

# **Existing Federal Programs**

#### Supporting the biogas and RNG industries

Patrick Serfass, Executive Director 
"Powering Businesses, Homes and Vehicles with Waste"

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### "Don't mess with the RFS!"

# Renewable Fuel Standard-RINs

- For upgraded biogas/RNG as vehicle fuel
- Fossil NG = \$3.00/MMBTU
- OD3 RIN @ \$3.03 = \$40.00/MMBTU
- OD5 RIN @ \$1.12 = \$14.50/MMBTU







# **Farm Bill**

- Energy Title (IX): Rural Energy for America Program, Bioenergy Program for Advanced Biofuel, Biorefinery Assistance Program, Biomass Research and Development Initiative (BRDI).
- Conservation Title (II): Natural Resources Conservation Service (NRCS), Environmental Quality Incentives Program (EQIP), Conservation Innovation Grants.
- Research Title (VII): Agricultural Research Service and National Institute of Food and Agriculture



## **Agency Programs (Appropriations)**

- EPA: AgSTAR, Landfill Methane Outreach Program, Combined Heat and Power Partnership, and Sustainable Materials Management Program
- ODOE: Bioenergy Technologies Office, Vehicle Technology Office, Fuel Cell Technologies Office
- Cross Agency:
  - USDA/DOE Biomass Research & Development Technical Advisory Committee
  - EPA/USDA/USGS integrated nutrient management strategy



# **Tax Policy**

The biogas and RNG industries need PARITY
 WITH both fossil energy and renewable energy





# AD vs. Solar/Wind

#### **Biogas/AD Systems Are Worth It**

#### Capacity factor:

Solar: 16% (<u>EIA, NJ</u>)

Wind: 22% (average worldwide)

Biogas/AD: 90% (DOE, <u>UW</u>)

#### Economic Comparative Analysis:

- It takes <u>6 times as much solar</u> capacity to achieve the same amount of produced energy from anaerobic digestion
- If NJ would support 100MW of AD projects, you would need 600MW of solar or 400MW of wind to produce the same amount of renewable energy
  - 100MW of AD projects: about \$400 million (\$4m/MW capacity)
  - 600MW of solar: about \$2.2 billion (\$3.6m/MW capacity; \$20m/MW produced energy)



# **Tax Policy Parity**

- Option 1: extend predictable incentives that other technologies use to biogas/RNG
  - S.988 "Agriculture Environmental Stewardship Act"
  - Give baseload electricity generation technologies in Section 45 long-term tax credit extensions equivalent to those given to solar industry.

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Option 2: create technology neutral tax reform

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#### Don't care about supporting renewable energy?

#### With what infrastructure will we manage:

- 66,500,000 TONS of food waste each year
- The sludge from 31 BILLION gallons of wastewater EVERY DAY
- The manure AND NUTRIENTS from 8 BILLION cows, chicken, turkey and pigs

#### Where will the nutrients for US agriculture come from?

- 12,840,000 short TONS of nitrogen (N) needed
- 4,321,000 short TONS of phosphate (P<sub>2</sub>O<sub>5</sub>) needed
- Nitrogen is mostly made from ammonia using fossil fuels
- Phosphorus mining in the US creates radioactive waste—or we import it

#### 13,500 US Biogas Systems =

- \$40 billion in construction spending
- 335,000 short –term construction jobs and 23,000 permanent jobs



# Let's develop smart policy to grow the biogas and RNG industries!

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