

FY 2015:  
Restart of BCAP Matching Payments  
Overview



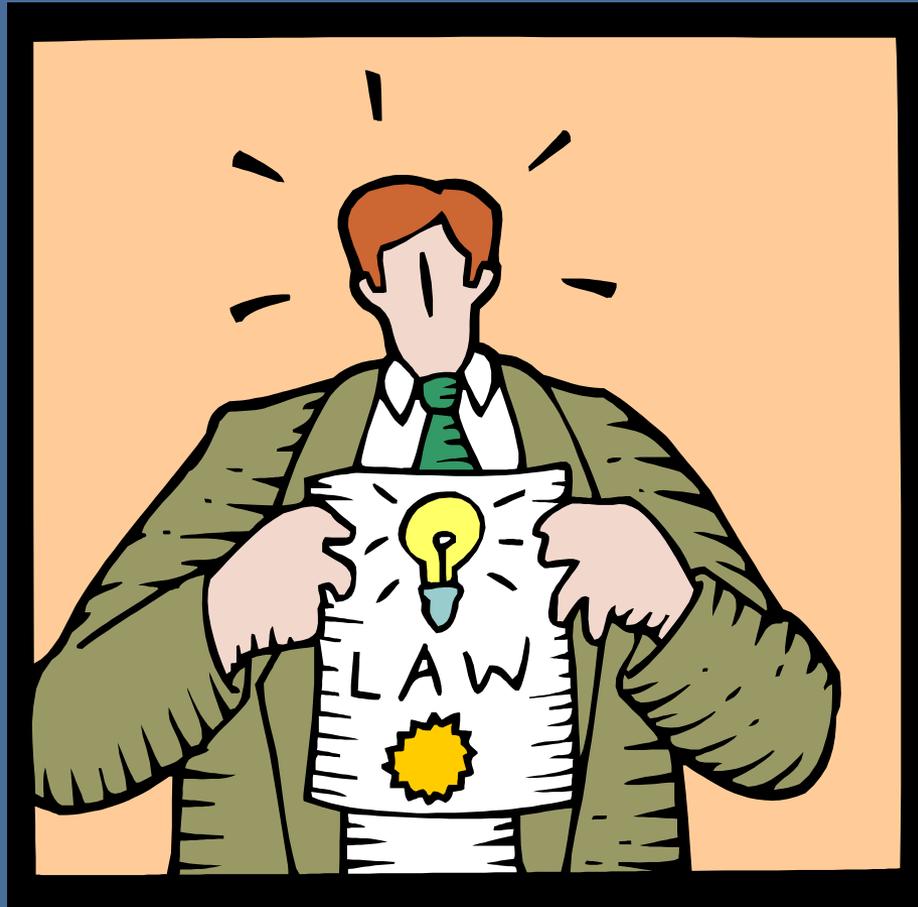


# BCAP Training FY 2015

- Part 1:
  - Authorization & Overview
  - General & Prioritization Provisions
  - Timeline
  - Funds
  - Questions



# BCAP Authorization & Overview





# BCAP Authorization (Par. 1)

- BCAP was authorized/amended by Section 9011 by the Food, Conservation, and Energy Act of 2008 and re-authorized by **section 9010 of the Agricultural Act of 2014**
  - Title IX in the 2008 & 2014 Farm Bill is the Energy Title
- Final rule was published in the Federal Register on October 27, 2010 – 7 CFR 1450.
- Interim rule was published in the Federal Register on September 15, 2011 – 7 CFR 1450



# BCAP Authorization (Par. 1)

- The purposes of the program are to:

## Project Areas

- Support the establishment and production of eligible crops for conversion to bioenergy

## ★ Matching Payments (first activity in FY 2015) ★

- Assist agricultural and forest landowners and operators with the collection, harvest, storage, and transportation (CHST) of eligible material for use in biomass **conversion** facilities (BCFs).



# BCAP Authorization (Par. 1)



Biomass **Conversion** Facilities (BCFs):

BCFs produce heat, power, biobased products, research, or advanced biofuels from biomass feedstocks (eligible material).

The 2014 Farm Bill added **research** as a use for BCFs\*.



# BCAP Matching Payment Overview for FY 2015

## Final Rule February 27, 2015

Comment period was extended 05/27/2015

BCAP matching payments is restarted with a narrower scope as prescribed in the 2014 Farm Bill and with a selected eligible material prioritization as described in the final rule:

**<http://www.regulations.gov/#!documentDetail;D=CCC-2015-0001-0001>**



## BCAP Matching Payment Contracts (2014 Farm Bill Section 9010, (d)(2)(B))

BCAP matching payment contract participants may be eligible for:

- \$1 for each \$1 per ton provided by the qualified BCF, in an amount not to exceed \$20 per **dry ton** for a period of 2 years.

**Note: The \$20 is a lower rate from the 2008 Farm Bill rate of \$45 per ton.**



# BCAP Matching Payment Contracts (2014 Farm Bill Section 9010, (d)(2)(B))

- **Dry ton:** means one U.S. ton measuring 2,000 pounds. One dry ton is the amount of renewable biomass that would weigh one U.S. ton at zero percent moisture content. 
- **Woody material dry ton weight is determined in accordance with applicable ASTM (American Society for Testing and Materials) standards.** 



# BCAP Matching Payment

## Eligible Material Priorities for FY 2015

Forest residues from National Forest System (US Forest Service public lands) or Bureau of Land Management (BLM) public lands and are harvested or collected directly the by-product of preventative treatments for:

- **Hazardous fuels reduction** (fire fuel load reduction) or
- **Disease** reduction or containment or
- **Insect infestation** reduction or containment.
- Woody material must **not** have an **existing or higher-product value market**.



# BCAP Matching Payment Eligible Material Priorities for FY 2015

Agricultural residues (crop residue from agricultural lands) harvested or collected directly from the land:

- For example, corn stover or wheat straw
- For example, woody agricultural residues, such as orchard waste, that does not have an existing higher-value product market, as defined in 7 CFR 1450.2.

# BCAP Matching Payment Timeline for FY 2015

Dates FY 2015	BCAP Application/Activity FY 2015	Location for BCAP Application FY 2015
June 1 – June 12, 2015	<p><b>Biomass Conversion Facility (BCFs) Applications for Qualification Will be Accepted:</b></p> <p><b>NEW APPLICATIONS and VOLUNTARY Renewal of Existing 36 Facility Agreements</b></p>	<ul style="list-style-type: none"> <li>• Applications available online, on or before May 28, 2015</li> <li>• Application submitted at FSA State Office where the biomass conversion facility is physically located.</li> </ul>
June 23, 2015 on or about	<b>Posting of Qualified BCFs</b>	<ul style="list-style-type: none"> <li>• On BCAP webpage at <a href="http://www.fsa.usda.gov/bcap">www.fsa.usda.gov/bcap</a></li> </ul>
June 25 (on or about) – September 4, 2015 or until funds obligated	<b>Eligible material owners may apply for an FSA contract</b>	<ul style="list-style-type: none"> <li>• FSA County office or where existing producer records are located.</li> </ul>
December 11, 2015	<p><b>Deadline for Delivery of Eligible Material to a Qualified BCF</b></p> <p><b>*Note:</b> All material owners MUST have a conservation, forest stewardship plan or equivalent plan with evaluation.</p>	<ul style="list-style-type: none"> <li>• FSA County office or where existing producer records are located.</li> </ul>
December 22, 2015	<b>Deadline for Requesting BCAP Matching Payment on Approved Contract</b>	<ul style="list-style-type: none"> <li>• FSA County office or where existing producer records are located.</li> </ul>

# Funds



2014 Bill provided that not less than 10 percent (\$2.3 million), nor more than 50 percent (\$11.5 million) of the annual mandatory funding amount of \$23 million could be used for BCAP matching payments.

FSA/CCC chose, due to shortness of time in **FY 2015**, to implement the **full \$11.5 million** for BCAP matching payments (**575,000 dry tons**).

On any given year, an **assumption** of an average rate of **\$20/dry ton** allows a **range of support** for as few as **125,000 dry tons** to as many as **625,000 dry tons**.

Funding is mandatory from FY 2014 through FY 2018.

# NEW BCAP Web Page

Located on BCAP Webpage at [www.fsa.usda.gov/bcap](http://www.fsa.usda.gov/bcap)

The screenshot shows the USDA Farm Service Agency website. The top navigation bar includes links for 'About FSA', 'Ask FSA', 'Contact Us', and 'En Español'. The main navigation menu is open, showing 'Programs and Services' selected. A dropdown menu is visible under 'Programs and Services', listing various programs and services. A yellow arrow points to the 'Programs and Services' dropdown, and another yellow arrow points to the 'Laws and Regulations' option in the dropdown menu. The background of the page is green and white, with a search bar and site map links.

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Disaster Assistance Program  
Economic and Policy Analysis  
Energy Programs  
Environmental and Cultural Resource Compliance  
Farm Bill Home  
Farm Loan Programs  
Financial Management Information  
Laws and Regulations  
MIDAS  
Outreach and Education  
Payment Eligibility  
Price Support

Handbooks  
Notices  
Authorizing Statutes  
Federal Register Publications & Related Documents  
Federal Register Final Rule

BCAP Final Rule (pdf)



## Next Steps and Questions?

- On or about June 23 Posting of Qualified BCFs
- On or about June 25, eligible material owners may apply for an FSA contract