

RE: Notice 2022-58, Request for Comments on Credits for Clean Hydrogen and Clean Fuel Production

Green Plains Inc. (NASDAQ:GPPE) is a leading biorefining company focused on the development and utilization of fermentation, agricultural and biological technologies in the processing of annually renewable crops into sustainable value-added ingredients. This includes the production of cleaner low carbon biofuels – around 900 million gallons per year – and renewable feedstocks for advanced biofuels such as renewable diesel and sustainable aviation fuel (SAF) – around 300 million pounds per year – across 11 biorefineries in six states. We appreciate the opportunity to comment on the notice regarding the Section 45Z Clean Fuel Production Credit (CFPC) recently enacted under the Inflation Reduction Act (IRA).

The Treasury Department and IRS should utilize the Greenhouse gases, Regulated Emissions, and Energy use in Technologies (GREET) full life-cycle model sponsored by the U.S. Department of Energy's Argonne National Laboratory for SAF including Alcohol to Jet (ATJ). This model should be utilized for the following reasons:

- Since the IRA stipulates the GREET model for all other fuels under 45Z, it would be consistent to utilize this model
- In order to achieve the ambitious goals set forth in the SAF Grand Challenge (3 billion gallons of SAF per year by 2030), utilization of crop based biofuels for SAF including ATJ will be necessary, and GREET has the most up to date and accurate modeling for these fuels
- In order to establish the U.S. as a leader in SAF, life cycle analysis ought to rely on a peer reviewed, scientifically-based model that does not have non-scientific biases against any fuel source, including US produced biofuels.
- In order to ensure that rulemaking is completed ahead of the January 1, 2025 start date for the 45Z credit, rely on a trusted, robust model that is already in place, rather than spend valuable time and agency resources developing a new one
- Many of the state-level carbon markets already in place or under development (California's Low Carbon Fuel Market (LCFS), Washington's LCFS, or New Mexico's proposed LCFS) utilize variations of the GREET model. This would facilitate further adoption, by simplifying the process of entering multiple markets in conjunction with the 45Z program and leverage its benefits.

The Treasury Department and IRS should clarify the interaction between 45Z and 45Q, particularly as it relates to biofuels producers who qualify for 45Z when a third party owns and/or operates the infrastructure for capturing carbon for sequestration or enhanced oil recovery. The ability to elect 45Z incentivizes biofuel producers to further lower the carbon intensity (CI) for their fuel, consistent with the congressional intent of the statute to lower GHG emissions for all transportation fuels.

The Treasury Department and IRS should clarify how low carbon ethanol will be treated as a feedstock for ATJ SAF production, specifically if an ethanol producer is capturing carbon and claiming the 45Q credit, is a third party SAF producer allowed to claim the 45Z credit when using that low carbon ethanol as a feedstock. We believe this is consistent with the spirit of the statute and congressional intent.

The Treasury Department and IRS should clarify how individual facilities will be treated under 45Z, specifically will the CI of the biofuel produced at each facility be measured based on the production practices, energy sources and CI of feedstocks used, as opposed to a fixed value for each class of biofuel. If Congress intended the IRA to incentivize investments by private industry to reduce carbon – which we believe they did – then each facility should be allowed to benefit from investments that reduce CI of the

products they produce. Facilities should be properly incentivized to invest in renewable energy infrastructure, including wind and solar, combined heat and power, bio-digesters and other technologies to reduce carbon emissions.

Further, will the CI of the crop-based feedstocks be measured based on actual farm or field level data as opposed to a fixed value for each type of crop-based feedstock. Utilizing actual farm level / field level data to measure the CI of a crop-based feedstock will further incentivize the decarbonization of crop-based biofuels. The Treasury Department and IRS should clarify how facilities that produce renewable fuel will have their CI reductions verified against the agreed upon life cycle model.

Thank you for your consideration.