# Aemetis Biogas expands capacity with new dairy digesters in California



The bioenergy sector is witnessing significant developments, particularly in California, as Aemetis Biogas has recently expanded its capacity by commissioning three new dairy digesters. This expansion brings the total number of operating digesters to 12 and is anticipated to generate an additional 250,000 MMBtu per year of renewable natural gas (RNG). The company's overarching goal is to reach a total production of 550,000 MMBtu of RNG by the year 2025.

Eric McAfee, the chairman and CEO of Aemetis, highlighted the economic potential of the expansion, stating, “Our biogas business is creating significant revenue and income growth for Aemetis. The December expansion will increase RNG production capacity in the near-term by 80% and will contribute significantly to our business in 2025 and beyond.” He indicated that as the Internal Revenue Service finalises its guidance on the Section 45Z Production Tax Credit, which started on January 1, 2025, the company expects to see further enhancements in both revenue and income.

Aemetis Biogas is already engaged with 50 dairies, which have signed agreements to support this initiative, leveraging the company’s extensive geographic footprint in Central California. This strategic positioning enables Aemetis to expand its feedstock supply for additional digesters, thereby enhancing RNG production capacity.

The future growth of Aemetis’s biogas operations is also closely linked to regulatory developments. The California Air Resources Board (CARB) is currently reviewing the pathways for LCFS credits for the seven digesters in the final review phase. Upon receiving pathway approval, which is expected in the first half of 2025, Aemetis anticipates an approximately 80% increase in the number of LCFS credits earned for RNG production from the newly approved digesters. The completion of the Central Dairy Project, which involves these dairies, is projected to produce over 1.6 million MMBtu of RNG annually, potentially generating revenues of around $250 million.

In addition to these operational advancements, Aemetis is involved in the broader renewables landscape through various regulatory frameworks, such as the sale of California Low Carbon Fuel Standard (LCFS) credits, federal Renewable Fuel Standard D3 RINs, and the planned sale of federal IRA Section 45Z Production Tax Credits (45Z PTC). The company is actively participating in the Renewable Natural Gas (RNG) market, and its expansion efforts represent a significant step in the growing bioenergy sector as it adapts to emerging technologies and evolving industry forecasts.

Source: [Noah Wire Services](https://www.noahwire.com)

## Bibliography

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2. <https://www.globenewswire.com/news-release/2024/12/10/2994487/0/en/Aemetis-Biogas-Starts-Production-From-Tenth-Dairy-Digester-With-Additional-Digesters-in-Final-Stages-of-Commissioning-and-Construction.html> - Supports the information about Aemetis Biogas starting production from the tenth dairy digester and the expansion to twelve digesters, increasing RNG production capacity to 550,000 MMBtu per year.
3. <https://www.globenewswire.com/news-release/2024/12/10/2994487/0/en/Aemetis-Biogas-Starts-Production-From-Tenth-Dairy-Digester-With-Additional-Digesters-in-Final-Stages-of-Commissioning-and-Construction.html> - Confirms Eric McAfee's statement on the economic potential and revenue growth from the expansion and the impact of the Section 45Z Production Tax Credit.
4. <https://www.globenewswire.com/news-release/2024/12/10/2994487/0/en/Aemetis-Biogas-Starts-Production-From-Tenth-Dairy-Digester-With-Additional-Digesters-in-Final-Stages-of-Commissioning-and-Construction.html> - Details the engagement with 49 dairies and the strategic positioning for expanding feedstock supply and enhancing RNG production capacity.
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7. <https://www.globenewswire.com/news-release/2024/12/10/2994487/0/en/Aemetis-Biogas-Starts-Production-From-Tenth-Dairy-Digester-With-Additional-Digesters-in-Final-Stages-of-Commissioning-and-Construction.html> - Supports the involvement in various regulatory frameworks, including the sale of LCFS credits, federal Renewable Fuel Standard D3 RINs, and the planned sale of federal IRA Section 45Z Production Tax Credits.
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