

Alternative Fuels & Chemicals Coalition

Advocating for Public Policies to Promote the Development & Production of Alternative Fuels & Chemicals, with a Focus on Sustainable Aviation Fuels

AFCC's 2024 Appropriations Requests

KEY PROGRAMS SUMMARY:

TRANSPORTATION

AFCC's priorities are indicated in red text

Subcommittee: Transportation

Agency: U.S. Department of Transportation (DOT)

Account / Program:	FY 2020 Appropriation	FY 2021 Appropriation	FY 2022 Appropriation	FY 2023 Appropriation	President's FY 2024 Budget	AFCC's FY 2024 Request	
DOT: Office of the Secretary; National Infrastructure Investments see Footnote (1)							
FY Appropriation	\$1 billion	\$1 billion	\$775 million + \$2.5 billion supplemental	\$800 million + \$2.5 billion supplemental	\$1.22 billion + \$2.5 billion supplemental	(1) \$1.22 billion + \$2.5 billion supplemental	
DOT: Office of the Assistant Secretary for Research and Technology (OST-R) see Footnote (2)							
FY Appropriation	\$21,000,000	\$22,800,000	\$51,363,000	\$48,966,000	\$66,500,000	(2) \$66,500,00	
DOT: Office of the Assistant Secretary; Office of Research, Development & Technology; Transportation Planning, Research & Development							
FY Appropriation	\$10,879,000	\$9,350,000	\$29,863,000	\$36,543,000	\$25,017,000	\$25,017,000	



Subcommittee: Transportation

Agency: U.S. Department of Transportation (DOT) Federal Aviation Administration (FAA)

Account / Program:	FY 2020 Appropriation	FY 2021 Appropriation	FY 2022 Appropriation	FY 2023 Appropriation	President's FY 2024 Budget	AFCC's FY 2024 Request		
DOT: Federal Aviation Administration; Research, Engineering and Development								
FY Appropriation	\$192,665,000	\$198,000,000	\$284,500,000	\$255,000,000	\$255,130,000	\$255,130,000		
DOT: Federal Aviation Administration; Grants-in-Aid for Airports / Airport Improvement Program (AIP) see Footnote (3)								
FY Appropriation	\$3,350,000,000 (pg. 409) as well as an additional \$400,000,000 (pg. 410) to remain available through Sept. 30, 2022 for airport development discretionary grants	\$3,350,000,000 (pg. 652) as well as an additional \$400,000,000 (pg. 652) to remain available through Sept. 30, 2023 for airport development discretionary grants	\$3,350,000,000 (pg. 646) as well as an additional \$554,180,000 (pg. 647) to remain available through Sept. 30, 2024 for airport development discretionary grants	\$3,350,000,000 (pg. 647) as well as an additional \$558,555,000 (pg. 648) to remain available through Sept. 30, 2025 for airport development discretionary grants	\$3,350,000,000 – no supplemental funding requested	\$3,350,000,000 Include language in footnote (3) in appropriations language for Grants-in-Aid for Airports		
DOT: Federal Aviation Administration; Research, Engineering and Development (RE&D); NextGen (Next Generation Air Transportation System)								
FY Appropriation	\$61,538,000	\$72,900,000	\$101,000,000	\$96,900,000	\$96,300,000	\$96,300,000		
DOT: NextGen; Research, Engineering, and Development: Aircraft Technologies, Fuels, and Metrics see Footnote (4)								
	Included in NextGen above	Included in NextGen above	Included in NextGen above	Included in NextGen above	Included in NextGen above			
FAA Allocation	\$29,200,000	\$31,500,000	\$67,500,000	\$68,000,000	\$70,800,000	(4) \$70,800,000		



Subcommittee: Transportation

Agency: U.S. Department of Transportation (DOT) Federal Aviation Administration (FAA)

Account / Program:	FY 2020 Appropriation	FY 2021 Appropriation	FY 2022 Appropriation	FY 2023 Appropriation	President's FY 2024 Budget	AFCC's FY 2024 Request		
DOT: Federal Aviation Administration; Operations; Research, Engineering & Development (RE&D); NextGen; Alternative Fuels for General Aviation see Footnote (5)								
Appropriation:	Included in NextGen above							
FAA Allocation	\$1,900,000	\$0	\$5,000,000 request	\$12,400,000 request	\$11,200,000	(5) \$11,200,000		

DOT: Federal Highway Administration; Center for Accelerating Innovation | see Footnote (1) below

FOOTNOTES:

(1) <u>AFCC STRONGLY SUPPORTS</u> continued funding for the National Infrastructure Investments BUILD Transportation Discretionary Grant Program. The BUILD program allows DOT to make capital funding grants through discretionary grants to any public entity, including municipalities, counties, port authorities, tribal governments, metropolitan planning organization, or others to projects that have a significant local or regional impact and promise to achieve national transportation objectives.

<u>AFCC ALSO REQUESTS</u> that funds be appropriated to the Federal Highway Administration's Center for Accelerating Innovation to maximize the benefits of investments in the BUILD program as well as maximizing the benefits of the funds that have been made available through the Bipartisan Infrastructure Bill, as follows:

Add the following language as a new paragraph (14) at the end of paragraph (13) under Federal Aid to Highways, Federal Infrastructure Programs (FY2023 Consolidated Appropriations Act – H.R. 2617, pg. 665):



Strike the "and" after "up to 90 percent" at the end of paragraph (12), strike the period after "... 100 percent" at the end of paragraph (13), replace the period with a semi-colon, add "and" after the semi-colon, and add the following language: .

"(14) \$1,000,000 shall be transferred to the Center for Accelerating Innovation to work with State departments of transportation, state department of transportation associations, and highway construction industry associations to encourage States to consider using advanced, innovative, transformative, and sustainable technologies and materials in all federally funded transportation projects: *Provided*, That the Center for Accelerating Innovation shall place a notice in the Federal Register, within 90 days following enactment of this Act and, additionally, reach out to States to encourage States to adopt amendments to their infrastructure construction and repair specifications, within 180 days of publication of said notice in the Federal Register, to allow for the use of advanced, innovative, transformative, and sustainable technologies and materials in lieu of standard construction and repair methods in all federally funded highway projects: Provided Further, That States shall be encouraged to use the 'United Facilities Guide Specifications, UFGS-09 97 23.17' as a basis for said amendments: Provided Further, That States shall be encouraged to include the benefits of using advanced, innovative, transformative, and sustainable technologies and materials in assessing the performance and cost-benefits of bids and awarding contracts, including the benefits of better performance, cost effectiveness, improved integrity and longevity, reduced greenhouse gas emissions, and making use of balanced mix designs using recycled materials with no limits on the amounts of recycled material that can be used, in lieu of only awarding contracts to the lowest bidder: Provided Further, That the Federal Highway Administration shall ensure that federal highway funds will be available, and won't be revoked, for States and localities using advanced, innovative, transformative, and sustainable technologies, designs, products, and materials in construction and repair projects."

(2) <u>AFCC STRONGLY SUPPORTS</u> CONTINUED AND INCREASED FUNDING FOR RESEARCH, ENGINEERING, AND DEVELOPMENT OF ALTERNATIVE AVIATION FUELS. The Federal Aviation Administration (FAA) agency plays an import role in bringing alternative fuels from the lab to the airport. Activities include setting policy goals, ensuring that the fuels can be safely integrated with aviation equipment and infrastructure. In the past, FAA program



funding included specific appropriations for these activities. In recent budgets, the emphasis has changed to place less emphasis on this economically critical area.

A significant portion of the FAA research and development budget is provided from the Airport and Airways Trust Fund, under 49 U.S.C, Subtitle VII, section 48102(a) which was reauthorized in 2018 (H.R. 302). The congressional bill included specific appropriation levels through 2020 (see https://www.congress.gov/bill/115th-congress/house-bill/4/text). However, the enacted bill did not include those previsions which also specifically listed alternative aviation fuels as a topic for potential funding.

The funding decisions and budgets for these programs are determined by an advisory board. In the place of the specific research suggestions, Sec. 742 of H.R. 302 calls for a Technology review by the Administrator of the Federal Aviation Administration, in coordination with the Administrator of the National Aeronautics and Space Administration, of current and planned research on the use of advanced aircraft technologies, innovative materials, alternative fuels, additive manufacturing, and novel aircraft designs, to increase aircraft fuel efficiency.

AFCC RECOMMENDS that an additional supplement of \$400,000,000 be appropriated for Grants-in-Aid for Airports consistent with the annual appropriations for FY2020-2023, that the language in the FY2023 Consolidated Appropriations Act – H.R. 2617, bottom of pg. 647 – top of pg. 648, to facilitate the installation of both on- and off-airport structures, facilities, and equipment to facilitate the development and use of sustainable aviation fuels, and be included in the FY2024 appropriation (with FY2024 language indicated in green) stating:

GRANTS-IN-AID FOR AIRPORTS

"For an additional amount for 'Grants-In-Aid for Airports", to enable the Secretary of Transportation to make grants for projects as authorized by subchapter 1 of chapter 471 and subchapter 1 of chapter 475 of title 49, United States Code, \$558,555,000 \$400,000,000, to remain available through September 30, 20256:"

that the amounts in Paragraphs (1) and (2) to be amended to read \$200,000,000 in both cases.

and that Paragraph (2) be amended to read, following the first comma (,) in the second line: "of which not less than \$25,000,000 shall be made available to any commercial airport to contract with private entities for the installation of both on- and off-airport structures, facilities, equipment, and other infrastructure to facilitate the development and use of sustainable aviation fuels, and"



(4) <u>AFCC RECOMMENDS, FURTHER</u> that a stipulation be added to the FY2024 appropriations language for RESEARCH, ENGINEERING, AND DEVELOPMENT which states:

See FY2023 Consolidated Appropriations Act – H.R. 2617, pg. 646.

Insert the following on the 12th line after the first "Provided further, ... division A of this consolidated Act):"

"Provided further, That of the amounts made available under this heading, the Secretary shall give priority to installing and making the necessary infrastructure changes at airports to facilitate the use of alternative aviation fuels:"

Here are some of the issues faced by SAF producers:

- AFCC's SAF producers need to deliver blended sustainable aviation fuel to OAK, SFO and LAX
- SAF producers need a location on a pipeline with 3 tanks, one for SAF, one for conventional jet fuel, and one for SAF, which must be tested, and a sample stored for each batch, prior to entry into the pipeline
- Blended fuel then needs to be allowed to enter a pipeline for delivery into the airports
- Availability of pipeline capacity is a problem
- OAK airport and SFO airport are directly fueled by a pipeline from the Richmond Chevron oil refinery, and refineries on the Kinder Morgan(KM) pipeline
- Instability in refinery ownership and operations is a challenge.
- There is no guarantee that any refinery will assist SAF producers with blending, testing, sample storage, and pipeline access
- Moreover, they will charge SAF producers an additional premium
- be required. The DOT infrastructure project will need to consider these changes

Now is the time for the planning and implementation of changes to accommodate SAF as alternative fuels use becomes more common. Alternative aviation fuels are becoming the norm in many international markets and could be required for U.S. carriers serving these locations in the future. Currently these types of projects are not among those discussed in the agency's request.

(5) <u>AFCC STRONGLY URGES CONTINUED FUNDING</u> for the NextGen—Environmental Research—Aircraft Technologies, Fuels, and Metrics program of the Office of Environment and Energy. The stated goal of the Aircraft Technologies, Fuels, and Metrics program is to increase mobility by reducing environmental impacts of aviation in absolute terms, including those relating to community noise, air quality and global climate change.



The program is focused on maturing aircraft innovative technologies that can reduce aircraft noise, emissions that degrade air quality, greenhouse gas emissions, and energy use, and advance alternative jet fuels.

The Office of Environment and Energy is a key component of the FAA's environment and energy strategy. It advances understanding of aviation noise and emissions at their source, how they propagate and are modified in the atmosphere, and their ultimate health and welfare impacts on the population – both near airports and much farther afield. This knowledge is then incorporated into an integrated aviation environmental tool suite that can be used to evaluate the full breadth of environmental mitigation solutions that are being developed.

The aviation environmental tool suite is built upon a sound scientific understanding of aviation noise and emissions as well as their environmental, health, and welfare impacts. The Program is using these models and knowledge to inform decision-making on technology development, operational procedures, and policies relating to aviation's energy use and environmental impacts.

(6) <u>AFCC STRONGLY RECOMMENDS</u> increasing funding for the production of Alternative Fuels for General Aviation. Programs aimed at improving the sustainability and competitiveness of the U.S. transportation system in today's increasingly environmentally conscious world need to be protected as they compete with other priorities.

AFCC and its member companies have a strong focus on alternative feedstocks and fuels for aviation, which are typically derived from biological and renewable resources, and are sustainably produced in the U.S.

Their adoption promotes the use of home grown agricultural crops, helping our farmers, advancing innovation, creating jobs, and in turn building the nations biobased economy. There is growing international demand for these biofuels and mandates in the EU and other areas of the world may require their use in overseas flights and in the U.S. military. Adoption of alternative fuels supports the USA's leadership in green technologies and AFCC strongly recommends funding research for a cleaner and healthier environment.