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Executive Vice President

ROCIO SÁENZ
Executive Vice President

SERVICE EMPLOYEES
INTERNATIONAL UNION
SOC, CLC

1800 Massachusetts Ave., NW
Washington, DC 20036

202.730.7000

www.SEIU.org

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The Honorable Janet Yellen
Secretary of the U.S. Department of the Treasury
1500 Pennsylvania Ave. NW
Washington, DC 20220

**Re: Emissions Reduction Modeling & Sustainable Aviation Fuel
Credit Eligibility¹**

Secretary Yellen,

I am writing to you on behalf of the Service Employees International Union (SEIU) regarding the Department of Treasury and Internal Revenue Service's initial guidance on Sustainable Aviation Fuel (SAF) credits under the Internal Revenue Code passed as part of the Inflation Reduction Act (IRA).² SEIU represents more than 37,000 airport service workers nationwide, as well as 300,000 workers that live in close proximity to major airports and are directly impacted by aviation emissions and pollution.³ Now that the Department of Energy (DOE) is collaborating with other federal agencies to develop the GREET model for use in assessing the lifecycle emissions impact of SAF, we need to ensure that the parameters fed into the model are sound and fully account for the indirect emissions generated by using farmland for the production of biofuel feedstock. Proper guardrails on measuring the full impact of SAF are going to be vital in order to ensure that these policies are actually advancing the administration's goal of decarbonizing aviation.⁴

We are aware that major domestic airlines and representatives of other stakeholder industries have reached out to the Treasury Department to urge the adoption of the Argonne GREET model as a "similar methodology" for the calculation of lifecycle emissions to determine eligibility for tax credits under the IRA.⁵ We have serious concerns that the approach airlines and other SAF industry groups are calling for would substantially undercount the overall emissions impact of certain crop-

¹ Department of the Treasury and the Internal Revenue Service Notice 2024-6, Guidance on Sustainable Aviation Fuel Credit; Lifecycle Greenhouse Gas Emissions Reduction Percentage and Certification of Sustainability Requirements Related to the Clean Air Act; Safe Harbors. <https://www.irs.gov/pub/irs-drop/n-24-06.pdf>

² Id; 26 USC § 40B.

³ Analysis of SEIU member and represented worker zip code information; reflects the number of members living in a zip code whose center is within 10 miles of one of the top 30 airports by enplanements in 2019 (data via Bureau of Transportation Statistics, available at <https://www.bts.gov/content/passengers-boarded-top-50-us-airports>).

⁴ See Notice 2024-6, Section 6 *supra*; see also "FACT SHEET: Biden Administration Advances the Future of Sustainable Fuels in American Aviation," The White House, September 9, 2021. <https://www.whitehouse.gov/briefing-room/statements-releases/2021/09/09/fact-sheet-biden-administration-advances-the-future-of-sustainable-fuels-in-american-aviation>

⁵ Open Letter to Secretary Janet Yellen. "Re: Sustainable Aviation Fuel (SAF) Credit Eligibility," November 1, 2023. <https://d35t1syewk4d42.cloudfront.net/file/2637/SAF%20Modeling%20Innovator%20Letter%2011-1-23.pdf>

based sources of SAF feedstock,⁶ hampering the effectiveness of the administration's goal of decarbonizing aviation.

The Black, Brown, and immigrant workers holding down service jobs at airports experience disproportionate harm from aviation emissions. These workers are often dual stakeholders - working at the airports where exposure is most extreme, then going home to frontline communities where both they and their families endure long-term health impacts from the many harmful pollutants tied to jet emissions. Communities around major airports experience higher hospitalization and death rates from respiratory and cardiovascular conditions, adverse birth outcomes, and lower life expectancy overall.⁷ This workforce is also impacted by extreme weather events, like record high heat, that are related to climate change and exacerbated by carbon emissions.⁸

The airline industry's trade associations have consistently lobbied to dilute sustainability standards for SAF.⁹ Without significant updates to the GREET model to reflect the International Civil Aviation Organization's (ICAO) successful fusion of multiple stakeholders' models, the market could become flooded with "SAF" that fails to significantly reduce emissions.¹⁰ If this comes to pass, it will effectively delay the industry's reduction of its considerable and outsized climate impact.¹¹

A key standard for Sustainable Aviation Fuel, as it is treated in the Inflation Reduction Act and in President Biden's plan to decarbonize the industry,¹² is the reduction of lifecycle greenhouse gas emissions by at least 50% compared to fossil fuels.¹³ However, emission reduction standards are only meaningful if the ways that we calculate them are scientifically verifiable and comprehensive. The ICAO CORSIA model was developed through a collaborative stakeholder process and blends the results of multiple models to derive its estimated impacts of induced land use changes.¹⁴ In the agency guidance, "the Treasury Department and the IRS conclude that the ANL-GREET model and other existing GREET-based models do not satisfy the applicable requirements" of the IRA "to calculate the emissions reduction percentage under § 40B(e)(2)."¹⁵

⁶ Id.

⁷ See Bendtsen, K.M., Bengtsen, E., Saber, A.T. et al. A review of health effects associated with exposure to jet engine emissions in and around airports. *Environ Health* 20, 10 (2021); see also Johnson K., Solet D, Serry K., "Community Health and Airport Operations Related Noise and Air Pollution: Report to the Legislature in Response to Washington State House Bill 1109." Public Health Seattle & King County, Assessment, Policy Development and Evaluation Unit. December 1, 2020 at Pgs. 8, 9, 13, 15, and 19. <https://www.documentcloud.org/documents/21092008-king-county-seattle-public-health-report-on-airports-and-communities>.

⁸ Weiland, Noah. "Workers Exposed to Extreme Heat Have Few Protections," *The New York Times*, October 5, 2023. <https://www.nytimes.com/2023/10/05/health/heat-exposure-workers-osh.html>; United Nations, "Causes and Effects of Climate Change," n.d. Accessed February 16, 2024. <https://www.un.org/en/climatechange/science/causes-effects-climate-change#:~:text=As%20greenhouse%20gas%20emissions%20blanket,the%20usual%20balance%20of%20nature>.

⁹ *InfluenceMap*, "US Sustainable Aviation Fuel (SAF) Policies and Corporate Engagement - A report on the coordinated response by industry to weaken US SAF policies," July 2023. <https://influencemap.org/briefing/-2c7b2a1fb0f08ed81f12681921b0e27f-22997>

¹⁰ Jane O'Malley & Nikita Pavlenko, The International Council on Clean Transportation, "Drawbacks of adopting a 'similar' LCA methodology for U.S. sustainable aviation fuel (SAF)," September 2023. Pg 2. <https://theicct.org/publication/drawbacks-of-adopting-similar-lca-methodology-us-saf-sept23/>

¹¹ Overton, Jeff. "Issue Brief | The Growth in Greenhouse Gas Emissions from Commercial Aviation, Environmental and Energy Study Institute," June 9, 2022. <https://www.eesi.org/papers/view/fact-sheet-the-growth-in-greenhouse-gas-emissions-from-commercial-aviation>

¹² "FACT SHEET: Biden Administration Advances the Future of Sustainable Fuels in American Aviation," The White House.

¹³ Id.

¹⁴ O'Malley, Pavlenko, "Drawbacks of adopting a 'similar' LCA methodology." Pg 4. ("Two independent teams—one working with the GTAP-BIO model and the other with the Global Biosphere Management Model (GLOBIOM)—estimated default ILUC emissions for SAF. ICAO's ILUC assessment incorporates and harmonizes the results from the two teams, an approach that can help reduce methodological uncertainty.")

¹⁵ See Section 5. ANL-GREET of Notice 2024-6, *supra* at n.1.

Yet, the GREET modeling inputs that the industry supports could result in a substantial underestimation of the indirect emissions associated with using farmland for the production of biofuel feedstock. In some cases, the existing GREET model could result in emissions measurements three-quarters smaller than what the U.S. Environmental Protection Agency's assessment criteria produces.¹⁶

The methodology the industry has voiced support for also allows farmers to opt-into credits for soil organic carbon management practices that purport to reduce soil carbon content.¹⁷ However, the effect of these practices on carbon content is not well understood or verifiable at the farm level.¹⁸ Moreover, to calculate those credits, the methodology assumes up-front that farms will continue these practices consistently for 30 years in the future.¹⁹ At a time when carbon offsets are being rightfully scrutinized for their accuracy and permanence,²⁰ this proposal would tie them to the aviation sector without a meaningful way of evaluating compliance and no enforcement measures even if non-compliance were found. This represents a lack of guardrails too extreme even for existing carbon offset programs,²¹ which are already controversial and problematic.

Under the airline industry's proposal, we would be rewarding fuel pathways that fall well short of existing benchmarks for emissions reductions. The foundation for aviation's decarbonization cannot be built on such textbook greenwashing.²²

There *are* corn ethanol producers that actually can hit 50% lifecycle emissions reduction benchmarks - but if we clear the path for business models that don't even come close, we will orient the supply chain around the least sustainable options.²³ As the supply of SAF ramps up in the coming years,²⁴ we cannot afford to incentivize such flawed solutions and put suppliers who *do* meet the sustainability targets at a competitive disadvantage. Aviation has a sustainability problem - but the aviation industry's proposal isn't how to fix it.

For decades now, we in labor have watched airlines spend far too much time and money undermining the wage and benefit standards of essential airport service workers in pursuit of profits.²⁵ Airlines have shifted work to different service providers to avoid unions and wage

¹⁶ O'Malley, Pavlenko, "Drawbacks of adopting a 'similar' LCA methodology." Figure 3, Pg 7.

¹⁷ Id. Pg 5. "To assign SOC changes over time to a given fuel, GREET estimates the change in SOC over 30 years and then attributes that unit of change to fuel produced in the present day."

¹⁸ Id. Pg 6.

¹⁹ Qin, Zhangcai, Canter, Christina E., Dunn, Jennifer B., Mueller, Steffen, Kwon, Ho-young, Han, Jeongwoo, Wander, Michelle M., and Wang, Michael. *Incorporating Agricultural Management Practices into the Assessment of Soil Carbon Change and Life-Cycle Greenhouse Gas Emissions of Corn Stover Ethanol Production*. U.S. Department of Energy Office of Scientific and Technical Information, September 1, 2015. <https://www.osti.gov/biblio/1221938>; O'Malley, Pavlenko, "Drawbacks of adopting a 'similar' LCA methodology." Pgs 5-7.

²⁰ Davey, Ed. "Delta Air Lines hit with lawsuit over claims of carbon neutrality," The Associated Press, May 31, 2023. <https://apnews.com/article/delta-airlines-lawsuit-carbon-credits-carbon-neutral-469f2671010ba7f40c934cc23d62149a>

²¹ Qin, et. al., *Incorporating Agricultural Management Practices*.

²² *InfluenceMap*, "US Sustainable Aviation Fuel (SAF) Policies and Corporate Engagement." Pg 11.

²³ O'Malley, Pavlenko, "Drawbacks of adopting a 'similar' LCA methodology." Pg 6.

²⁴ Washington, Thomas, "SAF production to triple to 1.5 mil mt in 2024 but progress slow: IATA," S&P Global, December 6, 2023. <https://www.spglobal.com/commodityinsights/en/market-insights/latest-news/oil/120623-saf-production-to-triple-to-1-5-mil-mt-in-2024-but-progress-slow-iata>

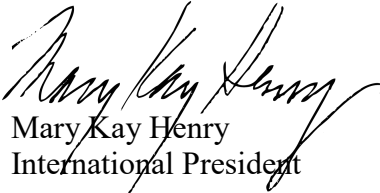
²⁵ See, for e.g., Re: Motion #15-0817-S1 on Living Wage at LAX, Airlines for America, City of LA Council File No. 15-0217-51, September 19, 2017; Re: Proposed City Ordinance No. 201133, San Francisco Office of the City Attorney, October 26, 2020; *Washington Post*, "Contract workers at National and Dulles look to 2017 for a wage increase win," December 29, 2016; Courthouse News Service, "Airlines Call Out Massachusetts Sick-Leave Law," April 5, 2018; Brief in Support of Appellees and Affirmance, Air Transport Association of America, Inc. v. Washington State Department of Labor and Industries, et al, US Court of Appeals 9th Circuit, Case No. 19-35937, May 18, 2020.

standards, wages have stagnated,²⁶ and the industry has jumped from one self-inflicted²⁷ operational crisis²⁸ to another²⁹ at great cost to the flying public and to taxpayers.

We should not permit the airlines to bring this kind of shortsighted thinking into their transition away from fossil fuels, too.³⁰ Failing to put guardrails on GREET's methodology for calculating lifecycle emissions would undermine the standards by which that transition is measured and give undeserved cover to an industry that needs to be held accountable.

Airport workers and frontline airport communities would be the first to pay the price for this superficial transition, but they would not be alone. We cannot afford to so dramatically weaken the vital effort to decarbonize aviation just as it is getting started. This is why SEIU locals across the country and SEIU's Airport Workers United campaign are paying close attention to this and other environmental justice issues that have the ability to negatively impact workers, our members and their communities. We strongly urge the Department of the Treasury to reject the industry's extreme proposal and protect the integrity of the standards being applied to Sustainable Aviation Fuel.

Respectfully,



Mary Kay Henry
International President

cc: Wendy Weiner, SEIU Property Services Division Director

²⁶ Dietz, Miranda, Peter Hall, and Ken Jacobs, "Course Correction: Reversing Wage Erosion to Restore Good Jobs at American Airports," UC Berkeley Center for Labor Research and Education, 2013.

²⁷ In the aftermath of Southwest's historic December 2022 meltdown, it became clear the airline had ignored warning signs for years that its staff scheduling technology was outdated and dysfunctional. Aratani, Lori, Duncan, Ian, and Michael Laris, "As Southwest, FAA probes begin, fallout could shape flying for years," *Washington Post*, February 9, 2023. <https://www.washingtonpost.com/transportation/2023/02/07/faa-southwest-airlines-travel-investigations/>

²⁸ "Senators Markey and Blumenthal Letter to Major Airlines," June 29, 2022. https://www.markey.senate.gov/imo/media/doc/senators_markey_and_blumenthal_letter_to_major_airlines.pdf

²⁹ Stock, Stephen, et al., "Flight delays, cancellations could continue for a decade amid airline workforce shortage," CBS News, July 25, 2023. <https://www.cbsnews.com/news/the-future-of-flying-more-delays-more-cancellations-more-chaos/>

³⁰ *InfluenceMap*, "US Sustainable Aviation Fuel (SAF) Policies and Corporate Engagement."

