

Engineering Solutions for the Biogas and Process Industries



# **Bring on the Manure!**

The construction of our Dairy Digester to RNG Facility in Coopersville, Michigan has been completed! The commissioning on the DVO Digester and digestate processing has been completed, and the decanter commissioning was completed in June of 2022. We've completed the cold commissioning of the RNG Facility, but still need to execute the hot commissioning of the RNG Facility, which will be performed after the final manure supply agreement between the client and dairy is finalized.



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# **RNG Project Updates**

We've got gas! Commissioning is well underway and we are now generating gas at our Dairy Digester to RNG Facility in Okeechobee, Florida. The next step will be to process the biogas, and at that point, the facility will be ready to produce an estimated 171,000 MMBtu of RNG each year. In addition to our two digester to RNG facilities that are nearly completed, we also have a number of other similar projects

currently in the various stages throughout the country.

In Eloy, AZ, we are well into the construction of a green-field 300 scfm anaerobic digester to RNG facility. The digester will receive manure from one farm via a flush manure system. We're currently focused on getting the solid separation equipment installed and operational, finishing the installation of the pavilion over the RNG pad, and making the final flare connections. We anticipate completing the construction phase of the project in mid November of this year.



We are in the final design and procurement stage and in the early stages of construction of a Dairy Digester to RNG Facility in Chowchilla, CA . The 35,000 cow dairy will result in the production of an estimated 330,000 MMBtu of RNG per year. That quantity of RNG will be able to fuel roughly 340 heavy-duty trucks annually, which can virtually eliminate smog-forming pollutants and reduce greenhouse has emissions by as much as 80%.

In Long Island, New York we have recently broken ground on a Source Separated Organic Waste (SSOW) Digester to RNG facility that will collect food waste from residents, grocery stores, and other commercial entities in the area. In addition, Fats, Oils, and Grease (FOG) will be collected to serve as liquid feedstock for the digester. This facility is designed to process up to 210,000 ton/yr of SSOW and FOG into RNG.

Construction has begun on our project in Summerdale, AL as well, where we will function as the EPC Contractor for the design, construction, and commissioning of a Landfill Gas (LFG) to RNG Facility. This facility is set to process roughly 1,000 SCFM of raw landfill gas into RNG. When finished, the facility will produce an estimated 255,000 MMBTUs per year of RNG.







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## **RNG Investment Tax Credit Overview**

The recent Inflation Reduction Act of 2022 has expanded the Investment Tax Credits (ITC) to include qualified biogas projects. Investment Tax Credit (ITC) –Section 48(a) of the Internal Revenue Code provides an investment tax credit for renewable natural gas (RNG), solar and other renewable energy property. The amount of ITC available depends on when construction begins.

## **Qualifying RNG Projects for ITC**

The biogas ITC includes a base investment tax credit (6%) and two bonus credits of 2% each that can be added to the base tax credit. These bonus credits are:

- Domestic Content (>40%) –adds 2% to base ITC of 6%
- Energy Community –adds 2% to base ITC of 6%

Thus, depending on the conditions above, your base ITC would be either 6%, 8% or 10%. IRA 2022 also provides an additional incentive, by way of a multiplier of 5 on the base ITC, if the project uses prevailing wages (or union wages) for all construction activities. Thus, a project with a base(+bonus) of 8% that uses prevailing wages (or union wages) for all construction activities, the total ITC would be 40% (8% x 5).

Also, the ITC amount is based on the date the construction of an RNG project begins and when it is placed in service. In the following example, we will assume that the project qualifies for a 40% ITC (base + domestic content satisfied):

If construction begins:	and is completed:	The ITC percentage is:
Prior to/during 2022	Before 12/31/2022	0%
Prior to/during 2022	After 1/1/2023	40%
During 2023	Before 2027	40%
During 2024	Before 2028	40%
After 2024	No end date	0%

### How Can We Help?

- We are a full-service EPC company with over a dozen RNG projects executed in the last 6 years.
- We can help strategize on what types of qualified components to buy (that can fit multiple projects).
- We can quickly reach contract terms to begin manufacturing qualified components.
- We have capability to fully document the progress of the manufactured components to satisfy IRS scrutiny.
- We have long history of working with all major equipment vendors, with T&Cs in place with many of the major vendors in the space.

Click the following link to view the entire presentation and breakdown: <u>RNG Investment Tax Credit:</u> <u>Start of Construction Physical Work Test</u> or view it on our website under the News/Resources tab.



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### **Recent Events**

Venture representatives were on site in Nashville, TN last month for the annual RNG Works Technical Workshop and Trade Expo. This is our second time exhibiting at the event, and it's always a great place to renew relationships and meet with representatives of all categories of companies within the renewable energy space. Thank you to everyone at the Coalition for Renewable Natural Gas for hosting the event, and we can't wait to go back next year!



## What Can We Do For You?

Founded in 2007, Venture Engineering & Construction, Inc. is a privately owned process engineering firm headquartered in Warrendale, PA.

Venture employs a robust staff of multi-disciplinary engineers and designers to accommodate projects that range in size and scope. The Venture team provides a full range of engineering services from front-end conceptual engineering to detailed design, as well as EPC Contractor and Construction Management services.

In addition to our consulting and engineering services, Venture provides custom equipment to the biogas and natural gas markets. The equipment solutions are not "one size fits all." They are customized for the unique applications and needs of each individual customer. Visit our website for more information on how we can serve you.

#### Services Provided

- EPC Contractor
- Construction Management
- Custom Equipment Design
- Design/Drafting
- Safety

- **Engineering Services** 
  - o Process
  - Mechanical & Piping
  - Automation
  - I&C
  - Environmental
  - o Civil & Structural
  - o Electrical

#### **Markets Served**

- Oil & Gas
- Mining/Mineral Processing
- Commercial & Institutional
- Wine & Brewery

- Biogas to Energy
- Power Generation Wastewater & Water Treatment
  - District Energy Systems
  - Chemicals/Petrochemicals
  - Steel/Metals

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