

## ***Higher Blends Infrastructure Incentive Program (HBIIIP) Overview and Enrollment Orientation***

### ***Frequently Asked Questions***

#### **General Information**

1. Can you clarify which applicant types are eligible for 50 percent grant funding versus 75 percent grant funding?  
ANSWER: Transportation fueling facilities owning 10 or fewer locations and home heating oil distribution facilities (having 80 percent or more of their annual throughput volume as home heating oil) are eligible for up to 75 percent Federal cost share. All other applicant types are eligible for up to 50 percent Federal cost share.
2. Where does someone go if they need to renew an existing Unique Entity Identifier (UEI)?  
ANSWER: A UEI can only be renewed through the System for Award Management (SAM.gov).
3. Will home heating oil applicants be able to compete for other funding if the \$4.5 million set aside for them is exhausted?  
ANSWER: Yes, should the set aside for home heating oil applicants be exhausted they will be able to compete in the fuel distribution facility category.
4. Does the new signature line on the HBIIIP Online Access Request document allow non-company employees such as a grant writer to sign documents such as the SF 424?  
ANSWER: No, the signature line or option to provide a signed authorization is used to verify that the applicant entity is authorizing the application to be made and allowing the authorized users to have access to it. Applicant entities will still need to sign all documents.
5. If you previously participated in HBIIIP and were awarded funding, can you reapply?  
ANSWER: Yes, applicants may reapply each window, however there is a \$15 million grant award limitation for Inflation Reduction Act (IRA) funding.
6. Are grant writing service expenses eligible for reimbursement?  
ANSWER: No, they are ineligible.
7. Approval would be 100-120 days from the end of the quarterly application window?  
ANSWER: We expect all reviews and competitions to take approximately 90-180 days from the closing of an application window.
8. Will funding be given up front or will the grantee need to bare the cost until final reimbursement?  
ANSWER: The funds are provided through reimbursement for work completed. Grantees may request reimbursement no more than quarterly. The final 10 percent will be retained until the project is completed.
9. If we own several locations, do we apply for each location separately or can they be included in one application?  
ANSWER: There is no limit to the number of locations that can be included in an application.
10. If we are not able to start our project during the winter months and need to wait until spring, does that make us ineligible?  
ANSWER: No, this would not make the project ineligible. We allow up to 36 months from the execution of the grant agreement for reimbursement to take place to allow plenty of time for scenarios like this.
11. What are the quarterly application window deadlines?

ANSWER: The application window will close at 4:30 pm Eastern on the last day of each Federal Fiscal Year quarter beginning on July 1, 2023, and ending on September 30, 2024. The specific dates are: 1) September 30, 2023; 2) December 31, 2023; 3) March 31, 2024; 4) June 30, 2024; and 5) September 30, 2024.

### **Project Eligibility**

1. Can you begin the project while the application is in progress?  
ANSWER: No construction can be completed until the Agency has completed their environmental review. Additionally, any costs incurred prior to submitting a complete application are considered ineligible.
2. Can you clarify project eligibility in terms of the permitting/construction state? Are projects eligible if permitted but not constructed, etc.?  
ANSWER: Projects may have permitting completed; however, no construction may begin prior to submitting a complete application. Additionally, any costs incurred prior to submitting a complete application are considered ineligible.
3. Do you need to have higher blends both ethanol and biodiesel to be eligible?  
ANSWER: No, your project can focus on either higher blends of ethanol, greater than 10 percent ethanol, or biodiesel, greater than 5 percent biodiesel, or both.
4. We want to apply for both a transportation fueling facility and a fuel distribution facility, can we do both during one application window?  
ANSWER: An applicant may only submit one application during one application window. Hybrid applications containing elements of both transportation fueling facility projects and fuel distribution facility projects are not eligible.
5. What is the percentage of ethanol or biodiesel required to be eligible?  
ANSWER: Eligible projects are those related to infrastructure for higher blends of ethanol, greater than 10 percent, or biodiesel, greater than 5 percent, or both.
6. Are above ground storage tanks (ASTs) eligible?  
ANSWER: Yes, ASTs are eligible if they are related to higher blends of ethanol, greater than 10 percent, or biodiesel, greater than 5 percent.
7. Would E10 blends be allowable under the program or only blends higher than E10?  
ANSWER: Ethanol blends need to be higher than 10 percent ethanol to be eligible.
8. Would a completely new home heating oil storage facility with a biodiesel blending system qualify?  
ANSWER: If the project includes infrastructure for home heating oil blended with 5 percent or more biodiesel, that portion would be eligible.

### **Applicant Eligibility**

1. Can I apply if I am a start-up company?  
ANSWER: Yes, start-up companies are eligible to apply.
2. What are the differences between a fleet facility and a fuel distribution facility?  
ANSWER: A fleet facility is a fueling location where an entity refuels the fleet of vehicles they operate. A fuel distribution facility is a location where fuel is obtained in bulk for use at a transportation fueling facility.

3. Is a marine fueling station (tugboats and barge fueling facility) considered as a transportation fueling station and eligible under HBIIP?

ANSWER: Yes, this would be considered a transportation fueling facility station or fleet facility depending on whether they were refueling their own vehicles or refueling all vehicles.

4. Could an application be a joint application between a biofuel producer and a fueling facility?

ANSWER: The application would need to be submitted through one entity.

5. Are bulk plants/terminals storing, blending, and dispensing ethanol and/or biodiesel eligible?

ANSWER: Yes, they are eligible if the project is related to infrastructure for higher blends of ethanol, greater than 10 percent, or biodiesel, greater than 5 percent, or both.

6. If we have more than one entity, can they apply separately?

ANSWER: Any entities with shared ownership should be limited to applying as one and only one entity. If it is discovered that multiple applicants have the same shared ownership, they will be limited to the \$5 million grant maximum per application window.

### **System Access**

1. Is Login.gov available now or will it be coming in the future? If you are registered with Login.gov, will you need a USDA eAuthentication account?

ANSWER: Login.gov will become optional around July 24, 2023, as a sign in option. Once it is available, you will not need to create a USDA eAuthentication account but will need to verify your identity within Login.gov to be permitted access to the online application system.

2. Will the online application system close temporarily at the end of each quarter before reopening for the next quarter?

ANSWER: The application window will close at 4:30 pm Eastern on the last day of each quarter and applications will not be able to be submitted after that time. Access to the online application system does not close. A new HBIIP Online Access Request will need to be submitted each window to have an application generated and access to it granted.

### **Application**

1. If an application is not selected for funding in one quarter, will they need to reapply for the next quarter, or will the application be considered in future quarters?

ANSWER: Unfunded applications will roll into the remaining application windows automatically.

2. Does information from an incomplete application remain on the online application system for use in the following quarter or do applicants need to start over each quarter?

ANSWER: Any information entered into the online application system will be locked and inaccessible once the application window for that quarter closes. Applicants will need to submit a new HBIIP Online Access Request to have a new application generated and to be granted access to the system.

3. When entering the "Average Capped Costs" values in the application, should we use the maximum amount that the Agency allows? If not, how do we calculate that?

ANSWER: Applicants should have estimates for costs from equipment vendors. The "Capped Costs" are the maximum the Agency will consider their federal cost share percentage from. If an applicant knows that their costs are less than this, they should use actual amounts.

### **Matching Funds**

1. Is the match requirement dollar for dollar?

ANSWER: It depends on what applicant type you are. Transportation fueling facility applicants owning 10 or fewer stations and home heating oil distribution facilities will likely not have a dollar-for-dollar match because they are eligible for up to 75 percent Federal cost share. All other applicant types will likely have a dollar-for-dollar match because they are eligible for up to 50 percent Federal cost share.

2. Can you explain the proof of matching funds requirement? What qualifies?

ANSWER: Matching funds can be comprised of eligible in-kind contributions from third parties and/or cash, however, in-kind contributions provided by the applicant cannot be used to meet the matching fund requirement. Written commitments for matching funds (e.g., Letters of Commitment on lender letterhead, electronic communication from a lender, or bank statements) must be submitted with the Certification of Matching Funds when the application is submitted. The Certification of Matching Funds must be signed by the applicant.

3. Are pre-approved loans eligible as matching funds?

ANSWER: No, loans that are "pre-approved," conditionally approved, or in underwriting status are not eligible as matching funds. Loans must be approved to be eligible as matching funds.

4. Can applicants provide the matching funds, or does it need to be from some other entity?

ANSWER: Applicants may use cash as matching funds.

5. Can the matching fund documentation be submitted as confidential business information?

ANSWER: Yes.

### **Environmental Review**

1. Do we need to include an IPaC with the Preliminary Environmental Information Survey?

ANSWER: Yes, an IPaC should be provided.

2. Is the cost of an environmental review an eligible expense?

ANSWER: No, costs associated with preparing any environmental documentation is ineligible for reimbursement.

3. In the case of a convenience store site, could you break ground on the building and delay the fueling center until application submission?

ANSWER: No construction may take place until the environmental review has been completed. The cumulative effect of the project must be evaluated.

4. Does the applicant need to conduct the environmental review or does the Agency do that?

ANSWER: The Agency will determine the likely level of review and will let the applicant know what is required. The applicant will need to complete the necessary steps or hire a consultant to do them. The Agency will review all information provided and will work with the applicant to complete the environmental review process.