

RD AN No. 4667 (4288-B)
May 14, 2012

TO: State Directors, Rural Development
ATTN: Business Programs Directors
SUBJECT: Advanced Biofuel Payment Program
Eligibility of Biofuels Derived from Corn Kernel Starch

PURPOSE/INTENDED OUTCOME:

The purpose of this Administrative Notice (AN) is to confirm that biofuels derived from edible or inedible corn kernel starch are not eligible Advanced Biofuels.

COMPARISON WITH PREVIOUS AN:

There are no previous ANs on this subject.

IMPLEMENTATION RESPONSIBILITIES:

RD Instruction 4288-B, section 4288.111, states, “To be eligible for this Program, a biofuel must meet the requirements specified in paragraph (a) of this section....” Paragraph (a) states, in part, that, “For an advanced biofuel to be eligible, each of the following conditions must be met, as applicable: (1) The advanced biofuel must meet the definition of advanced biofuel and be produced in a State . . .”

RD Instruction 4288-B, section 4288.102, states that the definition of Advanced Biofuel is “A fuel that is derived from renewable biomass, other than corn kernel starch....” This definition does not distinguish between edible and inedible corn kernel starch; therefore, biofuel derived from either inedible or edible corn kernel starch does not meet the definition of Advanced Biofuel. Applications for payments received for biofuel derived from edible or inedible corn kernel starch are ineligible.

EXPIRATION DATE:
June 30, 2013

FILING INSTRUCTIONS:
Preceding RD Instructions 4288-B

Payments made for fiscal year 2010 production and later for biofuel derived from edible or inedible corn kernel starch are considered unauthorized assistance. Unauthorized payments must be processed in accordance with 7 CFR 4288, subpart B, section 4288.135.

If you have any questions regarding this Administrative Notice, please contact either Lisa Noty, at (641) 923-3666, extension 109, or via e-mail, at Lisa.Noty@wdc.usda.gov or Josh Borchert, at (515) 284-4383 or via e-mail, at Josh.Borchert@wdc.usda.gov.

(Signed by John C. Padalino)

John C. Padalino
Acting Administrator
Rural Business-Cooperative Service