American Lung Association. | Celebrating 120 Years of Impact

Aviva Aron-Dine, Acting Assistant Secretary for Tax Policy
U.S. Department of Treasury
1500 Pennsylvania Avenue NW
Washington, DC 20005

Re: REG-119283-23, Section 45Y Clean Electricity Production Credit and Section 48E Clean Electricity Investment Credit

Dear Acting Assistant Secretary for Tax Policy Aron-Dine:

The American Lung Association supports the development of strong incentives to help facilitate a nationwide transition to clean, renewable energy. We offer these comments for consideration as credits for clean energy production and investment are formulated. Above all else, it is imperative that the credits are reserved for truly clean renewable energy, which the American Lung Association considers to be non-combustion energy sources. Continuing to incentivize the build-out of energy sources that will increase local air pollution will fail to achieve the maximum public health and equity benefits of the Inflation Reduction Act.

Energy sources that rely on combustion – such as coal, methane biogas or renewable natural gas, biomass and waste incineration –emit conventional air pollutants such as particulate matter, nitrogen oxides, carbon monoxide and carcinogens such as benzene and formaldehyde. Particulate matter can lodge deep within the lungs, and can cause asthma attacks, cardiovascular disease, lung cancer and even premature death. Nitrogen oxides inflame the airways and reduce lung function, and also contribute to the formation of ground-level ozone pollution, or smog.

Pollution from combustion-based sources is dangerous for everyone to breathe, and is particularly dangerous for communities living, working or playing near the fenceline or downwind of the energy source. Those fenceline communities are disproportionately people of color or low-income communities. The increases in local air pollution for these communities compound on decades of disinvestment, limited access to quality healthcare and other injustices that impact health outcomes. To fully achieve the goals of environmental justice outlined in the Inflation Reduction Act, the country must transition away from all combustion-based energy sources.

The health benefits that would come from a truly clean energy transition are massive. A 2022 report from the American Lung Association found that a transition to zero-emission non-combustion electricity and transportation would yield $1.2 trillion in public health benefits in 2050, including 110,000 lives saved, 2.7 million avoided asthma attacks and 13.4 million avoided lost workdays.[1] In addition to the public health benefits, "Zeroing In on Healthy Air" found that transitioning away from combustion-based energy and transportation would yield $1.7 trillion in climate benefits in 2050.[2] **While the use of coal has been declining in recent years, replacing coal with biomass, waste burning or sources that use any category of methane "natural" gas are false solutions.**[3] The health benefits outlined here will only be realized with a full transition to non-combustion energy.

In comments to the IRS in November 2022 on Inflation Reduction Act implementation, the American Lung Association and Physicians for Social Responsibility also urged the calculation of greenhouse gas emissions across the lifecycle of the covered facility, including extraction, refining and transportation. When it comes to biomass, for example, the full carbon impacts should be taken into account including the heavy carbon footprint of wood pellet production. Biomass power plants actually emit more carbon from their stacks than coal-fired plants per megawatt hour, with offsite, uncaptured emissions accounting for approximately 60% of stack emissions.[4]

To maximize the public health and equity benefits of the Inflation Reduction Act, tax credits should whenever possible prioritize truly clean, non-combustion sources of electricity and zero-emission transportation. Technologies that reduce greenhouse gas emissions but still emit harmful conventional air pollution are a missed opportunity to improve public health.

Sincerely,

Harold Wimmer
President and CEO

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[1] American Lung Association. "Zeroing in on Healthy Air", March 2022. https://www.lung.org/clean-air/electric-vehicle-report/zeroing-in-on-healthy-air

[2] Ibid

[3] U.S. Energy Information Administration, *Monthly Energy Review* and *Electric Power Monthly*, February 2024. Accessed at https://www.eia.gov/energyexplained/electricity/electricity-in-the-us.php

[4] Natural Resources Defense Council, "A Bad Biomass Bet: Why the Leading Approach to Biomass Energy with Carbon Capture and Storage Isn't Carbon Negative", October 21. https://www.nrdc.org/resources/bad-biomass-bet-why-leading-approach-biomass-energy-carbon-capture-and-storage-isnt