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GrowthEnergy.org

November 22, 2019

The Honorable Kathy Castor  
Chair  
U.S. House Select Committee on the Climate Crisis  
H2-359 Ford Building  
Washington, DC 20515

Dear Chair Castor:

Growth Energy respectfully submits these comments in response to the committee's request to provide perspectives on how to best reduce carbon emissions and address the challenge of climate change. Growth Energy is the world's largest association of biofuel producers, representing 103 U.S. plants that produce almost 9 billion gallons of ethanol each year; 94 businesses associated with the production process; and tens of thousands of biofuel supporters around the country.

We believe that biofuels like ethanol are a key part of any effort to address this pressing problem, and appreciate the opportunity to present our recommendations to the questions posed by the committee.

**1. What policies should Congress adopt to decarbonize the following sectors consistent with meeting or exceeding net-zero emissions by mid-century? Where possible, please provide analytical support that demonstrates that the recommended policies achieve the goal.**

Growth Energy is best positioned to provide our perspective on how to decarbonize the transportation sector. Our primary recommendation is to utilize biofuels like ethanol to further reduce carbon emissions in the U.S. economy. As you look to reduce the carbon intensity of the transportation sector, biofuels can continue to play a key role in this transition. They reduce greenhouse gas emissions by [39 percent](#) compared to traditional petroleum fuels, and so with every drop they are reducing carbon in our nation's transportation fuel system. Additionally, higher octane, midlevel blends allow automakers to produce smaller, higher compression engines that increase efficiency and even further reduce greenhouse gas emissions.

We strongly encourage you to protect and undertake policies that will make biofuels a key component in ensuring that the vehicles of today, and of the future, use lower carbon fuels. The Renewable Fuel Standard (RFS) has been one of the most successful carbon-reducing programs to date. The program requires increasing levels of renewable fuel blending each year – renewable fuels which must clearly demonstrate meaningful greenhouse gas reductions. The program also continues to encourage innovation by providing incentives for cellulosic biofuel production as well. The committee should also examine policies that increase the octane level of future fuels. Higher octane fuels, such as those

found in midlevel ethanol blends, can be used by automakers to make engines more efficient and reduce not only greenhouse gas emissions, but harmful air toxics as well.

**2. What policies should Congress adopt to ensure that the United States is a leader in innovative manufacturing clean technologies; creating new, family-sustaining jobs in these sectors; and supporting workers during the decarbonization transition?**

As Congress works to address climate change, it is important that solutions in the transportation sector focus not on specific technologies, but rather on solutions that are the best at reducing carbon emissions. Part of that consideration needs to be cost of deployment and accessibility of solutions. Ethanol is a ready-made option that can reduce carbon emissions today, and do so at a cost that is lower than traditional petroleum-based gasoline.

In addition, the RFS is a policy already on the books that has proven to be a driver in innovative technologies to address climate change, creating a sustainable industry that supports good jobs throughout America. We encourage Congress to keep this policy in place to continue developing innovative low carbon liquid fuels.

**3. What policies should Congress adopt to ensure that environmental justice is integral to any plan to decarbonize these sectors?**

As Congress looks at how to tackle the challenge of reducing the carbon intensity of transportation fuels, it must provide lower-income Americans with economical and readily-accessible solutions. As an example, the primary mechanisms to address transportation emissions are vehicles and fuels. Many of the options available hold great promise to address the issues in the transportation sector, but they may require additional time for research, development, and deployment. To best address this issue, we need to start with solutions we have today. We believe one of the options should be utilizing ethanol, which is already a low cost, low carbon alternative to petroleum available at over 2,000 gas stations throughout the country. Consumers will need vehicle options that work for Americans of all income levels and geographic locations. One of these must be higher efficiency internal combustion engines that utilize a higher level of a low carbon fuel, like ethanol.

**4. Carbon Pricing:**

- a. What role should carbon pricing play in any national climate action plan to meet or exceed net zero by mid-century, while also minimizing impacts to low- and middle-income families, creating family-sustaining jobs, and advancing environmental justice? Where possible, please provide analytical support to show that the recommended policies achieve these goals.**

Many of our members participate in California's Low Carbon Fuel Standard, a state-driven program to decrease the carbon intensity of fuels in California. What we have seen over time is that as the program has taken hold, the need for ready-made, low cost solutions like biofuels has become more important. Right now, 70 percent of carbon credits generated in California are from biofuels, and California is looking at higher level ethanol blends to move the carbon intensity of fuels even lower. Having a diversity of options and solutions is key to the success of a carbon pricing mechanism like the LCFS. And having options that are lower cost than petroleum fuels – like ethanol – is critically important to minimizing impacts to low- and middle-income families.

**b. How could sectoral-specific policies, outlined in questions 1-3, complement a carbon pricing program?**

We think a sectoral policy, like the RFS, can be incredibly beneficial. We have seen the RFS drive ethanol producers to produce lower carbon liquid fuels, and to invest in industrial processes of producing fuel that have the dual benefit of saving consumers money and lowering the carbon intensity of liquid fuels.

**5. Innovation:**

**a. Where should Congress focus an innovation agenda for climate solutions? Please identify specific areas for federal investment and, where possible, recommend the scale of investment needed to achieve results in research, development and deployment.**

Congress needs to support innovations in a variety of solutions that can address transportation sector emissions, including research and development on options with low carbon liquid fuels. One of the best examples of existing research in this space is the Department of Energy's Co-Optima project, which aims to synthesize high quality fuels with high quality engines.

**b. How can Congress incentivize more public-private partnerships and encourage more private investment in clean energy innovation?**

Our industry has found that long-term, results oriented policies like the RFS provide industry with a time horizon needed to make the investments to meet the goals of the policy. One thing we would caution would be limiting the ability of executive agencies to undermine the policy solution. We have had several issues with EPA's administration of the RFS, which have seemingly been designed to limit the ability of low carbon liquid fuels to replace petroleum based fuels. Any options recommended by the committee should be done in a way to limit administrative fiat to roll back the goals of Congress.

**6. What policies should Congress adopt to reduce carbon pollution and other greenhouse gas emissions and maximize carbon storage in agriculture?**

The ethanol industry's interaction with agriculture is quite broad, and our lifecycle carbon intensity is about a half to two-thirds impacted by farming practices. We would encourage the committee to recommend approaches that compensate farmers for voluntary conservation practices that reduce the land impact of farming. It is also worth noting that many farmers have adopted new conservation practices to conserve land and soil resources, but the science around assessing these impacts is just starting to catch up. In particular, we have seen the California Air Resources Board reduce their land use penalties for agriculture by a third in the past several years because of improvements in impact assessments.

**7. What policies should Congress adopt to help farmers, ranchers, and natural resource managers adapt to the impacts of climate change?**

Growth Energy recommends that the committee follow the advice of groups that represent agricultural producers. Our primary concern is that these policies take into account the need to ensure that we continue to meet our pressing needs for food, fuel, and fiber from agricultural lands.

**8. How should Congress update the laws governing management of federal lands, forests, and oceans to accelerate climate adaptation, reduce greenhouse gas emissions and maximize carbon storage?**

Growth Energy does not have a recommendation on this question.

**9. What policies should Congress adopt to reduce emissions of non-CO2 greenhouse gases, including methane, nitrous oxide, and fluorinated gases?**

We believe that the committee should also consider the broader impact of improvements in air quality. Ethanol reduces toxic air emissions considerably because it replaces the need for benzene, toluene, and xylene – which are petroleum-derived fuel oxygenate sources that are all known to be hazardous to human health. We encourage the committee examine ways to limit these compounds in fuel to improve human health. We specifically recommend the committee consider reducing the maximum percentage of aromatics, which are limited in reformulated gasoline (RFG) areas even further, and extend that reduction to all liquid fuels.

**10. How can Congress accelerate development and deployment of carbon removal technology to help achieve negative emissions?**

The ethanol industry widely captures its biogenic carbon for use in enhanced oil recovery and food and beverage purposes. To expand carbon capture, there needs to be a long-term incentive like the tax incentive found in section 45Q of the tax code. Further, Congress needs to address the current uncertainty around how to best transport this carbon, which will likely require legislation to address the questions around pipeline capacity.

**11. What policies should Congress adopt to help communities become more resilient in response to climate change? The Select Committee welcomes all ideas on resilience and adaptation but requests comments on three specific questions:**

- a. What adjustments to federal disaster policies should Congress consider to reduce the risks and costs of extreme weather and other effects of climate change that can no longer be avoided?**

Growth Energy does not have a recommendation to this question.

- b. How can Congress better identify and reduce climate risks for front-line communities, including ensuring that low and moderate-income populations and communities that suffer from racial discrimination can effectively grapple with climate change?**

We would like to reiterate earlier responses we provided that focus on having multiple options available in addressing carbon emissions from the transportation sector to help minimize the

impact on low- and moderate-income populations. If technologies to address climate change are not accessible for those who struggle financially, the impact will be muted.

- c. What standards and codes should Congress consider for the built environment to ensure federally-supported buildings and infrastructure are built to withstand the current and projected effects of climate change?**

Growth Energy does not have a recommendation to this question.

- 12. Our understanding and response to the climate crisis has relied on U.S. climate observations, monitoring and research, including regular assessment reports such as the National Climate Assessment. What policies should Congress adopt to maintain and expand these efforts in order to support solutions to the climate crisis and provide decisionmakers – and the American people – with the information they need? Where possible, recommend the scale of investment needed to achieve results.**

We would urge the committee to utilize government-based, objective metrics for assessing the impact of technology when it comes to their impact on the environment. There needs to be an accurate climate assessment and measurement of climate impact. The Department of Energy's Greenhouse Gases, Regulated Emissions, and Energy Use in Transportation (GREET) Model by Argonne National Laboratory is an example of an objective source of transportation emissions impact data, and we recommend the committee use this model to assess the impact of transportation sector emissions.

- 13. The climate crisis requires a global response. U.S. leadership is critical for successful global solutions. What policies should Congress adopt to support international action on the climate crisis?**

A growing number of countries are using biofuels like ethanol to address climate and human health concerns. In fact, many countries specifically list biofuels as a primary way they intend to meet their obligations under the Paris Climate Accord. We believe that Congress should follow these countries in including biofuels as a way to meet our climate goals.

Thank you again for the opportunity to provide our comments and our feedback on this request. Should you have any further questions of comments, please contact John Fuher of the Growth Energy staff at [jfuher@growthenergy.org](mailto:jfuher@growthenergy.org).

Sincerely,



Emily Skor, CEO  
Growth Energy