

January 16, 2009

The Honorable Barack Obama
President of the United States
1600 Pennsylvania Avenue, NW
Washington, DC 20500

Dear President Obama,

As you consider the parameters of a much-needed spending and tax-cut package to stimulate our nation's economy, you have suggested a considerable investment in alternative energy development. We write in support of such investment and to urge that it include appropriate investment in alternative fuels for all transportation modes, including aviation.

As you indicated throughout your campaign, developing the ability to produce a reliable supply of clean, renewable, affordable, domestic energy is important to our country for a host of reasons. It will certainly benefit the environment, especially our efforts to address the climate change challenge, and enhance our nation's overall security, but it is particularly important now in light of the important stimulative effect it will have on our nation's economy in terms of jobs and economic activity. For these reasons, we believe your plan should include several billion dollars of investment into research, demonstration, development, and commercialization of alternative and renewable fuels for all transportation modes.

Furthermore, as you consider how to structure such a package, we urge you to designate a portion of this energy funding toward the development of alternative, biomass-based aviation fuels. In addition to the thousands of immediate biorefinery construction jobs that would be created through this commitment, the multiplier effect would create a significant number of new jobs throughout the aviation industry.

As demonstrated through our work as principals in CAAFI,¹ the U.S. aviation industry is eager for an entirely new fuel dynamic and will be an enthusiastic purchaser of environmentally friendly alternative fuels when they become available.² Moreover, our industry has the ability to quickly construct infrastructure for these new fuels and access to low-carbon fuels will enhance our ability to compete with foreign competitors in our intrinsically global business.

Investment in alternative aviation fuel initiatives will not only help our economy through commercial applications, but through military applications as well. Aviation fuel has become the single most expensive cost item for the United States Air Force and U.S. military readiness would clearly be enhanced by the stable supply of domestically produced alternative aviation fuel that investment in these initiatives could create.

¹ CAAFI is a consortium of airlines, government, manufacturers, fuel suppliers, universities, airports and other stakeholders dedicated to bringing commercially viable, environmentally friendly alternative aviation fuels to market.

² The Air Transport Association's alternative fuels commitment document makes this clear. *See* <http://www.airlines.org/economics/energy/altfuelsprinciples.htm>.

For these reasons, we urge you to expressly designate a portion of your renewable fuels stimulus funds to the development of alternative aviation fuels. Specific programs that would immediately generate jobs and stimulate the economy include:

- Certification assistance. Understandably, before an alternative aviation fuel can be approved, it must meet the most rigorous safety and performance standards – much higher standards than fuel for ground-based transportation. CAAFI has developed and is implementing the roadmaps for navigating this process. Federal support will accelerate the approval and deployment of several alternative aviation fuels that already have been developed.
- Infrastructure investment. Considerable ground and flight testing has demonstrated that we are on the cusp of being able to deploy alternative aviation fuels. However, the economic slowdown has dried up investment dollars for already conceived pilot plants and full-scale production plants. Direct federal support for such infrastructure investments will allow the development plans to proceed.
- Environmental assurances. Alternative aviation fuel must be more environmentally friendly than today’s aviation fuel. Research programs for alternative aviation fuels already under development are demonstrating that this can be achieved. While CAAFI has made significant progress in developing a methodology for life-cycle analysis (LCA) for alternative aviation fuels, federally-agreed criteria, direct measurements of emissions, and robust models are necessary to the commercial acceptance and implementation of such fuels. Direct federal investment in developing agreed criteria and in test programs and models to demonstrate that fuels meet these criteria will accelerate the deployment of alternative aviation fuels.

We hope you find this information helpful. Please do not hesitate to contact us if you have any questions. Thank you for your consideration.

Sincerely,



Cc: The Honorable Daniel Inouye, Chairman, Senate Committee on Appropriations
The Honorable David Obey, Chairman, House Committee on Appropriations