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"Connecting Cows, Cooperatives, Capitol Hill, and Consumers"

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## Biogas Opportunities Roadmap will foster innovation, revenue for dairy farms

ARLINGTON, VA – The White House on Friday released a Biogas Opportunities Roadmap highlighting the economic and environmental benefits and potential for biogas systems in the U.S. According to the Roadmap, biogas systems offer a wide range of potential revenue streams, growing jobs and boosting economic development for communities, businesses and dairy farms. The systems work by recycling organic material — including cow manure and food waste — into valuable co-products such as renewable energy, fertilizer, separated nutrients and cow bedding.

To develop the Roadmap, The White House worked with the dairy industry through the Innovation Center for U.S. Dairy, which was established under the leadership of dairy farmers, and U.S. Department of Agriculture (USDA), Department of Energy (DOE) and Environmental Protection Agency (EPA).

The Innovation Center brings together leaders of dairy farmer organizations, including NMPF, along with cooperatives, processors, manufacturers, and brands, to foster innovation and help dairy farmers and importers sell more milk and dairy products. Biogas initiatives completed by the Innovation Center helped inform the Roadmap, including 2013 <a href="research">research</a> that identifies a \$2.9 billion market potential for anaerobic digester systems that co-digest dairy cow manure and food waste.

"The Biogas Roadmap will help stimulate the emerging biogas market in ways that could provide revenue-generating opportunities for dairy farms of all sizes," said Jim Mulhern, president and chief executive officer of the National Milk Producers Federation, which develops and carries out policies that advance the well-being of dairy farmers and the cooperatives they own.

The Roadmap strategies are entirely voluntary, not regulatory. "This validates the proactive and voluntary path the industry is already taking to reduce methane emissions, and provides direction for future actions and opportunities," said Mulhern. NMPF sits on the Board of Directors for the Innovation Center.

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The USDA, DOE and EPA will take these steps to promote the development of biogas systems:

- Fostering investment in biogas systems: To help overcome barriers to the widespread investment in biogas systems, USDA will lead efforts to better understand and track the performance of anaerobic digesters, seek opportunities to broaden financing options, and review Federal procurement guidelines.
- Strengthening markets for biogas systems and system products: The Roadmap identifies activities
  that could strengthen the market for biogas systems and system products including energy and
  other value-added products. For example, dairy farms of all sizes could enhance their revenues
  through nitrogen and phosphorus recovery.
- Improving communication and coordination: USDA will establish a Biogas Opportunities Roadmap Working Group, including the dairy industry, to implement the strategies in the Roadmap, with a goal to identify and prioritize policies and technology opportunities by August 2015.
- Promoting biogas use through existing agency programs: Leveraging existing programs will
  provide a way to enhance the use of biogas systems in the U.S. by ensuring existing criteria for
  technical and financial assistance considers the benefits of biogas system, leveraging research
  funding, and strengthening programs that support the use of biogas for clean energy,
  transportation fuel, and other biobased products.

"On dairy farms, digesters can increasingly be part of the solution to manure management challenges and enhance our ability to sustain our farms for the next generation," said Jim Werkhoven, a dairy farmer in Monroe, Washington, and Chairman, Darigold, Inc.

Biogas systems could help the dairy industry, which contributes approximately 2 percent of total U.S. greenhouse gas emissions, to further reduce its carbon footprint. In 2009, the dairy industry established a voluntary goal to reduce its carbon footprint by 25 percent by 2020. The Dairy Power project is one of a portfolio of projects to help achieve that goal; it focuses on harnessing the value of manure and realizing the potential of biogas systems for U.S. dairy farmers.

"Dairy farmers are taking many steps to provide nourishing dairy foods and beverages that are responsibly produced," said Tom Gallagher, chief executive officer of the Innovation Center for U.S. Dairy. "Biogas systems are one example of many technologies available to the industry today that help us continuously improve our stewardship and contribute to our communities."

Visit <u>USDairy.com/DairyPower</u> for information and case studies about biogas projects on dairy farms, and <u>watch this video</u> to see how a coalition of urban and rural partners -- including the Cleveland Browns – used a biogas system to recycle cow manure and food waste.

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The National Milk Producers Federation, based in Arlington, VA, develops and carries out policies that advance the well-being of dairy producers and the cooperatives they own. The members of NMPF's cooperatives produce the majority of the U.S. milk supply, making NMPF the voice of more than 32,000 dairy producers on Capitol Hill and with government agencies. Visit www.nmpf.org for more information.

Innovation Center for U.S. Dairy® is a forum for the dairy industry to work together pre-competitively to address barriers and opportunities to foster innovation and increase sales. The Innovation Center aligns the collective resources of the industry against common priorities to offer consumers nutritious dairy products and ingredients, and promote the health of people, communities, the planet and the industry. The Board of Directors for the Innovation Center includes dairy industry leaders representing key producer organizations, dairy cooperatives, processors, manufacturers and brands. The Innovation Center is staffed by Dairy Management Inc™. Visit USDairy.com for more information about the Innovation Center for U.S. Dairy.