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Biomass Crop Assistance Program (BCAP)

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<http://ucanr.org/WoodyBiomass>



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Biomass Crop Assistance Program

- 2008 Farm Bill Energy Program
- Run through Farm Services Agency (FSA)/Commodity Credit Corporation
- Funded August 2009
- Provides a match payment of up to \$45/BDT for the collection, harvest, storage and transportation of biomass to a qualified biomass conversion facility (heat, power, bio-based products or liquid fuels)
- 38 qualified conversion facilities in CA
- Put hold Feb 8 2010 - \$50m committed in CA
- Comment period on proposed rule open until April 9 2010

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Unintended consequences

- Price for urban waste wood down significantly (not eligible)
- Other raw material users priced out of market, eg shavings, post and pole, particleboard, MDF
- Some low grade lumber being chipped and sent to power plants
- Sawmills shipping hog fuel off-site to another power plant in order to get subsidy
- Pulp mills became eligible as qualified conversion facilities

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- A good program to take advantage of if you qualify
- A bad program if you do not qualify
- In many cases pays for “business as usual”
- Limited long term impact
- No reward for innovation
- Is there a better way to spend \$500m on market development for biofuels?

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