

April 16, 2007

The Honorable Eric Solomon
Assistant Secretary for Tax Policy
Department of the Treasury
1500 Pennsylvania Avenue, N.W.
Washington, DC 20220



Dear Secretary Solomon:

The National Pork Producers Council applauds your recent tax guidance on renewable diesel. This decision offers a significant, new, opportunity for US animal agriculture to participate in the renewable energy business, increasing our Nation's energy security and providing new markets for America's farmers. As the first biofuel which specifically utilizes animal fat as a feedstock, it has a particular significance to our industry.

As you know, renewable diesel produced by thermal depolymerization processes have been, or are being, commercialized around the world -- including in Europe, Australia, South America, and Asia. We think it's time to produce more of this product in the US. So does Dr. Michael Pacheco, Director of the Department of Energy's Renewable Energy Laboratory, who testified recently that these diesel products, derived from biomass, produce a diesel of very high quality. In addition, Dr. Pacheco confirmed that the renewable content of this diesel can be quantified using conventional chemical engineering principles.

As the nation seeks to expand its production of domestic renewable fuels, we urge policy makers to ensure all domestic production of renewable energy should be feedstock neutral and support a vast array of domestic fuels, technologies and feedstocks. To continue our push towards energy independence its vital that we secure a diversified selection of domestically produced renewable fuel options -- i.e., grasses, animal fats, waste products -- to avoid unintentional market distortions, such as we've seen with corn due to ethanol production.

We appreciate your careful consideration of this matter. We look forward to making a significant contribution to the US renewable fuel market.

Sincerely,

Neil Dierks
Chief Executive Officer

Cc: The Honorable Samuel Bodman, Secretary of Energy
The Honorable Mike Johanns, Secretary of Agriculture
The Honorable Henry Paulson, Secretary of the Treasury