

**2024 SUPPORTING STATEMENT  
Paperwork Reduction Act Submission  
Advanced Biofuel Payment Program  
OMB No. 0570-0063**

**A. Justification**

**1. Explain the circumstances that make the collection of information necessary.**

This Program, authorized under section 9005 of Title IX of the Food, Conservation, and Energy Act of 2008 (2008 Farm Bill), authorizes the Rural Business-Cooperative Service (RBCS or the Agency), a Rural Development (RD) agency of the United States Department of Agriculture, to enter into contracts to make payments to eligible entities to support and ensure an expanding production of advanced biofuels. Entities eligible to receive payments under the Program are producers of advanced biofuels that meet all of the requirements of the Program. Such entities can be an individual or legal entity, including a corporation, company, foundation, association, labor organization, firm, partnership, society, joint stock company, group of organizations, or non-profit that produces an advanced biofuel and that sells the advanced biofuel on the commercial market. The underlying regulation for this program is 7 CFR 4288, subpart B.

**2. Explain how, by whom, and for what purpose the information is to be used.**

Advanced biofuel producers seeking to participate in the Program must enroll in the Program by submitting an application (Form RD 4288-1), which includes specific information about the producer and the producer's advanced biofuel biorefineries. This information will be used to determine whether the advanced biofuel producer is eligible to participate in the Program and whether the advanced biofuel being produced is eligible for payments under the Program. Form RD 4288-1 will also be used by the Agency to sign-up advance biofuel producers in subsequent fiscal years (FY) and to obtain information to help determine payment rates.

Once an advanced biofuel producer has been approved for participation in the Program, the producer and the Agency will enter into a contract (Form RD 4288-2). Once the contract is signed, the advanced biofuel producer will submit payment requests (Form RD-4288-3), preferably on a quarterly basis. The information in the payment request forms will be used by the Agency to determine payments to the advanced biofuel producers.

The Agency has made the instructions to forms available on the USDA eForms website at <https://forms.sc.egov.usda.gov/eForms/welcomeAction.do?Home>. The Agency also posts the enrollment and payment application forms on the RD website. The specific URL for the Advanced Biofuel Payment Program is: <https://www.rd.usda.gov/programs-services/advanced-biofuel-payment-program>

## REPORTING REQUIREMENTS – NON-FORMS

**SAM Registration and Maintenance.** To do business with the Federal government, the applicant is required to obtain a Unique Identification Number (UEI) and register in the System for Award Management (SAM). Registration in SAM allows the applicant to complete the Online Representations and Certifications which replaces several paper forms. The registration must be updated annually.

**Certification for Contracts, Grants, and Loans 1940 Q, Exhibit A-1.** Applicants read and sign this certification. Submission of this certification is a prerequisite for making or entering into this transaction imposed by 31 U.S.C. 1352.

**Appeals.** The applicant/eligible advanced biofuel producer may appeal any adverse Agency decision. Appeals are handled in accordance with Departmental appeal regulations.

**Succession Requests.** Any entity that becomes an advanced biofuel producer for a biorefinery under Contract under this Program must submit a request to the Agency for permission to succeed to the Program Contract. This is necessary to ensure that the entity is an eligible producer and that such succession would serve the purposes of the Program.

**Additional Information.** Applicants may be requested by the Agency to submit additional information if their application for participation does not contain sufficient information to allow the Agency to make an eligibility determination for the applicant as well as the biofuel.

## REPORTING REQUIREMENTS – THE FOLLOWING FORMS ARE APPROVED UNDER THIS DOKET

### **Form RD 4288-1, “Advanced Biofuel Payment Program Annual Application”.**

Applicants seeking to participate in the Program will have to submit this form in order to apply for participation in this Program. This form requires an advanced biofuel producer to provide information on the advanced biofuel producer; the advanced biofuel producer's biorefineries at which the advanced biofuels are produced, including location and quantities produced and a description of the business; the types and quantities of renewable biomass feedstock being used to produce the advanced biofuels; and the amount of eligible advanced biofuels produced at each biorefinery in the 12 months prior to the first day of the sign-up period for the fiscal year for which the annual application is being submitted. Applicants are required to submit with this form documentation to support the amount of eligible advanced biofuels reported in the form. The form also requires the advanced biofuel producer to certify the information provided, including that the advanced biofuels are eligible advanced biofuels and that the renewable biomass feedstock used to produce the advanced biofuels are eligible biomass feedstock. Producers must submit authoritative evidence documenting production of advanced biofuels, and the eligibility of the advanced biofuels. The Program is required to comply with 2 CFR Subtitle A, Chapter I, Part 25, Universal Identifier and System for Awards Management. Applicants must provide their UEI which is obtained

through SAM.

As part of the application, the advanced biofuel producer must also furnish the Agency all required certifications, as applicable, before acceptance into the program, and furnish access to the advanced biofuel producer's records required by the Agency to verify compliance with program provisions. The required certifications depend on the type of biofuel produced. Certifications are to be completed and provided by an accredited independent, third-party. The specific certifications are identified below.

- Alcohol. For alcohol producers with authority from ATF to produce alcohol, copies of either the alcohol fuel producers permit (TTB F 5110.74) or the registration of Distilled Spirits Plant (TTB F 5110.41) and Operating Permit (TTB F 5110.25).
- Hydrous ethanol. If the advanced biofuel producer entering into this agreement is the hydrous ethanol producer, then the advanced biofuel producer shall include with the contract an affidavit, acceptable to the Agency, from the distiller stating that the applicable hydrous ethanol produced is distilled and denatured for fuel use according to ATF requirements and that the distiller will not include the applicable ethanol in any payment requests that the distiller may make under this program.

If the advanced biofuel producer entering into this agreement is the distiller that upgrades hydrous ethanol to anhydrous ethyl alcohol, then the advanced biofuel producer shall include with the contract an affidavit, acceptable to the Agency, from the hydrous ethanol producer stating that the hydrous ethanol producer will not include the applicable ethanol in any payment requests that may be made under this program.

- Biodiesel, biomass-based diesel, and liquid hydrocarbons derived from biomass. For these fuels, the advanced biofuel producer shall self-certify that the producer, the Advanced Biofuel Biorefinery, and the Biofuel meet the definition of each term as defined in the rule, the applicable registration requirements under the Energy Independence and Security Act and the Clean Air Act, the applicable regulations of the U.S. Environmental Protection Agency and Internal Revenue Service, and quality requirements per applicable ASTM International standards (e.g., ASTM D6751) and commercially acceptable quality standards of the local market. The advanced biofuel producer must also provide the Renewable Identification Number (RIN) for each advanced biofuel and BQ-9000 certification.
- Gaseous Advanced Biofuel. For gaseous advanced biofuel producers, certification that the biofuel meets commercially acceptable pipeline quality standards of the local market; that the flow meters used to determine the quantity of advanced biofuel produced are industry standard and properly calibrated by a third-party professional; and that the readings have been taken by a qualified individual.
- Woody Biomass Feedstock. In addition, for woody biomass feedstocks, the applicant

must submit documentation that the woody biomass feedstock cannot be used as a higher value wood-based product.

If an applicant's original submittal is insufficient to verify an applicant's eligibility, the Agency will notify the applicant, in writing, as soon as practicable. This notification will identify, at a minimum, the additional information being requested to enable the Agency to determine the applicant's eligibility and a timeframe in which to supply the information.

The Agency is requiring this form in order to ensure that only eligible advanced biofuel producers participate in the Program and to determine payments rates each FY.

**Form RD 4288-2, "Advanced Biofuel Payment Program Contract"**. Advanced biofuel producers determined to be eligible to participate in the Program must sign a contract with the Agency. The Agency will review all contracts at least annually to ensure compliance with the contract and ensure the integrity of the program. The advanced biofuel producer must agree to the terms and conditions of the contract, sign, date, and return it to the Agency within the time provided by the Agency. This contract, which lays out the terms and conditions associated with participation in the Program, is required because it provides the basis under which the Agency will make payments to participating producers. Once signed the contract remains in effect until terminated.

**Form RD 4288-3, "Advanced Biofuel Payment Program - Payment Request"**. Once the eligible advanced biofuel producer has entered into a valid contract with the Agency, participating advanced biofuel producers must submit payment requests on a quarterly basis, in order to receive payments under the Program. This form requires the advanced biofuel producer to provide information on the types and quantities of advanced biofuels produced in a quarter and on the types and quantities of Commodity/renewable feedstock used to produce those advanced biofuels. In addition, the advanced biofuel producer will report cumulative production of advanced biofuels and the use of renewable biomass feedstock for all advanced biofuel biorefineries. The information for each advanced biofuel biorefinery is to be provided cumulatively and on an individual advanced biofuel biorefinery basis.

After a payment application is submitted, eligible advanced biofuel producers may be required to submit additional clarification if their original submittal is insufficient to verify eligibility for payment or quantity of the advanced biofuel product.

This information is required for the Agency to determine the payments to be made to the eligible producers each quarter and to track the quantities of advanced feedstock for which payments have been made.

**Recordkeeping**. All applicants and recipients are required to keep records for 3 years after the date in which payments are made. The 3 years retention is in case the Agency requires further review of the records. Producers will make records available for Agency inspection as necessary.

**REPORTING REQUIREMENTS – THE FOLLOWING FORMS ARE APPROVED  
UNDER OTHER OMB NUMBERS**

**RD 400-4, “Assurance Agreement” (OMB No. 0575-0018).** All applicants and recipients are required to complete this form to comply with Civil Rights Acts and laws.

**SF-LLL, “Disclosure of Lobbying Activities” (4040-0013).** All applicants are required to complete this form, regardless of their involvement in lobbying activities.

**3. Describe whether, and to what extent, the collection of information involves the use of automated, electronic, mechanical, or other technological collection techniques or other forms of information technology. Also describe any consideration of using information technology to reduce burden.**

The Agency collects forms electronically and continues to accept required forms submitted in paper. Each state has a designated energy coordinator who oversees RBCS’s energy programs in that state. Participants have the option of submitting information electronically via email, via fax, or via snail mail.

During the enrollment period, RBCS updates the website to show it is open for enrollment, ensure any forms are updated, and provides instructions for enrollment information to be submitted to the energy coordinator in the state where the participant’s headquarters are located.

**4. Describe efforts to identify duplication. Show specifically why any similar information already available cannot be used or modified for use for the purpose described in Item 2 above.**

The Agency frequently communicates with other institutions involved with business development for the purpose of sharing information and coordinating respective activities. If similar information is found to be available from another Federal agency, action is taken to avoid duplication.

**5. If the collection of information affects small businesses or other small entities, describe the methods used to minimize the burden.**

Approximately 70 percent of the producers that enroll in this program qualify as small businesses. RBCS has made every effort to ensure that the burden on small entities is the minimum necessary to effectively administer Agency programs and meet statutory requirements needed with respect to both large and small entities beyond that performed in normal business practice.

**6. Describe the consequences to Federal program or policy activities if the collection is not conducted or is conducted less frequently, as well as any technical or legal obstacles to reducing burden.**

The information collected under the Program is the minimum necessary to conform to the requirements of the Program established by law. Information is collected when needed and cannot be collected less frequently and still meet the requirements of the Program. Failure to collect proper information could result in improper determination of eligibility and improper payments.

**7. Explain any special circumstances that would cause the collection of information to be conducted in a manner:**

- (a) **Requiring respondents to report information more than quarterly.** There are no information requirements that require reporting on more than a quarterly basis.
- (b) **Requiring written responses in less than 30 days.** There are no information requirements for written responses in less than 30 days.
- (c) **Requiring more than an original and two copies.** There are no requirements for more than an original and two copies.
- (d) **Requiring respondents to retain records for more than 3 years.** There are no requirements to retain records for more than 3 years.
- (e) **In connection with a statistical survey, that is not designed to produce valid and reliable results that be be generalized to the universe of study.** There are no requirements for the use of a statistical survey.
- (f) **Requiring the use of a statistical data classification that has not been reviewed and approved by OMB.** There are no requirements for the use of a statistical data classification.
- (g) **Requiring a pledge of confidentiality that is not supported by authority established in statute or regulation, that is not supported by disclosure and data security policies that are consistent with the pledge, or which unnecessarily impedes sharing of data with other agencies for compatible confidential use.** There is no requirement for a pledge of confidentiality.
- (h) **Requiring respondents to submit proprietary trade secrets, or other confidential information unless the Agency can demonstrate that it has instituted procedures to protect the information's confidentiality to the extent permitted by law.** There is no requirement for submission of proprietary trade secrets.

There are no special circumstances. The collection of information is consistent with the guidelines in 5 CFR 1320.6.

**8. If applicable, identify the date and page number of publication in the of the Agency’s notice soliciting comments on the information collection. Summarize public comments received and describe actions taken by the Agency in response to these comments. Describe efforts to consult with persons outside the Agency to obtain their views on the availability of data, frequency of collection, the clarity of the instructions and recordkeeping, disclosure, or reporting format (if any), and on the data elements to be recorded, disclosed, or reported.**

In accordance with the Paperwork Reduction Act of 1995, the Agency published a notice in the *Federal Register* on June 7, 2024., Docket#: RBS-24-BUSINESS-0007, Vol. 89, No. 111, page number 48551, soliciting comments on the information collection. The public was given until August 6, 2024. The Agency received two comments that were not related to the Agency, program or burden collection.

The Agency has been administering the program since 2009 and has obtained a baseline for administering the program. The Agency has gained experience in administering the Advanced Biofuel Payment Program and believes that the requirements for implementing the program are efficient and clear to encourage participation from all eligible advanced biofuels producers.

Four participating producers were contacted to survey the burden requirements for preparing the supporting documentation for the application and the payment requests. Because the majority of the paperwork requirements dealing with the program already have OMB approved time estimates (mostly forms), the time involved in preparing the supporting documentation for payment requests was of particular interest to the Agency. It was determined that the number of hours the Agency reported for completing the documentation in addition to the forms was close. There was some variance based on the technologies associated with the producers who were surveyed. The technologies surveyed included one biodiesel producer, one ethanol producer, one anaerobic digester with 15 facilities, and a pellet producer with 18 facilities. Several producers who participate in the program report on multiple facilities, so their reporting time will vary. When averaged, their estimates are very close to those shown in this package. Producers also commented that the longer they participate in the program the less time it takes to pull together the documentation as they develop systems to streamline the reporting.

The contact information for the four producers is:

Chief Legal Officer and Secretary  
Montauk Energy Holdings, LLC  
5313 Campbell’s Run Road, Suite 200  
Pittsburgh, Pennsylvania 15205-0000(412) 439-8452

Business Operations Supervisor  
Delek Renewables, LLC  
310 Seven Springs Way, Suite 500  
Brentwood, Tennessee 37027-0000  
(870) 304-2463

Chief Financial Officer  
Little Sioux Corn Processors, LLC  
4808 F Avenue  
Marcus, Iowa 51035-0000  
712-376-2815

Inventory and Transportation Planner  
Lignetics, Inc.  
1075 East South Boulder Road  
Louisville, Colorado 80027-2561  
(717) 803-2835

**9. Explain any decision to provide any payment or gift to respondents, other than remuneration of contractors or grantees.**

No payments or gifts will be provided to respondents.

**10. Describe any assurance of confidentiality provided to respondents and the basis for the assurance in statute, regulation, or Agency policy.**

Confidentiality is not assured. Requests for release of records and information are processed in accordance with the Privacy Act of 1974.

The Agency published a Privacy Act of 1974; System of Records in the Federal Register on May 14, 2019 (84 FR 21315). A copy of that document can be found at <https://www.govinfo.gov/content/pkg/FR-2019-05-14/pdf/2019-09874.pdf>.

**11. Provide additional justification for any questions of a sensitive nature, such as sexual behavior or attitudes, religious beliefs, and other matters that are commonly considered private.**

There is no collection of any information that would be considered sensitive in nature or commonly considered private.

**12. Provide estimates of the hour burden of the collection of information.**

Table 12.1, Estimated Total Cost of Burden, shown below, summarizes the estimated average annual burden associated with the Advanced Biofuel Payment Program. The attached burden spreadsheet provides details on the estimates.

| <b>Table 12.1, Estimated Total Cost of Burden</b> |                        |                                 |                                  |                                 |                    |
|---|------------------------|---------------------------------|----------------------------------|---------------------------------|--------------------|
| <b>Number of Respondents</b>                      | <b>Total Responses</b> | <b>Burden Hour Per Response</b> | <b>Total Annual Burden Hours</b> | <b>Hourly Cost Per Response</b> | <b>Annual Cost</b> |
| 92  | 767                    | 1.29                            | 993                              | \$67.06                         | \$66,577           |

Table 12.2, Estimated Wages, shows the assumptions that the Agency has made concerning the positions and the amount of time that each position will put forth to prepare the material included in this information collection. The attached burden worksheet provides details on the calculations.

| <b>Table 12.2, Estimated Wages</b>          |                        |                         |                         |                        |                        |                           |
|---|------------------------|-------------------------|-------------------------|------------------------|------------------------|---------------------------|
| <b>Position</b>                             | <b>Occupation Code</b> | <b>Mean Hourly Wage</b> | <b>Benefits (29.6%)</b> | <b>Total Wage Rate</b> | <b>Percent of Time</b> | <b>Weighted Wage Rate</b> |
| Managers, All Other                         | 11-9199                | \$70.35                 | \$20.82                 | 91.17                  | 60%                    | \$54.70                   |
| Bookkeeping, Accounting and Auditing Clerks | 43-3031                | \$23.84                 | \$7.06                  | 30.90                  | 40%                    | \$12.36                   |
| Total                                       |                        |                         |                         |                        | 100%                   | \$67.06                   |

The mean wage rates for the positions were selected from the U.S. Department of Labor, Bureau of Labor Statistics, Occupational Employment and Wage Statistics, May 2023 Occupation Profiles ([https://www.bls.gov/oes/current/oes\\_stru.htm](https://www.bls.gov/oes/current/oes_stru.htm)). The benefits for the positions were calculated by using the total benefits percentage of 29.6 percent for private industry workers from the U.S. Department of Labor, Bureau of Labor Statistics, Economic News Release, Employer Costs for Employee Compensation – December 2023 (<https://www.bls.gov/news.release/pdf/ecec.pdf>).

**13. Provide an estimate of the total annual cost burden to the respondents or recordkeepers resulting from the collection of information.**

There are no capital/start-up costs or operation/maintenance costs associated with this collection.

**14. Provide estimates of annualized cost to the Federal Government.**

The estimated annualized cost to the Federal Government is \$124,050, which is summarized in Table 14.1 below. The attached burden worksheet provides details on the calculation.

| <b>Table 14.1, Estimated Annualized Cost to the Federal Government</b> |                |                       |             |                   |
|--|----------------|-----------------------|-------------|-------------------|
| <b>Item</b>  | <b>Number</b>  | <b>Hours per item</b> | <b>Rate</b> | <b>Total Cost</b> |
| Determine producer eligibility   | 92             | 1.58                  | \$47.23     | \$6,865           |
| Review contract forms  | 13             | 1                     | \$47.23     | \$614             |
| Review contract validity   | 13             | 0.7                   | \$47.23     | \$430             |
| Process payment applications   | 368            | 3.3                   | \$47.23     | \$57,356          |
| Review succession requests   | 3              | 2                     | \$47.23     | \$283             |
| Appeals  | 3              | 12                    | \$47.23     | \$1,700           |
| Conduct site visits  | 18             | 8                     | \$47.23     | \$6,801           |
| Administrative   | See footnote a |                       |             | \$50,000          |
| <b>Total</b>   |                |                       |             | <b>\$124,050</b>  |

Footnote a This line item addresses the estimated cost for implementing and administering 9005. The estimate includes cost incurred by USDA staff and other Federal agency groups (e.g., OMB, OGC, FO).

Table 14.2 shows the general scale hourly wage rates that were used to estimate the cost to the Federal Government. The hourly wage rate was obtained from the 2024 OPM base salary table ([https://www.opm.gov/policy-data-oversight/pay-leave/salaries-wages/salary-tables/pdf/2024/GS\\_h.pdf](https://www.opm.gov/policy-data-oversight/pay-leave/salaries-wages/salary-tables/pdf/2024/GS_h.pdf)). The benefits for each wage was calculated by using the civilian position full fringe benefit cost factor of 36.25% from the Office of Management and Budget (OMB) Memorandum for the Heads of Executive Departments and Agencies (M-08-13) dated March 11, 2008 ([Memorandum for the Heads of Executive Departments and Agencies \(whitehouse.gov\)](https://www.whitehouse.gov/the-press-office/2008/03/11/2008-03-11-omb-memorandum-for-the-heads-of-executive-departments-and-agencies)).

| <b>Table 14.2, Estimated Hourly Salary for Federal Employees</b> |                           |                          |                          |                        |                             |
|--|---------------------------|--------------------------|--------------------------|------------------------|-----------------------------|
| <b>Position Grade</b>  | <b>Base Hourly Salary</b> | <b>Benefits (36.25%)</b> | <b>Total Hourly Wage</b> | <b>Percent of Time</b> | <b>Weighted Hourly Wage</b> |
| GS 7, Step 5   | \$22.79                   | \$8.26                   | \$31.05                  | 20%                    | \$6.21                      |
| GS 9, Step 5   | \$27.88                   | \$10.11                  | \$37.99                  | 30%                    | \$11.40                     |
| GS 12, Step 5  | \$40.42                   | \$14.65                  | \$55.07                  | 30%                    | \$16.52                     |
| GS 13, Step 5  | \$48.07                   | \$17.43                  | \$65.50                  | 20%                    | \$13.10                     |
| Total  |                           |                          |                          | 100%                   | \$47.23                     |

**15. Explain the reasons for any program changes or adjustments reported in Items 13 or 14 of the OMB Form 83-I.**

Total annual responses decreased by 527, from 1,294 to 767. Total annual hours decreased by 313, from 1,306 to 993. The decrease in the burden to the public reflects a full accounting of all Rural Development (RD) forms that must be provided by participating producers. The estimated burden includes accounting for the Certification for Contracts, Grants and Loans (RD 1940-Q).

**16. For collection of information whose results will be published, outline plans for tabulation and publication.**

The results of this collection of information will not be published.

**17. If seeking approval to not display the expiration date for OMB approval of the information collection, explain the reasons that display would be inappropriate.**

RD will display the OMB expiration date on the forms.

**18. Explain each exception to the certification statement identified in item 19 on OMB 83-I.**

There are no exceptions to the certification. The Agency is able to certify compliance with all provisions under item 19.

**B. COLLECTION OF INFORMATION EMPLOYING STATISTICAL METHODS**

The collection of information under this Program does not and is not expected to employ statistical methods.