



## Newsletter IEA Bioenergy Task 37: 08/2021

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#### Federal resources supporting AD

One of President Biden's Clean Energy initiatives includes partnering with farmers, ranchers and businesses engaged in livestock production to implement environmentally sound agriculture practices and deploy methane digesters that generate new sources of energy and revenue. Agriculture producers and businesses engaged in the livestock industry are facing methane emissions remediation issues that impact the future economic viability of the industry. The addition of an anaerobic digestion system not only solves the emission problem but provides another source of income. Anaerobic digesters convert livestock waste into value added renewable energy including renewable natural gas (RNG), electricity, or combined heat and power (CHP) and value-added products such as fertilizers, compost, biochar, and bedding materials. Only 263 of the projected 8,000 large dairy and hog operations where biogas recovery systems are technically feasible have been constructed. While these are technically feasible, financial feasibility would need to be determined on an individual basis. There is a huge potential for the expansion of this market. USDA provides resources to assist smaller livestock (dairy, hog, chicken, beef) operations to form associations/cooperatives that would provide sufficient volume for a technically and financially feasible digester operation. There are numerous federal programs and resources available to assist agriculture producers and businesses to determine the feasibility for and construction of anaerobic digesters like AgSTAR, NRCS or EQIP.

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#### Bio-CNG exempt from CO<sub>2</sub>-tax in Germany

Since the beginning of the year, drivers of so-called "green combustion engines" running on bio-CNG have been exempt from the new CO<sub>2</sub> levy. The German government is thus rewarding the significant CO<sub>2</sub> savings of bio-CNG of up to 90% compared with gasoline and diesel. The exemption of the CO<sub>2</sub> surcharge for bio-CNG is initially valid for two years. After that, the CO<sub>2</sub> price varies,

depending on the feedstock base used to produce the biomethane. In the best case, however, bio-CNG as a fuel will remain exempt from the CO<sub>2</sub> price even if it is produced entirely from residual and waste materials, according to the forecast of the Munich-based NGO "CNG Club". A CO<sub>2</sub> tax has been levied on fossil fuels in Germany since the beginning of the year. It currently stands at 25 Euros per metric ton. By 2025, the price is set to climb successively to 55 Euros per metric ton. As a rule, this surcharge is passed on directly to the tank customer.

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### **Lower Saxony becomes model region for bio-LNG**

Lower Saxony is promoting a large-scale, innovative pilot project on liquid biomethane (LBG). The two-year project is supported with funds from the Lower Saxony Ministry of Environment, Energy, Building and Climate Protection. The project coordinator is the "3N Competence Center Lower Saxony Network Renewable Resources and Bioeconomy" in Werlte. The project consortium includes Alternoil, LIQUIND 24/7 and GasCom Equipment.

The two participating filling station operators have ambitious expansion plans for LBG filling stations including the two sites within the model project, which are scheduled to open in Oldenburg and Göttingen in the 2nd quarter of this year. One focus of the project is the demonstration operation of a mobile liquefaction unit from GasCom Equipment, which will be installed at the biomethane plants in Badbergen and Ottersberg. Monitoring of the operating data is planned at all sites.

While the filling stations have so far used natural gas-based LNG, the focus of the model project is on increasing proportions of biogas. Decentralized liquefaction represents an alternative to large-scale production and import of liquefied natural gas. It can be installed decentral at individual plants or more centralized, when several biogas producers are interconnected via raw gas pipelines. Existing and newly constructed biogas plants may find it an alternative for heat and power generation if they have sufficient capacity and cannot tap into significant heat sales. The legal regulations create special incentives for residual and waste materials - these include liquid manure and dung as well as biowaste and organic residues, e.g. from food processing.

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### **DOE offers \$61.4 million for biofuel and bioenergy projects**

The U.S. Department of Energy has announced that it will award \$61.4 million to support the development and demonstration of a variety of bioenergy projects, including those related to marine and aviation fuels, cellulosic sugars, separations technologies, residential wood heating, and renewable natural gas (RNG). The funding opportunity announcement (FOA), issued Office of Energy Efficiency and Renewable Energy focuses on biofuel production pathways that can deliver at least 70 percent lower greenhouse gas (GHG) emissions than petroleum. For biofuels, the FOA targets the production of low-carbon drop-in biofuels at \$2.50 per gallon gasoline equivalent (GGE) by 2030, as well as associated renewable chemical coproducts to achieve that target.

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### **Washington State passes clean fuel standard**

In Washington state, HB 1091, the Clean Fuel Standard has been passed by the legislature in April. It is a significant win for the Governor's renewables agenda and for the clean fuels movement. From San Diego to the gateway to the Klondike, a clean curtain has descended across the gateway to the Pacific. Low-carbon fuel standards are now in place in California, Oregon, British Columbia and, shortly, in Washington state — creating a fortress of renewability, into which many of the Great cities of the

Petroleum Age have taken themselves — Los Angeles, Seattle, San Francisco, San Diego, Oakland, Portland, Vancouver. The stakeholder group Clean Fuel Washington has dubbed the region “The Clean Fuel Coast”. And even better, the whole of Canada is expected to complete implementation of its national low-carbon fuel standard over the next two years.

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### **EPA issues federal plan for long-delayed MSW landfill regulations**

The U.S. EPA on May 21 published a final federal plan for existing municipal solid waste (MSW) landfills operated by any state, tribe or locale that has not submitted a satisfactory plan to reduce emissions of landfill gas in accordance with the agency’s MSW landfills emissions guidelines that were finalized in 2016. The final rule relates to new source performance standards (NSPS) for MWS landfills finalized by the EPA in August 2016. In a separate action, the agency also issued revised guidelines for reducing emissions from existing MSW landfills. Those long-stalled regulations, however, went unenforced for years and have been the subject of several lawsuits under the Trump administration. The EPA estimates that approximately 1,600 landfills in 41 states and the U.S. territories of Puerto Rico and the Virgin Islands will be covered by the federal plan. Once tribal entity, the Salt River Pima Maricopa Indian Community, would also be covered by the federal plan, according to the agency. The rules can be downloaded from EPA’s website.

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### **Germany's parliament passed new biofuels law transposing the recast of RED II**

The country’s greenhouse gas (GHG) emission reduction obligation is now scheduled to increase to 25pc by 2030, from 6pc currently. Obligated oil companies will have to significantly increase the use of renewables in transport while the amount of crop-based biofuels that can be counted towards the blending mandate will be capped at 4.4pc with palm oil-based biofuels banned from 2023 onwards, the German environment ministry said today. It joins France, Austria and The Netherlands who will not allow palm oil as raw material for transport biofuels from 2022 onwards. The minimum share for biofuels made from advanced feedstock listed in Annex IX part A of RED II will increase to 2.6pc by 2030, from close to nothing currently, the BMU said. Anything above the minimum share will be eligible for double-counting apart from biofuels made from palm oil mill effluent (POME), which will be excluded. The use of POME, currently categorised as advanced feedstock, is considered as "not expedient", the Bundestag said, urging the government to demand a removal of POME from Annex IX part A of RED II in the upcoming negotiations on the RED II in Brussels.

[More](#) (in German)

### **The European Commission presented the “Fit for 55” package**

“Fit for 55” refers to the at least 55% emission reduction target which the EU has set for 2030 early July. The proposed package aims to bring the EU’s climate and energy legislation in line with the 2030 goal. The Fit for 55 package includes 13 legislative proposals and policy initiatives among a few of high relevance for biogas announced for the second quarter of 2021:

- a revision of the EU emissions trading system (EU ETS), including its extension to shipping, revision of the rules for aviation emissions and establishing a separate Emission Trading System for road transport and buildings
- a revision of the regulation on the inclusion of greenhouse gas emissions and removals from land use, land use change and forestry (LULUCF)
- a revision of the renewable energy directive
- a revision of the directive on the deployment of alternative fuels infrastructure

- an amendment of the regulation setting CO2 emission standards for cars and vans
- a revision of the energy tax directive
- FuelEU Maritime for a green European maritime space

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### [The world's first comprehensive energy roadmap to net zero by 2050](#)

In May 2021 IEA published the world's first comprehensive study to lay out a cost-effective transition to a net zero energy system while ensuring stable and affordable energy supplies, providing universal energy access, and enabling robust economic growth. Building on the IEA's unrivalled energy modelling tools and expertise, the Roadmap sets out more than 400 milestones to guide us on this global journey. It shows the priority actions that are needed today to ensure the opportunity of net-zero emissions by 2050 – narrow but still achievable – is not lost. The scale and speed of the efforts demanded by this critical but the best chance of tackling climate change and limiting global warming to 1.5 °C. The model predicts a 98% decline of natural gas for heating purposes. For non-thermal applications the supply of low-emissions gases, such as hydrogen, synthetic methane, biogas and biomethane will rise from 2 EJ in 2020 to 17 EJ in 2030 and 50 EJ in 2050. The increase in gaseous hydrogen production between 2020 and 2030 is twice as fast as the fastest ten-year increase in shale gas production in the United States.

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