

Biofuel Infrastructure Partnership

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What is the Biofuel Infrastructure Partnership (BIP)?

- BIP offers competitive grants from the U.S. Department of Agriculture (USDA) to state-led efforts to test and evaluate innovative and comprehensive approaches to marketing higher biofuel blends, such as E15 and E85.
- By increasing the availability of higher biofuel blends, the program will increase renewable energy use and support farmers and domestic jobs while reducing the demand for foreign oil.

How much money is available for BIP, and what is the funding authority?

- Up to \$100 million will be available to states (including state-private partnerships) based on the quality and innovation demonstrated in their proposals.
- Funding will be provided under Section 5(e) of USDA's Commodity Credit Corporation (CCC) Charter Act.
- The Farm Service Agency will administer the grants.

Why is BIP needed?

- Infrastructure constraints and other barriers currently limit the market for biofuels and thereby the commodities used to produce them, contributing to lower commodity prices.
- The nation's fueling infrastructure is not sufficiently flexible to accommodate large additional quantities of higher ethanol blends that could enable biofuels to fill a significantly greater portion of the nation's fuel supply.
- Most vehicle fueling pumps can deliver only one type of fuel – E10, which contains a maximum of 10 percent ethanol. Higher ethanol blends, such as E15 and E85, offer significant potential for using more ethanol in the U.S. vehicle fuel supply chain.
- The USDA effort is intended to drive innovative public-private partnerships to have more comprehensive approaches to marketing higher ethanol blends, with the federal funds used to support the infrastructure and state/private resources used for other elements.

Who may compete for BIP grants?

- Through BIP, USDA will award competitive grants, matched by states, to expand the infrastructure for distribution of higher blends of renewable fuel.
- These competitive grants are available to assist states, the Commonwealth of Puerto Rico and Washington, D.C. with infrastructure funding.
- States that offer funding equal to or greater than that provided by the federal government will receive higher consideration for grant funds. States may work with private entities to enhance their offer.

Who are the ultimate recipients?

- Recipients of federal funds would typically include
 - service/convenience stations and hypermarket fueling stations
 - may also include state or local governments or private entities for purposes of providing higher blends to fleet vehicles

What can BIP funds be used for?

- Federal funds made available under the partnership may only be used for infrastructure to support higher ethanol blend utilization, including:
 - Blender pumps that can dispense a range of ethanol blends including E85, capped at 75% CCC share;
 - Dedicated E15 or E85 pumps, capped at 75% CCC share; and
 - New storage tanks & related equipment, capped at 25% CCC share.
- The non-federal matching contributions may be used for these items or for related costs such as additional infrastructure to support pumps, marketing, education, data collection, program evaluation and administrative costs.

What is the timeline for implementing BIP?

Schedule:

- **June 15, 2015-** Issued (NOFA) and Request for Applications (RFA)
- **July 15, 2015-** Applications due from states
- **July-August 2015-** Review of applications; negotiations with applicants
- **September 2015-** Final awards announced and funds awarded