



## NEWS RELEASE

Contact: Maureen Walsh  
(202) 681-6092

[maureen@dc-groupllc.com](mailto:maureen@dc-groupllc.com)

FOR IMMEDIATE RELEASE

May 9, 2017

### **Biogas Industry Applauds Agriculture Environmental Stewardship Act (S. 988)**

WASHINGTON, DC—The American Biogas Council, the trade association for the U.S. biogas industry, applauds the recent introduction of the bipartisan [Agriculture Environmental Stewardship Act \(S. 988\)](#). This legislation, introduced last week by Senators Sherrod Brown (D-OH) and Pat Roberts (R-KS) 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 Act provides a 30 percent investment tax credit (ITC) for qualifying biogas and nutrient recovery systems.

"We thank Senators Brown and Roberts for their 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](#) (ABC). "When we incentivize sustainable farming that includes recycling of organic material and nutrients, we create beneficial soil products, baseload renewable energy and jobs while protecting our watersheds."

The introduction of S. 988 reflects the critical need to support economically and environmentally sustainable agricultural practices that protect waterways and enrich soils. No tax incentive exists to incentivize biogas or nutrient recovery systems. A production tax credit under Section 45 of the federal tax code which used to incentivize the production of renewable electricity has been allowed to expire. This new investment tax credit would promote the production of pipeline quality natural gas and compressed renewable natural gas vehicle fuel as well as nutrients which are vital to the production of agriculture.

"Protecting and preserving natural resources is an integral part of dairy farming," said Jim Mulhern, President and CEO of the [National Milk Producers Federation](#). "This new legislation will make biogas and manure resource recovery technologies more affordable, accelerating the adoption of tools that enhance the environmental stewardship of livestock agriculture. The measure provides broader societal benefits by decreasing nutrient runoff in waterways, decreasing farm odors, and improving water quality."

"This is a great example of prudent tax policy," said Matt Carr, executive director of the [Algae Biomass Organization](#). "By supporting investments in algae-based and other nutrient management systems, the Agriculture Environmental Stewardship Act will help farmers recycle valuable ag nutrients back into their operations and reduce the taxpayer burden of recovering those nutrients downstream. It's a win-win for everyone."

#### **Why is nutrient recycling important?**

To have both healthy watersheds and soils, sustainable agricultural practices are critical. When excessive amounts of nutrients are applied to soils within the short window available between planting crops and crop growth, the crops don't absorb the nutrients. Consequently, those nutrients often run

1211 Connecticut Avenue NW, suite 650 | Washington, DC 20036-2701

202-640-6595 | [info@americanbiogascouncil.org](mailto:info@americanbiogascouncil.org) | [www.americanbiogascouncil.org](http://www.americanbiogascouncil.org)

into waterways especially during heavy rains that often occur in spring and fall. In water, excess nutrients can 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 and can make sure that just the right mix of critical nutrients are applied to their soils.

### **Connection between nutrient recovery and biogas systems**

While some nutrient recovery systems can process raw manure instead of digested manure, their performance is enhanced technically and economically when processing digested manure in tandem with a biogas system. [Biogas systems](#) transform manure and other organic residuals like food waste using a natural, microbial process (not too different from what happens in a cow's stomach) producing a digestate containing all of the nutrients but in more bioavailable forms. Since the digested material is already warm, homogenous and broken down 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, and potassium) they apply to the soil.

### **U.S. Biogas Market**

Currently, the United States has more than [2,200 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 13,500 sites are ripe for development. If fully realized, these new biogas systems could produce enough energy to power 7.5 million American homes and reduce emissions equivalent to removing up to 15.4 million passenger vehicles from the road. It would also result in an estimated \$40 billion in construction spending, creating approximately 335,000 short-term construction jobs and 23,000 permanent jobs to operate the biogas systems and manage ongoing business activities.

Legislative text can be found [here](#). A short summary of the bill can be found [here](#). A link to this release can be found [here](#).

### ***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](http://www.AmericanBiogasCouncil.org), Twitter [@ambiogascouncil](https://twitter.com/ambiogascouncil), LinkedIn in the American Biogas Council group and on [YouTube](#).