



July 17, 2015

The Honorable Orrin G. Hatch
Chairman
Committee on Finance
United States Senate
219 Dirksen Senate Office Building
Washington, D.C. 20510

The Honorable Ron Wyden
Ranking Member
Committee on Finance
United States Senate
219 Dirksen Senate Office Building
Washington, D.C. 20510

Dear Chairman Hatch and Ranking Member Wyden:

As the Senate Finance Committee prepares to hold a markup on tax extenders, we encourage you to extend the suite of critical advanced biofuels tax incentives – the Second Generation Biofuel Producer Tax Credit, the Special Depreciation Allowance for Second Generation Biofuel Plant Property, the Biodiesel and Renewable Diesel Fuels Credit, and the Alternative Fuel and Alternative Fuel Mixture Excise Tax Credit.

Unfortunately, these credits expired on December 31, 2014, chilling investment for producers of advanced biofuels. These credits stimulate investment and growth of clean energy development and deployment and are vital to ongoing development of the advanced biofuels industry. To ensure stability and growth for advanced biofuels we encourage Congress to extend these provisions for multiple years, and make them retroactive to the beginning of this year.

The advanced biofuels industry is at a critical stage in development. Last year, several new, commercial scale advanced biofuel facilities began operations and, despite a difficult financial market, the industry continues to make progress on dozens of additional projects. Advanced biofuel tax credits have moved these projects to commercial production by reducing the cost of production and by developing first-of-kind technologies to deploy the most innovative fuel in the world.

As leaders in a critical innovation sector in the United States, we are well aware of the financial constraints facing this country. However, the United States' global competitors are offering tax incentives for advanced biofuels and are attracting construction of new facilities. We encourage Congress to continue the development of these homegrown technologies urge extension of these credits. Furthermore, domestic biofuel producers are competing with incumbent fossil energy industries who continue to enjoy tax incentives and other subsidies on a permanent basis.

In the interest of energy security, job creation, global competitiveness, and forward-looking policy, we urge you to move quickly to extend expired advanced biofuel tax provisions for multiple years retroactive to January 1, 2015. We look forward to working with you on this important matter.