

September 12, 2021

The Honorable Nancy Pelosi
Speaker
U.S. House of Representatives
Washington, D.C. 20515

The Honorable Chuck Schumer
Majority Leader
U.S. Senate
Washington, D.C., 20510

Dear Speaker Pelosi and Majority Leader Schumer:

We are writing to request that current legislative proposals to encourage development of sustainable aviation fuel (SAF) under consideration for inclusion in budget reconciliation and the FY22 National Defense Authorization Act (NDAA) be amended to rely on the most updated and accurate science-based lifecycle carbon assessment (LCA) methods and to permit the use of SAF derived from agricultural feedstocks.

Numerous members of our respective organizations are poised to produce SAF or sustainable feedstocks for SAF. Many others are working toward participation in the full value chain in the relatively near future. Because biomass feedstocks are essential SAF sources, it is imperative that tax credits and other programs properly account for the lifecycle emissions of these sources and the petroleum products these new fuels will replace.

Just last week, the White House convened a group of over 150 stakeholders where National Climate Advisor Gina McCarthy and Secretaries Vilsack, Buttigieg and Granholm announced a goal of reducing aviation emissions 20% by 2030. Notably, Secretary Vilsack said, *“USDA and American agriculture will make sustainable aviation possible in concert with our federal and industry partners and their stakeholders.”*

Unfortunately, the reconciliation packages for the House Ways and Means Committee and the House Transportation and Infrastructure (T&I) Committee, as well as the FY22 NDAA, would exclude SAF derived from agricultural feedstocks from incentive programs and ensure that the Administration’s vision for reducing aviation emissions and the cited opportunities for American agriculture are not realized. Instead, SAF blend stock from Brazil, Singapore and elsewhere will be subsidized by U.S. taxpayers, while U.S. producers and farmers are shut out.

In the case of the NDAA bill, there is an explicit exclusion from an SAF pilot program. In the case of Ways and Means and T&I, the Committees require the use of a model from the International Civil Aviation Organization (ICAO), a United Nations agency, to measure the carbon intensity of various fuels that is inaccurate and effectively excludes agriculture based biofuels from these Federal incentive programs.

- The science within this ICAO model is severely outdated and data is 10-15 years old. It fails to accurately account for on-farm carbon reduction activities as well as production and efficiency improvements in biofuel production.
- These changes are well-recognized in the U.S. by the Department of Energy’s (DOE) GREET model, which is the state of the art model used globally to measure life cycle greenhouse gas emissions from transportation.

- DOE has the best resources, expertise, and current ability to assess lifecycle emissions fairly and scientifically.
- Congress should be using a U.S.-based lifecycle emissions model when determining U.S.-based tax incentives.

Although the Ways and Means reconciliation text allows the option for DOE to be involved in conducting LCA with EPA, Ways and Means requires any U.S.-based LCA to “meet the requirements” of ICAO, and T&I requires any U.S.-based LCA to be “as stringent as” the ICAO model. This language could be interpreted to require the use of the ICAO methodology in lieu of DOE’s more robust data and modeling approach.

Additionally, the T&I text does not include DOE in the process and relies exclusively on EPA. Unlike the DOE, EPA does not maintain a regularly updated LCA model or methodology for biofuels.

- Notably EPA’s most recent comprehensive analysis for biofuels was conducted more than a decade ago in 2009. It does not reflect or capture the continuous improvement that has been witnessed over the past decade in on-farm carbon emissions reductions or the technology and efficiency improvements in biofuel production. As climate-smart agriculture practices continue to improve and expand and as new fuel production technologies for SAF are developed and scaled to market, a regularly-updated LCA is essential to the success of any SAF program and its ability to incentivize new fuels and reduce emissions.

If this country is to meet our carbon reduction goals, these flaws must be addressed. SAF derived from agricultural biomass feedstocks must be eligible for any Federal program, including those authorized in the NDAA. And, the Ways and Means and T&I reconciliation proposals should provide for a DOE-led LCA, unencumbered by ICAO, utilizing USDA expertise on agriculture feedstocks.

Without a change in these three bills before the House of Representatives, U.S. biofuel producers will not be able to participate in the SAF market, rural communities will be locked out from contributing to a cleaner climate, and our nation’s ability to decarbonize the airline fleet will suffer. Thank you for your leadership and consideration.

Respectfully,

Advanced Biofuels Business Council
American Farm Bureau Federation
American Soybean Association
Growth Energy
National Biodiesel Board
National Corn Growers Association
National Farmers Union
National Sorghum Producers
Renewable Fuels Association