Progress Since Adoption (September 28, 2017)

- Administrative Changes
  - Clarification on Rate of Replenishment provided to REN WG
  - Bioenergy WG incorporated within parent REN WG

- UNFC Outreach
  - ABLC Biofuel Conference
  - WEI Renewable Gas Forum for Utilities
  - BP Classification of Ethanol Assets within Sustainability Report

- Bioenergy reserve concepts are showing up in private sector contracts
  - Renewable Natural Gas (RNG) offtake contracts

- Keen interest in Bioenergy Specification in 2019
  - RNG Producers (oftake contracts)
  - Debt and Bond Lenders (E1.2 classification)
  - Scale Players (demonstrate GHG reductions)
RNG Producers
- Executing offtake agreements for development projects
  - Interested in shifting some production risk from ProjectCo to Offtaker
  - Many developers have oil and gas background and recognize potential value in classification

Debt Lenders and Bond Purchasers
- Very interested in E1.2 classification because Credit Committees wont allow loan terms for E1.2 Project to extend past contracted revenues
  - Identifies projects with more regulatory risk
  - E1.2 used in Lender context to classify Projects with Direct Payments to Projects for Energy Products, environmental attributes, or co-products that are significantly above market rates
  - Lenders are interested in Recontracting potential, E1 loans can extend past contracted revenues while E1.2 will not
Bioenergy WG 2018 Update
Emerging Stakeholder Interest

- **Scale Players**
  - **US Natural Gas Utilities**
    - 100% electrification efforts in the Western and Northeast US represent an existential challenge to US Gas Utilities
    - RNG is seen as the only near/medium term opportunity to provide greater GHG reductions than electrification
    - Utilities interested in UNFC in combination with Project level Carbon Intensity (CI) scores to build auditable Integrated Resource Plan
  - **Integrated Natural Gas Producers/Marketers with GHG Interest**
    - UNFC reserve concepts are getting added to offtake contracts, particularly future ownership rights
    - Unclear if interest is a hedge against activist investors or long term contributions to reserve quantities