

**Congress of the United States**  
**Washington, DC 20515**

April 4, 2008

The Honorable Collin Peterson  
Chairman  
Committee on Agriculture  
1301 Longworth House Office Building  
Washington, D.C. 20515

The Honorable Bob Goodlatte  
Ranking Member  
Committee on Agriculture  
2240 Rayburn House Office Building  
Washington, D.C. 20515

Dear Chairman Peterson and Ranking Member Goodlatte:

As work continues on completing the farm bill, we ask your support for continuing the CCC Bioenergy Program on all gallons of domestic biodiesel production. The program has been designed to assist biodiesel producers in reducing their cost of production by providing a small but consistent payment that will assist domestic biodiesel producers in purchasing feedstock.

The U.S. biodiesel industry has grown slowly and steadily throughout the past two years from 25 million gallons in 2004 to 450 million gallons in 2007, largely due to the commitment and support of the Federal Government. However, the industry is at an important crossroads as it faces high feedstock costs and imports of subsidized biodiesel from Argentina and other countries.

The current version of the Farm, Nutrition, and Bioenergy Act of 2007, H.R. 2419, continues a CCC Bioenergy Program that would assist only "new" or "increased" biodiesel production. As Members who represent both current and new production, we fear that without additional support for base production, there may be no increased production. We are also concerned about the issue of fairness: biodiesel producers that have maintained production throughout tough economic times, because of high feedstock costs and without a diesel RFS, would be put at a disadvantage to those that are starting new or are restarting after having already shut down.

The Energy Independence and Security Act of 2007, H.R. 6 created a new renewable fuels program (RFS-2) for the diesel pool beginning in 2009. The domestic CCC biodiesel program will assist domestic producers in meeting the requirements of RFS-2, which may otherwise be filled by imported biodiesel. Already, a number of countries have created domestic biodiesel programs that target export markets. The United States market is no exception and a domestic CCC Bioenergy Program on all gallons will assist all domestic producers.

Finally, a CCC Bioenergy Program that improves the competitiveness of U.S. biodiesel in our own domestic market will enable U.S. producers to better serve the U.S. market. Enabling U.S. produced biodiesel to serve the developing domestic market will improve the fuels overall energy efficiency and reduce its already low green house gas footprint.

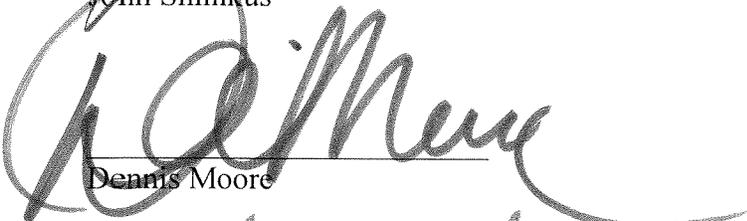
The U.S. biofuels program has had a positive and significant impact in reducing green house gas emissions, strengthening rural economies, reducing our nation's dependence on foreign energy sources, and building a more sustainable energy future for our country. A CCC Bioenergy Program available to domestic producers on all gallons of production would greatly increase the opportunity for success of biodiesel in the marketplace today.

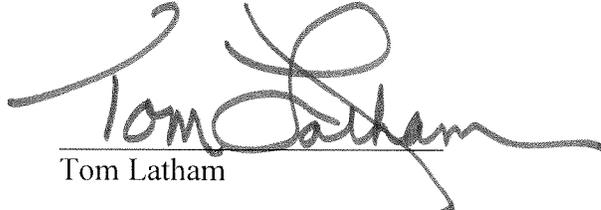
Sincerely,

  
Dave Loeb sack

  
John Shimkus

  
Leonard L. Boswell

  
Dennis Moore

  
Tom Latham

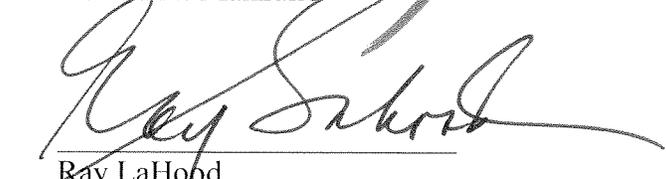
  
Steve Cohen

  
Phil Hare

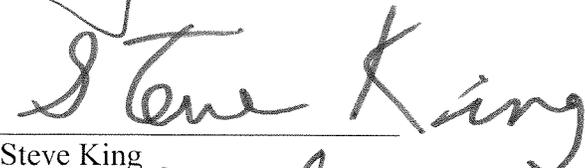
  
Bruce L. Braley

  
Donald A. Manzullo

  
Jerry F. Costello

  
Ray LaHood

  
Timothy J. Walz

  
Steve King

  
Stephanie Herseth Sandlin

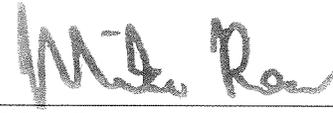
  
Sam Graves

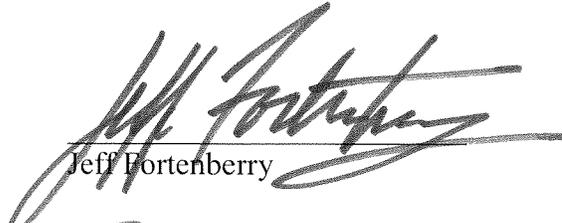
  
Timothy V. Johnson

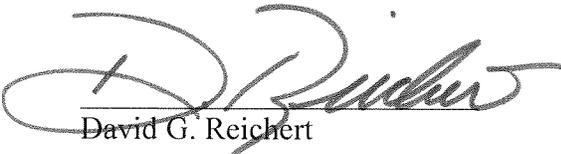
  
Jay Inslee

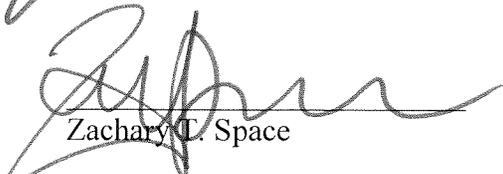
  
Joe Donnelly

  
Marion Berry

  
Mike Ross

  
Jeff Fortenberry

  
David G. Reichert

  
Zachary C. Space

  
Peter DeFazio

  
Marcy Kaptur

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