







The Hon. John Podesta Senior Advisor to the President for Clean Energy Innovation and Implementation The White House 1600 Pennsylvania Avenue, N.W. Washington, D.C. 20500

September 19, 2023

Dear Advisor Podesta,

Clean Fuels Alliance America, the American Soybean Association, the U.S. Canola Association, and the National Oilseed Processors Association are the primary trade associations representing the clean fuels industry and its value chain. Our combined memberships represent American farmers, oilseed processors, and domestic producers of biodiesel, renewable diesel, and sustainable aviation fuel (SAF).

In 2020, the clean fuels industry established a vision to sustainably produce 6 billion gallons of biodiesel, renewable diesel, and SAF on an annual basis by the end of this decade. This year, the industry is on a trajectory to produce 4 billion gallons of these fuels. We are racing to realize our vision ahead of schedule and meet the growing consumer and commercial demand for cleaner, better fuels, and to meet the Administration's Grand Challenge to add 3 billion gallons of SAF to America's fuel mix by 2030.

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Advanced biofuel producers have announced plans to ramp up SAF production to more than 1 billion gallons in the next three years, with U.S. soybean and canola farmers and processors standing ready to meet feedstock demands. Our producer members have invested \$3.8 billion in new construction or optimization of facilities. Our farmer and processor members and others have invested \$6 billion to expand or build new oilseed processing capacity in 10 U.S. states. These investments will add millions of pounds of renewable, low-carbon feedstock while creating thousands of jobs – including in construction – as well as new economic opportunities for rural communities and American farmers.

As you know, the Treasury Department is developing guidance and rules implementing the new, enhanced SAF tax credit created by the Inflation Reduction Act. The value of the credit will be determined by the carbon intensity of the fuel, making the method of measuring emissions a key component. The Act provides an option of using an emissions model created by the International Civil Aviation Organization (ICAO) or any similar methodology that satisfies greenhouse gas emissions criteria long established in the Clean Air Act.

The ICAO model uses old, inaccurate farming practices data that would effectively prevent sustainable aviation fuels made from crops such as soybean and canola oil from qualifying for the credit. It's inconceivable that Congress would create, or Treasury would implement, a clean energy incentive that would rely solely on an outdated UN model that arbitrarily discriminates against U.S. farmers and their feedstocks. Making use of the Department of Energy's Argonne National Laboratory model will ensure that advanced biofuel producers and America's farmers are contributing to this emerging market and are delivering meaningful carbon reductions in the aviation industry. The aggressive environmental and volumetric goals of the Sustainable Aviation Fuel Grand Challenge Roadmap will not be met without the innovative technologies and feedstocks emanating from American agriculture.

The SAF Grand Challenge acknowledges that 90% of announced SAF projects that plan to go into operation by 2030 will come from our industry. It also explicitly recognizes that expanded use of soybean and canola oil will make up the vast majority of feedstock in achieving the Grand Challenge goal.

Therefore, we urge the Administration to explicitly recognize the most recent version of the Argonne National Laboratory's Greenhouse Gases, Regulated Emissions, and Energy Use in Transportation (GREET) model as the "similar methodology" option for determining eligibility for the SAF credit. Our members

have worked closely with Argonne – even contributing confidential business information about their processes – to ensure that the GREET model is the most accurate and up-to-date carbon lifecycle assessment tool. The GREET model is the gold standard for lifecycle assessments.

U.S. producers of SAF and their partners in farming and oilseed processing should be able to rely on the GREET model to calculate the value of SAF credits. Without this, our combined members and others in the industry may not be able to follow through on investments in SAF production.

On behalf of the members of ASA, Clean Fuels, NOPA, and U.S. Canola, thank you for your consideration,

Steve Censky American Soybean Association

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CC:

Hon. Janet Yellen, Sec. of the U.S. Treasury Hon. Tom Vilsack, Sec. of Agriculture Hon. Jennifer Granholm, Sec. of Energy Hon. Michael Regan, EPA Administrator

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