

For: State and County Offices

**Policy and Software Guidance for 2009 Processing  
Collection, Harvest, Storage, and Transportation (CHST) Matching Payments**

Approved by: Acting Deputy Administrator, Farm Programs



**1 Overview**

**A Background**

The Biomass Crop Assistance Program (BCAP) was authorized by the Food Security and Rural Investment Act of 2002, Title X, as amended by Title IX of the Food, Conservation, and Energy Act of 2008 (2008 Act). The purposes of BCAP are to:

- assist agricultural and forest land owners and operators with CHST of eligible material for use in biomass conversion facilities
- support establishing and producing eligible crops for the conversion to bioenergy through project areas.

2009 CHST matching payments will be made through the CRES system using AD-245, page 1 and 2, and AD-862. The County Office will select practice code "BC1: Biomass CHST" to initiate the AD-245 process in CRES. All 2009 CHST payments will be made using this practice code.

Applications shall only be started after a biomass conversion facility has met all approval criteria, has been assigned a facility identification number by the National Office, and County Office has been informed by the State Office. Instructions for the facility application process are referenced in Notice BCAP 2, paragraph 3, and provided in the instructions section of the Facility Agreement.

Partial payments are authorized for BCAP 2009 CHST matching payments using multiple AD-245, page 2's for each claim for payment. However, only one AD-862 will be submitted when all tonnage reflected on the approved application has been accounted for in CHST matching payments.

**Note:** The project area portion of BCAP will be supported by new web-based software after a regulation, scheduled to be published during the first half of FY 2010, has been published. Supporting software instruction will be provided upon deployment.

<b>Disposal Date</b>	<b>Distribution</b>
August 1, 2010	State Offices; State Offices relay to County Offices

## Notice BCAP-3

### 1 Overview (Continued)

#### B Purpose

This notice provides State and County Offices with procedure for:

- preparing the CRES software to make a BCAP 2009 CHST matching payment
- making a BCAP 2009 CHST matching payment through CRES.

**Note:** In addition to this notice, a separate BCAP GIS notice will be available providing instructions for the use of GIS to support BCAP 2009 CHST payment processes.

### 2 Payment Authorization

#### A Available Funds

CCC funds are available for BCAP CHST matching payments. State Offices are authorized to distribute funds to County Offices and County Offices are authorized to make CHST matching payments.

### 3 Ledger Information

#### A Preparing Ledgers to Record CHST Allocations in CRES

Forthcoming information will provide instructions to prepare the State and county ledgers for recording BCAP CHST matching payment allocations.

### 4 Preparing CRES for BCAP Applications

#### A CRES Configuration for BCAP

Before entering BCAP data into CRES, County Offices **must**, in the County Eligibility Table:

- make the BCAP eligible in CRES
- make the BCAP practice code “**BC1**” eligible in CRES where BC1 identifies a CHST payment
- add the necessary BCAP component codes listed in Exhibit 1.

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**4 Preparing CRES for BCAP Applications (Continued)**

**B Making BCAP Eligible**

County Offices shall complete the following steps to make the BCAP eligible in CRES:

<b>Step</b>	<b>Action</b>
1	On Application Selection Menu FAX07001, ENTER “5”, “Conservation”, and PRESS “Enter” to continue.
2	On Conservation Main Menu EEA000, ENTER “1”, “AD245/AD-862 Menu”, and PRESS “Enter” to continue.
3	On Conservation AD245/AD-862 Menu EEA100, ENTER “12”, “County Eligibility Table Update Menu”, and PRESS “Enter” to continue.
4	On the County Eligibility Table Update Menu EEA205, ENTER "1", “Programs”, and PRESS “Enter”
5	On the Conservation Update Program Eligibility Menu EEA21000, change the “Eligibility” status to “Y” for “BCAP Program” and PRESS “Enter” to continue
6	On the Conservation Update Program Eligibility Menu EEA21005 PRESS “CMD7”

**B Establishing BCAP Practices**

County Offices shall complete the following steps to make the BCAP practice eligible

<b>Step</b>	<b>Action</b>
1	On Application Selection Menu FAX07001, ENTER “5”, “Conservation”, and PRESS “Enter” to continue.
2	On Conservation Main Menu EEA000, ENTER “1”, “AD245/AD-862 Menu”, and PRESS “Enter” to continue.
3	On Conservation AD245/AD-862 Menu EEA100, ENTER “12”, “County Eligibility Table Update Menu”, and PRESS “Enter” to continue.
4	On the County Eligibility Table Update Menu EEA205, ENTER "2", “Practices”, and PRESS “ENTER”
5	On the Practice Eligibility Menu EEA21010, ENTER “BC1” under “Practice Code To Change” and PRESS “Enter” to continue
6	On the Update Practice Eligibility Menu EEA21015, do the following: <ul style="list-style-type: none"> <li>• change “N” to “Y” for the “Practice Eligibility Status”, PRESS “Tab”</li> <li>• for “Soil Loss Calculation” ENTER “FSA”, PRESS “Tab”</li> <li>• for “Technical Determination” ENTER “FSA”, PRESS “Tab”</li> <li>• for “Cost Share Level” leave blank, PRESS “Tab”</li> <li>• for “Lifespan” leave blank, PRESS “Enter” to Continue</li> </ul>
7	On the Update Practice Eligibility Menu EEA21010, PRESS “Cmd7”.

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### 4 Preparing CRES for BCAP Applications (Continued)

#### D Component Codes

County Offices shall complete the following steps to add the component codes. A complete list of component codes is provided in Exhibit 1.

**Note:** Repeat steps to enter all component codes as needed.

Step	Action
1	On Application Selection Menu FAX07001, ENTER “5”, “ <b>Conservation</b> ”, and PRESS “ <b>Enter</b> ” to continue.
2	On Conservation Main Menu EEA000, ENTER “1”, “ <b>AD245/AD-862 Menu</b> ”, and PRESS “ <b>Enter</b> ” to continue.
3	On Conservation AD245/AD-862 Menu EEA100, ENTER “12”, “ <b>County Eligibility Table Update Menu</b> ”, and PRESS “ <b>Enter</b> ” to continue.
4	On County Eligibility Table Update Menu EEA205, ENTER “4”, “ <b>Component Codes</b> ”, and PRESS “ <b>Enter</b> ” to continue.
5	On Conservation Update Component Screen EEA21030, PRESS “ <b>Cmd16</b> ”, “Add a Component” and PRESS “ <b>Enter</b> ” to continue.
6	On Conservation Update Component Screen EEA21035, do the following: <ul style="list-style-type: none"> <li>• for “<b>Component Code</b>”, ENTER “<b>BCC</b>” and PRESS “<b>Tab</b>”</li> <li>• for “<b>Description</b>”, ENTER “<b>BCAP Collection Payment</b>” and PRESS “<b>Tab</b>”</li> <li>• for “<b>Unit</b>”, ENTER “<b>Tons</b>”, PRESS “<b>Tab</b>”</li> <li>• PRESS “<b>Tab</b>” through “Cost Share Rate”</li> <li>• PRESS “<b>Tab</b>” through “Cost Share Level”, PRESS “<b>Enter</b>” to continue.</li> </ul>
7	On Conservation Component Update Screen EEA21030, PRESS “ <b>Cmd7</b> ”.

#### E Technical Codes

County Offices shall use the following Technical Codes to complete the AD-862. Definitions of the following codes are listed in Exhibit 2.

Technical Code	Description
5000	Federal Woody Eligible Matter
5001	Agricultural Resources (Title I crop residue)
5002	Non-Federal Woody Eligible Matter
5003	Herbaceous Resources
5004	Waste Materials

**Note:** Technical code 5001 **must** be used when processing a CHST matching payment for a Title I crop residue. County Office shall consult the BCAP Eligible Materials list posted on the BCAP website to determine which crops are Title I crop residue.

## Notice BCAP-3

### 5 Recording a BCAP CHST Application Through CRES

#### A Entering BCAP 2009 CHST Application

To enter BCAP application into CRES, follow the steps **in order**. All information required to make a BCAP matching payment can be found on the payment invoice from the biomass facility.

Partial payments are allowed. Repeat the process below for **each** BCAP matching payment.

**Note:** Recipients of payments must be entered into SCIMS before starting the 2009 CHST matching payment process.

#### B CRES Field Entries

<b>Step/Action Table 1</b>	
<b>Step</b>	<b>Action</b>
1	On Application Selection Menu FAX07001, ENTER “5”, “ <b>Conservation</b> ”.
2	On Conservation Main Menu EEA000, ENTER “1”, “ <b>AD245/AD-862 Menu</b> ”.
3	On Conservation AD-245/AD-862 Menu EEA100, ENTER “1”, “ <b>Create Initial AD-245</b> ”, and PRESS “ <b>Enter</b> ” to continue.
4	On Conservation AD-245 Initial Data Screen EEA11000, enter either of the following: <ul style="list-style-type: none"> <li>• last 4 digits of applicant’s ID</li> <li>• farm number.</li> </ul> PRESS “ <b>Enter</b> ” to continue. <p><b>Note:</b> Farm and tract numbers are not a required field, PRESS “<b>Enter</b>” if farm and tract information is not applicable for the payment.</p>
5	If an applicant ID number is used on the AD-245 Initial Data Screen EEA11005, the selected producer will be displayed. <p>PRESS “<b>Enter</b>” to continue.</p>
6	On Conservation AD-245 Initial Data Screen EEA11005, do the following: <ul style="list-style-type: none"> <li>• enter program code number for BCAP, and PRESS “<b>Tab</b>”</li> <li>• ENTER practice code “<b>BC1</b>”, and PRESS “<b>Enter</b>” to continue.</li> </ul>

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## 5 Recording a BCAP CHST Application Through CRES (Continued)

### B CRES Field Entries (Continued)

<b>Step/Action Table 1</b>	
<b>Step</b>	<b>Action</b>
7	<p>On Conservation AD-245 Initial Data Screen EEA11010, do the following:</p> <ul style="list-style-type: none"> <li>• enter multi-participants: “N” for a single participant or “Y” for multiple participants; PRESS “Tab”</li> <li>• leave blank the “<b>Describe Problem</b>” field</li> <li>• enter facility code ID and PRESS “Tab”</li> <li>• in “<b>Practice Location</b>” field, enter location where biomass material was harvested from.</li> </ul> <p>PRESS “<b>Enter</b>” to continue.</p> <p><b>Note:</b> The “Practice Location” field shall be populated with the address of where all or the majority of the biomass originated from. If an address is unavailable, County Office shall enter a description of the location detailed as applicable.</p>
8	<p>On Conservation Practice/Component Screen EEA12000, do the following:</p> <ul style="list-style-type: none"> <li>• for "Conserv. Plan" leave the default entry as “N”; PRESS “Tab”</li> <li>• for "Extent Requested", enter tonnage of biomass</li> <li>• add appropriate component code.</li> </ul> <p>PRESS “<b>Enter</b>” to continue.</p>
9	<p>On Conservation AD-245 Application Status Screen EEA16000 no dates are required, PRESS “<b>Enter</b>” to continue.</p>
10	<p>On Conservation AD-245 Process Status Screen EEA17000, do the following:</p> <ul style="list-style-type: none"> <li>• print AD-245, page 1 for signature</li> <li>• ENTER “4”, “<b>Approval Process</b>”.</li> </ul> <p>PRESS “<b>Enter</b>” to continue.</p> <p><b>Note:</b> A “Needs Determination” shall not be populated for BCAP CHST Matching Payments</p>
11	<p>PRESS “<b>Enter</b>” to continue through Conservation AD-245 Control Number Selection Screen EEA10500.</p>

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5 Recording a BCAP CHST Application Through CRES (Continued)

B CRES Field Entries (Continued)

Step/Action Table 1	
Step	Action
12	<p>On Conservation AD-245 Ledger Data Screen EEA14005, do the following:</p> <ul style="list-style-type: none"><li>• for "Extent Approved", enter tonnage of biomass, PRESS <b>"Tab"</b></li><li>• for "C/S Approved", enter total matching BCAP payment, PRESS <b>"Tab"</b></li><li>• for "Extent Approved", enter tonnage of biomass, PRESS <b>"Tab"</b></li><li>• for "C/S Approved", enter matching BCAP payment for the contract.</li></ul> <p>PRESS <b>"Enter"</b> to continue.</p>
13	<p>On Conservation AD-245 Application Status Screen EEA16010 for "Approved by COC" or "State Forester Date", enter contract approval date.</p> <p>PRESS <b>"Enter"</b> to continue.</p>
14	<p>On Conservation AD-245 Application Status Screen EEA17000, print AD-245, page 1 and 2, AD-862, and the approval letter.</p> <p>PRESS <b>"Enter"</b> to continue.</p>

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**5 Recording a BCAP CHST Application Through CRES (Continued)**

**C Performance Reporting**

<b>Step/Action Table 1</b>	
<b>Step</b>	<b>Action</b>
1	<p>On Conservation AD-245 Process Status Screen EEA17000, ENTER “5”, “<b>Partial Performance</b>”, or ENTER “6”, “<b>Final Performance</b>”, and PRESS “<b>Enter</b>” to continue.</p> <p><b>Note:</b> Partial payments made for BCAP CHST matching payments shall be made in the same standard procedure as normal CRES cost share partial payments.</p>
2	<p>PRESS “<b>Enter</b>” to continue through Conservation AD-245 Control Number Selection Screen EEA10500.</p>
3	<p>On Conservation AD-245 Site Char/Tech Practice Screen EEA13500, do the following:</p> <ul style="list-style-type: none"> <li>• for "Component Code Extent Needed", enter tonnage of biomass being paid and repeat</li> <li>• add the appropriate technical code.</li> </ul> <p>PRESS “<b>Enter</b>” to continue.</p> <p><b>Note:</b> Hydrologic Unit Code is not needed.</p>
4	<p>On Conservation AD-245 Earnings Entry/Adjustment Screen EEA14000, for "C/S This Transaction", enter total or partial payment amount, as applicable, for the contract and PRESS “<b>Enter</b>” to continue.</p>
5	<p>PRESS “<b>Enter</b>” to continue through Conservation AD-245 Earnings Entry/Adjustment Screen EEA14001.</p>
6	<p>On Conservation AD-245 Ledger Data Screen, EEA14010, do the following:</p> <ul style="list-style-type: none"> <li>• for "Extent Performed", enter tonnage of biomass being paid, PRESS “<b>Tab</b>”</li> <li>• for "C/S Earned", enter total payment amount or partial payment amount for the contract.</li> </ul> <p>PRESS “<b>Enter</b>” to continue.</p>
7	<p>On Conservation AD-245 Final Performance Data Screen EEA 14500, do the following:</p> <ul style="list-style-type: none"> <li>• for "Practice Extents Number", enter “tonnage of biomass being paid”, PRESS “<b>Tab</b>”</li> <li>• for “Total Installation Cost” enter the amount of cost share earned</li> <li>• for "Date Performed", enter the current date the transaction is being entered into CRES.</li> </ul> <p>PRESS “<b>Enter</b>” to continue.</p>
8	<p>On Conservation Transaction Payment/Receivable Screen EEA17610, for "Do You Wish To Issue The Payment(s)", ENTER “<b>Y</b>” if all information is correct and PRESS “<b>Enter</b>” to continue.</p>

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### 6 Prompt Payment Interest

#### A Interest on Rental Payments

BCAP 2009 CHST payments not paid within 30 calendar days of the entered "Date Performed" date shall be subject to prompt payment interest.

#### B Interest Rate and Disbursement

See 61-FI for prompt payment interest penalties for determining and dispersing prompt payment interest, if applicable.

### 7 Action

#### A County Office Action

County Offices shall read and follow the provisions of this notice.

#### B State Office Action

State Offices shall ensure that County Offices follow the instructions in this notice.

#### C Contact

For questions about this notice:

- County Offices shall contact the State Office
- State Offices shall contact either of the following:
  - for policy questions, Kelly Novak at 202-720-4053
  - for software questions, Thomas Lloyd at 202-720-1206.

Component Codes

Code	Component Code
	<b>Federal Woody Resources</b>
FFTM	Forest thinnings materials
FFHS	Forest harvest slash (branches and tops)
FPDD	Post-disaster debris
FHWC	Hardwood chips
FSWC	Softwood chips
FCOF	Cutoffs
FBRK	Bark
FTSS	Tree and shrub species without timber, lumber, or wood pulp value
	<b>Non-Federal Woody Resources</b>
NFTM	Forest thinnings materials
NFHS	Forest harvest slash (branches and tops)
NPDD	Post-disaster debris
NHWC	Hardwood chips
NSWC	Softwood chips
NCOF	Cutoffs
NBRK	Bark
	<b>Agriculture Resources</b>
ASOR	Sorghum varieties not eligible for Title 1 payments
ASUB	Sugar beets
ACAM	Camelina
ASCB	Sugar cane bagasse
ACST	Corn stover
ACCO	Corn cobs
ACHU	Corn husks
ARHL	Rice hulls
AWST	Wheat straw
	<b>Herbaceous Resources</b>
HFRB	Forbs
HLEG	Legumes
HGRS	Grasses
HVNE	Vines
	<b>Waste Materials</b>
WRMC	Roadway maintenance cuttings
WPPW	Non-edible, non Title I plant processing waste and scraps
WFOG	Non-edible fats, oils, and greases derived from plants
WOWW	Orchard wood waste
WVWW	Vineyard wood waste
WSAW	Sawdust
WSHA	Shavings
WPEL	Pellets
WBRI	Briquettes

Technical Code Definitions

Technical Code	Technical Code Description	Definition
5000	Federal Woody Eligible Matter	<ul style="list-style-type: none"> <li>• Forest thinnings materials</li> <li>• Forest harvest slash (branches and tops)</li> <li>• Post-disaster debris</li> <li>• Hardwood chips</li> <li>• Softwood chips</li> <li>• Cutoffs</li> <li>• Bark</li> <li>• Tree and shrub species without timber, lumber, or wood pulp value</li> </ul>
5001	Agriculture Resources	<ul style="list-style-type: none"> <li>• Sorghum varieties not eligible for Title 1 payments</li> <li>• Sugar beets</li> <li>• Camelina</li> <li>• Sugar cane bagasse</li> <li>• Corn stover</li> <li>• Corn cobs</li> <li>• Corn husks</li> <li>• Rice hulls</li> <li>• Wheat straw</li> </ul>
5002	Non-Federal Woody Eligible Material	<ul style="list-style-type: none"> <li>• Forest thinnings materials</li> <li>• Forest harvest slash (branches and tops)</li> <li>• Post-disaster debris</li> <li>• Hardwood chips</li> <li>• Softwood chips</li> <li>• Cutoffs</li> <li>• Bark</li> </ul>
5003	Herbaceous Resources	<ul style="list-style-type: none"> <li>• Forbs</li> <li>• Legumes</li> <li>• Grasses</li> <li>• Vines</li> <li>• Mosses</li> </ul>
5004	Waste Materials	<ul style="list-style-type: none"> <li>• Roadway maintenance cuttings</li> <li>• Non-edible, non-Title I plant processing waste and scraps</li> <li>• Non-edible fats, oils, and greases derived from plants</li> <li>• Orchard wood waste</li> <li>• Vineyard wood waste</li> <li>• Sawdust</li> <li>• Shavings</li> <li>• Pellets</li> <li>• Briquettes</li> </ul>