

The Honorable Tom Carper
Chair, Environment and Public Works
United States Senate
513 Hart Senate Office Building
Washington DC 20515

The Honorable Shelley Moore Capito
Ranking Member, Environment and Public Works
United States Senate
172 Russell Senate Office Building
Washington DC 20515

Dear Chairman Carper and Ranking Member Capito,

The undersigned organizations write to respectfully encourage immediate action by Congress to begin the process that will lead to greater decarbonization of the transportation fuel sector. As the Committee holds this hearing, *The Environmental Protection Agency's Renewable Fuel Standard Program: Challenges and Opportunities*, it is our hope there will be recognition that a national clean fuels policy can help to achieve the goals set forward to decarbonize the transportation sector. We support a national goal of net-zero greenhouse gas emissions economy-wide not later than 2050.

We believe a strong national clean fuels policy is a critical complement to ongoing efforts by the Administration and Congress to reduce greenhouse gas emissions and air pollution from the transportation sector by 2050. Given recent research showing the need for climate action this decade to avoid the worst consequences of climate change and the imperative to reduce the disproportionate public health burdens that have been borne by many frontline communities for decades, we believe that action in the 117th Congress is urgently needed to attain this goal.

The good news is that there is a common-sense solution to build upon the current federal approach to transportation fuels policy. A solution that is already proving successful in states like California and Oregon, it is called a "clean fuel standard (CFS)." A CFS is a market-based policy that supports a portfolio of clean transportation fuels. It ensures that transportation fuels are continually less carbon intensive from year-to-year. As we have seen in California, by not picking winners and losers, a CFS allows the marketplace to determine which fuel sources are the most effective at reducing carbon emissions.

A strong national clean fuels policy, built on a foundation put forward by the Midwest Clean Fuels standard framework, the California LCFS, the Oregon CFS, the CFS being implemented in Washington, along with policies under consideration in many other states, would send clear near-term and long-term market signals that will incentivize all low-carbon fuels and vehicle technologies, and that will disincentivize high-carbon fuels.

These programs all provide a common-sense solution to the problem of high-carbon fuels. They provide a fuel-neutral, technology-agnostic, market-based mechanism that accelerates investment in low-carbon fuels, infrastructure, and vehicles. This approach does not prohibit any particular fuel or technology. Instead, it allows the marketplace to determine which fuel sources are the most effective at reducing carbon emissions in each location.

A forward-looking program, like a CFS, will encourage rapidly growing investment in the technologies needed to simultaneously reduce criteria and carbon pollution in all communities across America. Designed properly, it will spur innovation in American technology, create jobs across the nation, help ensure equitable and sustainable economic growth, as well as smooth the transition to a cleaner, more just transportation sector. Such a fuel-neutral, technology-agnostic policy allows a broad coalition of stakeholders, like ours, to support all clean fuels, ranging from: renewable fuels to electrification to hydrogen – and many other new technologies well into the future.

Our organizations represent a wide array of stakeholders deeply invested in reducing emissions from transportation fuels. We represent automakers, farmers, environmental groups, utilities, science-based organizations, renewable fuel producers, technology companies, electric vehicle charging companies, truck and bus manufacturers, emissions controls makers, non-profit clean energy organizations, and more.

We encourage a strong national clean fuels policy that will send long-term signals and promote rapid investment in the technologies expected to reduce criteria and carbon pollution in all communities across America. Designing such a program will require a thoughtful process; to provide guidance from a wide range of stakeholders, we have attached a list of CFS design principles for Congress to consider. A national policy would provide greater stability and market certainty, which would ensure that vehicle makers, fuel providers, and other stakeholders all work towards common goals, and would maximize job creation and economic development in every state and region.

Thank you for considering our views as you consider the full range of strategies that will be necessary to meet our future economic, climate, and other important goals. We welcome the opportunity to participate in an open dialogue to further discuss how Congress can act on this important issue.

CC:

Senator Alex Padilla

Senator Benjamin L. Cardin

Senator Bernard Sanders

Senator Cynthia Lummis

Senator Dan Sullivan

Senator Debbie Stabenow

Senator Edward Markey

Senator James M. Inhofe

Senator Jeff Merkley

Senator John Boozman

Senator Joni Ernst

Senator Kevin Cramer

Senator Lindsey Graham

Senator Mark Kelly

Senator Richard Shelby

Senator Roger F. Wicker

Senator Sheldon Whitehouse

Senator Tammy Duckworth

Sincerely,



Alder Fuels





Low Carbon Fuels Coalition



Statement of Principles

The transportation sector and the national economy cannot achieve net-zero emissions by 2050 without addressing transportation fuels. A broad-based coalition of interests could help create demand for and support a national clean fuels policy, consistent with the following principles:

1. Transportation fuels must be decarbonized in sufficient time to achieve national net-zero emissions in the transportation sector not later than 2050.
2. Fuels decarbonization policy should be coordinated and not conflict with other greenhouse gas and pollution reduction policies and goals. Such policies should work together in an efficient and synergistic way.
3. A life-cycle emissions performance-based approach that is technology and feedstock neutral is essential to achieve fuels decarbonization and promote innovation and investment across all potential clean fuel types including electricity, hydrogen, biofuels and others.
4. Achieving the decarbonization goal and maximizing consumers' benefits can be most effectively accomplished by steadily growing market opportunities for low-carbon fuels with transparency, scale, and fair competition. Any such markets or programs must include safeguards and incentives to protect and enhance environmental integrity, including biodiversity, and to promote job creation and equitable and sustainable economic growth.
5. Any legislative or regulatory program should start not later than 2023 and provide clear long-term market signals for investors, market participants, technology innovators, and feedstock suppliers. Such policy or program should be implemented efficiently and transparently, and directed with unambiguous language and intent.
6. States or regions may implement clean fuels programs that are designed to steadily decarbonize transportation fuels. States or regions may increase the stringency of their program's decarbonization requirements if they have the technical capacity to manage the program.
7. The federal government and the states can and should make a constructive and sustained effort to a) ensure the best possible science is being used to support the value of fuels decarbonization, including with respect to life cycle analysis and applicable verification and reporting, and, b) expand the research, development and deployment of low and zero carbon fuels technologies and practices, including demonstration projects and technical assistance.