

# Biofuel Producer Relief Payments Program

## What does this program do?

**This program authorizes the Secretary of Agriculture to make payments to U.S.-based producers of advanced, cellulosic, or conventional biofuel, biomass-based diesel, or renewable fuel to offset unexpected market losses as a result of the COVID-19 pandemic.**

**NOTE: For the purposes of this program, eligible biofuel is defined as “renewable fuel produced in the U.S. from renewable biomass and used to replace or reduce the amount of fossil fuel in transportation fuels,” as defined in Section 211(o)(1) of the Clean Air Act (available at this link: <https://go.usa.gov/xMzC4>).**

**Payment to eligible biofuel producers is based on the volume of market loss the producer experienced during calendar year 2020. The market loss is calculated by comparing the gallons of eligible biofuel produced during calendar year 2019 to the gallons of eligible biofuel produced in calendar year 2020. Quantities of gaseous biofuel are converted into gallons based on the British Thermal Unit (BTU) equivalent of one gallon of biodiesel using Energy Information Administration factors. More information is available at this link: <https://www.eia.gov/>.**

## Who can apply?

Biofuel producers eligible to apply include those whose U.S.-based facilities directly produce an eligible biofuel.

You are **not** considered an eligible producer if you are:

- A sole proprietor or legal entity that **exclusively** contracts for the production of biofuel by third-party producers under a toll or bailment arrangement, or third-party production contract
- An individual or legal entity that blends or otherwise combines biofuels into a blended biofuel

## What funding is available?

Up to \$700 million in payments to eligible biofuel producers is available.

## What are the terms?

Payments to eligible, selected biofuels producers will occur once the application cycle closes. USDA Rural Development anticipates making one payment each to selected applicants under the current notice of funding.

## How do we get started?

- Visit <https://www.rd.usda.gov/programs-services/energy-programs/biofuel-producer-relief-payments-program> and click the “To Apply” tab for instructions.

## Who can answer questions?

- Email: [EnergyPrograms@usda.gov](mailto:EnergyPrograms@usda.gov)
- If you would like to access alternate (visual or auditory) means of communication, contact the USD Target Center at (202) 720-2600 (voice).

## What governs this program?

This program is governed by Title I, Division B of the Coronavirus Aid, Relief, and Economic Security Act (CARES Act; Public Law 116 – 136) available at this link: <https://go.usa.gov/xMz4S>

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**NOTE: Because citations and other information may be subject to change, please always consult the program instructions listed in the section above titled “What Governs This Program?” You may also contact your local office for assistance. You will find additional forms, resources, and program information at [rd.usda.gov](http://rd.usda.gov). USDA is an equal opportunity provider, employer, and lender.**