What is the Biofuels Infrastructure Partnership (BIP)?

The United States Agriculture Department (USDA) awarded competitive matching grants to States to fund infrastructure for expanded distribution of higher blends of ethanol like E15, E85, and other flex fuels. BIP funds must be used to pay a portion of the costs for installation of fuel dispensers and related equipment for storage and distribution of higher ethanol blends.

One important point: The grants were awarded to states, and those states are now responsible for distributing funds to retailers. If you’re a retailer, you will be working with people in your state, and they will communicate with USDA.

What does the program pay for?

That varies by state. Participating states offered proposals to USDA for new or expanded biofuel infrastructure programs. States already offering incentives were not allowed to substitute federal funds for existing state program funds or to reallocate current infrastructure funding to non-equipment purposes and replace them with federal dollars – they had to expand their program. Whether a program is new or expanded, however, BIP funds can only be used for equipment, including (but not limited to):

- Blender dispensers approved for use with ethanol blends including E85 (new pumps or retrofit of existing pumps). Federal funds can be used for a maximum of 75% of equipment cost.
- Dedicated E15 or E85 dispensers (new pumps or retrofit of existing pumps), capped at 75% of equipment cost; and
- New storage tanks and related equipment associated with new facilities or additional capacity (replacement is not included), capped at 25% of cost.

As a retailer, what do I pay?

Again, that depends on your state’s program. States have to operate within USDA guidelines, and while some will use the maximum amount of federal funds per dispenser or tank, others states will fund a smaller portion. Remember, BIP is a matching grant program, so while the retailer’s share of equipment cost may be the only “match” for a project (and 50% off new equipment is not bad), some states will also match BIP dollars with state and private partner funds. Those dollars can pay the portion of equipment costs above the amounts covered by Federal funds, and/or the states’ required public education and marketing plans for the promotion of E15, E85, and other flex fuels.

So, is my state participating? How much $$ do they have? Who do I contact?

The 21 participating states are: Colorado, Florida, Illinois, Indiana, Iowa, Kansas, Louisiana, Michigan, Minnesota, Missouri, Nebraska, North Carolina, North Dakota, Ohio, Pennsylvania, South Dakota, Texas, Virginia-Maryland, West Virginia, and Wisconsin. Amounts awarded to each state can be found here.
Click [here](#) for a contact information in your state. We will update each state’s information and provide a link where retailers can apply as those details are made available.

**I’m not sure. If I wait until next year, will funds still be available?**

Maybe. Some states already had a large portion of their funds spoken for prior to applying for the USDA grant, and other states have received numerous requests following USDA’s announcement of the grant awards. More importantly, USDA says “States must fully expend Federal funds by December 31, 2016.” As a result, the earlier you sign up, the better your chances of receiving these grants.

**Where can I get more information?**

This website – flexfuelforward.com, ethanol.org, and BYOethanol.com have more details on equipment, rules and regulations, and best practices for adding E15, E85, and other flex fuels. You can also contact:

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