



Policy Resolution 5.2019

Supporting the Development of Renewable Natural Gas Resources

Originating Sponsor

Representative William E. "Bill" Sandifer, III, South Carolina

Co-Sponsors

Representative Dean Arp, North Carolina

Representative Mark McBride, Oklahoma

WHEREAS, biologically-derived renewable natural gas (RNG), including but not limited to, RNG from the animal waste byproducts of livestock operations, has great potential to become a significant contributor to American energy supplies; and

WHEREAS, RNG can play key roles in supporting power generation; providing clean, low-emission fuel to the transportation sector; and ensuring our nation's natural gas customers have the adequate and reliable supplies they need to heat and power homes, industries and businesses; and

WHEREAS, the use of properly processed RNG as a fuel can significantly reduce the environmental impact of greenhouse gas emissions, compared to allowing methane produced through decomposition to escape into the atmosphere; and

WHEREAS, through its extensive animal farming operations and additional feedstock diversity, the South can become a national leader in the production and use of RNG; and

WHEREAS, this development could also be a significant source of jobs, revenue and profit for the South's agricultural sector and particularly its farmers; and

WHEREAS, studies by the American Biogas Council indicate that the development of biogas resources in member states of the Southern States Energy Board has the potential to support at least \$7.1 billion in capital investment and more than 4,700 long-term jobs; and

WHEREAS, these same American Biogas Council studies indicate biogas production in these states could potentially reduce atmospheric carbon dioxide emissions by at least 142.8 trillion tons; and

WHEREAS, the studies further show that potential biogas production from these states could also provide enough clean natural gas fuel to power at least 7.2 million vehicles and produce enough electricity to serve the needs of at least 2.1 million homes; and

WHEREAS, the proximity of many of the South's prime agricultural areas to natural gas pipeline further enhances prospects for our region's RNG resources; and

WHEREAS, RNG development is already underway in the South, as shown by the Align RNG partnership between Smithfield Foods and Dominion Energy announced earlier this year, a \$250 million

venture that will include the harvesting and processing of methane derived from swine farming operations in Virginia and North Carolina; and

WHEREAS, despite the many economic and environmental advantages of RNG, significant financial and regulatory barriers exist to the development of this resource, in the South and elsewhere; and

WHEREAS, actions by the states, including the state legislatures, could help bring about the changes needed to help RNG reach its full potential as a source of clean, renewable domestic energy; and

WHEREAS, these actions include adoption of measures to ease the regulatory obstacles for RNG production systems to connect to natural gas pipelines, including provisions to allow natural gas utilities to include such interconnections in their rate bases; and

WHEREAS, additional measures to promote RNG development could include calls for the elimination of requirements in power station air permits for the exclusive use of geologic natural gas, as well as development and implementation by the states of standards for the use of low-carbon fuels, among them RNG, by the transportation sector.

THEREFORE BE IT RESOLVED, the Southern States Energy Board hereby declares our strong support for the development of our region's RNG resources and expresses our belief that they can play a significant role in improving the environment and supporting our nation's energy independence; and

BE IT FURTHER RESOLVED, the Southern States Energy Board strongly endorses RNG's potential to strengthen our region's economy by providing new jobs and revenue for the agricultural sector; and

BE IT FURTHER RESOLVED, the Southern States Energy Board urges the region to give careful consideration to the steps included in this resolution to ease the regulatory barriers to the expansion of the South's RNG industry and facilitate RNG's inclusion in our regional fuel supply; and

BE IT FURTHER RESOLVED, the Southern States Energy Board also asks the states to explore other alternatives for the promotion of RNG resources and help bring about the continued and expanded development of this highly promising industry.



*Unanimously adopted on September 24, 2019, at the
59th Annual Meeting of the Southern States Energy Board in Louisville, Kentucky*