



Clean Fuels

ALLIANCE AMERICA

June 22, 2021

The Honorable Nancy Pelosi
Speaker of the U.S. House
1236 Longworth House Office Building
Washington, DC 20515

The Hon. Charles Schumer
Senate Democratic Majority Leader
322 Hart Senate Office Building
Washington, DC 20510

The Honorable Kevin McCarthy
U.S. House Republican Leader
2468 Rayburn House Office Building
Washington, DC 20515

The Hon. Mitch McConnell
Senate Republican Minority Leader
317 Russell Senate Office Building
Washington, DC 20510

Dear Speaker Pelosi, Minority Leader McCarthy, Majority Leader Schumer, and Minority Leader McConnell,

As Congress develops legislation to address the nation's infrastructure, climate and economic priorities, we ask that you support continued growth of the biodiesel and renewable diesel industry. U.S. biodiesel and renewable diesel producers are meeting America's need for better, cleaner transportation fuels right now. We are also generating economic, environmental and health benefits for many states and communities.

In 2018, the U.S. transportation sector used 2.6 billion gallons of biodiesel and renewable diesel, supporting more than 65,000 jobs and \$17 billion in domestic economic opportunity. In 2020, the market grew to 3 billion gallons. Every 100-million-gallon increase in production supports 3,200 additional U.S. jobs and \$780 million in new economic development. Moreover, biodiesel production supports 13% of the value of every bushel of U.S. soybeans. We believe the industry can sustainably grow to 6 billion gallons by 2030.

Biodiesel and renewable diesel are drop-in fuels for today's diesel engines; by directly displacing petroleum they reduce carbon emissions by 74% on average. For example, these advanced biofuels generate more than 45 percent of the carbon credits in California's Low-Carbon Fuel Standard and Oregon's Clean Fuel Program each year. In 2020, California used biomass-based diesel to meet 23.6% of its needs for diesel fuel. Many cities large and small, including New York City, rely on biodiesel to fuel fleets and heat buildings to meet state and local carbon goals.

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Biodiesel substantially reduces particulate matter emissions in both transportation and heating oil. Reducing these harmful emissions can lower lifetime cancer burdens, annual asthma attacks and premature deaths for many communities. The National Biodiesel Board recently launched a report quantifying the health benefits of replacing petroleum diesel with biodiesel in U.S. communities adjacent to heavy-duty transportation corridors. The study quantifies these benefits in terms of saved hospital visits and longer lives, finding a potential \$1.7 billion in savings and 192 avoided premature deaths each year for communities surrounding the Port of Los Angeles/Long Beach. For the Bronx, the study highlighted a potential 83% reduction in cancer burdens for households that rely on oil heat.

We applaud bipartisan proposals to support the continued growth of our industry and ask that you include them in any legislation addressing climate change, economic stimulus, or infrastructure.

1. Please support the bipartisan, bicameral proposal to extend the biodiesel tax credit through 2025 (S 1806/HR 3472).
 - a. In 2020, U.S. demand for biodiesel and renewable diesel increased by nearly 200 million gallons even while the coronavirus pandemic reduced overall demand for transportation. Extending the credit will support continued growth as well as the emergence of new advanced biofuels, such as sustainable aviation fuel.
2. Support the bipartisan Renewable Fuel Infrastructure Investment and Market Expansion Act of 2021 (S 227/HR 1542).
 - a. This legislation will continue USDA's efforts to increase U.S. consumers' access to renewable, low-carbon fuels by sharing costs for new blending terminals and other infrastructure.
3. Optimize the Renewable Fuel Standard to achieve carbon emission reductions.
 - a. Since 2010, biodiesel and renewable diesel have cut more than 140 million metric tons of carbon from the U.S. transportation sector. But the RFS's advanced biofuel and biomass-based diesel volumes have not kept pace with the biodiesel industry's recent growth. Congress must encourage the Environmental Protection Agency to ensure growth for biomass-based diesel through 2030, issue annual rules in a timely manner, approve new feedstocks and pathways, and ensure science-based lifecycle scores. Any new legislation aimed at reducing carbon should build on the RFS, rather than replace it.
4. Include funding for USDA's Biodiesel Fuel Education Program in annual appropriations.
 - a. From 2014 to 2018, NBB leveraged \$3.6 million in grants from the Farm Bill-authorized Biodiesel Fuel Education Program to raise \$17 million in private funds to promote biodiesel's sustainability attributes, provide technical assistance to original equipment manufacturers,

develop fuel quality assurance programs, and promote biodiesel blending in home heating oil.

Sincerely,







