

Higher Blends Infrastructure Incentive Program (HBIIP) Overview



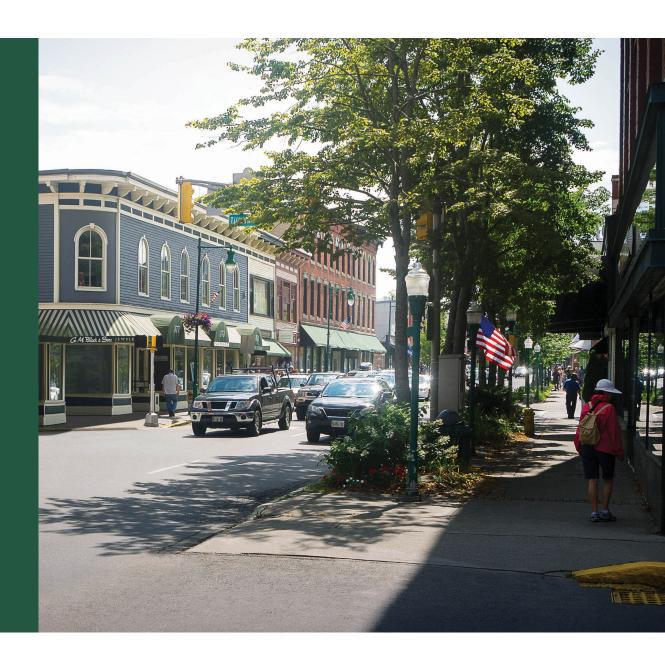
October 4, 2023

HBIIP Overview and Enrollment Orientation *Agenda*

- What's New?
- Overview
- Enrollment Orientation
- What's Next?
- Program Update
- Additional Opportunities



What's New?

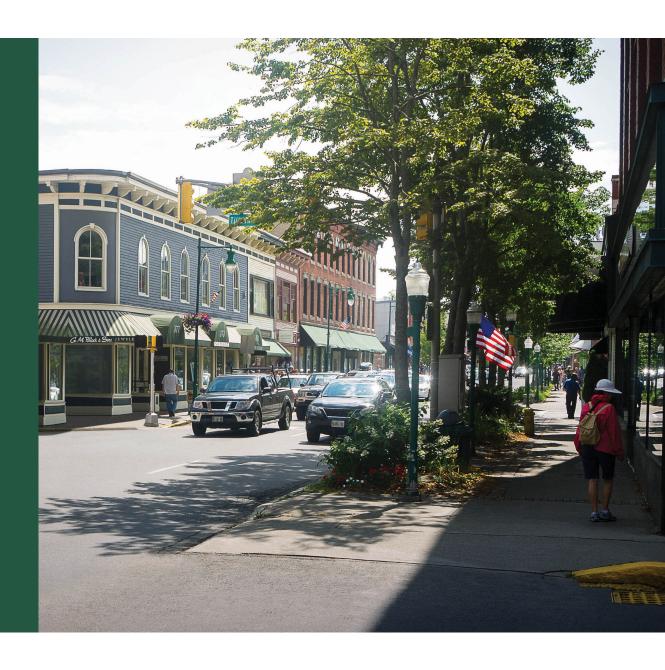


HBIIP – What's New?

- Quarterly competitions with \$90 million available each quarter.
- Make available approximately \$68.5 million to transportation fueling facility applicants,
 \$18 million to fuel distribution facilities, and \$4.5 million to home heating oil distribution facilities.
- Add home heating oil distribution facility as applicant type under Fuel Distribution Facility applicant type.
- Increase Federal cost share for eligible activities to 75 percent for transportation fueling facilities owning 10 or fewer stations and home heating oil distribution facilities.
- Updated capped costs for fuel dispensers and fuel storage tanks for transportation fueling facility applicants.



Overview



Overview

Higher Blends Infrastructure Incentive Program (HBIIP)

What does this program do?

The purpose of the HBIIP is to *increase* significantly the sales and use of higher blends of ethanol and biodiesel,

by **expanding the infrastructure** for renewable fuels derived from U.S. agricultural products.

Who may apply?

Owners of -

Transportation fueling facilities:

Fueling stations, convenience stores, hypermarket fueling stations, fleet facilities (including rail and marine), and similar entities with capital investments;

Fuel distribution facilities:

Terminal operations, depots, midstream partners, and similarly equivalent operations, including home heating oil distribution facilities.

What funding is available?

Up to **\$90 million** is available to eligible participants/owners each quarter:

- Approximately \$68.5 million is available to transportation fueling facilities,
- Approximately \$18 million is available to <u>fuel distribution faculties</u>, and
- Approximately \$4.5 million is available to <u>home heating oil distribution facilities</u>

for activities related to higher blends of fuel ethanol, greater than 10 percent ethanol, including E15 and E85, and biodiesel greater than 5 percent biodiesel, including B20 or higher.

What are the terms?

Grants for up to 75 percent of total eligible project costs, but not to exceed \$5 million, whichever is less.

How must funds be used?

Funds made available under HBIIP may only be used for eligible equipment, infrastructure and related expenses to support the sales and use of higher biofuel blends.

Eligible Project Costs:

- Incurred after a complete application is submitted;
- Purchase, installation, and/or retrofitting of fuel dispensers related equipment and infrastructure to support higher blend fuel sales;
- Construction, replacement, improvements;
- Fees construction permits, and licenses;
- Professional service fees.

Ineligible Project Costs:

- Renewable diesel projects;
- Sustainable aviation fuel projects;
- · Used equipment and vehicles;
- Construction or equipment costs that would be incurred regardless of the HBIIP project;
- Purchase of real property/land or lease payments;
- Expenses associated with applying for, reporting, reimbursement, and servicing of HBIIP.

There is a **Matching Funds** (cost sharing) requirement. Matching funds will need to cover the remaining balance that grant funds do not.

Estimated Funding:	Cash	In-kind value	All
Federal			
Applicant			
State			
Local			
Other			
TOTAL			

- Arrangements with private entities
- Commercial vendors of fuels
- Agricultural commodity/renewable fuel promotional organizations
- State-led programs and private sector efforts

Matching Funds:

- Required to receive HBIIP grant
- Remainder All eligible project costs not covered by Grant funds
- Consist of CASH and In-kind contributions
- Secured by applicant <u>must</u> have written commitments, such as bank statements for cash or Letters of Commitment for in-kind contributions
- In-kind from applicants is not eligible
- Other Federal grants are not eligible
- Passive tax equity contributions allowed

Build America, Buy America Act (BABAA)

- If applying as:
 - State or Local Government
 - Indian Tribe
 - Institution of Higher Education
 - Nonprofit

Consideration for Geographical Diversity

A Consideration for Geographical Diversity is afforded to

Transportation fueling station owners based on the location of the proposed facilities.

Considerations include:

- Interstate Corridor
- Sole Station
- Western States
- New England States

Other Considerations

A **Targeted Assistance Goal** is established for applicants owning the fewest number of transportation fueling stations.

A **Consideration for First Time Applicants** may be given to those without a prior acceptance of an HBIIP Letter of Conditions.

A Consideration of Rural Development Key Priorities, including:

- Assisting rural communities recover economically from the impacts of the COVID-19 pandemic, particularly disadvantaged communities.
- Ensuring all rural residents have equitable access to RD programs and benefits from RD funded projects.

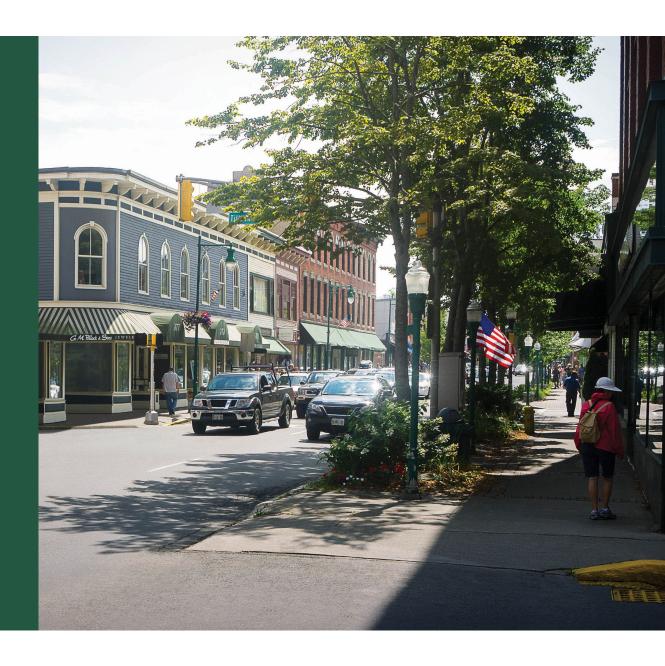
Please visit https://www.rd.usda.gov/priority-points for additional information.

Sounds great! How do we get started?

- 1) https://rd.usda.gov/hbiip; Click the "How to Apply" button;
- 2) Click the "To Apply" tab;
- 3) Open the Checklist for Online Application System.



Enrollment Orientation



HBIIP Enrollment

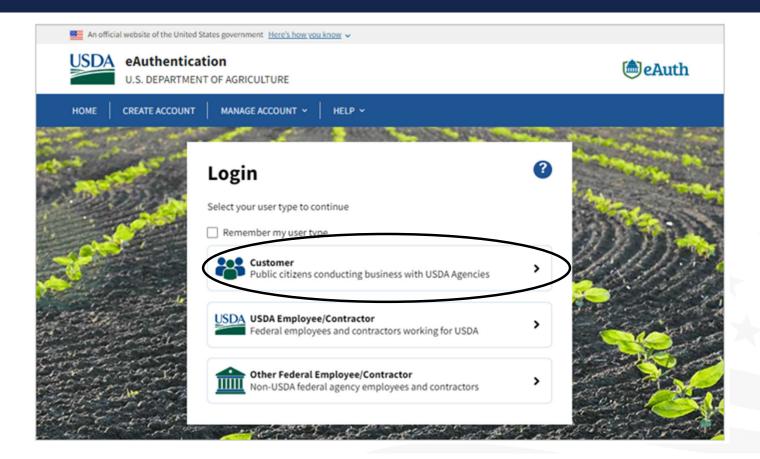
- Unique Entity Identifier (UEI)
- USDA eAuthentication/Login.gov
- Request access to the Online Application System
- Obtain access to the Online Application System

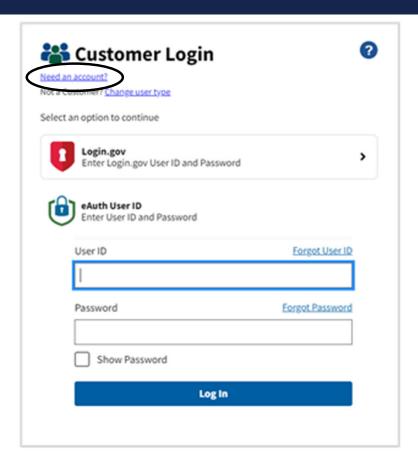
HBIIP Enrollment

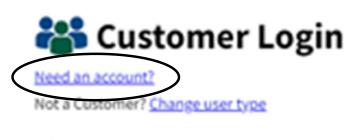
- "Register Your Entity" with the System for Award Management (SAM) at www.sam.gov to obtain a Unique Entity Identifier (UEI) and expiration date.
 - Make sure you complete the Certifications and Representations section when registering your entity.

HBIIP Enrollment

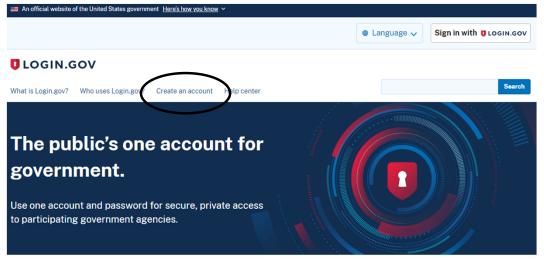
- Visit USDA eAuthentication https://www.eauth.usda.gov.
- Create a Login.gov Account or utilize existing account https://login.gov/.
 - Verified Identity will be required.
 - Visit https://higherblendsgrants-apply.rd.usda.gov/s/
 - Verify Identity through Login.gov







Select an option to continue





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Continue Link with Login.gov?

After linking, your Login.gov account must be used for all future access to USDA websites and applications.



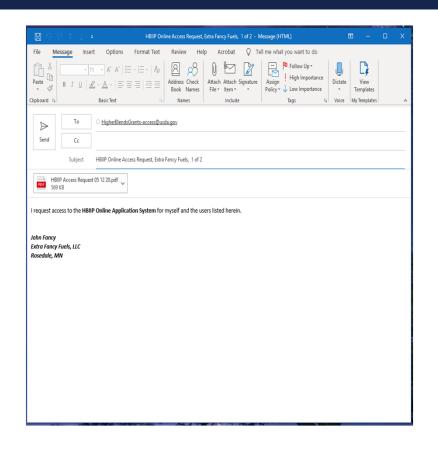
Request to Participate

HBIIP Online Access Request

		Company/Account and User Creati	ion Request	
Submit this completed do	cument to HBIIF		ized Users have Level 2 USDA eAuthentication	(verified
		identity) access prior to subm	ission.	
Request Type				
1 Create Company Account only	,			
2 Create User Account only		<u> </u>		
3 Create both Company Accoun (*New applicants)	t and User Account	<u> </u>		
4 Generate New Application and (*Repeat applicants)	d Add User Account	·		
Company Information		·	·	
Company Legal Name				
Company Tax ID Number (TIN				
Unique Entity Identifier (UEI)				
UEI Expiration Date				
Applicant Type (Select One)				_
Authorized User Information				
Last Name	First Name	Email	eAuth ID	
1				
2				
3				
4				
5				
6				
7				
8				
9				
10				
	d need to have Author	rized Users removed from account access, please p	rovide user names in a written request to HBIIP@usda.gov.	
			ng access to the account for users not affiliated with applicant	entity.

- Select: Create both Company Account and User Account
- Company's Legal Name
- Company TIN
- Unique Entity Identifier (UEI)
- UEI Expiration Date
- Applicant Type (Select One):
 - Owner of 10 or fewer fueling stations
 - Owner of more than 10 fueling stations
 - Fleet facility (including rail/marine)
 - Fuel Distribution Facility
 - Home Heating Oil Distribution Facility
- Provide authorized user information
- Provide authorization

Request to Participate



To request access to HBIIP Online Application System:

- Send an Email attached with a <u>completed and</u> <u>encrypted</u> HBIIP Online Access Request to, <u>HBIIP@usda.gov.</u>
- 2. Send second email immediately with encryption password.

Please allow at least one week to process your request. If you do not receive a response after one week, please resubmit your request.

Obtaining access to the Online Application System

Upon approval, a Company's authorized/rightful users will each receive an email from HBIIP@usda.gov, with

A URL and instructions to access the system.

Copy the URL and paste it into the address bar of a **Google Chrome** internet browser and hit enter.

Bookmark the URL for future use.



To Apply Important Documents



Overview



Other Requirements

Contact

Events

To apply for the Higher Blends Grant program, please review the online application checklist below to determine the important documents you will need. You must also submit your completed HBIIP Online Access Request to HBIIP@usda.gov to gain access to the online application system.

Important Documents



Accessing Forms

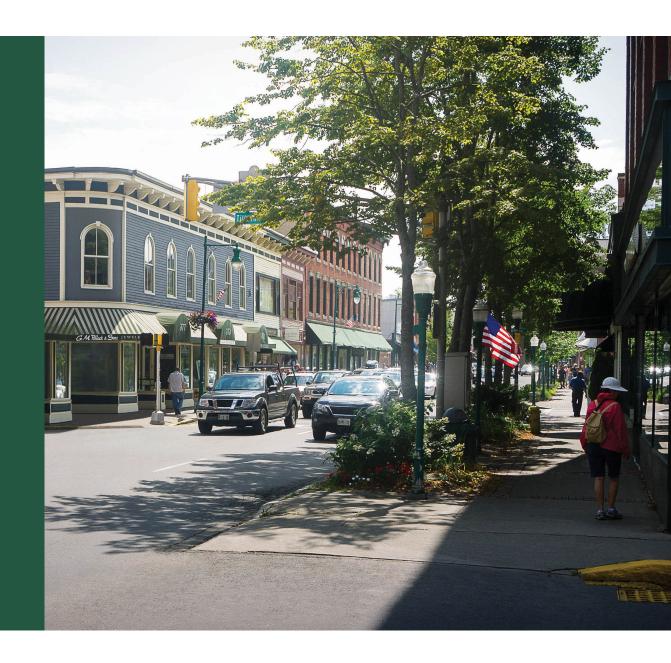
If you are using Google Chrome, your browser settings may require you to first download the form and then open the form.

If an error message populates when opening these forms, please follow these steps to resolve the

- 1. Open your version of Adobe Acrobat Reader.
- 2. Go to the menu and click "Edit".
- 3. Next click "Preferences" and under the "Categories" drop down select "General".
- 4. Under the General, uncheck the option "show online storage when saving files" and then click the OK button.
- Checklist for Online Application System
- System for Award Management
- USDA eAuthentication
- HBIIP Online Access Request



Important Dates What's Next?



Important Dates

- June 28, 2023 A Notice of Funding Opportunity (NOFO) published in the Federal Register
 - Announced Quarterly HBIIP Application Windows
 - Announced Changes to HBIIP
- Beginning of Each Quarter
 - HBIIP Online Application System Goes Live
 - Begin Accepting Online Access Enrollment Requests
 - Begin Accepting Preliminary Environmental Information Surveys

What's next?

- HBIIP Application Windows Closes at 4:30 pm Eastern on the final day of each quarter
 - 1. July 1, 2023 to September 30, 2023
 - 2. October 1, 2023 to December 31, 2023
 - 3. January 1, 2024 to March 31, 2024
 - 4. April 1, 2024 to June 30, 2024
 - 5. July 1, 2024 to September 30, 2024

What's next? (Continued)

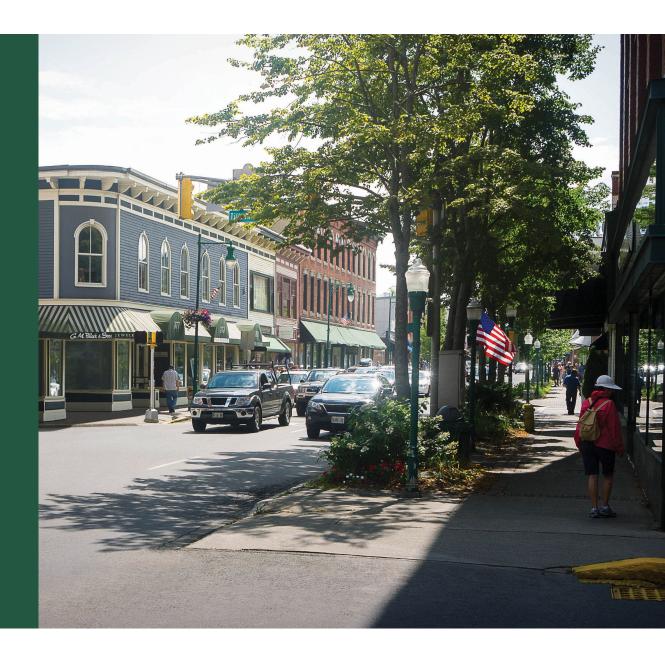
- Reviews expected to take 90-180 days from the date an application window closes
 - Agency Review for Eligibility and Completeness
 - Evaluation Panel and Competition
- Following Reviews
 - Selection, Written Communication to All Participants
 - Public Announcement of Obligations
 - Grant Agreement Execution
 - Project Completion/Reimbursement

What's next? Training

- Planned Training Webinars See Events tab
 - HBIIP Environmental Review Process for Applicants
 - HBIIP Transportation Fueling Facility Applicant Deep Dive
 - HBIIP Transportation Fueling Facility Applicant (Rail/Marine) Deep Dive
 - HBIIP Fuel Distribution Facility Applicant Deep Dive
 - HBIIP Post Selection Next Steps



Program Update



HBIIP Update

How much interest was there?

Short answer – a lot!

- ~430 applications requesting over \$330 million
- ~1,850 locations (transportation fueling only)
- ~10,800 dispensers
- ~1,200 storage tanks

Where are we with awards?

All awards have been made.

- ~370 applications totaling ~\$250 million
- ~1,740 locations (transportation fueling only)
- ~10,300 dispensers
- ~1,050 storage tanks

Where are these projects?

CA has most of the locations awarded with 380.

- States with more than 100 locations CA, IA, IL (3)
- States with between 50 and 100 locations FL, MN, WI, TX, NE, IN, OH (7)
- States with between 25 and 50 locations GA, KS, KY, PA, MI, CO, AR (7)
- States with between 10 and 25 locations MD, NY, AL, MO, VA, SD, AZ, NC, TN (9)
- States with less than 10 locations CT, SC, ND, HI, MA, NV, WY, OK, RI, LA, NJ, NM, WV, WA, MS, NH, DC, ID, MT, VT, DE, UT, ME (23)
- States with no locations AK, US Territories (2)

What has been installed so far (as of September 21 7, 2023)?

- 66 grantees with fully completed projects, which represents:
 - 59 transportation fueling facilities and 7 fuel distribution facilities
 - 239 locations
 - 916 E15 dispensers
 - 312 E85 dispensers
 - 256 B20 dispensers
 - 54 ethanol storage tanks
 - 36 biodiesel storage tanks
 - ~448.3 million higher blend gallons

What has been installed so far (as of September 21, 2023)?

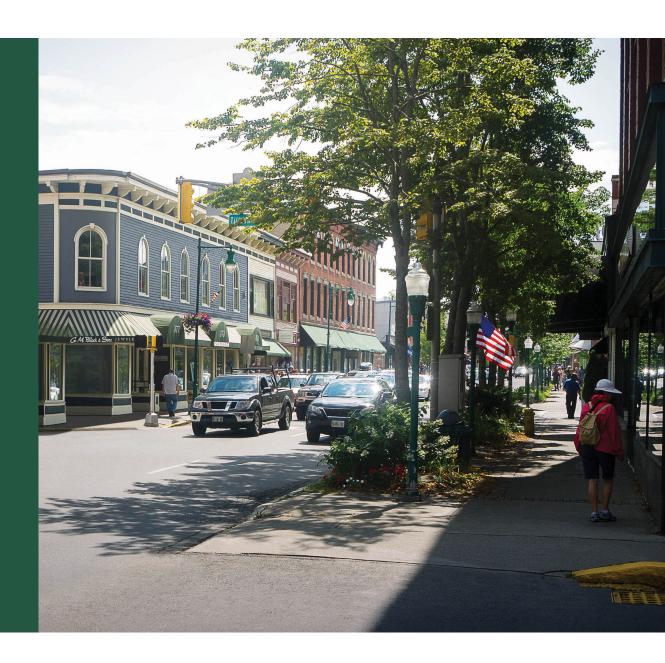
- 30 grantees with at least one reimbursement request, which represents:
 - 23 transportation fueling facilities and 7 fuel distribution facilities
 - 208 locations
 - 609 E15 dispensers
 - 525 E85 dispensers
 - 292 B20 dispensers
 - 101 ethanol storage tanks
 - 71 biodiesel storage tanks
 - ~556.4 million higher blend gallons

How can we help make the program successful?

Spread the word!



Additional Opportunities



Additional Opportunities

- Rural Energy for America Program (REAP)
 - Provides financial assistance to agricultural producers and rural small businesses to make energy efficiency improvements or to install renewable energy systems
 - Types of funding
 - · Guaranteed loans
 - Covers up to 75% of the eligible project costs for up to \$25 million
 - Grants
 - Covers up to 50% of the eligible project costs
 - For energy efficiency improvements, there is a \$1,500 minimum and \$500,000 maximum
 - For renewable energy systems, there is a \$2,500 minimum and a \$1,000,000 maximum
 - Eligible applicants
 - Small business is eligible rural areas
 - · Agricultural producers with more than 50% of their income coming from agricultural operations

Additional Opportunities (continued)

Rural Energy for America Program (REAP) (continued)

Examples

- Energy Efficiency Improvements
 - Refrigeration/Freezer upgrades
 - · Commercial kitchen, food prep equipment upgrades
 - Lighting upgrades
 - · Heating and Ventilation (HVAC) systems
- Renewable Energy Systems
 - Solar Array
 - Ethanol/Biodiesel Plant Retrofit
- Visit https://www.rd.usda.gov/reap for more information. State contacts are provided by using the "Contact Your State Energy Coordinator" button.

Additional Opportunities (continued)

- Business & Industry (B&I) Guaranteed Loans
 - Provides financial assistance to rural businesses for things like business expansion, purchase of machinery and equipment, debt refinance, etc.
 - Types of funding
 - Guaranteed loans for up to \$25 million
 - Eligible applicants
 - Businesses located in rural areas (population of 50,000 or less)
 - Contact your local USDA Rural Development Office by using the link below and selecting your state in the drop-down menu

https://www.rd.usda.gov/programs-services/business-programs/business-industry-loan-guarantees

Thank you!

Jeff Carpenter

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402-437-5554