

Re: SEIU-USWW Public Comments on Proposed Low Carbon Fuel Standard Amendments

Our Union & Member Communities

SEIU United Service Workers West (USWW) represents nearly 45,000 janitors, security officers, entertainment & stadium workers across California, including thousands of workers at LAX, SFO and other airports throughout the state. Our membership primarily consists of workers within low-wage industries, including aviation. Many of our members reside in communities near major airports and within their flight paths. For decades, these communities - largely Black and Brown - have endured exposure from an array of toxic pollutants produced by airport operations, adding on to the decades of environmental racism these cities and neighborhoods have faced from other sources.

SEIU USWW recognizes the detrimental health impacts on our membership and communities produced by commercial aviation's dependency on fossil fuel consumption. For years, we've fought to raise industry standards at the bargaining table, but more recently have been expanding our commitment to confronting the environmental racism and inequity that our members and their communities face as a result of this industry's continued and ever-expanding operations.

Worker & Communities Taking Action on Commercial Aviation in the LCFS

For all of these reasons, airport workers from across the state have stepped up and become involved in CARB's rulemaking for the Low Carbon Fuel Standard. In a space typically populated by industry lobbyists and business interests seeking to ensure that the program continues to work for them, hundreds of airport workers have made the trip from all over California to attend CARB meetings and workshops related to the LCFS. These members have been sharing their stories of the lived impact that the industry's emissions has had on them, their families and their communities. Our members have also been proud to stand in coalition with other frontline communities and environmental justice organizations voicing their longstanding concerns about the program.

Up to this point, CARB has appeared willing to finally take significant action to address commercial aviation's outsized and growing share of pollution, proposing an end to the exemption that conventional fossil jet fuel enjoys within the LCFS. That exemption saves the airlines an estimated \$110 to \$360 million each year on the cost of their fossil fuels¹ - a benefit in addition to the nearly \$300 million each year they save via a state sales & use tax carveout², as well as the \$23 million a year they save on jet fuel's exemption from excise taxes.³

CARB staff indicated in September of last year⁴ that their jet fuel proposal at the time was intended to cover fuel combusted in California airspace, regardless of whether or not it is from an intrastate flight or from California's portion of an interstate or international flight. Just a few months later, the proposal was scaled back significantly, limited to just fossil jet fuel used in intrastate flights.⁵

This was itself a disappointing and substantial change, as intrastate flights represent less than 6% of the overall emissions activity from aviation in California. In 2018, for instance, California's aviation sector

¹ State fuel use estimated using DoT T-100 data on available seat miles originating in state & DoT data on national airline fuel consumption for 2019

² CA Dept. of Tax and Fee Administration, Aircraft Jet Fuel - Frequently Asked Questions

³ CA Dept. of Finance, Tax Expenditure Reports, 2021-22

⁴ CA Air Resources Board, September 28, 2023 Board Meeting

⁵ Staff Report: Initial Statement of Reasons, CARB, 12/19/23

accounted for about 34 million metric tonnes of CO₂ emissions, just 2 million of which were the result of intrastate flights.

Airlines & CARB Falling Short on Even Short-Term Solutions in Sustainable Aviation

Despite the significant reduction in the scope of the proposal, we still viewed this as a great first step toward the necessary goal of finally reckoning with aviation's climate impact and the many harmful effects for workers and communities. This kind of movement was necessary and encouraging. It was also long overdue, as CARB's current approach to the industry - exemptions for the fossil fuels and LCFS credits for use of Sustainable Aviation Fuel (SAF) - has clearly not been working well enough to push aviation toward zero-emission technology or even toward significant uptake of SAF, which accounted for less than a quarter of one percent of global jet fuel use in 2023.⁶ As you know, SAF is intended to be a bridge fuel - a stopgap solution as zero emission technology develops to commercial scale in aviation. The short-term fix in aviation is itself decades away from significant adoption. This kind of outcome should surprise none of us when the industry's fossil fuels are allowed to remain exempt from the programs our state is using to achieve its climate goals. It is even less surprising when the airlines continue to enjoy hundreds of millions of dollars worth of tax breaks on those fossil fuels from our state. Returning to complete exemption in the LCFS for conventional fossil jet fuels is just more of the same approach that got us to this point.

Current Proposal Broadens CARB's Generously Hands Off Approach to Aviation

Restoring the conventional jet fuel exemption isn't the only break the industry is receiving in CARB's latest rulemaking updates. Limits on LCFS credits for biofuels derived from soybean and canola oil are added in the most recent proposal⁷, a restriction that does not appear to apply to Sustainable Aviation Fuel, which has been a credit-generating fuel in the LCFS for years. These guardrails are critical for SAF too, otherwise we risk trading one sustainability problem for another and subsidizing the industry for the privilege. Understand - this aspect of the proposal is already being described by at least one expert as having "nearly zero near-term impact."⁸ CARB is letting the airlines off the hook even for measures as modest and ineffectual as the 20% blend limit for those crop-based fuels, which speaks volumes about how much work there still is to be done.

Aviation's Growth & Missed Opportunities in California

Aviation is already a massive source of emissions in California, the full impact is just being excluded from the state's Greenhouse Gas Emissions Inventory.⁹ If all of the industry's exempted emissions were included in that inventory, commercial aviation would be the second largest emissions subcategory in the entire state, behind only the combined emissions from all on-road transportation in California.¹⁰ Based on 2019 data, this total would exceed California's entire inventory for all possible residential categories, all agriculture and forestry uses, and even exceed the sum of emissions caused by all electricity generation in the state. Not only is aviation being cut out of the meager solutions CARB is offering in this LCFS rulemaking, most of the industry's impact isn't even being acknowledged in any meaningful way in the state's own metrics.

⁶ IATA, Net Zero 2050: Sustainable Aviation Fuels Fact Sheet

⁷ Proposed Low Carbon Fuel Standard Amendments, CA Air Resources Board, 8/12/24

⁸ Murphy, Colin [@scianalysis], "The limitations on crop-based fuels (20% blend limit and no new pathways after 2030 if we meet HD ZEV targets) are useful long-term signals, but have nearly zero near-term impact." X, 8/16/24, <https://x.com/scianalysis/status/1824580188979794307>

⁹ GHG Inventory by Sector, California Air Resources Board, 2023

¹⁰ CARB, CA GHG Inventory for 2000-2020 - by Sector and Activity, 10/26/22

The FAA forecasts that aviation activity in California will increase by at least two-thirds by 2044.¹¹ NO_x emissions from aircraft are expected to increase by 30% in that time in California - with aviation being the only transportation sector whose emissions are projected to increase in that time. (On-road is projected to decline by 88% in that same span.) This is a fossil fuel industry that is already a huge problem and yet also growing very quickly. We can't afford to continue taking such a hands-off approach with aviation.

Next Steps & Opportunities for Leadership

California is now on course to forfeit a significant opportunity to demonstrate leadership on one of the most impactful industries when it comes to climate change and air quality. As a state, we are very well positioned to take a leading role in the clean energy transition of commercial aviation. We can start to reverse some of the alarming impacts this industry's operations have had on airport workers and frontline airport communities - communities that are often Black & Brown and dealing with the consequences of decades of environmental racism. The status quo will not be enough. More subsidies to an already highly subsidized industry will not be enough.

CARB must do the following:

- Reinstatement of the proposal to end the LCFS exemption for conventional jet fuel - at a minimum for intrastate California flights.
 - CARB should also continue to plan for the eventual inclusion of California's share of interstate and international flights in the LCFS as a deficit generator as well.
- Include Sustainable Aviation Fuel in any LCFS proposals concerning the sustainability of feedstock used in biofuels, such as the limitations on LCFS credits for biomass-based diesel produced from soybean and canola oils.
- Continue to find ways to set strong sustainability criteria for SAF feedstock.

Intrastate fossil jet fuel being brought into the LCFS as a deficit generator was already an extraordinarily modest proposal - scaled back significantly from earlier versions of this proposal. That CARB has backslid even further in the face of industry lobbying and threats is a profound disappointment that we still have the time to undo. Now is the time for California to step into its role as a climate leader and put workers and communities ahead of polluters in the LCFS.

Sincerely,



David Huerta
President - SEIU United Service Workers West & SEIU California

¹¹ FY2024-2044 FAA Aerospace Forecast, Federal Aviation Administration