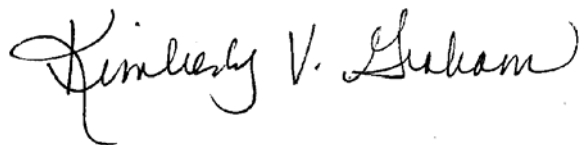


For: State and County Offices

**Restarting BCAP Matching Payments for Prioritized Eligible Materials
and Signup for Eligible Material Owners (EMO's) for FY 2015**

Approved by: Acting Deputy Administrator, Farm Programs



1 Overview

A Background

On September 30, 2013, BCAP authorization expired.

On February 7, 2014, BCAP was reauthorized under the 2014 Farm Bill with mandatory annual funding of \$25 million for each FY 2014 through FY 2018. Funding requirements mandated that not less than 10 percent, nor more than 50 percent, of the annual funding be used for collection, harvest, storage, and transportation payments (BCAP matching payments).

The BCAP final rule was published in 7 CFR Part 1450, and FR, pages 10569-10575 on February 27, 2015 and provides that:

- BCAP will effectively restart on May 28, 2015
- funding will be set at an annual mandatory amount of \$25 million.

In FY 2015 the annual mandatory \$25 million has been appropriated according to the sequestered amount of \$23 million.

Disposal Date	Distribution
March 1, 2016	State Offices; State Office relay to County Offices

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1 Overview (Continued)

B Purpose

This notice advises:

- State and County Offices about:
 - general provisions related to the restart of BCAP matching payments for FY 2015
 - policy and procedures for submission, review, and approval of EMO applications for FY 2015
 - the \$11.5 million in BCAP matching payments for the remainder of FY 2015 for agricultural residues and only forest residues from the National Forest System and DOI, BLM lands
 - general information related to restarting BCAP matching payments for FY 2015
 - policy and procedures for submitting BCAP-10's for eligible material owner for FY 2015 signup and approval process for BCAP-11's.
- County Offices to follow the guidance in this notice for applications of EMO's for FY 2015.

2 BCAP Restart of Matching Payments for Selected Eligible Materials for FY 2015

A Overview of Restart of BCAP Matching Payments for FY 2015

Following are guidelines for the FY 2015 BCAP matching payments opportunity:

- \$11.5 million in BCAP matching payments for the remainder of FY 2015
- the selected or prioritized eligible material will be **only** agricultural residues or forest residues from the FS National Forest System and DOI, BLM public lands for FY 2015
- the BCAP matching payment rate will be up to \$1 for each \$1 per ton provided to the qualified Biomass Conversion Facility (BCF), not to exceed more than \$20 per dry ton

Note: The not to exceed rate of \$20 per dry ton matching payment is required by the 2014 Farm Bill.

- BCF's must first be qualified by FSA **before** EMO's may deliver the selected eligible material provided in this subparagraph, or apply for BCAP matching payments.

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2 BCAP Restart of Matching Payments for Selected Eligible Materials for FY 2015 (Continued)

B Timeline for Restart of BCAP Matching Payments

The following table provides the timeline for the restart of BCAP matching payments for FY 2014.

Signup Category	Application Location	Dates
Biomass Conversion Facility BCAP-1's and Renewal Agreements for Qualification	State Office where the facility is located.	June 1, 2015, through June 12, 2015
Eligible Material Owner Application for BCAP Matching Payments	County Office where the land is located or County Office where the farm records exist.	June 30, 2015, through September 4, 2015 <u>1/</u>

1/ The September 4, 2015, signup end date is subject to the availability of funding. Eligible material deliveries **must occur before December 11, 2015**, unless determined otherwise by DAFP. Request for payment by EMO's **must be submitted no later** than December 22, 2015.

3 EMO and Selected Eligible Material Overview for FY 2015

A Submission Overview

Beginning June 30, 2015, through COB September 4, 2015, EMO applications will be accepted at County Offices, according to 1-BCAP, paragraphs 120 through 126.

EMO applications will be accepted at the County Offices closest to 1 of the following.

- Where field or CLU is located, and on which the collection or harvest takes place.
- Federal lands, unless otherwise previously designated in a specific county.
- County Office where records already exist.

Note: The signup end date of September 4, 2015, is subject to the availability of funding.

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3 EMO and Selected Eligible Material Overview for FY 2015 (Continued)

B Eligible Material Selected for Signup

To qualify for a matching payment, COC **must** determine that the biomass for which a matching payment is being sought meets **all** of the following requirements:

- meets the definition of eligible material according to the 1-BCAP, and is either agricultural residues or forest residues from the FS National Forest System and DOI, BLM public lands
- is consistent with the guidance provided in the eligible material in 1-BCAP
- meets the eligible material requirements of 1-BCAP, and this paragraph.

4 Additional Eligible Material Qualifications for Agricultural Residues

A Background

Generally, an approved conservation plan must be completed and signed before a BCAP-10 may be approved. However, in an effort to maximize BCAP matching payment sign-up for agricultural residues in FY 2015, and because BCAP funding for FY 2015 expires on September 30, 2015, interim conservation plans are authorized for agricultural residues that will be collected or harvested **after** BCAP-10 is approved.

Note: For crop year 2014 agricultural residues that were collected or harvested **before** the approval date of BCAP-10, an interim conservation plan for future crop years is required (Exhibit 2).

To qualify for a matching payment by COC, agricultural residues, including woody material that is orchard waste, which are collected or harvested from land other than project area contract acreage, **before** BCAP-10 is approved, **must** present an interim conservation plan addendum (Exhibit 1) and interim conservation plan (Exhibit 2).

The interim conservation plan must contain:

- NRCS job sheets
- NRCS-approved technical practice codes applicable to the agricultural residue collection or harvest.

County Offices must ensure that all data entries on the interim conservation plan are completed. The interim conservation plan and interim conservation plan addendum must be signed by BCAP-10 participant and CED no later than COB September 4, 2015.

Note: The specifications for all applicable practices shall be included in the final conservation plan. County Offices must reproduce the interim conservation plan addendum (Exhibit 1) and the Interim Conservation Plan example (Exhibit 2) locally.

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4 Additional Eligible Material Qualifications for Agricultural Residues (Continued)

B Final Conservation Plan Completed

A final conservation plan must be completed no later than COB November 13, 2015. The NRCS National Office has agreed with this deadline. For approved BCAP matching payment agricultural residues, a final conservation plan is the approved conservation plan completed after an interim plan has been in effect for BCAP-10.

Note: CED's shall **not** approve BCAP-10 until the signature is obtained on the interim conservation plan addendum and interim conservation plan.

Participants **must** be notified that starting a collection or harvest for agricultural residues approved **before** approval of BCAP-10 is at their own risk. Matching payments will only be paid for those eligible agricultural residues or materials that are approved under the interim or final plan.

The specifications for all applicable collection or harvest shall be included in the final conservation plan, consistent with procedure in 1-BCAP.

C Nonqualifying Eligible Materials

If any of the requirement provided in 1-BCAP, paragraph 122 are not met, the selected eligible material will **not** qualify for a matching payment.

Interim Conservation Plan Addendum

Following is the interim conservation plan addendum.

BIOMASS CROP ASSISTANCE PROGRAM FY 2015 BCAP MATCHING PAYMENT CONTRACTS INTERIM CONSERVATION PLAN ADDENDUM	
_____ NAME	_____ FARM NUMBER
_____ TRACT NUMBER	_____ FIELD NUMBER(S)
<p>The attached interim conservation plan is general in nature, but is intended to allow your contract period to begin upon approval of the BCAP-10 while a final plan is developed for your land for the Biomass Crop Assistance Program (BCAP) contract for that land. It may be that your interim plan requires nothing more than continuing certain practices, or your interim plan may require you to take certain additional conservation measures prior to any harvest or collection, land preparation, planting or production in furtherance of your BCAP participation. You need to check the plan (attached) and call any questions to the attention of your local Natural Resources and Conservation Services (NRCS) or Technical Service Provider (TSP). Personnel from the Department of Agriculture's NRCS or TSP will conduct a field visit and develop site specific requirements unique to your BCAP offer no later than November 13, 2015. An on-site field visit and evaluation of the existing field conditions will determine the present condition. In addition, NRCS or TSP will identify any site specific requirements or treatments required to meet the selected BCAP practice and related technical specifications. Modification of the interim plan and BCAP-10 contract will be made after the on-site evaluation.</p> <p>The requirements, shown in the attached interim conservation plan, may be revised when the final plan is completed after the field visit; however, you will be required to comply with the interim plan as a condition for being considered eligible for payments for the BCAP in this interim period. Specifically, you will be eligible for payment no later than 30 days following the date of the County Committee approves your contract, including this interim plan, provided you comply with all the terms and conditions of the contract. The final plan will be consistent with the interim plan and with the terms of the BCAP contract to which you have agreed. Matching payments during this interim period may only be paid for those current crop year materials which are approved in connection with the interim plan. Matching payments under the final plan will only be paid for those materials which occur after the final plan has, in fact, been finalized and agreed to.</p> <p>If you are not comfortable with the interim plan, contact your local NRCS office or TSP to ask that they work with you immediately on a detailed (final) plan. However, the timeline for final plan development is dependent on field office workload that may otherwise delay the beginning of your contract term. In these cases, it is unlikely a contract could be approved prior to the September 4, 2015 deadline.</p> <p>Accordingly, by signing below, the participant acknowledges receipt of this interim conservation plan addendum including the attached NRCS Interim Conservation Plan and agrees to comply with the terms and conditions hereof as well as the terms and conditions of the BCAP-10 contract.</p>	
_____ Eligible Material Owner Signature	_____ Signature of CCC Representative
_____ Date	_____ Date
Attachment: Plan map with fields and acres identified.	

Interim Conservation Plan

Following is an example of the interim conservation plan.

U.S. Department of Agriculture						
Interim Conservation Plan						
Name	County	State	Contract Agreement Number	Total Acres Under Contract		
Attached Conservation Plan Addendum MAP (if applicable)						
Field	FSA Conservation Practice Code	NRCS Technical Code(s)	Estimated Amount (dry tons per acre)	Matching Payment Rate up to \$20 Per Dry Ton (if applicable)	Completion Schedule and Matching Payments 2015 (if applicable)	
OMB Disclosure Statement						
<p>According to the Paperwork Reduction Act of 1995, an agency may not conduct or sponsor, and a person is not required to respond to a collection of information unless it displays a valid OMB control number. The valid OMB control number for this information collection is 0578-0013. The time required to complete this information collection is estimated to average 0.69 hours per response, including the time for reviewing instructions, searching existing data sources, gathering and maintaining the data needed, and completing and reviewing the collection information.</p>						
Privacy Act Statement						
<p>The above statements are made in accordance with the Privacy Act of 1974 (5 U.S.C 522a). Furnishing this information is voluntary; however, failure to furnish correct, complete information will result in the withholding or withdrawal of such technical or financial assistance. The information may be furnished to other USDA agencies, the Internal Revenue Service, the Department of Justice, or other State or Federal law enforcement agencies, or in response to orders of a court, magistrate, or administrative tribunal.</p>						
Nondiscrimination Statement						
<p>The U.S. Department of Agriculture (USDA) prohibits discrimination in all its programs and activities on the basis of race, color, national origin, gender, religion, age, disability, political beliefs, sexual orientation, or marital or family status. (Not all prohibited bases apply to all programs.) Persons with disabilities who require alternative means for communication of program information (Braille, large print, audiotape, etc.) should contact USDA's TARGET Center at (202) 720-2600 (voice and TDD). To file a complaint of discrimination, write USDA, Director, Office of Civil Rights, Room 326-W, Whitten Building, 1400 Independence Avenue, S.W., Washington, D.C. 20250-9410 or call (202) 720-5964.</p>						