

December 1, 2010

**The Honorable John F. Kerry
United State Senate
218 Russell Building
Washington D.C. 20510**

Dear Honorable John Kerry,

We applaud your ongoing leadership on strengthening US manufacturing and reducing our reliance on imported products through the recently released draft of the *Clean Energy Technology Leadership Act of 2010* (S. 3738). The draft bill would help create significant investment in domestic manufacturing, create jobs, build facilities, and ensure that clean energy technologies of the future are developed in the United States. An important technology platform for reducing our reliance on petroleum which the bill does not currently address is renewable chemicals and biobased products. Renewable chemicals and biobased materials platforms provide real opportunities to create green jobs in the U.S., reduce our dependence on foreign oil, increase energy security and reduce greenhouse gas emissions.

There are many organizations and businesses such as DSM, Modular Genetics, Myriant, Verenium, Metabolix, Qteros, Agrivida, and Microbia from the Commonwealth of Massachusetts that wish to express our strong support for the enactment of a production tax credit for biobased products to incent the production and use of our materials. We believe that by providing a biobased tax credit, Congress can create jobs, improve economic activity in Massachusetts, and also help secure America's leadership in the important arena of green chemistry.

Most chemicals and plastics used today are made from petroleum. Thanks to advances in industrial biotechnology, many of these materials and innovative new products can be made from renewable feedstocks. Current biomaterials production includes bioplastics used in everything from cups to carpets to cars, green airplane deicing compounds and cosmetics. Most of these products are competing in markets presently dominated by petroleum based products, and biobased products still make up only a small percentage of total chemicals and materials sales.

The US has the potential to become the world leader in the biobased products market, as we are currently home of the most advanced in renewable chemicals technology and intellectual property, and have access to a wide range of renewable feedstocks that can be sustainably produced. Biobased products represent a historic opportunity to revitalize the U.S. chemicals and plastics industry, which has seen hundreds of thousands of jobs move overseas in the past decade. The biobased products industry has created or saved 40,000 jobs thus far, and achieving the industry's full potential could create tens of thousands of

high-paying green jobs in the U.S. over the next few years. Promoting the development of the biobased products sector can also provide significant economic benefit to the U.S., as half the value of a barrel of oil comes from chemicals. Additionally, biobased products can provide environmental and energy security benefits, and can help reduce the approximately 30 billion gallons of oil used annually in the U.S. for chemicals and plastics.

The biobased products industry currently faces significant hurdles in reaching the economies of scale achieved by today's petroleum-based products and in competing with the existing petroleum-based plastics industry. While U.S. policy has appropriately encouraged and supported the development of the biofuels sector to the benefit of rural economies, the environment, and national security, Federal tax policy has largely failed to recognize and foster the substantial benefits provided by non-fuel renewable biobased products.

Our organizations and companies respectfully urge you to include in the final version of the *Clean Energy Technology Leadership Act of 2010* (S. 3738) a production tax credit for biobased materials that will move us rapidly towards reduced dependence on imported petroleum, a cleaner environment and stronger rural economies. We have shared suggested language with Ways and Means Committee and Finance Committee staff and would welcome the opportunity to work with you on including an appropriate provision in your bill.

Sincerely,



