



FACT SHEET

UNITED STATES DEPARTMENT OF AGRICULTURE
FARM SERVICE AGENCY

May 2011

Biomass Crop Assistance Program – Project Area Number 1 Implemented for Western Missouri and Eastern Kansas County Biomass Producers

Overview

The Farm Service Agency (FSA) has announced the first Biomass Crop Assistance Program (BCAP) Project Area. BCAP Project Areas provide financial incentives to interested farmers, ranchers and forest land-owners for the voluntary establishment and production of biomass crops for conversion to heat, power, biobased products and advanced biofuels.

A BCAP project area is required to have specified boundaries that are approved by the Secretary of Agriculture. The approved specified boundary for Project Area Number 1 is a 39-county area located in central and western Missouri and eastern Kansas. The target for enrollment in Project Area Number 1 for 2011 is 20,000 acres of cropland and other agricultural land with perennial biomass crops comprised of native grasses, legumes and forbs within the approved area surrounding the biomass conversion facility. When fully enrolled, this project area may have up to 50,000 acres, producing roughly 3 tons of biomass per acre per year, or a total of 150,000 tons per year from land enrolled in BCAP contracts. Producers who enroll land can harvest their crops for sale to any qualified biomass conversion facility.

FSA, with conservation planning assistance from the Natural Resources Conservation Service (NRCS) and other partners, will enter into contracts with landowners and operators in the project area. Producers will generally be eligible for:

- Annual payments for the land enrolled;
- Establishment cost-share pay-

ments for perennial biomass crops and;

- Matching payments for up to two years for the collection, harvest, storage and transport of the biomass to a qualified biomass conversion facility.

The project will support the establishment of mixtures of perennial native grasses and forbs, such as Switchgrass, Big Bluestem, Illinois Bundleflower and Purple Prairie Clover. Additionally, the project will allow enrollment of existing suitable stands of native grasses, legumes and forbs; existing native grass stands can be located on expired Conservation Reserve Program (CRP) fields.

Eligible Counties in Project Area Number 1

BCAP project areas have specific boundaries to establish a distinct geographic region in which producers can enroll land into BCAP contracts and produce eligible crops.

Eligible counties in Missouri are: Barton, Bates, Benton, Boone, Buchanan, Caldwell, Callaway, Cass, Carroll, Chariton, Clay, Clinton, Cooper, Daviess, Harrison, Henry, Howard, Jackson, Johnson, Lafayette, Linn, Livingston, Macon, Morgan, Pettis, Platte, Ray, Saint Clair, Saline and Vernon.

Eligible counties in Kansas are: Atchison, Douglas, Franklin, Johnson, Jefferson, Leavenworth, Linn, Miami and Wyandotte. Eligible Land and Producers Eligible land includes cropland and non-crop agricultural land such as grassland, pastureland and hay land. Eligible land must be suitable, as determined by NRCS, for establishing the biomass crops

included in the project area. Ineligible land under this project area includes land active in:

- CRP;
- Wetlands Reserve Program (WRP), or Grassland Reserve Program (GRP) contracts;
- Private non-industrial forestland, native sod and;
- Land owned by federal agencies, states, and local governments.

Land enrolled in other programs may also be ineligible depending on the terms and conditions of those programs.

Producers must be in compliance with the highly erodible and wetland compliance provisions of the Food Security Act of 1985, as amended to be eligible for BCAP. There are no adjusted gross income eligibility requirements or payment limitations for BCAP contracts. Cropland base and yield history are preserved for land enrolled in a BCAP contract.

Producer Payments

Annual Payments - Per acre base payment rates for land classified by FSA as cropland according to the definition published in the Federal Regulation at 7 CFR Part 718.2, will be calculated using CRP's posted non-irrigated cropland soil rental rates. Per acre base payment rates for all other eligible non-cropped agricultural land will be based on the lowest posted CRP marginal pastureland rental rate applicable to the county. In addition, a 20 percent incentive will be added to these base per rates for all land enrolled.

FACT SHEET

BCAP - Project Area Number 1

May 2011

Annual Payments Reductions - Annual payments will be reduced in the year the eligible crops are harvested or collected from the contract acreage by a percentage of the value of the harvest/collection and any BCAP matching payments. The percentage will vary according to the following table:

REDUCTION PERCENT	FINAL CONVERSION PRODUCT
1 percent	If the eligible crop is delivered to a biomass conversion facility for conversion to cellulosic biofuels as defined by the national Renewable Fuel Standard (40 CFR 80.1401).
10 percent	If the eligible crop is delivered to a biomass conversion facility for conversion to advanced biofuel, as defined by the BCAP final rule (7 CFR Part 1450).
25 percent	If the eligible crop is delivered to a biomass conversion facility for conversion to heat, power or biobased products, as defined by the BCAP final rule (7 CFR Part 1450).
100 percent	If the eligible crop is used for a purpose other than conversion to heat, power, biobased product or advanced biofuels, as defined by the BCAP final rule (7 CFR Part 1450).

All uses of plant material removed from contract acreage, including material used for commercial seed sales, grazing, gleaning and related uses as determined consistent with the conservation plan, will trigger reductions in annual payments as provided. FSA will require all participants to keep
Page 2

and submit accurate records of the disposition and/or sale of all materials removed from contract acreage.

Establishment Payments - BCAP participants may qualify for up to 75 percent of the cost of establishing perennial crops on contract acres. These payments will reimburse participants for a part of the cost of site preparation, seed stocks, planting activities and related measures.

Establishment payments also may be authorized for those fields with existing crops.

Fencing or related livestock or wildlife control measures will not be eligible for establishment payments.

Matching Payments - Subject to the availability of funds, BCAP participants may qualify for matching payments when they deliver biomass to a qualified biomass conversion facility.

These matching payments are provided for the collection, harvest, storage and transport of eligible biomass materials to qualified biomass conversion facilities. The duration of matching payments is limited to two years, per producer, with a matching rate of \$1 per \$1 received, up to \$45 per dry ton.

A percentage of matching payments will be deducted from the annual rental payment in the year the eligible crops are harvested or collected from the contract acreage.

Conservation Plans

Before FSA approves a BCAP contract, the participants will be required to obtain a conservation plan developed by NRCS and must be approved by the local Soil and Water Conservation District and FSA.

Conservation plans must contain provisions for:

- Crop establishment;
- Required conservation practices and;
- Biomass collection, harvest, and storage, including prohibitions on harvesting during the state recognized primary nesting seasons.

The following seeding mixes are planned for Project Area Number 1*

Pure Live Seed (PLS) rates for Mix 1 (upland sites) where seed is drilled into residue or a tilled field:	
Big Bluestem	3.0 pounds/acre
Indiangrass	3.0 pounds/acre
Switchgrass	1.8 pounds/acre
Illinois Bundleflower	0.9 pounds/acre
Purple Prairie Clover	1.0 pounds/acre

PLS rates for Mix 2 (upland sites) where seed is broadcast then rolled:	
Big Bluestem	4.5 pounds/acre
Indiangrass	4.5 pounds/acre
Switchgrass	2.7 pounds/acre
Illinois Bundleflower	1.4 pounds/acre
Purple Prairie Clover	1.5 pounds/acre

FACT SHEET

BCAP - Project Area Number 1

May 2011

PLS rates for Mix 3 (lowland sites) where seed is drilled into residue or a tilled field:	
Canada/Virginia Wildrye	8.2 pounds/acre
Switchgrass	2.7 pounds/acre
Illinois Bundleflower	0.9 pounds/acre
Purple Prairie Clover	1.0 pounds/acre

PLS rates for Mix 4 (lowland sites) where seed is broadcast then rolled:	
Canada/Virginia Wildrye	12.3 pounds/acre
Switchgrass	4.1 pounds/acre
Illinois Bundleflower	1.4 pounds/acre
Purple Prairie Clover	1.0 pounds/acre

** Some variance may be allowed due to shortage of seeds or related causes.*

Producer Participation

Enrollment periods will be announced by FSA. Approvals during the period will be made on a continuous basis, subject to funding availability. Enrollment applications will be taken at USDA Service Centers where the enrolled acres are administered.

For more information about BCAP see the general BCAP fact sheet at http://www.fsa.usda.gov/Internet/FSA_File/bcap_update_may2011.pdf.

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