JetBlue Accelerates Transition to Sustainable Aviation Fuel (SAF) With Plans for the Largest-Ever Supply of SAF in New York Airports for a Commercial Airline

Sep 29, 2021

-- JetBlue to Outpace Industry in SAF Usage Based on Percentage of Total Fuel (a), Doubling Its Prior Commitment with SG Preston and On Pace to Achieve 10 Percent SAF Usage Years Ahead of Its Original Target --

-- Sustainability Commitment Goes Beyond Jet Fuel with Conversion of Airport Ground Vehicles to Electric at Newark Liberty International Airport and a Comprehensive LED Lighting Retrofit at New York's John F. Kennedy International Airport --

NEW YORK--(BUSINESS WIRE)-- JetBlue (Nasdaq: JBLU) today announced plans to speed up its transition to sustainable aviation fuel (SAF) with an offtake agreement with SG Preston, a leading bioenergy developer. With the addition of this SG Preston agreement to its previous SAF commitments, JetBlue is well ahead of pace on its target to convert 10 percent of its total fuel usage to SAF on a blended basis by 2030. The airline will reach nearly eight percent SAF usage by the end of 2023 when delivery of SAF under this agreement is expected. JetBlue is doubling its previous SAF commitment with SG Preston, which was first announced in 2016 as one of the largest SAF purchase agreements in aviation history.

JetBlue's agreement with SG Preston also marks a major milestone for SAF in New York's airports. This deal is expected to bring the first large-scale volume of domestically produced SAF for a commercial airline to New York's metropolitan airports. JetBlue will convert 30 percent of its fuel buy across John F. Kennedy International Airport (JFK), LaGuardia Airport (LGA) and Newark Liberty International Airport (EWR) from traditional Jet-A fuel to SAF (b), which is expected to reduce emissions by an estimated 80 percent per gallon of neat SAF, compared to traditional petroleum-based fuels.

Targeting a start in 2023 and continuing over a 10-year period, SG Preston will deliver at least 670 million gallons of blended SAF to JetBlue to fuel its flight operations at JFK, LGA and EWR, helping JetBlue avoid approximately 1.5 million metric tons of CO2 emissions. JetBlue expects to invest more than $1 billion in purchasing SAF over the term of this agreement, at a price competitive to traditional Jet-A fuel, with no expected material impact to the airline's total fuel costs. This marks the largest-ever announced near-term SAF deal for delivery in the Northeast and will be become the airline's largest single jet fuel contract.

"We are well past the point of vague climate commitments and corporate strategies. Earlier this year, we set specific, dated, and aggressive emissions targets. And now we are physically changing the fuel in our aircraft to meet these commitments," said **Robin Hayes, chief executive officer, JetBlue**. "At JetBlue, we're heavily investing in SAF because we see it as our most promising means of rapidly and directly reducing aircraft emissions in the near-term. With this expanded agreement with SG Preston, nearly eight percent of JetBlue's total fuel use will be SAF, putting us well ahead of pace in reaching our goal of 10 percent SAF usage by 2030."

Sustainable aviation fuel is jet fuel produced from biological resources that can be replenished rapidly and without impacting food supply. Compared to traditional petroleum-based Jet-A fuel, renewable options can significantly reduce both greenhouse gas emissions and other air pollutants such as particulate matter and sulfur oxides. Safety is JetBlue's number one priority, and SAF is functionally equivalent to conventional Jet-A fuel, posing no discernible difference in safety or performance. The fuel is fully compatible with existing jet engine technology and fuel distribution infrastructure when blended with fossil jet fuel, and is tested and transported the same way as regular Jet-A fuel.

SG Preston has made significant progress on a new facility in the Northeast to produce SAF at a large scale. SG Preston's HEFA- (hydro-processed esters and fatty acids) based renewable jet fuel will be sustainably produced from waste fats, oils, greases, and non-food oilseeds. The fuel is expected to receive sustainability certification from ISCC, an independent, global certification body for sustainability and carbon reduction. SG Preston's process utilizes industry-leading refining process technology, which has been FAA-approved for commercial flying since 2011. This SAF will be blended with Jet-A fuel at an estimated 30 percent blend ratio before being transported to JFK, LGA, and EWR.

"The SG Preston-JetBlue relationship is the blueprint for a balanced partnership designed to achieve both the airline's and global aviation's sustainability and pricing goals. The reality of achieving the US sustainability target of approximately 35 billion gallons of sustainable aviation fuel by 2050 is daunting. Engaging with, and addressing the concerns of all key stakeholders and contributors to the solution, is paramount to successfully reaching this target. JetBlue's continued commitment to SG Preston's development strategy illustrates continued confidence in our unique approach to this challenge. We're honored by this demonstration of trust," said **Randy Delbert Letang, CEO of SG Preston.**

JetBlue's SAF Strategy

JetBlue's revised deal with SG Preston is its third agreement for SAF. JetBlue recently entered into a new relationship with World Energy and World Fuel Services and began flying with SAF at Los Angeles International Airport (LAX) in July 2021. Additionally, JetBlue partnered with Neste in August 2020 to fuel its flights from San Francisco International Airport (SFO) with SAF. JetBlue's SAF strategy was developed with support and consultancy from energy market experts at ICF.

While JetBlue views SAF as the most promising solution to rapidly and directly reduce aircraft emissions in the short and medium term, it is one piece of its larger decarbonization strategy including aircraft efficiency, fuel optimization, sustainable aviation fuel, electric ground operations, technology partnerships and carbon offsetting.

Hayes continued, "We recognize that airlines have a responsibility to decarbonize our operations and usher in an era of truly sustainable travel. We are therefore stepping up as an industry with commitments and clear actions. However, we can't do it alone. In order for our industry to meet our ambitious targets, we are asking for collaboration and leadership from our key stakeholders – fuel suppliers, aircraft and engine manufacturers, and governments to play a critical role in helping the drive toward net zero."

JetBlue's Commitment to Grow Sustainably in New York

New York is JetBlue's home and where more than 7,000 of its crewmembers live and work. The airline is experiencing significant growth in New York, and furthering plans to substantially increase flying and bring more low fares and jobs to JFK, LGA and EWR as part of its Northeast Alliance with American Airlines. As JetBlue increases its presence and brings more air service to the region's three airports, it is more important than ever to grow sustainably.

With a focus on more sustainable operations, JetBlue was recently selected for a grant from the New Jersey Department of Environmental Protection's transportation electrification initiativefor electric ground service equipment (eGSE) at EWR. With this grant, JetBlue will convert 38 ground service vehicles to electric, and install 16 dual-port charging stations, with additional support from the Port Authority of New York and New Jersey. Following this conversion and one in process at Boston Logan International Airport, JetBlue will have converted 39 percent of these three vehicle types to electric. This is significant progress towards JetBlue's eGSE goal to convert 40 percent of its bag tugs, belt loaders, and pushbacks network wide to electric by 2025, and 50 percent by 2030.

Additionally, JetBlue is making significant updates to T5 by upgrading the entire terminal to LED lighting solutions provided by Brightcore Energy, a premier provider of turn-key energy efficiency projects from lighting to solar, renewable heating & cooling, EV chargers, and battery storage. The T5 upgrades will reduce JetBlue's lighting-related energy use by approximately 66 percent, based on current usage. The project will have a significant impact, saving more than 2.1 million kWh annually, while improving aesthetics, lowering energy costs and reducing the terminal's carbon footprint.

"We applaud JetBlue's commitment to convert 30 percent of its fuel demand from traditional jet fuel to sustainable aviation fuel across the three major New York airports. This latest initiative from JetBlue is a critical step towards accelerating the production and adoption of SAF in the northeast, and achieving the associated environmental benefits in our region," said **Rick Cotton, Executive Director of the Port Authority of NY & NJ**. "This initiative advances our continued collaboration with JetBlue on important sustainability measures, including energy efficiency upgrades and electrifying ground support equipment at our airports."

JetBlue's Focus on the Environment

JetBlue depends on natural resources and a healthy environment to keep its business running smoothly. Natural resources are essential for the airline to fly and tourism relies on having beautiful, natural and preserved destinations for customers to visit. The airline focuses on issues that have the potential to impact its business. Customers, crewmembers and community are key to JetBlue's sustainability strategy. Demand from these groups for responsible service is one of the motivations behind changes that help reduce the airline's environmental impact. For more on JetBlue's sustainability initiatives, visit www.jetblue.com/sustainability.

About JetBlue Airways

JetBlue is New York's Hometown Airline®, and a leading carrier in Boston, Fort Lauderdale-Hollywood, Los Angeles, Orlando and San Juan. JetBlue carries customers across the U.S., Caribbean and Latin America, and between New York and London. For more information, visit jetblue.com.

(a) Based on publicly announced deals and volumes, as a percentage of US airlines' 2019 respective total fuel use.
(b) The 30 percent value is based on JetBlue's 2019 fuel usage across JFK, EWR, and LGA. The actual percentage may vary by the date of delivery, based on variations in JetBlue's future fuel requirements.

View source version on businesswire.com: https://www.businesswire.com/news/home/20210929005546/en/

Media Contact

JetBlue Corporate Communications

corpcomm@jetblue.com

Source: JetBlue