

United makes historic investment in sustainable fuel



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United Airlines Inc. will buy 1.5 billion gallons of sustainable aviation fuel over the next 20 years as part of an investment aimed at scaling up production of low- or zero-carbon jet fuel.

The purchase agreement — part of [a deal between the airline, Honeywell International Inc. and clean-technology startup Alder Fuels](#) — is one and half times the size of all current global sustainable fuel purchase commitments combined, United said Thursday, and is the largest publicly announced agreement on record.

Low-carbon sustainable aviation fuel must be transported by truck and blended with conventional fossil fuel. But Alder's technology allows sustainable fuel to be pumped directly into pipelines and used as a stand-alone fuel, said Lauren Riley, United's managing director of environmental affairs and sustainability.

“Our hope is that it will either be either carbon-neutral or carbon-negative fuel,” Riley said in an interview. “We can really start to accelerate decarbonizing aviation on a faster time frame.”

The partnership also has the potential to reduce the cost of sustainable fuel, which can be two to four times as expensive as conventional jet fuel, Riley said.

“That premium is a big disincentive to purchasing. This is intended to be a fuel that is ready to drop into our aircraft,” she said.

United declined to provide a specific value for the multimillion-dollar investment.

The company uses about 4 billion gallons of conventional jet fuel in a typical year. U.S. airlines, which contribute 2 percent of the nation's greenhouse gas emissions, in March collectively set [a goal of net-zero carbon emissions by 2050](#).

The policy: United and other U.S. [airlines have endorsed](#) the [Sustainable Skies Act](#) from

Reps. [Brad Schneider](#) (D-Ill.), [Dan Kildee](#) (D-Mich.), and [Julia Brownley](#) (D-Calif.).

A tax credit of \$1.50 to \$2 per gallon in the budget reconciliation bill would increase the use of sustainable aviation fuel at a price that would allow airlines to use more of it, according to industry trade group Airlines for America.

The technology: Sustainable aviation fuel, or SAF, is made by converting biomass, such as forest and crop waste, into low-carbon crude oil that can be used to produce aviation fuel.

Forest and agricultural waste could provide enough biomass to generate more than 17 billion gallons of jet fuel and displace 75 percent of U.S. aviation fuel, according to the Department of Energy.

“The industry is now a major step closer to using 100% SAF with our drop-in fuel that accelerates the global transition to a zero-carbon economy,” Alder Fuels CEO Bryan Sherbacow said in a written statement.

Alder’s research is supported by the U.S. Defense Logistics Agency, the Department of Energy and the National Renewable Energy Laboratory.



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