES each year
- + Save Americans up to **\$20 BILLION** in avoided health harms annually





Top 15 states by Pennsylvania avoided annual health New York harms, low and high range (US\$) Ohio Illinois Texas Michigan Florida Indiana Tennessee North Carolina Virginia **New Jersey** Kentucky Georgia Missouri 0





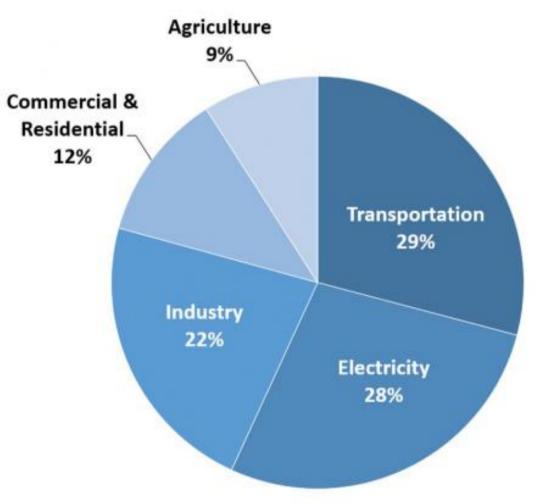
500,000,000 1,000,000 1,500,000,000 2,000,000,000

Top 15 cities by avoided annual health harms, low and high range (US\$)





# Total US GHG Emissions by Economic Sector in 2017





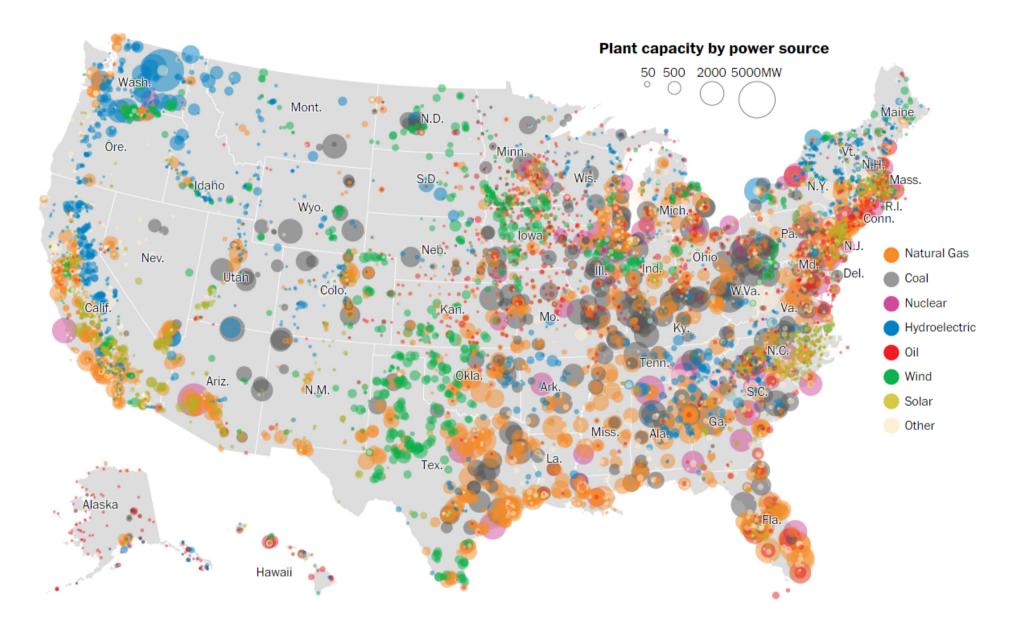
Source: EPA - https://www.epa.gov/ghgemissions/sources-greenhouse-gas-emissions

## **Electrifying Vehicles**

- Vehicle electrification presents an opportunity to reduce emissions and improve public health
- ACEEE performed an analysis to estimate the air pollution and public health impacts from adopting lightduty battery electric vehicles (BEVs) and EE in buildings in the Southeast US
- Factors impacting effects of BEVs on emissions and health

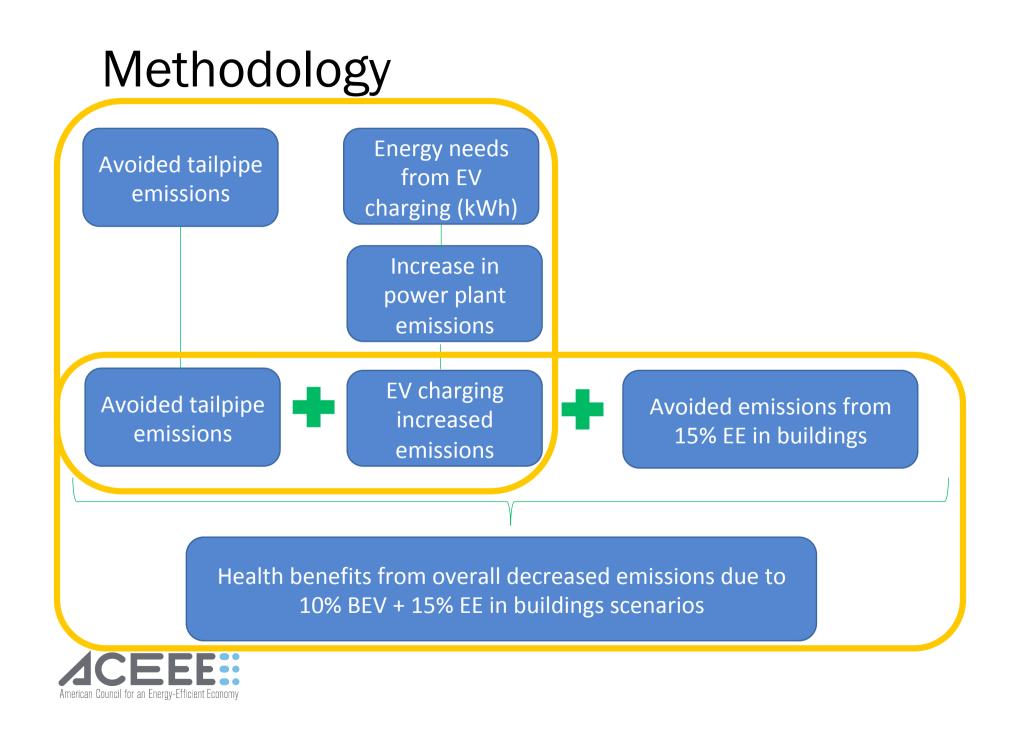








Source: https://www.washingtonpost.com/graphics/national/powerplants/?utm\_term=.bd46236fb569



#### Factors Influencing Results

- Results represent impacts over one year
- Charging scenarios can have an impact on power sector emissions
- Fuel mix of the grid
- Applied over baseline year 2017



#### **Results for Southeast US**

#### Phase 1: 10% BEV

- Net decrease in CO<sub>2</sub> emissions
- Slight increase in net emissions for  $\rm PM_{2.5},\,SO_2,\,and$  NOx

#### Phase 2: 10% BEV + 15% EE in buildings

- Overall decrease in annual emissions of  $\rm PM_{2.5},\,SO_2,\,NOx,\,and\,CO_2$  relative to Phase 1
- \$1.0 to \$2.4 billion (USD) in reduced health harms in a single year



#### **Other Considerations**

- Look beyond light-duty passenger vehicles to all on-road vehicles
- Maximize benefit of EVs with adopting other EE policies
- Fuel mix of grid is an important consideration
- Site-specific emissions and health impacts



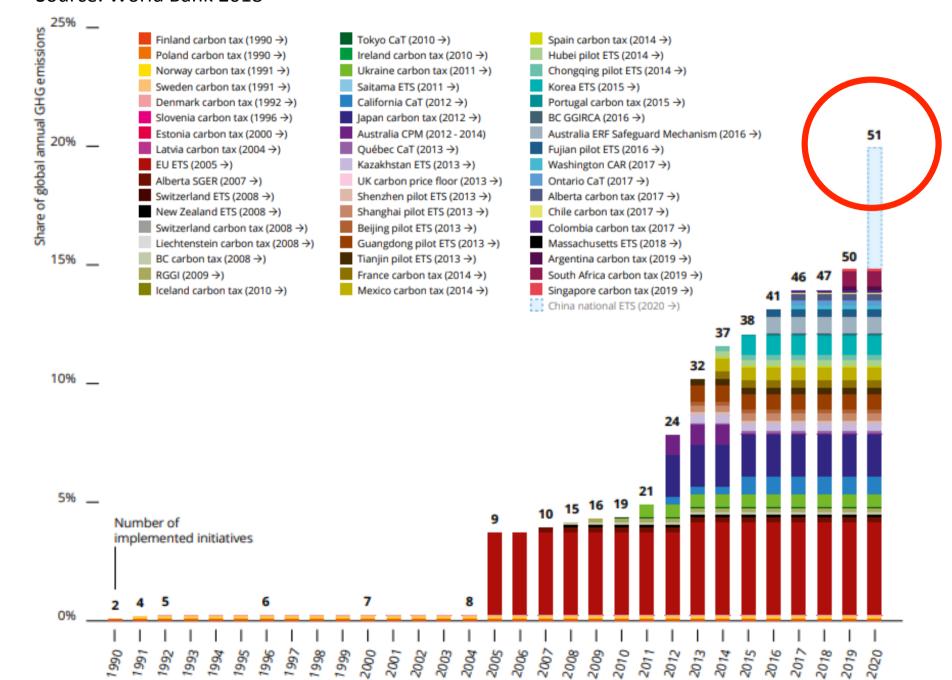
## Climate Policy: Pricing GHG Emissions

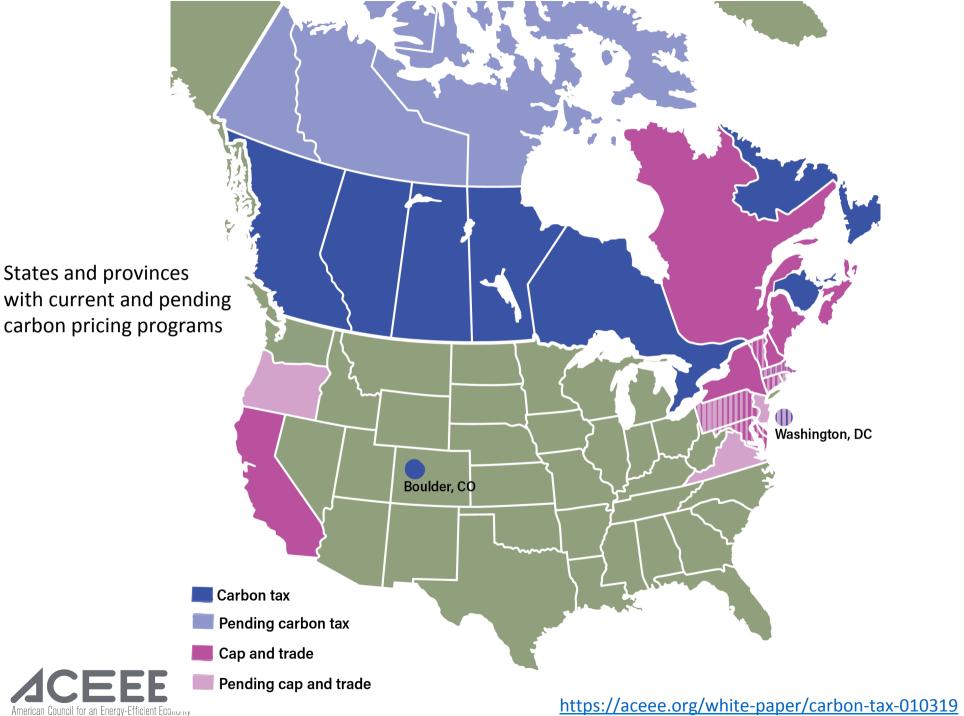
- Two major approaches in use
  - Carbon tax (sometimes called a fee or levy)
  - Cap and trade system





Regional, national, and subnational carbon pricing initiatives Source: World Bank 2018





### Role of Efficiency in Carbon Pricing

- 1. Funds from a carbon pricing program can be invested in efficiency
  - Examples: EU ETS, California, RGGI
- 2. Variety of investment options exist
  - Different sectors and program administrators
- 3. Complementary policies can further EE progress

- Energy efficiency resource standards, fuel economy standards, ZEV mandates and incentives, building energy codes, etc.



### **Concluding Thoughts**

- Messaging around climate change affecting public health is gaining momentum
- Opportunity to communicate the health and climate benefits of energy efficiency
- Understanding the health benefits of efficiency can help to motivate leaders to take action on climate change





## Thank you

#### Cassandra Kubes ACEEE

