

August 2022

To: Applicants to the Renewable Fuel Infrastructure Program

From: Paul Ovrom, RFIP Administrator

In May, a new “Biofuels Act” impacting biofuel production and sales in Iowa was signed into law. The law in its entirety can be found here: [Iowa Legislature - BillBook](#). Portions of this new law make specific changes to the Renewable Fuel Infrastructure Program or RFIP. Much of this new law takes effect January 1, 2023 and includes language that may affect your project.

Ethanol

- Beginning January 1st, awarded applicants for ethanol projects must comply with this law including installing, replacing, or converting equipment to dispense E-15 ethanol blends or higher from equipment that is E-85 compatible. If your project cannot be completed by December 31st, 2022, your project must incorporate and install equipment that is E-85 compatible to receive grant funding. After 2022, while dispensing E-85 is not required, applicants shall install equipment compatible with dispensing E-85 for any equipment funded with state grant dollars through which E15 is stored and dispensed.
- RFIP-awarded ethanol projects completed prior to January 1st, 2023, must dispense E-15 or higher but do not need to meet the requirement that equipment is E-85 compatible. If your project will not be completed this year, please take steps to incorporate equipment that is E-85 compatible. Failure to do so may result in loss of grant funding.

Biodiesel

- Beginning January 1st, awarded applicants for biodiesel projects must comply with the new biofuels law including installing, replacing, or converting equipment to dispense biodiesel blends from equipment that is B- 20 compatible. If your project cannot be completed by December 31st, 2022, your project must incorporate and install equipment that is B-20 compatible. After 2022, while dispensing B-20 is not required, installing equipment compatible with dispensing B-20 is required.
- Beginning January 1, 2023, for the term of the RFIP financing agreement to improve a retail motor fuel site by installing, replacing, or converting biodiesel infrastructure, the retailer must use the biodiesel infrastructure to store and dispense, or store, blend, and dispense, biodiesel blended fuel classified as B-5 or higher. However, at least for the period beginning April 1 and ending October 31 of each year, the participant must use the infrastructure to store and dispense, or store, blend, and dispense, biodiesel blended fuel classified as B-11 or higher.
- An appropriation bill, House File 2579, was enacted into law in June of 2022. The content of this bill can be found here: [Iowa Legislature - BillBook](#). The bill states that “for each fiscal year, not more than \$1,250,000 shall be allocated to support the RFIP for retail motor fuel sites as provided in section 159A.14 to finance the installation, replacement, or conversion of biodiesel infrastructure as provided in that section.” While applications are still being accepted for biodiesel retail projects, for fiscal year 2023 (July 1, 2022, through June 30, 2023), all designated dollars for retail biodiesel projects have been awarded by the RFIP Board. Applications received, however, will be placed in the application queue and reviewed by the RFIP Board in the order in which they are received. Board actions can include tabling biodiesel retail applications until such time as funds are renewed for these types of projects. Tabled applications will retain their position in the application queue.
 - Due to the possible length of time between initial application submission and board application review, retail biodiesel applicants may be asked to re-submit an updated application and/or updated project cost quotes and projections closer to the time of a scheduled board review. Applicants asked to submit updated materials will not lose their place in any application queue.
 - This act does not apply to biodiesel terminal projects. Remaining fiscal year 2023 funds can be awarded to biodiesel terminal applicants.

If you have questions, please contact me at 515-242-6239 or paul.ovrom@iowaagriculture.gov .