

March 21, 2024

The Honorable Janet Yellen
Secretary of the U.S. Department of the Treasury
1500 Pennsylvania Ave. NW
Washington DC 20220

RE: GREET and Sustainable Aviation Fuel (SAF) Credit Eligibility

Secretary Yellen,

We, the undersigned, are writing to encourage the administration to quickly resolve any questions impeding the formal adoption of the U.S. Department of Energy's GREET model ("modified GREET") as a "similar methodology" under the Inflation Reduction Act (IRA) Section 40B(e).

We are disappointed that the administration did not fulfill its [commitment](#) to release a modified GREET model by March 1, but we appreciate the importance of getting the modeling right. At the same time, we caution against contradictory changes to GREET that would stack unwarranted penalties on agricultural feedstocks, cut rural America out of a promising green energy market, and undermine any realistic path to achieving U.S. SAF goals.

It is our understanding that the delay was caused by questions about both indirect land use change (ILUC) and climate smart agriculture (CSA). While there is uncertainty around measuring climate impacts for all types of energy practices, we are concerned about the potential for a double standard as it relates to accounting for ILUC and CSA.

The administration is reportedly ready to move forward on "40B ILUC" notwithstanding the fact that ILUC is [unverifiable and extraordinarily uncertain](#), and according to peer-reviewed analysis of empirical data, may [not have any causal correlation](#) to biofuel production. In stark contrast to ILUC, the causal relationship between on-farm practices and carbon is clear, CSA practices are observable and verifiable, and uncertainty will resolve over time. Fully crediting CSA practices under 40B is imperative, particularly if speculative and unverifiable penalties against agricultural feedstocks are maintained.

The practice of accounting for on-farm and other upstream practices is evolving quickly with the global advance of climate policy, and offering credit under 40B for climate smart land practices is highly defensible. For example, data management goes hand in hand with conservation and precision farming, often in concert with programs sponsored by U.S. agricultural agencies. And, the International Sustainability and Carbon Certification (ISCC) maintains a [public database](#) of the extensive number of accounting firms conducting carbon intensity (CI) supply-chain certifications.

We appreciate the administration's commitment to enlisting America's farmers and biorefiners in the effort ramp up SAF production. If done right, the program could unleash a new wave of innovation and prosperity across America's heartland. Failing to value regenerative and CSA advancements, as well as the full suite of biorefining innovations cited in guidance to date, would leave substantial carbon emissions reductions on the table and represent a missed opportunity to

energize these promising sectors. A consistent approach to ILUC and CSA is a vital part of giving farmers and SAF producers a credible, durable, and predictable framework for making the commitments necessary to effectuate IRA and the SAF Grand Challenge.

Thank you for your work on this important issue.

Sincerely,



