



# FACT SHEET

UNITED STATES DEPARTMENT OF AGRICULTURE  
FARM SERVICE AGENCY

June 2012

## Biomass Crop Assistance Program – Project Area Number 10

### Overview

The Farm Service Agency (FSA) has announced the tenth new Biomass Crop Assistance Program (BCAP) project area in Clinton, Essex, Franklin, Herkimer, Jefferson, Lewis, Oswego, Oneida and St. Lawrence counties in northern New York State for the production of shrub willow. BCAP project areas provide financial incentives to eligible farmers and forest landowners to establish and produce biomass crops for heat, power, biobased products or advanced biofuels. These producers are eligible to receive establishment and annual payments to grow shrub willow for biomass conversion to bioenergy. FSA has reserved up to \$4.28 million for enrollments in this Project Area.

Shrub willow is a short rotation woody crop and can produce large amounts of woody biomass through coppicing harvests that allow for repeated cuttings of wood from each shrub. Under this project existing farm and forest lands will be rededicated to new shrub willow planting for biomass purposes.

To support shrub willow producers in the project area, FSA will enter into 11-year contracts with the eligible producers to grow the tree crops on cropland and forestlands enrolled in BCAP contracts. These participants will be required to maintain the trees stands during the 11-year contracts at their own expense, but will receive an annual rental payment. Producers must have a production agreement with a qualified biomass conversion fa-

cility, such as the project sponsor, ReEnergy Holdings LLC, which has three bioenergy generating facilities in the region committed to the project area — ReEnergy Lyonsdale (20 MW), ReEnergy Chateaugay(22 MW) and ReEnergy Black River (60 MW).

### Project Area Acreage Targets & Location

Up to 3,500 total acres are approved for the shrub willow plantings in northern New York State for new BCAP contract enrollment. The 3,500 acres will be planted in 2013 and 2014 to provide a steady supply of this biomass material to the biomass conversion facilities. Land preparation for the contracted acreage will take place in 2012 and 2013. The first harvest will take place in late 2016 and early 2017.

The technology that will be employed reflects 25 years of breeding and selection, field testing of a variety of culture systems, and development of planting and harvesting systems spearheaded by the State University of New York College of Environmental Science and Forestry's willow biomass program. Additional objectives include the planting of 3,500 acres to several of the best-performing willow clones available bringing the annual production up to 30,000 tons after all willow stands are fully-developed. The planned expansion of commercial willow production will include other growers after the initial phase of farmers and forest landowners have become educated on the tree crop.

### Annual Payments for Enrolled Land

BCAP contracts will be 11 years in length with all payments obligated from the current fiscal year allocations. The estimated total available funds for annual rental payments are \$1.69 million which is intended to fund obligations for the 3,500 acres for the full 11 years.

### Required Reductions in Annual Payments

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, should funding for matching payments become available (**see table on next page**).

All uses of plant material removed from land enrolled under active contracts, grazing, gleaning or similar uses will also trigger reductions in annual payments. FSA will require all participants to keep and submit accurate records of the disposition and/or sale of all materials removed from contract acreage.

### Establishment Payments

Establishment payments are authorized for this project at 75 percent of the producer's first year establishment costs, not to exceed \$741 per acre or \$2.59 million for establishment costs. The cost share of the planting stock may not exceed 8.05 cents for each tree cutting. Some additional first year

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 biofuels, 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).

establishment measures are also eligible for establishment payments.

All other establishment, maintenance and harvested costs for practice measures beyond the first year will be the responsibility of the producer, but producers will receive an annual rental payment. Establishment practices and costs must be compliant with the USDA Technical Service provider’s conservation plan.

**Matching Payments**

Matching payments for eligible biomass material may also be available for biomass harvested or collected from BCAP contracted acreage by eligible material owners, but are subject to funding availability.

**Eligible Land**

Only land classified as cropland by FSA is eligible to be enrolled in this project. Forestland and

similar lands will not be eligible for this project. Eligible land must be suitable, as determined by USDA’s Natural Resources Conservation Service (NRCS), for the production of shrub willow.

Ineligible land includes native sod and land owned by federal agencies, states, and local governments, in addition to land enrolled in Conservation Reserve Program (CRP), Wetlands Reserve Program, or Grassland Reserve Program is ineligible for enrollment in BCAP. Land enrolled in other programs may also be ineligible depending on the terms and conditions of those programs.

**Producer Participation**

The signup periods for producers in project area counties are scheduled to run from June 18 through Sept. 14, 2012. Approvals of offers during this period will be made on a continuous basis, subject to funding availability. An enrollment application will be

taken at the county USDA Service Centers location where the farm is serviced.

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 requirements or payment limitation requirements for program participants. Any existing cropland base and yield history will be preserved for land enrolled in a BCAP contract.

**For More Information**

For more information about BCAP visit the FSA BCAP website at <http://www.fsa.usda.gov/bcap>, or see the general BCAP fact sheet at [http://www.fsa.usda.gov/Internet/FSA\\_File/bcap\\_update\\_may2011.pdf](http://www.fsa.usda.gov/Internet/FSA_File/bcap_update_may2011.pdf)

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