

Petrol PLAZA

USA: \$100 million to expand ethanol and biodiesel infrastructure

U.S. Department of Agriculture is releasing funds to help finance the upgraded renewable fuels infrastructure derived from U.S. agricultural products.



U.S. Department of Agriculture (USDA) is making available up to \$100 million in grants for activities designed to expand the availability and sale of renewable fuels. The funds are part of the recently launched USDA's Higher Blends Infrastructure Incentive Program (HBIIP).

HBIIP is intended to increase the sale and use of higher blends of ethanol and biodiesel by expanding the infrastructure for renewable fuels derived from U.S. agricultural products. Funds will be allocated to assist transportation fueling and biodiesel distribution facilities with converting to higher ethanol and biodiesel blends by sharing the costs related to the installation of fuel pumps, related equipment and infrastructure.

HBIIP's funds are available for fueling stations, convenience stores, hypermarket fueling stations, fleet facilities, fuel terminal operations, midstream partners and distribution facilities.

The grants will pay for up to 50% of total eligible project costs up to \$5 million. USDA plans to make available approximately \$86 million for implementation activities related to higher blends of fuel ethanol, and approximately \$14 million for implementation activities related to higher blends of biodiesel. Higher biofuel blends are fuels containing ethanol greater than 10% by volume or fuels containing biodiesel blends greater than 5% by volume.

Approximately 93% of the 263 million vehicles registered in the United States are able to use E15. In addition, there are more than 22 million flex-fuel vehicles (FFVs) in the United States which are capable of utilizing ethanol blends up to E85.

The USDA has launched an [online portal](#) to apply for the grants. Electronic applications are being accepted now through August 13, 2020 11:59 p.m. ET.