



Rural Development

Rural Business—Cooperative
Services

1400 Independence Ave, SW
Room 5801-S
Washington, D.C. 20250

March 28, 2020

Kenneth T. Cuccinelli
U.S. Citizenship and Immigration Services
Washington, DC

RE: Aemetis Advanced Products Keyes, Inc. and California Energy Investment Center, LLC (Regional Center) National Interest Expedited Processing for Advanced Biofuel and Alcohol for Hand Sanitizer/Biobased Products Project

Acting Director Cuccinelli,

The Energy Programs under the U.S Department of Agriculture (USDA), Rural Development (RD) Agency, administers a suite of financing programs that seek to support the expansion of markets for US agricultural products and agricultural wastes, furthering the goals of energy independence, expanding rural jobs and increasing domestic investment through the construction of advanced biofuels production facilities.

Aemetis Advanced Products Keyes, Inc. is raising \$50 million of investment funds to build an advanced biofuels facility in Riverbank, California. The facility is designed to produce valuable advanced cellulosic ethanol, alcohol, and related products from orchard wood waste and other agricultural wastes which otherwise have limited markets and are currently being burned, creating detrimental pollution and health damage (the “Aemetis Project”).

In October 2017, Agriculture Secretary Sonny Perdue presented the Report to the President of the United States from the Task Force on Agriculture and Rural Prosperity. The Task Force, comprised of over 20 government agencies and offices, was established by the President of the United States through Executive Order 13790 on April 25, 2017 with Secretary Perdue serving as the Chair. The Report outlines five (5) Calls to Action:

1. Achieving e-Connectivity for Rural America
2. Improving the Quality of Life
3. Supporting a Rural Workforce
4. Harnessing Technological Innovation
5. Developing the Rural Economy

The Aemetis Project in Riverbank, which the USDA, Energy Programs supports, directly fulfills the strategic initiative for helping to regain American energy dominance as detailed in the Rural Prosperity Report. The use of biofuels, such as those planned to be produced by the Aemetis Project, are mandated under the Energy Independence and Security Act of 2007 (EISA) in order to curb dependence on foreign oil and enhance energy security through encouraging domestic production of alternative fuels in the United States. The Energy Independence and Security Act mandated the use of 19 billion gallons of renewable fuels in 2018, increasing to up to 36 billion gallons by 2022. Projects such as the Aemetis Project are needed to demonstrate new technologies in order to reach the goals established in the EISA.

The Department of Energy's 2018 Biomass Resources Report stated that about 1.2 billion tons of waste wood and biomass is available for use each year in the production of biofuels and biochemicals. The Aemetis Project was developed to convert this waste wood and biomass into advanced biofuels, alcohol, and biobased products by utilizing the first deployment of a patented technology that was developed and demonstrated at an Integrated Demonstration Plant under USDA 9003 Bio refinery assistance program guidelines. This technology can convert biomass, agricultural residues, construction / demolition waste and other biomass sources into American-made, energy-secure, job-creating biofuels and related biobased products throughout the U.S.

Ethanol production creates jobs in rural areas where employment opportunities are needed. In particular, the manufacture of biofuels, such as ethanol, have helped stimulate the economy throughout the Midwest region of the country. This high level of job creation, economic growth and investment in U.S. businesses embodies the goals of the USDA.

The USDA has issued a Conditional Commitment to provide an 80% guarantee for a \$125 million, 20-year senior secured loan to fund the project. The USDA understands that the timing of the funding of the \$50 million of investment is important to the success of the Aemetis Project and supports expedited National Interest processing for the completion of this important Aemetis Project.

Sincerely,

Mark Brodziski
Acting Administrator
USDA Rural Business-Cooperative Service