



# Maryland Department of Agriculture

Agriculture | Maryland's Leading Industry

*Office of the Secretary*

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Dear Applicant:

On behalf of the Renewable Fuels Incentive Board ("Board"), I am pleased to provide you with a State of Maryland Biodiesel Production Credit Application. Under the Renewable Fuels Promotion Act of 2005, the State has created a program that provides a certain number of production credits to qualifying producers of ethanol and biodiesel motor fuels whose applications have been approved by the Board.

The program's purpose is to help develop a biofuels and ethanol industry in this State that, among other goals, will expand market and investment opportunities for area farmers, help the environment, and reduce dependence on imported oil. In keeping with this purpose, applicants are encouraged to submit proposals which maximize benefits to Maryland farmers by expanding their market and investment opportunities and which provide environmental benefits by encouraging the production of small grains grown as a winter cover crop.

Your interest in this very important program is to be commended. The following information is provided to assist and guide you through the application process.

The Board meets quarterly (December, March, June, September) contingent upon the receipt of an application. The Board will respond to applicants within 60 days of a meeting. The acceptance of applications after that date will be dependent on the Board's authority to certify additional biodiesel production credits.

The Board may not certify biodiesel production credits for more than a total of 5,000,000 gallons per calendar year, of which at least 2,000,000 gallons shall be from soybean oil produced in a facility that began operating after December 31, 2004; or under the expanded capacity of a facility, the expansion of which occurred after December 31, 2004. Biodiesel eligible for credits must satisfy the American Society for Testing and Materials D 6751 specifications.

If eligible, a producer may apply to the Board for certification for additional credits if the producer increases the production capacity of the facility. If a facility does not achieve its certified capacity for two consecutive years, the Board may revise the stated production capacity of the facility and the corresponding credit certification of the producer to reflect actual production.

The Board may pay credits for biodiesel produced on or after December 31, 2007. The Board may not pay a credit on biodiesel produced after December 31, 2017. A person who holds a controlling interest in more than one biodiesel production facility is considered to be a single biodiesel producer. For a biodiesel producer, a credit may not exceed the maximum amount certified by the Board and shall be 20 cents per gallon of biodiesel produced from soybean oil

produced in a facility that began operation after December 31, 2004 or under the expanded capacity of a facility, the expansion of which occurred after December 31, 2004. A credit shall be 5 cents per gallon of biodiesel produced from other feedstock, including soybean oil produced in a facility that began operating on or before December 31, 2004.

After February 1, 2008, to receive credit payment, a certified biodiesel producer shall file a claim with the board by the end of January, April, July and October of each year. Claims shall state the producer's total biodiesel production in Maryland during the previous quarter, categorized by biodiesel produced from soybean oil produced in a facility that began operating after December 31, 2004, or under the expanded capacity of a facility, the expansion of which occurred after December 31, 2004 and other feedstock, including soybean oil produced in a facility that began operating on or before December 31, 2004. Claims shall also state the location of the producer, the average number of Maryland citizens employed by the producer in the previous quarter, the number of gallons of Maryland-produced soybean oil and other bio-based oils used by the producer in the previous quarter and any other information the Board requires.

Claims filed will be evaluated by an Independent Certified Public Accountant with respect to total biodiesel production, the breakdown between:

- biodiesel produced from soybean oil produced in a facility that began operating after December 31, 2004, or under the expanded capacity of a facility, the expansion of which occurred after December 31, 2004;
- biodiesel produced from other feedstock, including soybean oil produced in a facility that began operating on or before December 31, 2004.

Claims submitted to the Board are not subject to disclosure under the Maryland Public Information Act. For questions on this form and the process for certification, please contact Mark Powell at the Maryland Department of Agriculture, (410) 841-5775, or by email, at [powellms@mda.state.md.us](mailto:powellms@mda.state.md.us).

Sincerely,



Roger L. Richardson  
Secretary