



VT FACT SHEET

UNITED STATES DEPARTMENT OF AGRICULTURE
FARM SERVICE AGENCY

Biomass Crop Assistance Program Provides Matching Payments for Wood Biomass

October 2009

Overview

The Biomass Crop Assistance Program (BCAP) was authorized by Title IX of the Farm Security and Rural Investment Act of 2002, as amended by Title IX of the Food, Conservation, and Energy of 2008 Act (2008 Farm Bill).

The FSA State Executive Director of VT, Robert Paquin, Encourages Landowners and Forestry Professionals to Consider the Benefits

“This new program is an opportunity that will benefit landowners and the forestry community by increasing the amount of money paid for wood and wood waste that is considered eligible biomass. For material that qualifies to produce energy or biomass-based products, such as wood pellets, USDA is now providing dollar-for-dollar matching payments up to \$45 per dry ton,” Paquin said. “These matching payments will support renewable energy production as well as help maintain a consistent market for forest products in our region,” Paquin added.

5 Basic Steps to Qualify for BCAP Matching Payments -

- A biomass conversion facility needs to become qualified and meet the requirements of the program. Vermont has a pending qualified facility and expects to receive applications from other wood chip processing plants that use the biomass to produce heat or energy.
- The eligible material owner needs to enter into an agreement with the qualified biomass conversion facility to provide them eligible material. In order to be considered the “eligible material owner”, and receive the matching payments (up to \$45 per dry ton) the individual needs to have a contract with a Qualified Biomass Conversion Facility and have legal title to the biomass at the time it is delivered.
- The legal owner of the material (the person or operation that has legal title to the material at the time of the delivery) needs to apply at the local county Farm Service Agency *before* the material is delivered. Once the owner is approved as an applicant

they can deliver the biomass to the facility.

- After delivery, the biomass owner submits a payment application with the necessary documentation. The payment is approved by the local FSA County Committee.
- A matching payment will be made by the Commodity Credit Corporation to the owner of the material.

The final regulations for the BCAP program have not been published yet, however, a presidential directive in May expedited funding availability. Future program policies will include matching payments for biomass materials, crop establishment cost-shares and rental payments in eligible BCAP Project Areas.

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For more information, contact your local FSA county office or Kimberly Peterson at (802) 658-2803 or Paul Frederick at the Vermont Department of Forests and Parks at (802) 241-3698.