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Internal Revenue Service  
Office of Chief Counsel  
Attn: CC:PA:LPD:PR (REG-121244-23)  
Room 5203  
P.O. Box 7604, Ben Franklin Station  
Washington, DC 20044

**RE: Comments on Proposed Regulations Regarding Section 45Z Clean Fuel  
Production Credit;**

**Docket ID: REG-121244-23**

Dear Secretary Bessent:

The National Pork Producers Council (NPPC) appreciates the opportunity to submit these comments in response to the Notice of Proposed Rulemaking regarding the Section 45Z Clean Fuel Production Credit, published in the Federal Register on February 4, 2026. NPPC is the global voice for the U.S. pork industry and consists of 43 affiliated state organizations representing America's 66,000 pig farmers who supply a demonstrably safe, wholesome, and nutritious product appreciated on American and international tables.

Since at least Congress's passage of the Energy Independence and Security Act (EISA) of 2007, which created the RFS II, the U.S. pork industry has been a consistent, serious, and credible stakeholder in the process of developing new sources of renewable domestic energy. As an industry, pork producers have consistently been supportive of new opportunities for expanding rural economies, balanced, of course, with the pressing need to manage volatility in the marketplace. Ensuring sufficient supplies of grain for all users to maintain the overriding need to continue to produce affordable nutritious food for American consumers must always remain a priority. The pork industry's past support, and criticism, of renewable energy programs has always been based on deep and serious analysis of the programs. This has always been built around a clear understanding of how they are designed to operate and a review of the short and long term economic implications of those programs on the rural economies where our producers live and farm.

Many pig farmers see enormous potential in the 45Z program, not only to create new revenue streams for their operations but to finally recognize the economic and ecological value of the manure their animals produce. Swine manure is a superior soil conditioner, and its use as a natural fertilizer represents one of humanity's oldest closed-loop systems: the same integration of animal husbandry and crop cultivation that underpinned the agricultural revolution and led to the emergence of settled civilization itself.

At the same time, many also see the potential for a hastily developed program that could lead to unintended consequences down the road. Our producers have a strong desire to avoid a repeat of the disastrous rollout of the RFS II. The extreme market volatility and shortages it produced in the early 2010s, ultimately exacerbated by a major drought, triggered a severe economic crisis for the U.S. pork industry the led to the loss of large numbers of pork producers.

Unfortunately, in its current form, it is impossible for U.S. the pork industry to provide meaningful, well-informed comments on how the program will operate in practice. As currently proposed it lacks both inclusion of an updated 45ZCF-GREET<sup>1</sup> model and, more importantly, the updated USDA Feedstock Carbon Intensity Calculator (FD-CIC) that complies with the requirements in the One Big Beautiful Bill Act (OBBBA) to recognize the environmental value of manure as a crop nutrient and soil conditioner.

As a result, our comments take no position on the underlying rule. Indeed, we are not in a position to weigh in at all. Rather, we write to address solely this fundamental procedural concern: the public cannot meaningfully evaluate or comment on the full impact of the proposed 45Z framework because the two critical analytical tools central to the proposed programs operation, the updated 45ZCF-GREET model and, more importantly, the FD-CIC, have not been finalized or made available in a form that allows stakeholders to model real-world outcomes or even understand how the program will ultimately operate.

We respectfully request that Treasury withhold final action on this rulemaking and reopen the comment period once these tools are published and stakeholders have had adequate time to evaluate them.

### ***The Proposed Rule Acknowledges Its Own Dependence on Tools That Do Not Yet Exist***

Treasury's own preamble to the proposed rule makes clear that key components of the 45Z framework remain under development. The preamble states that a "beta version of the USDA FD-CIC is undergoing testing, peer review, and public comment in preparation for the publication of a final version," and that Treasury "anticipate[s] that a section 45Z-specific version of the Feedstock Carbon Intensity Calculator (FD-CIC) module will be included as an input to the DOE's 45ZCF-GREET model." The preamble further acknowledges that 45ZCF FD-CIC "may undergo periodic updates, including incorporation of new data and methodologies" and that its adoption "would entail additional requirements particular to its use, such as agricultural practice implementation, recordkeeping, and verification."

These are not peripheral implementation details. They are the mechanisms by which the proposed rule will determine the carbon intensity value of every bushel of corn, every pound of soybeans, and every ton of manure that enters the 45Z supply chain. The FD-CIC will determine whether and how in-field agricultural practices—"no-till, reduce till, cover crops, and nutrient management" (including the application of manure as an essential nutrient and soil conditioner) translate into carbon intensity adjustments that affect credit values and ultimately the valuation of manure and of the grain crops it nourishes. Without a functioning, final version of this tool, no farmer, no livestock producer, no project developer, and no lender can determine what the 45Z credit is actually worth for a given farm operation. Instead, we are left with mere speculation.

### ***Livestock Producers Face Particular Uncertainty***

For U.S. pig farmers, Section 45Z presents both significant potential opportunities and concerns, and we currently lack the tools to evaluate either adequately.

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<sup>1</sup> On April 4, 2026, NPPC together with 20 other agricultural organization submitted a letter to Secretaries Wright, Rollins and Bessent, requesting the timely completion and release of updates to the GREET model necessary for implementation of the Section 45Z Clean Fuel Production Credit. A copy of that letter is attached with this submission.

***On the opportunity side:*** The 45Z framework, particularly as modified by the OBBBA, creates pathways for both renewable natural gas derived from animal manure to generate substantial credit values and for pork producers to see increased value from the manure they already use as a robust soil amendment and source of nutrients for their crops. This has the potential to provide pork producers access to new and substantial revenue streams, enhance the recognized economic value of manure as a closed-loop natural fertilizer and soil amendment, and support on-farm infrastructure investments in manure management, digestion, and nutrient cycling systems. These are real opportunities for pig farmers.

***On the concern side:*** The interaction between 45Z, emerging sustainable aviation fuel (SAF) markets, and the underlying carbon intensity accounting will inevitably reshape feedstock economics including feed grain markets, oilseed demand, and the relative value of crop and livestock byproducts. Livestock producers need to understand how these dynamics will affect input costs, how manure-derived pathways will be scored relative to crop-based pathways, and whether the framework as constructed will fairly value the environmental contributions of diverse livestock production systems while also supporting the continued primary focus of U.S. agriculture, which is to provide affordable food and nutrition for the nation and the world.

One area of continued concern is the impact that the 45Z program will have on grain markets. The rule heavily incentivizes the use of U.S. grown crops by requiring all feedstocks for fuel produced after 2025 to be North American. This domestic requirement, combined with the 45Z tax incentives, is likely to increase demand for domestic feed grains, potentially driving up the cost of feed for livestock and ultimately raising the prices consumers pay for food and risking further consolidation in the livestock industry similar to what was experienced when a drought exacerbated extreme market volatility after 2010.

Others have concerns over the compliance burden presented by the rule and how it will be measured, how farms will be certified to ensure they are in compliance, and that the fuel ultimately produced is actually compliant with the program. The design and methodology of the FD-CIC will determine whether and how farm-level carbon intensity attributes can be transferred through the supply chain, including whether a book-and-claim framework or mass balance calculation is operationally feasible. Until the calculator is finalized, stakeholders cannot evaluate whether the chain-of-custody structure will work for producers whose grain moves through elevators, cooperatives, and feed markets rather than directly to a biofuel facility. Additionally, there are other elements of the 45Z program that could be subject to manipulation that runs opposite of the program's goals to support the long-term sustainability of U.S. agriculture. In particular, while we strongly support the idea of anti-abuse rules to prevent wasteful production, it's impossible to fully comment on those rules without the benefit of seeing how either the GREET model or the FD-CIC calculator will operate.

Most concerning is that the currently available version of the USDA feedstock calculator does not include manure as a conservation practice input as required under the OBBBA. The 2025 version provides only default values for corn and soybeans and does not allow users to model the actual impact of in-field practices, including the use of manure, with any predictability. All told, U.S. pig farmers cannot model, plan for, or invest in any of this without the FD-CIC and an updated GREET model that reflects the full range of feedstock pathways and agricultural practices contemplated by the statute. While it is our understanding that USDA sent its Technical Guidelines for the Production of Regenerative Agricultural Biofuel Feedstocks (which we believe includes the FD-CIC calculator) to OMB on April 2, 2026, no one has had an opportunity to review and utilize the final FD-CIC calculator that is a cornerstone to the successful implementation of this program. Until these gaps are addressed, comments from the livestock sector on this proposed rule are necessarily incomplete.

## **Delayed Tools Create Real Economic Harm**

Delays in finalizing and publishing the updated GREET model and the FD-CIC create significant uncertainty for project developers, lenders, and most importantly farmers. Investment decisions for new production facilities, feedstock aggregation systems, and on-farm infrastructure require sizable lead times and firm financial assumptions. Further, with continued uncertainty in grain, fertilizer, and other agricultural input markets, U.S. pig farmers need the best information available, as far in advance as possible, to continue to be world leaders. Without updated GREET parameters and a functioning and updated FD-CIC calculator, those economic signals do not reach the farm economy and capital will remain sidelined or redirected to other markets.

## Request

In light of all these concerns, and the ongoing delay in releasing the underlying tools necessary to meaningfully evaluate the 45Z proposal, we respectfully request the following:

1. That Treasury withhold issuance of a final rule until the USDA FD-CIC is published in final form and incorporated into a final 45ZCF-GREET model.
2. That Treasury reopen the public comment period for a minimum of 60 days following publication of those tools to allow agricultural stakeholders, particularly pig and other livestock farmers, to evaluate the practical impact of the proposed framework on their operations and submit informed comments.
3. That Treasury work with the Department of Energy and USDA to expedite the interagency coordination necessary to finalize these tools, and provide a clear public timeline for their release.

Finalizing a rule of this magnitude — one that will reshape agricultural economics, energy markets, and rural investment for years to come — without the analytical tools necessary for the public to understand its impact would be inconsistent with the notice-and-comment process under the Administrative Procedure Act. In particular, it would undermine the intent of Executive Order 12866, Regulatory Planning and Review (1993), Executive Order 13563, Improving Regulation and Regulatory Review (2011) which require agencies to “afford the public a meaningful opportunity to comment” and to provide “timely online access to the rulemaking docket ... including relevant scientific and technical findings.” It would further undermine President Trump’s own Executive Order 13777, Enforcing the Regulatory Reform Agenda (2017), which directs agencies “to alleviate unnecessary regulatory burdens placed on the American people.”<sup>2</sup>

The FD-CIC and the updated GREET model are precisely the “scientific and technical findings” contemplated by EO 13563, and their availability and review is a necessary prerequisite for compliance with EO 13777 in order to ensure the 45Z regulations do not place unnecessary regulatory burdens on the American people. We ask only that the comment process reflect the reality that the tools essential to evaluating the rule’s impact are not yet available.

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<sup>2</sup> These EO’s, developed in a bipartisan fashion over the last few administrations, are at the heart of President Trump’s Regulatory Reform Agenda. While the Biden Administration overturned EO 13777 as one of its first acts upon taking office under EO 13992, President Trump restored these important tools of regulatory reform on his first day back in office via EO 14148, Initial Rescissions of Harmful Executive Orders and Actions (January 20, 2025).

We appreciate Treasury's efforts to implement Section 45Z in a manner that supports American agriculture and we look forward to submitting substantive comments once the necessary tools are in place.

Respectfully submitted,



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