



U.S. Department of Agriculture
Farm Service Agency
Conservation and Environmental Programs Division

Biomass Crop Assistance Program

Section 9001 of the 2008 Farm Bill (Pub. L. 110– 246) amends Title IX of the Farm Security and Rural Investment Act of 2002 by adding section 9011 authorizing BCAP.

Announcement No.: CEPD – 2012 – 02

For Fiscal Year 2012

Date Issued: March 22, 2012

Applications must be submitted electronically via the Grants.gov website.
Details are provided under Part III.

ANNOUNCEMENT TYPE: Request for Proposals

FUNDING OPPORTUNITY NUMBER: CEPD – 2012 – 02

CATALOG OF FEDERAL DOMESTIC ASSISTANCE (CFDA) NUMBER: 10.087

DATE: Applications must be received on Grants.gov by 5:00 pm (Eastern time) on April 23, 2012.

EXECUTIVE SUMMARY:

Section 9001 of the Food, Conservation, and Energy Act of 2008 (Pub. L. 110-246) (2008 Act) amended the Farm Security and Rural Investment Act of 2002 (Pub. L. 107-171) and authorized the Biomass Crop Assistance Program (BCAP) to support the establishment and production of eligible crops for conversion to bioenergy in selected project areas and to assist agricultural and forest land owners and operators with the collection, harvest, storage, and transportation of eligible material for use in a biomass conversion facility.

BCAP project area proposal submissions are proposed for the purposes of designating a delineated geographic area. Subsequent to a BCAP project area designation by the FSA, certain producers within the BCAP project area may apply for crop establishment cost-share payments and annual payments.

The regulations at 7 CFR part 1450 govern the BCAP.

TABLE OF CONTENTS

Part I—Background and Program Authority	4
A. Background	
B. National Environmental Policy Act (NEPA) Obligations	
C. Authority	
Part II—Timetables, Eligibility, and Proposal Format Instructions	5
A. Timetables	
B. Eligibility – Who may Submit a Proposal	
C. Incomplete Proposals	
D. Proposal Content Instructions	
Part III—Proposal Delivery/Submission Instructions and Deliverables	8
A. Preparing and Submitting a Proposal via Grants.gov	
Part IV—Proposal Review	9
A. General	
B. Evaluation Criteria and Funding Level	
C. Conflicts of Interest and Confidentiality	
D. Access to Review Information	
Part V— Award Administration and Information	10
A. Project Proposal Incentive Information	
B. Reports	
Part VI—General Provisions	12
A. Additional Regulations	
B. Additional General Terms and Conditions	
Part VII—Supplemental Information	13
A. Contacts	
B. Reference Links	
C. Definitions	
Exhibit 1: Project Proposal Outline	16

Part I—Background and Program Authority

A. Background

Section 9001 of the Food, Conservation, and Energy Act of 2008 (Pub. L. 110-627) (2008 Act) amended the Farm Security and Rural Investment Act of 2002 (Pub. L. 107-171) and authorized the Biomass Crop Assistance Program (BCAP) to support the establishment and production of eligible crops for conversion to bioenergy in selected project areas and to assist agricultural and forest land owners and operators with the collection, harvest, storage, and transportation of eligible material for use in a biomass conversion facility. The initial budget authority provided for “such sums as necessary” from the Commodity Credit Corporation.

On July 29, 2010, the first limitation for BCAP funds occurred with enactment of the Supplemental Appropriations Act, 2010 (Pub. L. 111–212). The Act limited BCAP funding to \$552 million in fiscal year 2010 and \$432 million in fiscal year 2011.

On April 15, 2011, funding for BCAP was again significantly reduced following enactment of the Department of Defense and Full-Year Continuing Appropriations Act, 2011 (Pub. L. 112-10), which limited the total amount of money available for BCAP in FY 2011 to \$112 million.

On September 15, 2011, FSA published the BCAP interim rule (76 FR 56949). The BCAP interim rule provided FSA with the authority to prioritize establishment and annual payments (BCAP project areas) and if sufficient funding remains, to consider applications for matching payments.

On November 18, 2011, following enactment of Consolidated and Further Continuing Appropriations Act, 2012 (Pub. L. 112-55), the total amount of funding available for BCAP was limited to \$17 million in FY 2012.

B. National Environmental Policy Act (NEPA) Obligation

On October 27, 2010, FSA published a Record of Decision (ROD) (75 FR 65995) summarizing the reasons for the expected environmental and socioeconomic impacts and benefits as documented in the Final BCAP Programmatic Environmental Impact Statement (PEIS). The ROD stated that approval of BCAP project area proposals for those feedstocks not analyzed in the Final BCAP PEIS would be subject to NEPA and the successful completion of a finding of no significant impact (FONSI) for a NEPA Environmental Assessment (EA), which would determine that there would be no significant impacts to the natural or human environment associated with the proposed BCAP project area.

Executive Order 13112 mandates that the United States government must “prevent the introduction of invasive species and provide for their control and to minimize the economic, ecological, and human health impacts that invasive species cause.” Therefore, potential BCAP Project Area applicants proposing feedstocks not specifically analyzed in the Final BCAP PEIS

(http://www.fsa.usda.gov/Internet/FSA_File/bcapfinalpeis062510.pdf), which included hybrid poplar and willow (woody species), switchgrass (perennial herbaceous species), and forage sorghum (annual herbaceous species), are required to develop a project area specific EA that would identify regionally and locally significant features and/or resources and the potential for effects to those resources from the proposed project area implementation, including the introduction of the feedstock of concern. If certain mitigation measures could be undertaken to avoid significant effects, those measures would be detailed in the project area EA.

Also, Executive Order 12898 mandates that each Federal agency must make achieving environmental justice part of its mission by identifying and addressing, as appropriate, disproportionately high and adverse human health, environmental, economic and social effects of its programs, policies, and activities on minority and low-income populations, particularly when such analysis is indicated during the NEPA process. The Executive Order emphasizes the importance of NEPA's public participation process, directing that each Federal agency shall provide opportunities for community input during the NEPA process.

C. Authority

The authority to establish BCAP Project Areas is established by the 2008 Act.

Part II—Timetables, Eligibility, and Application Format Instructions

A. Timetables

Due Date: BCAP Project Areas proposals must be received by Grants.gov by 5:00 pm (Eastern time) on April 23, 2012.

Late Submission: BCAP Project Area proposals submitted after the due date will not be considered for funding.

B. Eligibility – Who may Submit a Proposal

Projects areas are proposed to support the development of an economically and environmentally sustainable biomass industry to produce heat, power, biobased products or biofuels through the development of biomass feedstock.

BCAP project areas must be submitted by a Project Sponsor, which may be either a group of producers or a biomass conversion facility (BCF).

A BCF is a facility that produces or proposes to produce heat, power, advanced biofuels or biobased products.

Please note that because a project will be limited to a designated geographic area, **only** eligible land within a project area will be eligible to be enrolled under a BCAP contract.

Awards made under this announcement are subject to the provisions contained in the Agriculture, Rural Development, Food and Drug Administration, and Related Agencies Appropriations Act, 2012, P.L. No. 112-55, Division A, Sections 738 and 739 regarding corporate felony convictions and corporate federal tax delinquencies.

C. Incomplete Proposals

Incomplete proposals will not be considered for funding. Project area proposals that require an environmental assessment and do not submit an environmental assessment (Draft or Final) at the time of submission will be considered incomplete proposals. Applicants without a completed EA will not be reviewed or considered competitive for this current request for proposal period. Given that funds are awarded on a competitive basis, and that the amount of available funds is limited, funding may not be available to applicants without a completed EA and appropriate Finding of No Significant Impact (FONSI).

D. Proposal Content Instructions

1. Proposal Content Instructions. Each proposal **MUST** contain the following elements:
 - a) Title page;
 - b) Table of contents;
 - c) One-page Abstract (from Exhibit 1), which includes;
 - (i) Activities. Provide a summary of the proposal that briefly describes proposed project area and feedstock proposed to be funded under BCAP; and
 - (ii) Objectives, performance, and other resources. Include objectives and tasks to be accomplished, the amount of funding requested, how the work will be performed, whether organizational staff, consultants or contractors will be used, and whether other resources will be used;
 - d) Project proposal (Exhibit 1)
 - e) Completed BCAP-1 with applicable attachments
 - f) Completed BCAP-20

- g) Completed BCAP-21
- h) Completed BCAP-22
- i) Letter of commitment from BCF stating the facility will use the eligible crops intended to be produced in the proposed BCAP project area
- j) Evidence that BCF has sufficient equity available to operate, if it is not operational at the time the project area proposal is submitted
- k) Evidence that the BCF has all their permits in order, or evidence that all permits will be approved by the time the facility is in operation
- l) Other information that provides CCC a reasonable assurance that BCF will be in operation by the time the eligible crops are ready for harvest
- m) A shapefile that outlines the geographic area for enrollment with specific geographic boundaries physically located within the United States, described in definite terms; such as watershed boundaries, mapped longitude and latitude coordinates, major highway region or counties

The Geographic Information Systems (GIS) shapefile for the proposed project area must define each project area boundary as a polygon or set of polygons. A GIS shapefile contains the component files .dbf, .prj, .sbn, .sbx, .shp, .shp.xml, and .shx

- project sponsors must name the shapefile bcap_<code>_a_<prj>.shp. Code is an abbreviation for the full BCAP project area name, and prj is the type of projection
- the following illustrates how shapefiles for a hypothetical BCAP project area named Energy Crop All (eca) that are in a geographic coordinate system (GCS) would be named:
 - bcap_eca_a_gcs.dbf
 - bcap_eca_a_gcs.prj
 - bcap_eca_a_gcs.sbn
 - bcap_eca_a_gcs.sbx
 - bcap_eca_a_gcs.shp
 - bcap_eca_a_gcs.shp.xml
 - bcap_eca_a_gcs.shx
 - *Note: Submit all shapefiles in the GCS projection.*
- shapefile creators should retain multiple polygons and identifying attributes if the file created is based on a feature set such as counties or watershed boundaries. Do not merge separate polygon features into 1 large polygon

- the following attributes should be included within the polygon shapefile provided:

Name	Type	Length	Data Example
FID	Object Id	Default	
Shape	Polygon	Default	
Type	Text	25	BCAP
Name	Text	255	Energy Crop All
Code	Text	10	eca

- the project sponsor shall zip the files and then submit them with the project area proposal upload to grants.gov
- the zipped file shall include the State name where the majority of the project area is located and BCAP project area name

Part III—Proposal Delivery/Submission Instructions and Deliverables

A. Preparing and Submitting a Proposal via Grants.gov

All applications must be submitted online via the Grants.gov web site by the closing date and time in Part II above.

Please note that the electronic submission system is relatively complex for first-time users and involves several preliminary registration steps to be taken before the application can be submitted (go to www.grants.gov and click on the “Get Registered” link in the red Applicants section on the left side of the page).

It is practically impossible to complete the process of electronic submission for the first time user, if the process is not begun at least one week before the proposal due date.

If you have completed a prior application, you may already have completed the registration process. Please allow sufficient time for the application to be submitted electronically and allow time for possible computer delays.

An incomplete application or an application received after the closing date and time will not be considered for award.

For registered applicants, to submit a proposal:

- Go to www.grants.gov (proposals will ONLY be accepted from this site). Information about submitting a proposal using Grants.gov can be found on the Grants.gov website with supplementary materials.
- Go to the “Apply for Grants” heading on the left side of page.
- Click on “Download a Grant Application Package.”
- Search for the application using CFDA number 10.087

Part IV—Proposal Review

A. General

Evaluated proposals will be ranked based on merit. Each proposal will be evaluated using the following criteria:

1. The amount of eligible material as defined in Section 9011(a)(6) of the 2002 Act to be produced in the project area and the probability that the material will be used for BCAP purposes
 - a. Include input on per acre production and the number of suitable acres within the project area.
2. The amount of material projected to be available from sources other than eligible crops grown on contract acres
 - a. Include input on the return to producers generally and in comparison to competing land uses.
3. The anticipated economic impact of the proposed project area
4. The opportunity for producers and local investors to participate in the ownership of the biomass conversion facility associated with the proposed project area
5. The participation rate by beginning or socially disadvantaged farmers or ranchers
6. The impact on soil, water, and related resources
 - a. Include a copy of the Final EA; if FSA agrees with the context, analysis and findings in the document then it will issue a FONSI and publish for a 30-day public comment period
7. The variety of biomass production practices within a project area
8. The range of crops among project areas including the diversity of feedstock proposed compared to current feedstocks already approved in BCAP Project Areas
9. Previous receipt of funding
10. Previous performance in achieving targeted acreage
11. Capacity for successful producer outreach

An interagency review panel will conduct a merit review based on the evaluation criteria. The views of the individual reviewers will be used by CCC to determine which proposals will be recommended for funding. Final approval of proposals recommended for award will be made by the FSA Deputy Administrator for Farm Programs (Deputy Administrator).

B. Evaluation Criteria and Funding Level

The evaluation criteria noted subparagraph A of this Part will be used in reviewing applications submitted in response to this RFP.

Note: Given the limited amount of funding available in FY 2012, project area proposals between \$5 million and \$10 million in total government costs over the lifetime of the project may receive preference for review and approval.

C. Conflicts of Interest and Confidentiality

During the interagency review process, care will be taken to prevent any actual or perceived conflicts of interest that may affect review or evaluation.

Names of an individual project sponsors submitting an application, application content, and interagency review evaluations will be kept confidential, except to those involved in the review process, to the extent permitted by law. In addition, the identities of the interagency reviewers will remain confidential throughout the entire review process. Therefore, the names of the reviewers will not be released to applicants.

D. Access to Review Information

A summary of the panel comments will be available upon request to the applicant after the review process has been completed.

Part V—Award Administration and Information

A. Project Proposal Incentive Information

1. General

After a project has been approved, eligible participants may be eligible to receive any of following:

- technical assistance to establish and maintain desired biomass feedstock crops
- conservation, forest stewardship, or equivalent plan that would cover the acres enrolled in BCAP, including required management and harvest measures
- annual rental payments for up to:
 - 5 years for annual and perennial crops
 - 15 years for woody biomass

- establishment assistance of up to 75 percent of the eligible establishment costs for perennial crops

Annual payments may be based on the following:

- a weighted average soil rental rate for cropland
- the applicable marginal pastureland rental rate for all other land except for nonindustrial private forest land
- for forest land, the average county rental rate for cropland as adjusted for forest land productivity for nonindustrial private forest land
- any incentive payment as determined by CCC, as applicable.

Assistance may also be provided to re-establish eligible crops if the crop fails and the producer is not at fault, subject to the availability of funds.

2. Responsibilities for Project Sponsors

Project sponsors with proposals awarded will be responsible for submitting annual compliance reports and adherence to any applicable mitigation and monitoring plans associated with the awarded project and responsibilities as outlined in cooperator agreements, such as data collection and sharing.

B. Reports

Performance reports will be required from all project sponsors with awarded proposals and are due annually each September 30. FSA shall develop cooperator agreements for each project area that will outline, in detail, any environmental reporting and monitoring requirements and any data sharing provisions. FSA shall review the submitted report within 30 days after receipt and return to the project sponsor for inclusion into a final report due annually each December 31.

1. Performance Reports

Project Sponsors of awarded proposals under this program are responsible for managing and monitoring the project, program, sub-award, function, or activity supported by the proposal award. Performance reports must generally contain brief information that compares accomplishments to the objectives stated in the application, and that also:

- a) Document the status of biomass conversion facility operations including but not limited to, current daily feedstock consumption and output volumes;
- b) Identify all tasks and provide documentation supporting the reported results;

- c) If an original schedule of operation start-up was provided in the proposal and is not being met, the report must discuss the problems or delays that may affect completion of the project area;
- d) List objectives for the next reporting period; and
- e) Discuss compliance with any special conditions on the use of awarded project area.

All reports submitted to FSA and CCC will be held in confidence to the extent permitted by law.

Part VI—General Provisions

A. Additional Regulations

In addition to the regulations governing BCAP at 7 CFR part 1450, this award is also subject to the following additional regulations, as applicable:

- 1. 7 CFR part 3015, Uniform Federal Assistance Regulations;
- 4. 7 CFR part 3018, New Restrictions on Lobbying;
- 6. 7 CFR part 3052, Audits of States, Local Governments and Non-profit Organizations.

B. Additional General Terms and Conditions

Availability of USDA information

Section 2004 of the Farm Security and Rural Investment Act of 2002 and Section 1619 of the Food, Conservation, and Energy Act of 2008 generally prohibit USDA from releasing certain information, including geospatial information, regarding an agricultural operation. All approved BCAP Project Areas sponsors will be required to sign a cooperator agreement with FSA to become a cooperator under section 1619 to provide for data sharing, reporting, and monitoring.

Civil rights

CCC prohibits discrimination in all its programs and activities on the basis of race, color, national origin, age, disability, and where applicable, sex, marital status, familial status, parental status, religion, sexual orientation, genetic information, political beliefs, reprisal, or because all or a part of an individual's income is derived from any public assistance program. The BCAP will also be administered in accordance with all other applicable civil rights law.

Environmental review

A proposal can only be considered complete from an environmental standpoint if:

1. The proposed feedstocks includes hybrid poplar and willow (woody species), switchgrass (perennial herbaceous species), and forage sorghum (annual herbaceous species), which were specifically analyzed in the Final BCAP PEIS and published in the ROD (75 FR 65995); or
2. An Environmental Assessment (EA) was developed and submitted consistent with the regulations at 40 CFR § 1501.4(c). The submitted EA will be used to determine if the receipt of Federal funds will constitute a major Federal action significantly affecting the quality of the human environment and if an Environmental Impact Statement (EIS) needs be prepared. If FSA determines that the submitted EA is consistent with the provisions of the National Environmental Policy Act (NEPA), 42 U.S.C. 4321-4347, the regulations of the Council on Environmental Quality (40 CFR parts 1500-1508), and FSA regulations for compliance with NEPA (7 CFR part 799) then FSA shall publish a FONSI or mitigated FONSI to solicit public input on the proposed BCAP Project Area.

Fiscal integrity

The recipient will notify FSA of all concerns relating to the administrative or financial aspects of the award, such as misappropriation of Federal funds.

Performance evaluation

CCC will incorporate performance criteria in the cooperator MOU and will regularly evaluate the progress and performance of awardees.

Publication requirements

Publication of project results or any portions thereof are subject to prior review by FSA. Appropriate credits to the U.S. Department of Agriculture, Farm Service Agency, must be in any formally published article(s) providing FSA does not otherwise feel it appropriate to issue a disclaimer.

Part VII—Supplemental Information

A. Contacts

For Further Information Contact –

For questions specific to BCAP's policy and provisions, please contact Kelly Novak:

- Email Kelly.Novak@wdc.usda.gov and in the Subject Line type: BCAP 2012 Proposal;

- Telephone (202) 720-4053; or
- Mail to:
Kelly Novak
BCAP Program Manager
USDA/FSA/CEPD/STOP 0513
1400 Independence Ave., S.W.
Washington, D.C. 20250-0513.

For questions specific to the environmental requirements and NEPA, please contact Amy Braun:

- Email amy.braun@wdc.usda.gov and in the Subject Line type: BCAP 2012 Proposal;
- Telephone (202) 720-6303; or
- Mail to:
Amy Braun
USDA/FSA/CEPD/STOP 0513
1400 Independence Ave., S.W.
Washington, D.C. 20250-0513.

For questions specific to GIS requirements and shape files, please contact David Taylor:

- Email david.taylor@wdc.usda.gov and in the Subject Line type: BCAP 2012 Proposal;
- Telephone (202) 720-6255;

For other questions related to Grants.gov and the proposal upload process, please contact David Hoge:

- Email david.hoge@wdc.usda.gov or
- Telephone at (202) 720-7674.

B. Reference Links

For access to grants.gov application web site: www.grants.gov

For converting documents to PDF: <http://grants.gov/assets/PDFConversion.pdf>

For access to Grants.gov application guide:
<http://www.grants.gov/assets/ApplicantUserGuide.pdf>

For access to FSA's web site: www.fsa.usda.gov

For further information about BCAP: www.fsa.usda.gov/bcap

C. Definitions

In addition to the definitions for the BCAP under the regulations at 7 CFR part 1450, this definition also applies:

Indian Tribe or national tribal organization is any Indian tribe, band, nation, or other organized group or community, including any Alaska Native village or regional or village corporation as defined in or established pursuant to the Alaska Native Claims Settlement Act (85 Stat. 688) (43 U.S.C. 1601 et seq.), which is recognized as eligible for the special programs and services provided by the United States to Indians because of their status as Indians.

Any inconsistency between the original printed document and the disk or electronic document shall be resolved by giving precedence to the printed document.

-- END OF PROGRAM ANNOUNCEMENT--

EXHIBIT 1

PROJECT PROPOSAL OUTLINE

A. Abstract

Provide an abstract of the project, **not to exceed 1 page**, which includes the following:

- Activities. Provide a summary of the proposal that briefly describes proposed project area and feedstock proposed to be funded under BCAP; and
- Objectives, performance, and other resources. Include objectives and tasks to be accomplished, the amount of funding requested, how the work will be performed, whether organizational staff, consultants or contractors will be used, and whether other resources will be used over the lifetime of the project.

B. Existing Conditions

Provide a discussion of existing conditions, **not to exceed 4 pages**, that includes all of the following:

- why the project area is of State or national significance based on the criteria in this paragraph
- a detailed map outlining the geographic area of the proposal in an electronic shapefile format as described in subparagraph D, Part II of the request for proposals
- a description of:
 - the various biomass activities and land uses within the project boundary, such as cropland, range land, forest, urban, etc., including a summary of all land uses within the watershed/project area
 - farm and forest land demographics within the project boundary watershed, including number of farms, types of farms, number of NIPF landowners, average size of farm by type, etc.
 - a detailed description of relevant:
 - environmental factors, including the following:
 - precipitation
 - soil
 - important geological features
 - vegetation patterns
 - wildlife
 - water resources
 - air quality
 - Federally-listed endangered and threatened species
 - economic factors, including the following:
 - Federal or State assistance or tax benefits being provided to the project area present and future
 - historical account of biomass commodity in project area
 - number of existing biomass producers
 - competitive supply chain or existing market.

- Completed BCAP-22 form will be used to establish the existing condition

C. Agriculture and Forestry Related Impacts

This analysis, **not to exceed 4 pages**, must include the following:

- magnitude of agriculture-related and forestry-related environmental impacts
- expected socio-economic impacts and description of potential supply chain impact
- past and projected future trends in agricultural and forestry impacts
- nature of any health-related agricultural or forestry impacts
- past, ongoing, and projected future efforts to address agricultural and forestry impacts through State and Federal programs, including the number of acres in the project area currently under CRP, EQIP, GRP, WRP, and the Forest Legacy Program.

D. Project Objectives

BCAP project proposals shall include, **not to exceed 2 pages**, specific and measurable project objectives over the lifetime of the project.

Example: Implementation of the project will increase the project area per acre yield by 4,000 tons per year resulting in additional biomass feedstock supply values at of \$2 million per year and resulting in the addition of 70 mm BTU's.

Documentation on the derivation of these objectives must also be included.

E. Project Description

The project description, **not to exceed 10 pages**, must address each of the following:

- the amount of eligible material as defined in Section 9011(a)(6) of the 2002 Act to be produced in the project area and the probability that the material will be used for BCAP purposes
 - Include input on per acre production and the number of suitable acres within the project area
- the amount of material projected to be available from sources other than eligible crops grown on contract acres
 - Include input on the return to producers generally and in comparison to competing land uses.
- the anticipated economic impact of the proposed project area
- the opportunity for producers and local investors to participate in the ownership of the biomass conversion facility associated with the proposed project area
- the participation rate by beginning or socially disadvantaged farmers or ranchers
- the impact on soil, water, and related resources
 - Include a copy of the Final EA; if FSA agrees with the context, analysis and findings in the document then it will issue a FONSI and publish for a 30-day public comment period

- the variety of biomass production practices within a project area
- the range of crops among project areas including the diversity of feedstock proposed compared to current feedstocks already approved in BCAP Project Areas
- previous receipt of funding
- previous performance in achieving targeted acreage
- capacity for successful producer outreach
- number of acres targeted and expected yields to be contracted in the proposed project area
- length of time for project implementation
- an analysis of the likelihood that project objectives will be met
- description of the committed BCFs, in addition to BCAP-1 and the feasibility study described in subparagraph I
- simple pay back calculation for return on investment (ROI) could be calculated as such: $ROI = (\text{gain from investment} - \text{cost of investment}) / \text{cost of investment}$
- basic information on facility operations over time (hours/day, days/year) information on:
 - existing electric service to the facility, data on consumption, peak and average demand, and monthly/seasonal use patterns
 - existing heating and cooling equipment, including type, capacities, efficiencies, and emissions
 - other project area-specific issues, such as expansion plans or neighborhood considerations that might impact the proposed new system design or operation; or environmental impacts
 - the availability of infrastructure and rail and road service to the facility site
 - a flowchart of BCF's proposed interaction with the project area feedstock supply
- the likelihood that the project will attract sufficient acreage to obligate funds by September 30, 2012 in order to meet the project's objectives

F. Cost Analysis

Project proposals must include a thorough discussion of project costs, **not to exceed 8 pages of narrative** that addresses the following:

- total estimated project costs, including, annual payments, establishment payments, matching payments, BCF infrastructure investments, and community infrastructure investments by fiscal year (October through September)
- a breakdown of all the costs among Federal, State, or local government agencies and private sector contributions
- thorough justification for any incentive payments that producers might receive
- BCAP forms to include in this section:
 - BCAP-20
 - BCAP-21

G. Monitoring Project Area

Project proposals must include a proposed business operations monitoring and evaluation plan, **not to exceed 2 pages**, which can be used to measure the success of the project.

The proposed monitoring plan for the project area is to include the following:

- a description of the data to be collected and methods to be used to carry out the monitoring plan
- delineation of responsibilities for carrying out the monitoring plan
- provision of annual reports to describe monitoring results
- provision for project modification if objectives are not being met.

H. Public Outreach and Support

Project sponsor is responsible for outreach which shall include, as applicable, the following:

- producers
- biomass industry groups in the State
- farm groups
- farm cooperatives
- ethanol industry
- power industry including Rural Cooperative Power Utilities
- forest industry groups
- tribal leaders
- conservation and environmental groups
- beginning, socially disadvantaged, and limited resource farmers and ranchers

Project proposals must provide a discussion, **not to exceed 2 pages**, of the nature of public support, especially from Producers.

The proposal should provide evidence of early staging for outreach and community participation, such as listing of producer or community meetings already executed.

This must include a program for public outreach over the duration of the project.

I. Feasibility Study

It is highly recommended that the project sponsor include an acceptable feasibility study, **not to exceed 50 pages**, on behalf of BCF(s) that submitted a commitment letter. Those applicants that submit an acceptable feasibility study will be prioritized for approval.

The biomass conversion feasibility study must be conducted by an independent qualified consultant, which has no financial interest in BCF, and demonstrates that the renewable biomass system of BCF is feasible, taking into account the economic, technical, and environmental aspects of the system.

An acceptable feasibility study **MUST** include the following specified components:

- an executive summary, including resume of the consultant, and an introduction/project overview (brief general overview of project location, size, etc.)
- an economic feasibility determination, including information:
 - about the project site
 - on the availability of trained or trainable labor
 - on the availability of infrastructure and transportation to the site
- a technical feasibility determination, including a report that:
 - is based upon verifiable data and contains sufficient information and analysis so that a determination may be made on the technical feasibility of achieving the levels of energy production that are projected in the statements
 - identifies and estimates project operation and development costs and specifies the level of accuracy of these estimates and the assumptions on which these estimates have been based
- a financial feasibility determination that discusses the following:
 - the reliability of the financial projections and assumptions on which the project is based including all sources of project capital, both private and public, including Federal funds
 - projected balance sheets and costs associated with project operations
 - cash flow projections for 3 years
 - the adequacy of raw materials and supplies
 - a sensitivity analysis, including feedstock and energy costs, product/coproduct prices
 - risks related to the project
the continuity, maintenance, and availability of records
- a management feasibility determination
 - recommendations for implementation
 - the environmental concerns and issues of the system
 - the availability of feedstock, including discussions of:
 - feedstock source management
 - estimates of feedstock volumes and costs
 - collection, pre-treatment, transportation, and storage
 - impacts on existing manufacturing plants or other facilities that use similar feedstock
- the feasibility/plans of projects to work with producer associations or cooperatives including estimated amount of annual feedstock from those entities
- documentation that any and all woody biomass feedstock cannot be used as a higher value wood-based product.