NEWS RELEASE
Contact: Caroline Peat
202-640-6595
cpeat@ttcorp.com

FOR IMMEDIATE RELEASE
July 20, 2016

New Senate Bill Signals Building Support for Nutrient Recycling, Biogas

WASHINGTON, DC – Last week, Senators Sherrod Brown (D-OH) and Pat Robert (R-KS) introduced new bipartisan legislation, the Agriculture Environmental Stewardship Act (S 3248). This latest bill is a companion to identical House legislation (HR 5489) introduced on June 15 by Congressmen Ron Kind (D-WI) and Tom Reed (R-NY). The American Biogas Council, the trade association for the U.S. biogas industry, applauds the bill which will increase the sustainability of farms by helping to deploy new nutrient recovery and biogas systems to recycle organic material into baseload renewable energy and healthy soil products. The legislation provides a 30 percent investment tax credit (ITC) for qualifying biogas and nutrient recovery systems and is the Senate companion bill to HR.5489 introduced last month. The House bill now has 24 Republican and Democratic sponsors and the support of several industry groups.

"With the introduction of these two bills, we believe that there is strong recognition of the need for clean waterways and more productive soils which contribute to healthier communities and a stronger economy. Biogas and nutrient recovery systems make these goals obtainable and this legislation will help incentivize those technologies," said Patrick Serfass, Executive Director of the American Biogas Council. "We are thankful to Senators Brown and Roberts for their leadership and for recognizing the far reaching benefits of sustainable farming where organic material and nutrients are recycled to create beneficial soil products, baseload renewable energy and jobs."

S.3248 reflects the critical need to support economically and environmentally sustainable agricultural practices that protect waterways and enrich soils. Currently no tax incentive exists for nutrient recovery systems which farms increasingly need to properly manage the nutrients found in raw manure. Currently, only biogas projects that generate electricity are eligible for a production tax credit under Section 45 of the federal tax code, omitting other energy uses like production of pipeline quality natural gas and compressed renewable natural gas vehicle fuel.

Why is nutrient recycling important?
To have both healthy watersheds and soils, sustainable agricultural practices are critical. If excessive amounts of nutrients are applied to soils within the short windows available between planting crops, the nutrients often do not have an opportunity to be used by the crop and run into waterways especially during heavy rains that often occur in spring and fall. The excess nutrients can then create harmful algal blooms that starve fish and desirable aquatic plants of the oxygen they need to thrive. By deploying nutrient recovery systems that allow farms to apply nutrients when and where they are needed throughout the year, farms greatly reduce the potential environmental impact and the use of expensive chemical fertilizers which are often imported.

While nutrient recovery systems can be used alone, their performance is enhanced when used with a biogas system. Biogas systems transform manure and other organic residuals like food waste using a natural, microbial process (not too different than what happens in a cow's stomach) producing a

digestate containing all of the nutrients but in more bioavailable forms. Since the digestate is already warm and homogenous as it leaves the biogas system, nutrient separation is more efficient and the reliability of separating or concentrating the nutrients from the digestate is increased. This allows farmers and landscapers greater control of how much of each nutrient (e.g., nitrogen, phosphorus, potassium) is applied to the soil. Concurrently, the digestate leaving the biogas system is 95% free of odor, fly larvae - and importantly – as much as 99% free of pathogens, preventing the spread of E. coli in watersheds. Finally, biogas systems capture all of the methane to generate baseload renewable energy, preventing greenhouse gas emissions and reducing reliance on fossil fuels. Combined, the biogas and nutrient recovery systems create jobs both during construction and ongoing operation of new systems through the daily input and processing of organics and the use and sale of energy and nutrients.

U.S. Biogas Market

Currently, the United States has more than 2,100 sites producing biogas, and still, the potential for growth of the U.S. biogas industry is huge. A recent industry assessment conducted with the USDA, EPA and DOE as part of the Federal Biogas Opportunities Roadmap estimates nearly 11,000 sites are ripe for development. If fully realized, these new biogas systems could produce enough energy to power 3.5 million American homes and reduce emissions equivalent to removing up to 11 million passenger vehicles from the road. It would also result in an estimated $33 billion in construction spending, creating approximately 275,000 short-term construction jobs and 18,000 permanent jobs to operate the biogas systems and manage ongoing business activities.

For more about how biogas systems work, visit:
http://www.americanbiogascouncil.org/biogas_howSystemsWork.asp

About the American Biogas Council

The American Biogas Council is the only national trade association representing the biogas industry in the U.S. The ABC represents over 200 companies covering the entire biogas supply chain who are dedicated to maximizing the production and use of biogas from organic waste. Find us online at www.AmericanBiogasCouncil.org, Twitter @ambiogascouncil, LinkedIn in the American Biogas Council group and on YouTube www.youtube.com/GoBiogas