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STATEMENT

Treasury Misses the Mark Again on Proposed Clean Energy Regulations

May 31, 2024 - WASHINGTON – The U.S. Treasury released guidance this week on Clean Electricity tax credits (Sections 48E and 45Y of the Internal Revenue Code) initiated by the Inflation Reduction Act (IRA), without specifying clear guidance for renewable electricity created with biogas or renewable natural gas (RNG). As it has in guidance on previous clean energy credits, Treasury claimed that renewable gas verification tools for biogas systems are not in place. To the contrary, robust tracking and verification, and lifecycle carbon accounting systems are in place and IRS Section 48 rules have recognized these projects as clean electricity since 2004.

Patrick Serfass, Executive Director of the American Biogas Council, issued the following statement in response:

Treasury again failed to provide appropriate guidance for clean electricity created from the renewables with some of the [lowest carbon footprints of all](#)—biogas and renewable natural gas (RNG). Most of these fuels are carbon negative, according to the [lifecycle assessment model](#) of the Argonne National Laboratory of the U.S. Department of Energy's Office of Science, because they both capture methane emissions that would have otherwise escaped to the atmosphere and eliminate the emissions that would have been created by burning fossil fuels.

Because the current related tax credits are set to expire at the end of this year, this lack of specific guidance for biogas and RNG leaves investors and developers of these renewable power systems in the dark, delaying the construction of renewable energy and recycling infrastructure during an unprecedented time of increasing demand. The American Biogas Council calls on Treasury to rectify this and adhere to Congressional intent that biogas and RNG be included in all clean energy pathways, including electric generation.

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About the American Biogas Council

The American Biogas Council is the voice of the U.S. biogas industry dedicated to maximizing carbon reduction and economic growth using biogas systems. We represent more than 400 companies in all parts of the biogas supply chain who are leading the way to a better future by maximizing all the positive environmental and economic impacts biogas systems offer when they recycle organic material into renewable energy and soil products. Learn more online at www.AmericanBiogasCouncil.org, [X](#) and [LinkedIn](#).