



ALLEGHENY COUNTY AIRPORT AUTHORITY
PITTSBURGH INTERNATIONAL AIRPORT
ALLEGHENY COUNTY AIRPORT

February 26, 2024

The Honorable Janet Yellen
Secretary, United States Department of the Treasury
1500 Pennsylvania Avenue NW
Washington, DC 20220

Subject: Considerations for Coal Mine Methane (CMM) Inclusion under 45V

Dear Secretary Yellen,

Pittsburgh International Airport (PIT), serving as a primary gateway for Southwest Pennsylvania, advocates aligning the Treasury's 45V tax credit guidance with the Inflation Reduction Act (IRA) goals. Our initiative aims to secure recognition for Coal Mine Methane (CMM) and Renewable Natural Gas (RNG) as crucial to advancing the U.S. Sustainable Aviation Fuel (SAF) market. This commitment underpins our broader mission to minimize the aviation industry's carbon footprint and transition towards cleaner energy sources, aligning with global and national environmental objectives.

Addressing SAF production and adoption challenges: SAF is pivotal for the aviation industry's green transition, yet its production and sourcing face significant hurdles. The availability of sustainable resources, the complexity of SAF production pathways, and achieving economic viability are challenges to scaling SAF at cost parity with traditional fuels. The Fischer-Tropsch process is a method that converts gases into liquid fuels, including sustainable aviation fuel (SAF). The International Air Transport Association (IATA)¹ and the World Economic Forum (WEF)² emphasize the necessity for diversification in SAF production methods, supporting the Fischer-Tropsch process due to its scalability and potential efficiency. Utilizing CMM in this process is notable for its potential to lower greenhouse gas emissions compared to traditional Jet A fuel, as evidenced by Argonne National Laboratory's GREET R&D model. Recognizing CMM as a qualifying feedstock under the 45V tax credit provides a viable solution by offering an environmentally beneficial and readily available resource for SAF production.

¹ <https://www.iata.org/en/pressroom/2023-releases/2023-12-06-02/>

² <https://www.weforum.org/publications/clean-skies-for-tomorrow-sustainable-aviation-fuels-as-a-pathway-to-net-zero-aviation/>

The SAF Grand Challenge and Whole-of-Government approach: The U.S. government’s SAF Grand Challenge emphasizes a collaborative approach to support the aviation industry’s clean energy transition. Qualifying CMM under the 45V tax credit will significantly advance these goals, demonstrating a commitment to integrated policy actions that support industry transformation while addressing environmental priorities.

Navigating the restrictive criteria dilemma: We recognize the critical nature of the Treasury’s criteria for tax incentives—First Productive Use and Additionality, Causality, and Anti-Abuse Considerations—as foundational pillars yet restrictive. We contend that an overly stringent and literal interpretation would significantly hamper innovation and scalability within SAF production, particularly when employing CMM for cleaner, scalable, and cost-conscious production and adoption. A balanced interpretation that fosters innovation, particularly with CMM for SAF, is essential. Policy frameworks should evolve to support science-based feedstocks and incorporate current R&D GREET model pathways into the 45VH2-GREET model, recognizing methane venting as a baseline scenario for evaluating CMM capture benefits³. Harnessing currently unmitigated CMM from mining operations⁴ for SAF production advocates for a non-siloed, holistic system-level improvement. This approach transcends compartmentalized efforts, offering an integrated solution to environmental challenges. It aligns with the aviation industry’s mandates for cleaner energy sources. It transforms potential regulatory liabilities into collaborative, cross-sectoral opportunities that leverage environmental liabilities as critical components of the aviation industry’s clean energy transition without imposing undue financial burdens on the traveling public and small and medium businesses.

Economic implications and cost of living: The recent mandate in Singapore requiring a mere 1% SAF blend illustrates the immediate impact of such policies on airfares⁵, spotlighting the broader implications for the cost of living and economic accessibility in regions like Southwest Pennsylvania. As a member of the aviation industry and an economic generator for the Southwest Pennsylvania region, we are uniquely positioned to observe and address the disproportionate effects on medium hub airports due to airport buying power disparities. This insight underlines the critical nature of your decision regarding the 45V criteria and its potential to either enable a transformative industry shift or to perpetuate existing barriers to cleaner, more equitable aviation practices. CMM utilization for SAF production will create a widespread desire for policy frameworks that enable such innovative approaches to the aviation industry’s commitments towards lowering emissions and regional economic benefits associated with air transport, especially cargo in the Pittsburgh region, which we anticipate could generate nearly 1,000 (direct, indirect, and induced jobs), and almost \$230 million in economic impact from annual operations assuming a full occupancy⁶.

³ [Summary of Expansions and Updates in R&D GREET® 2023, December 2023](#)

⁴ [EPA Coalbed Methane Outreach Program, 2023](#)

⁵ <https://www.cnbc.com/2024/02/19/singapore-outbound-flights-to-cost-more-from-2026-over-green-fuel-requirements.html>

⁶ IMPLAN-based economic impact model developed by EBPUS, Pittsburgh International Airport
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PIT's role as an innovation catalyst: Beyond mere airport operations, PIT actively seeks to spark SAF innovation, spearheading policy advocacy and championing projects that align with SAF Grand Challenge objectives. Facing the hard-to-abate aviation sector's clean transition challenge head-on, we underscore the scarcity of available SAF pathways. By advocating for the direct inclusion of CMM under 45V incentives, we aim to broaden viable SAF options for this unique sector, a critical step for achieving its decarbonization targets. Given the compelling evidence from the Argonne GREET R&D model, we urge the Treasury to adopt a pragmatic approach in applying these criteria. Granting CMM status as a qualifying feedstock under Section 45V will markedly support the aviation industry's shift towards sustainability, marking a pivotal move towards a cleaner, more thriving future.

Sincerely,

A handwritten signature in blue ink that reads "Vincent J. Gastgeb". The signature is written in a cursive, flowing style.

Vincent J. Gastgeb
Chief Government & Corporate Affairs Officer