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Release No. 0201.11

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USDA Announces Project to Encourage Development of Next-Generation Biofuels
Project designates areas in Missouri and Kansas for bioenergy feedstock production

WASHINGTON, May 5, 2011 — Agriculture Secretary Tom Vilsack announced today the establishment of the first Biomass Crop Assistance Program (BCAP) Project Area to promote the production of dedicated feedstocks for bioenergy. This project will help spur the development of next-generation biofuels and is part of Obama Administration efforts to protect Americans from rising gas prices by breaking the nation's dependence on foreign oil.

"Reducing our dependence on foreign oil and getting a handle on out of control gas prices will require investments in projects like we are announcing today," said Vilsack. "By encouraging production of feedstocks that can be converted into next-generation biofuels we are boosting the rural economy, creating jobs, contributing to America's energy security and protecting our planet. Investments like this spark creation of new industries and is a key part of our effort to keep America competitive and win the future."

Comprising 39 contiguous counties in Missouri and Kansas, the first BCAP Project Area proposes the enrollment of up to 50,000 acres for establishing a dedicated energy crop of native grasses and herbaceous plants (forbs) for energy purposes. Producers in the area will plant mixes of perennial native plants, such as switchgrass, for the manufacture of biomass pellet fuels and other biomass products to be used for power and heat generation. The proposed crops also will provide long term resource conserving vegetative cover. The project is a joint effort between the agriculture producers of Show Me Energy Cooperative of Centerview, Mo., and USDA to spur the expansion of domestically produced biomass feedstocks in rural America for renewable energy.

The program provides an opportunity for teams of crop producers and bioenergy facilities to submit proposals to USDA to be selected as a BCAP project area. If selected, crop producers will be eligible for reimbursements of up to 75 percent of the cost of establishing a bioenergy perennial crop, and can receive up to five years of annual payments for grassy crops (annual or perennial), and up to 15 years of annual payments for woody crops (annual or perennial). Bioenergy facilities are those facilities that produce heat, power, biobased products, or advanced biofuels from biomass feedstocks.

BCAP, created in the 2008 Farm Bill, is a primary component of the strategy to reduce U.S. reliance on foreign oil, improve domestic energy security, reduce pollution, and spur rural economic development and job creation. BCAP provides incentives to interested farmers, ranchers and forest landowners for the establishment and cultivation of biomass for heat, power, bio-based products and biofuels.

Producers interested in participating in the project area should visit their local Farm Service Agency (FSA) county office for additional information and application. Facts about BCAP also may be found at www.fsa.usda.gov/bcap. The signup period for this project area will begin on Monday, May 9, 2011.

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