Gevo Statement on Treasury Guidance for SAF Tax Credit

December 15, 2023

Gevo welcomes the Biden Administration's use of the Argonne GREET method for Sustainable Aviation Fuel (SAF) credit compliance

ENGLEWOOD, Colo., Dec. 15, 2023 (GLOBE NEWSWIRE) -- Gevo, Inc. (Nasdaq: GEVO) issued the following statement regarding the release of the U.S. Department of Treasury's guidance on the 40B sustainable aviation fuel (SAF) tax credit.

"*Gevo greatly appreciates the Biden Administration's intent to use the Argonne GREET method and model for sustainable aviation fuel (SAF). Today's guidance is a much-needed step forward for SAF investment and innovation. Designating GREET for the 40B credit sets an accurate, science-based precedent for transparent carbon accounting across the SAF supply chain, from farm fields to the end use of the fuel. The details and certainty matter. Therefore, we look forward to reviewing the complete GREET update upon release to ensure it maintains the data-driven integrity, especially on indirect emissions, necessary to support SAF investment, properly value agriculture's contributions and cut aviation emissions.*

We also thank the Administration for its advocacy for climate-smart agriculture and the tools and policies that recognize and account for U.S. farmers' stewardship of the land and contribution to cleaner flight," stated Dr. Patrick Gruber, CEO of Gevo.

SAF with greenhouse gas emissions that are least 50% lower than conventional aviation fuel will qualify for tax credits created by the Inflation Reduction Act (IRA). The current Argonne National Laboratory Greenhouse Gases, Regulated Emissions and Energy use in Technologies (GREET) lifecycle analysis method and model, with its Carbon Calculator for Land Use Change from Biofuels Production (CCLUB) and its Feedstock Carbon Intensity Calculator (FD-CIC) tools, enables more precise measurement of SAF carbon intensity, accurately counting carbon reduction benefits of agricultural feedstocks at the field level.

The Department of Treasury is expected to release a final GREET model that will be used for the tax credit no later than March 1, 2024. We believe science-based methodologies must account for emissions reductions of feedstock production, encompassing climate-smart agriculture, to acknowledge and incentivize carbon reduction efforts across the value chain. A growing market for SAF made from low-carbon feedstocks is expected to open up new markets for American farmers to sell their products.

For more information on the Treasury Department's guidance, visit https://home.treasury.gov/news/press-releases/jy1998, and to learn more about Gevo's focus on carbon accounting, visit www.gevo.com/ira.

About Gevo

Gevo's mission is to transform renewable energy and carbon into energy-dense liquid hydrocarbons. These liquid hydrocarbons can be used for drop-in transportation fuels such as gasoline, jet fuel and diesel fuel, that when burned have potential to yield net-zero greenhouse gas emissions when measured across the full life cycle of the products. Gevo uses low-carbon renewable resource-based carbohydrates as raw materials, and is in an advanced state of developing renewable electricity and renewable natural gas for use in production processes, resulting in low-carbon fuels with substantially reduced carbon intensity (the level of greenhouse gas emissions compared to standard petroleum fossil-based fuels across their life cycle). Gevo's products perform as well or better than traditional fossil-based fuels in infrastructure and engines, but with substantially reduced greenhouse gas emissions. In addition to addressing the problems of fuels, Gevo's technology also enables certain plastics, such as polyester, to be made with more sustainable ingredients. Gevo's ability to penetrate the growing low-carbon fuels market depends on the price of oil and the value of abating carbon emissions that would otherwise increase greenhouse gas emissions. Gevo believes that its proven, patented technology enabling the use of a variety of low-carbon sustainable feedstocks to produce price-competitive low-carbon products such as gasoline components, jet fuel and diesel fuel yields the potential to generate project and corporate returns that justify the build-out of a multi-billion-dollar business.

Gevo believes that the Argonne National Laboratory GREET model is the best available standard of scientific-based measurement for life cycle inventory or LCI.

Media Contact
Heather L. Manuel
+1 303-883-1114
PR@gevo.com