



May 20, 2021

The Honorable Brad Schneider
United States House of Representatives
300 Cannon House Office Building
Washington, D.C. 20515

The Honorable Dan Kildee
United States House of Representatives
200 Cannon House Office Building
Washington, D.C. 20515

The Honorable Julia Brownley
United States House of Representatives
2262 Rayburn House Office Building
Washington, D.C. 20515

Dear Representatives Schneider, Kildee, and Brownley:

As fuel producers and organizations committed to the development of a robust sustainable aviation fuel (SAF) industry to help decarbonize the aviation industry with drop-in, low-carbon replacements for conventional aviation fuels, we write to express our strong support for the Sustainable Skies Act. The legislation will send a needed long-term investment signal to help scale the SAF industry, will address existing policy disincentives currently limiting SAF deployment and investment, and, most importantly, will meaningfully reduce aviation's climate and air quality impacts while driving economic growth.

Renewed focus on addressing greenhouse gas emission reductions in hard to decarbonize sectors by Congress and the Biden Administration through an infrastructure package or other legislative vehicle is good policy. We commend Reps. Schneider (D-IL), Kildee (D-MI), and Brownley (D-CA) for taking a leadership role in developing a smart and practical legislative proposal through the introduction of their SAF Blender's Tax Credit (BTC), which is broadly consistent with the inclusion of a SAF BTC in President Biden's "Made in America Tax Plan."

The SAF BTC language is the result of taking a thoughtful approach and conducting significant stakeholder outreach. The technology- and feedstock-neutral performance-based standard creates a level playing field and incentivizes SAF producers to achieve higher greenhouse gas reductions, while also delivering significant air quality benefits to communities living near airports that are disproportionately burdened by air pollution. In recent modeling of the impact of a SAF BTC, the National Renewable Energy Laboratory (NREL) concluded that a SAF BTC could reduce annual aviation GHG emissions by up to 48 million tons by 2040 and drive the establishment of a free-standing domestic SAF industry after the sunset of the proposed credit. A broad coalition of

environmental groups also endorsed consideration of a SAF-specific tax credit in their February 22nd letter to Congressional leaders.

The aviation sector faces unique challenges as it tries to meet its ambitious climate goals, as the sector cannot be easily electrified and will be dependent on liquid fuels for the medium to long-term, especially for long haul flights that account for the majority of aviation's GHG emissions. While other complementary policies will be needed to decarbonize the aviation sector, the SAF BTC is one of the most effective tools to significantly reduce emissions in the near, medium, and long-term, as SAF is widely expected to be the largest contributor to aviation decarbonization.

We thank Representatives Schneider, Kildee, and Brownley and your staff for the work that went into the development of the SAF BTC, and we stand ready to assist you in making this impactful legislation into law.

Sincerely,

Algae Biomass Organization
Biotechnology Industry Organization
Gevo
Fulcrum BioEnergy
LanzaTech
LanzaJet
Neste
Red Rock Biofuels
SkyNRG Americas
Velocys
Virent
World Energy

Cc: The Honorable Charles Schumer, Senate Majority Leader
The Honorable Mitch McConnell, Senate Minority Leader
The Honorable Nancy Pelosi, Speaker of the House
The Honorable Kevin McCarthy, House Minority Leader