

For: State and County Offices

Additional Payment Authority for the Biomass Crop Assistance Program (BCAP)

Approved by: Deputy Administrator, Farm Programs



1 Overview

A Background

On April 23, 2010, authority for making BCAP collection, harvest, storage, and transportation (CHST) matching payments was suspended.

On May 12, 2010, Notice BCAP-14 authorized payment of certain BCAP AD-245's that were suspended on April 23, 2010. Payment authorization was based on the expiration dates of AD-245 and underlying documents, as applicable, and delivery dates of eligible material.

B Purpose

This notice provides additional policy and procedure for the following:

- processing payments on additional categories of BCAP AD-245's that did not meet conditions authorized in Notice BCAP-14
- terminating certain AD-245's.

Note: Refunds are **not** required for termination of these AD-245's.

Disposal Date	Distribution
January 1, 2011	State Offices; State Offices relay to County Offices

Notice BCAP-15

2 Policy

A AD-245's Authorized for Payment

The provisions of Notice BCAP-14 continue to apply. Additionally, payments are authorized for deliveries of eligible material when **all** the following conditions apply:

- eligible material owners (EMO's) requested an extension of up to 30 calendar days on or before March 31, 2010
- COC's approved that extension on or before April 30, 2010
- eligible material was delivered on or before April 30, 2010.

Notes: AD-245's with an extension requested before April 1, 2010, where EMO did not make a delivery before April 1, 2010, are now authorized for payment.

AD-245's where an extension was approved by COC after March 31, 2010, are payable provided the request for extension was made timely as previously described.

The combined effect of Notice BCAP-14 and this additional guidance is that AD-245 is authorized for payment if it meets 1 of the following criteria:

- the performance period is documented on AD-245, page 1 or page 2 with an ending date on or before March 31, 2010
- EMO on AD-245 requested an extension of the period of performance before April 1, 2010, and COC approved that extension for no more than 30 calendar days to end the period of performance no later than April 30, 2010
- there is no recorded period of performance on AD-245 but the contract or letter of intent between EMO and biomass conversion facility (BCF) attached to AD-245 indicated a performance period ending on or before March 31, 2010, or extended no later than April 30, 2010
- final delivery of material included on AD-245 was made on or before March 31, 2010.

Notice BCAP-15

2 Policy (Continued)

B AD-245's Not Authorized for Payment

AD-245's that are **not** authorized for payment by this notice or Notice BCAP-14 must be terminated as described in subparagraph C. These AD-245's include the following:

- AD-245's with periods of performance beyond the time period for BCAP matching payments authorized by Notice BCAP-6

Note: Notice BCAP-6 provided that AD-245's should have periods of performance to end no later than March 31, 2010, with authority to extend to April 30, 2010.

- AD-245's where neither AD-245 nor the associated letter of intent or contract for delivery indicates that the matching payments were available only for deliveries of eligible material made either:
 - on or before March 31, 2010
 - with an extension, on or before April 30, 2010.

Additionally, matching payments are **not** authorized for any delivery of eligible material made after either:

- March 31, 2010, if EMO does **not** have an approved extension that was requested before April 1, 2010
- April 30, 2010.

C Terminating AD-245's Not Authorized for Payment

All AD-245's meeting the conditions in subparagraph B **must** be terminated immediately. See Exhibit 1 for a template letter for this termination.

Note: Refunds are **not** required.

County Offices must not make BCAP CHST payments except as authorized by Notice BCAP-14 and this notice.

Notice BCAP-15

3 Processing BCAP Payments

A Processing Payments

County Offices may issue partial and final payments for approved AD-245's described in subparagraph 2 A.

EMO's may have been provided settlement sheets and other documentation that combines deliveries that may be authorized for payment with those that are not. County Offices shall only issue payments for the portion of those deliveries that meet the conditions described in subparagraph 2 A or Notice BCAP-14. Partial or final payment requests that have been submitted for a combination of authorized and unauthorized deliveries must be revised to match only those authorized deliveries.

B Pending Records in NPS

All BCAP payments in NPS on April 23, 2010, were suspended and held until Notice BCAP-14 was posted on May 12, 2010. Held payments were processed and released on May 14 and 17, 2010. However, 24 payments did not meet the criteria for release at that time.

The 24 remaining payment records have been placed in "Hold for cancel by program" or "HP" status. This status will allow County Offices to:

- cancel the payments and reissue through CRES if amounts are in error
- cancel the payments through CRES if AD-245 must be terminated
- reset the payment in NPS to be certified and signed if the amounts are payable and correct
- correct PPI to be calculated and paid.

Note: Users must still cancel the payment in CRES, make the change to the PPI start date and resubmit the payment. There is not a way to correct the date within NPS.

4 Action

A State Office Action

State Offices shall ensure that County Offices follow the provisions of this notice.

B County Office Action

County Offices shall follow the provisions of this notice.

Example of Termination Letter

NOTICE REGARDING BCAP CONTRACT TERMINATION

United States
Department of
Agriculture

Dear: _____ Date: _____

Farm and Foreign
Agriculture Services

This is to inform you that your request for a matching payment (AD-245 control number _____) under the Biomass Crop Assistance Program (BCAP) has been terminated.

Farm Service
Agency

The AD-245 was approved on MM/DD/YYYY. However, the AD-245 was terminated because BCAP funding and policy allowed only for performance or deliveries to be completed by March 31, 2010, with a possible extension of up to 30 days past that date. Your AD-245 was approved with a period of performance either beyond those dates or with no end date specified.

Anywhere County
FSA Office
Any Town, ST
XXXXXX-XXXX

Though FSA must terminate this request for payment, no refunds will be required for payments you may have already received. No further payments may be authorized.

[Insert appropriate appeal rights according to 1-APP, subparagraph 14 B.]

Sincerely,

County Executive Director