

February 7, 2019

The Honorable Richard Neal
Chairman
U.S. House Committee on Ways & Means
Washington, DC 20515

The Honorable Kevin Brady
Ranking Member
U.S. House Committee on Ways and Means
Washington, DC 20515

Dear Chairman Neal and Ranking Member Brady,

As you continue to explore ways to provide greater tax certainty for U.S. manufacturing, the undersigned waste-to-energy advanced biofuel companies urge you to extend two critical advanced biofuel tax incentives – the Second Generation Biofuel Producer Tax Credit (PTC) and the Special Depreciation Allowance for Second Generation Biofuel Plant Property.

These incentives expired at the end of 2017 after retroactive extension in the Bipartisan Budget Act of 2018. Against the backdrop of permanent federal tax incentives for our competitors in the oil and gas industries, lapsing advanced biofuel incentives create inequity and uncertainty for advanced biofuel investors and jeopardize project development in the United States.

Our companies are at the forefront of the development of the lowest carbon, most innovative fuels in the world. We are commercializing technologies to convert municipal solid waste (MSW) into low carbon motor fuels, biochemicals and other products. The second generation biofuel PTC and depreciation allowance level the playing field and enable our companies to create new jobs, lower carbon emissions and diversify our nation's energy supply. However, ongoing delay in the effort to extend these credits puts these investments and benefits at risk.

In the interest of job creation, infrastructure development, innovation, energy security and energy tax parity, we respectfully ask Congress to immediately pass a seamless multi-year extension of the second generation biofuel PTC and depreciation allowance to ensure our industry will be able to account for these credits in this year's tax filings.

We look forward to working with you to achieve this important goal.

Sincerely,

