



NYSERDA

New York State Biofuel Forum

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Biofuel Distribution in New York

- Approximately 10 terminals in New York actively selling biofuels.
- Another 20 or so oil heat distributors
- Terminals are selling product to New York State on State contract, private fleets, retail stations and bioheat
- Just under half of the terminals made the upgrades without state support.

Why should I upgrade my terminal?

- Growing interest in biofuels. Interest is growing exponentially.
- Terminals are in liquid fuels business as much as they are in the petroleum business.
- Not only the state is buying biofuels. Counties and Cities and towns are getting into biofuels.
- Private fleets such as National Grid, Kodak, and others are buying biofuels for the “green” image.
- Tax credits and incentives share the burden of capital costs.

The Incentives

- **Taxes:** Biofuels exempt from NYS taxes
 - Around \$0.40 per gallon of E85
 - \$0.08 to \$0.10 for B20
 - \$0.20 for B20 bioheat
 - Legislation submitted to give income tax credits to terminals to make biofuel upgrades.
- **PON 1091 – New York State Biofuel Distributor Program**
 - 50% of the capital costs capped at \$150,000 per terminal

The PON has been released

- Proposals due October 2nd
- Grant process is pretty simple.
- Competitive review
- Expect to make about 8 awards
- Notices of award sent out by the end of November to allow upgrades over the slower Winter months
- Award winners will enter into a contract with NYSERDA for reimbursement

What is eligible



Eligible equipment

- piping; rack dispenser equipment; fire suppression systems; directly related site work such as: patching pavement that had to be torn up to install tanks or piping and concrete slabs for rack islands; new storage tanks; cleaning of existing tanks; pumps; fittings; sumps; new equipment to retrofit tanks, piping and pumps; installation-related labor; special fire fighting foams for the local first responders if required; and any other equipment that NYSERDA determines is necessary to properly store, blend, and dispense the Biofuel at the rack.

Program steps

- Work to identify outlets for your biofuels. Fleets, stations, state contract.
- Get quotes and estimates for the work.
- Submit grant application by 5:00 pm on October 2, 2007
- NYSERDA makes competitive awards by end of November
- Enter into contract with NYSERDA to cover 50% of the expenses described in application.
- Do the work.
- Submit invoice to NYSERDA to be reimbursed for eligible expenses.
- NYSERDA has a 30 day prompt pay policy. You get your money quickly.

The Perfect Storm

Major Car Manufacturer Programs

Consumer Awareness

State Tax Credits

NYSERDA Incentive Program

High Fuel Prices

Climate Change

Federal Tax Credits

In-State Production



Instability in the Middle East

Energy Security

Peak Oil

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