

President Joe Biden The White House 1600 Pennsylvania Avenue, N.W. Washington, D.C. 20500

July 13, 2022

Dear Mr. President,

On June 28, Secretary of Energy Jennifer Granholm released the 2022 U.S. Energy and Employment Report (USEER). The study shows that the energy sector – particularly the clean energy sector - led our country's economic recovery in 2021 by adding jobs at a faster pace than the overall economy. It also shows that 40% of the energy workforce more than 3 million Americans – are employed in energy segments that are central to achieving your administration's emission reduction goals.

As part of the net-zero-aligned energy sectors, the biodiesel and renewable diesel industry added jobs, growing by 6.7% according to the report. The clean fuels industry increased production during 2021, making an essential contribution to the nation's fuel supply. Our industry plans to continue increasing production this year. The report documents anticipated associated manufacturing job growth of 5.8% for our industry in 2022.

America's biodiesel and renewable diesel producers today meet more than 5% of the nation's demand for on-road heavy-duty fuels. According to a recent study by World Agricultural Economic and Environmental Services, these better, cleaner options save drivers 4% on the price of diesel fuel, or \$0.23 per gallon at current prices.<sup>2</sup> These fuels are essential to keeping food and other consumer items moving across the country and are keeping diesel prices from rising even higher during the current shortage.

Moreover, these fuels are here today, making measurable contributions to the nation's environmental health. A recent analysis from Capital Policy Analytics values the carbon and particulate matter emission reductions achieved by using biodiesel and renewable diesel at \$3.79 per gallon.<sup>3</sup>

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<sup>&</sup>lt;sup>1</sup> Keyser, D. et al. United States Energy & Employment Report 2022. Washington, DC: Department of Energy Office of Policy, Office of Energy Jobs, June 2022.

<sup>&</sup>lt;sup>2</sup> Kruse, J. "The Offsetting Impact of Expanded Biomass Based Diesel Production on Diesel Prices." Columbia, MO: WAEES, April 2022.

<sup>&</sup>lt;sup>3</sup> Brannon, I., Kashian, R., Winden, M. "The Economic Benefits of the Biodiesel Blenders' Credit." Washington, DC: Capital Policy Analytics, Dec. 2021.

Our industry is investing billions to expand production of biodiesel, renewable diesel and sustainable aviation fuel to provide consumers clean fuels and contribute to the nation's emissions reductions goals. Our partners in the agriculture industry are investing more than \$4 billion to expand the supply of renewable oils for both food and clean fuels.

The domestic production of low-carbon biodiesel and renewable diesel provides good-paying jobs, adds value for America's farmers, lowers prices at the pump by extending the energy supply, and reduces carbon emissions on average by 74% compared with petroleum diesel. Maintaining growth in domestic on-road clean fuel capacity and associated societal benefits will require additional investments. To ensure policy certainty, we ask that you support bipartisan, bicameral, proposals – such as the Biodiesel Tax Credit Extension Act of 2021 (S.1806/H.R.3472) – to provide a long-term extension of tax incentives for biodiesel and renewable diesel.

Thank you for your consideration,

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