

## H. R. 2, Conference Report

The Managers recognize that the assorted methods of renewable electricity generation that qualify for financial assistance under the Rural Energy for America Program (REAP) are treated differently regarding whether or not a given project may qualify for a categorical exclusion from the need to provide additional documentation under the National Environmental Policy Act (NEPA). Under current regulations solar, wind, biomass, and various distributed technologies have different standards.

The Managers suggest that, in order to harmonize these regulations and facilitate additional deployment of renewable energy systems that do not have a significant impact on the environment, the Secretary consider an update of the relevant regulations to allow any solar, wind, or biomass project that has a rating of 10 megawatts or less, and which has undergone an extraordinary circumstances analysis and submitted an environmental report the Secretary finds acceptable to fulfill the necessary requirements under NEPA, to be designated as being categorically excluded from any requirement to prepare or publish a "Notice of Availability of the EA" or participate in a public review and comment period. Additionally, the Managers suggest the Secretary consider a similar harmonization and update of the relevant regulations regarding the availability of a categorical exclusion for small scale renewable and distributed energy projects that involve no or minimal alterations in the physical environment and typically occur on previously disturbed land.

### *(8) Biomass crop assistance program*

The House bill authorizes to be appropriated \$25 million annually for fiscal year 2019 through fiscal year 2023 and eliminates the mandatory funding provision. (Section 6411)

The Senate amendment adds algae as an eligible material and clarifies material harvested for the purpose of hazardous woody fuel reduction qualifies for matching payments. It authorizes appropriations of \$20 million annually for fiscal year 2019 through fiscal year 2023 and reauthorizes the program with \$25 million of mandatory funding for each annual fiscal year 2019 through fiscal year 2023. (Section 9110)

The Conference substitute adopts the House provision with an amendment that adds algae as an eligible material under the program. (Section 9010)

### *(9) Biogas research and adoption of biogas systems*

→ The Senate amendment inserts a new section after section 9011 of title IX of the Farm Security and Rural Investment Act of 2002, establishing an Interagency Biogas Opportunities Task Force to coordinate policies and programs to accelerate biogas research and investment in biogas systems. It also authorizes a study on advancing biogas markets and analyzing data related to biogas systems. (Section 9111)

The House bill contains no comparable provision.

The Conference substitute does not adopt the Senate provision.

The Managers intend that USDA coordinate policies and programs to accelerate biogas research and investment in biogas systems, while also studying ways to advance biogas markets and analyze data related to these systems.

Not later than 180 days after the date of enactment of the Agriculture Improvement Act of 2018, the Secretary in coordination with the Secretary of Energy and

the EPA Administrator shall establish an Interagency Biogas Opportunities Task Force building upon the existing Biogas Opportunities Working Group. The Task Force will coordinate policies, programs, and research to accelerate biogas research and investment in cost-effective biogas systems. The Task Force shall be composed of the head of each Federal office responsible for biogas research or biogas system financing, including a representative from the Department of Agriculture, the Department of Energy, the Environmental Protection Agency, and National Renewable Energy Laboratory. The Task Force will also have representation of 1 or more representatives of State or local governments, 1 or more nongovernmental or industry stakeholders, and a community stakeholder.

The Task Force shall evaluate and improve the coordination of loan and grant programs of the Federal agencies represented on the Task Force to broaden the financing options available for biogas systems. It will also explore how to enhance opportunities for private financing of biogas systems; review Federal procurement guidelines to ensure that products of biogas systems are eligible for and promoted by applicable procurement programs of the Federal Government; evaluate the development of North American Industry Classification System and North American Product Classification System codes for biogas and biogas system products; review opportunities and develop strategies to overcome barriers to integrating biogas into electricity and renewable natural gas markets; develop tools to broaden the market for non-energy biogas system products; provide information on the ability of biogas system products to participate in markets that provide environmental benefits; identify and investigate research gaps in biogas and anaerobic digestion technology; including research gaps in environmental benefits, market assessment; and performance standards; assess the most cost-effective voluntary investments in biogas to reduce waste and methane emissions; and identify and advance additional priorities, as determined by the Task Force.

Not later than 18 months after the date of the establishment of the Task Force, the Task Force shall submit to Congress a report that identifies whether it was able to carry out the duties outlined above and include recommendations on how Congress should prioritize policies and technological opportunities, aimed at expanding the biogas industry. The report shall also consider recommendations on how to eliminate barriers to investment in biogas systems in the landfill, livestock, wastewater, and other relevant sectors; and to enhance opportunities for private and public sector partnerships to finance biogas systems. Two years after the establishment of the Task Force it shall identify, collect, and analyze environmental, technical, and economic performance data relating to biogas systems, including the production of energy of biogas systems, co-products, greenhouse gas and other emissions, water quality benefits, and other data necessary to develop markets for biogas and biogas system co-products. This data shall be made public.

*(10) Community wood energy program*

The House bill expands the program to provide financial assistance for the installation of public or private wood energy systems and the construction of manufacturing or processing plants that use or produce innovative wood products. It changes the name to the “Community Wood Energy and Wood Innovation Program” and authorizes appropriations of \$25 million annually from fiscal year 2019 through fiscal year 2023. (Section 8106)