



United States Department of Agriculture
Rural Development

Biofuel Producer Relief Payments Program

Application Guide

Rural Business-Cooperative Service
Rural Development
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1. INTRODUCTION

The Biofuel Producer Relief Payments Program will make payments to eligible producers for unexpected market losses due to COVID–19. Eligible biofuels must be used as transportation fuel and include renewable fuels that were produced from renewable biomass and used to replace or reduce the quantity of fossil fuel present in a transportation fuel. Eligible biofuels are comprised of advanced biofuel, biomass-based diesel, cellulosic biofuel, or conventional biofuel. The biofuel must be produced in the United States.

Payment to a biofuel producer will be based upon the volume of market loss the biofuel producer experienced in calendar year 2020. The volume of market loss will be calculated by comparing the amount of fuel produced in calendar year 2020 to the amount of fuel produced in calendar year 2019. Eligible biofuel produced to meet contractual commitments resulting in a gross profit loss may also be considered for payment.

2. OVERVIEW

2.1 Purpose

The purpose of this document is to provide guidance and an application checklist to eligible biofuel producers to assist in developing and submitting applications. Applicants should be registered in the System for Award Management (SAM) system prior to application submission.

2.2 Applicant/Producer Eligibility

An eligible producer is an entity that produces an eligible biofuel. An entity that exclusively contracts for production of biofuel by a third party under toll/bailment is not eligible nor is an entity that blends biofuel.

The applicant must be an independent eligible producer or own and control multiple eligible producer entities as defined in the Notice of Funding Opportunity. Eligible producers that are owned or controlled by an entity that owns or controls multiple eligible producers are not eligible applicants. In such cases, the entity that owns or controls the multiple eligible producers may be an eligible applicant.

Example: Gala Apple Biofuels, LLC and Jonathan Apple Biofuels, LLC are both facilities operating under their own tax identification number but are owned and controlled by Apple Biofuels, LLC. In this example Apple Biofuels, LLC would be the applicant.

Applicants must meet all the requirements for program payments including the following citizenship requirements:

- A. If the applicant is a sole proprietorship, the applicant must be a citizen or national of the United States (U.S.), the Republic of Palau, the Federated States of Micronesia, the Republic of the Marshall Islands, or American Samoa, or must reside in the U.S. after legal admittance for permanent residence.



- B. If the applicant is an entity other than a sole proprietorship, the applicant must be at least 51 percent owned by persons who are either citizens or nationals of the U.S., the Republic of Palau, the Federated States of Micronesia, the Republic of the Marshall Islands, or American Samoa, or legally admitted permanent residents residing in the United States.

2.3 Biofuel Eligibility

Eligible biofuel is renewable fuel produced from renewable biomass and is used to replace or reduce the quantity of fossil fuel in a transportation fuel, comprised of advanced biofuel, biomass-based diesel, cellulosic biofuel, or conventional biofuel, as such terms are defined in section 211(o)(1) of the Clean Air Act (42 U.S.C. 7545(o)(1)) and produced in the United States.

An applicant that is otherwise an eligible producer under this Notice and also contracts for production of biofuel by a third-party producer under a toll/bailment arrangement/third party production contract, may not include the biofuel produced by the third party.

2.4 Additional Support

For questions or clarifications please email the Biofuel Producer Relief Payments Program team at EnergyPrograms@usda.gov

FOR FURTHER INFORMATION CONTACT: Lisa Noty, USDA Rural Development, Rural Business-Cooperative Service. Telephone: (712) 254-4366, email: lisa.noty@usda.gov. Persons with disabilities that require alternative means for communication should contact the U.S. Department of Agriculture (USDA) Target Center at (202) 720-2600 (voice).

Applications for the Biofuel Producer Relief Payments Program must be received by 11:59 p.m. (ET) on Monday, February 11, 2022.

3. WHAT YOU NEED

3.1 DUNS - Dun and Bradstreet Data Universal Numbering System (DUNS)

All applicants must have a DUNS Number which can be obtained at no cost via the toll-free request line at (866) 705-5711 or online at <http://fedgov.dnb.com/webform>.

3.2 SAM - System for Award Management (SAM) Registration

Producers should be registered prior to application submission. It is strongly recommended that applicants begin the registration process as soon as possible. Contact <https://sam.gov/content/home> to register in SAM.

3.3 Production Data

Gather production information for each facility for each of the following periods:

- A. January 1 – December 31, 2019
- B. January 1 – December 31, 2020

3.4 Contractual Commitments

Applicants applying for payment for eligible biofuel produced in 2020 to meet required contractual commitments resulting in a gross profit loss will need to include copies of contracts, financial statements, and supporting documentation to demonstrate gross profit loss.



4. COMPLETING THE APPLICATION

Complete the *Biofuel Producer Program Application* (Form RD 4288-7). Complete a separate Part B Attachment for each facility/biorefinery regardless of whether it had decreased production or not. Sign all certifications related to the application type.

4.1 Part A – Producer/Applicant Information

Complete the self-explanatory fields.

4.2 Part B – Production Facility Information

- A. Applicant’s total production of eligible biofuel reported in Part B – Production Facility Information of the form.
Calculate and report the total production of all eligible biofuel produced at all production sites, even if the facility did not function at a loss.

4.3 Application – Part B Attachment Biofuel Producer Program Application Form Production Facility/Biorefinery Information

Applicants must report all production of all eligible biofuel for all production facilities under a single application. A *Part B Attachment* form(s) must be included for each facility regardless of whether or not it experienced market loss. Complete a separate *Part B Attachment* form for each facility/biorefinery the applicant owns and/or controls.

- A. Production Losses
Eligible Biofuels Produced – Indicate total gallons of liquid fuels produced. If biogas, describe production measurement. Identify production totals for the following calendar years:
- a. (1.) January 1 – December 31, 2019
 - b. (2.) January 1 – December 31, 2020
 - c. (1.) – (2.) = Total Volume of Market Loss.
- B. Contractual Commitment Losses
Applicants who are applying for payment for eligible biofuel produced in 2020 to meet required contractual commitments resulting in a gross profit loss will need to include copies of contracts, financial statements, and supporting documentation.

4.4 Part C - Certification and Acceptance

Complete certifications, sign, and date the document to certify all information is true. Include Producer’s name and title.

4.5 Attachments

Completing the application may require the submission of various required documents. The specific types of attachments will be dependent on the details of your specific application. Below is a brief explanation of each attachment type:

- A. Completed and Signed Application – Parts A, B, and C.
- B. Part B Attachments – One form for each Facility/Biorefinery.



- C. Certifications
 - a. RIN. Most recent RIN for each biofuel produced for this application
 - b. If RIN not established, a certificate of analysis
 - c. Biofuel production is upgraded by another distiller affidavit(s)

- D. Miscellaneous Forms
 - a. SF LLL, Disclosure of Lobbying Activities
 - b. RD 1940-Q, Restrictions on Lobbying
 - c. SF 3881, ACH Payment Enrollment Form
 - d. RD 400-4, Assurance Agreement
 - e. Supporting Documentation – Applicants who are applying for payment for eligible biofuel produced in 2020 to meet required contractual commitments resulting in a gross profit loss will need to include:
 - Contracts,
 - Financial statements, and
 - Any additional documentation to demonstrate gross profit loss.

5. SUBMITTING THE APPLICATION

Submit the application documentation by attaching the documents to an email and sending them to: EnergyPrograms@usda.gov. The inbox will return a message acknowledging the receipt of the email message. The receipt message does not confirm eligibility for payments.

Application Due Date: February 11, 2022

6. THE PAYMENT PROCESS

Once the documents have been submitted, an email confirmation will be sent, confirming receipt. The USDA Biofuel Producers Relief Payments Program team will take things from here. The application will be evaluated for completeness and eligibility. Producers will be contacted if additional information is required.



7. EXAMPLE of a Properly Completed 4288-7 Part B Attachment

Example #1. Production Losses - Section 4.3.A

Apple Biofuels, LLC produced 1,000,000 gallons of ethanol in 2019 and 900,000 gallons of ethanol in 2020. They experience a total volume of market loss of 100,000 gallons of ethanol. Apple Biofuels, LLC is also applying for payment for production they produced based on contractual requirements that resulted in a gross profit loss. The Part B Attachment would be completed as below noted.

Biofuel Producer Program Application Form Part B Attachment

Production Facility/Biorefinery Information

(Complete a separate Form Part B for each production facility/biorefinery.)

Name of Biofuel Producer (Applicant): (Applicant Name) Apple Biofuels, LLC		
Facility / Biorefinery Number or Name: (Facility name) Apple Biofuels Atlantic Site		
Facility / Biorefinery Address: (Facility Address) 2000 Core Ave. Atlantic, IA 50022		
Biomass Feedstocks Utilized (list all): (list/describe) Corn		
Biofuel Type(s) (select) <i>Indicate percentage of total production when multiple types of biofuels are produced.</i> N/A (ethanol only)	<input checked="" type="checkbox"/> Ethanol - Conventional <input type="checkbox"/> Ethanol – Cellulosic/Advanced Biofuel <input type="checkbox"/> Other Alcohols: _____ <input type="checkbox"/> Biomass-based Diesel <input type="checkbox"/> Biogas <input type="checkbox"/> Other: _____	<u>100</u> % _____% _____% _____% _____%
Eligible biofuel produced-- Ethanol	Liquid Fuels: Gallons of eligible biofuel produced Biogas: _____ (Describe) N/A	
(1.) January 1 – December 31, 2019:	1,000,000 Gallons	(Quantity)
(2.) January 1 – December 31, 2020:	- 900,000 Gallons	(Quantity)
Total Volume of Market Loss*	100,000 Gallons	

*(1.) – (2.) = Total Volume of Market Loss. If the result is negative, the outcome is a gain.

For the eligible biofuel produced reported above please specify the unit of measure (gallons, cubic feet, etc.). Gallons

In 2020 Apple Biofuels, LLC was contractually required to produce 200,000 gallons of ethanol that resulted in a gross profit loss.

Production costs are \$296,000, sales revenue is \$240,000 for a gross profit loss of \$56,000.

Contracts, financial statements, and any additional documentation are required to demonstrate gross profit loss.



Statement of Operations -- Eligible biofuel produced under contract(s) that result in a gross profit loss.

Operating period	Eligible Biofuel Produced Under Contract	Sales Revenue*	COGS**	Gross Profit (Loss)
January 1 - December 31, 2019				
January 1 - December 31, 2020	200,000 Gallons	\$240,000	\$296,000	(\$56,000)
	200,000	\$240,000	\$296,000	(\$56,000)

*Includes fuel sales and sale of all co-products.

**Includes material costs and manufacturing costs.

In this example Apple Biofuels, LLC experienced losses both due to decreased production and losses related to production required to meet contractual requirements that resulted in a gross profit loss.

Decreased Production from 2019 to 2020	100,000	Gallons
Production from contractual agreements that resulted in gross profit loss	200,000	Gallons
Production eligible for payment calculation	300,000	Gallons



Application Checklist

Biofuel Producer Program Application, RD Form 4288-7	
Biofuel Producer Program Application from Part B Attachment for each facility the applicant owns	
Supporting Documentation for Production	
Applicants applying for payment based on production to meet required contractual commitments resulting in a gross profit loss: Copies of Contracts Financial Statements Supporting Documentation	
SF LLL, Disclosure of Lobbying Activities	
Assurance Agreement, RD Form 400-4	
Restrictions on Lobbying, RD form 1940-Q	
Disclosure of Lobbying Activities, Form SF LLL	
ACH Payment Form, SF 3881	

Submit the documents to:
EnergyPrograms@usda.gov