

United States Senate

WASHINGTON, DC 20510

July 13, 2020

The Honorable Sonny Perdue
Secretary
U.S. Department of Agriculture
1400 Independence Avenue, S.W.
Washington, D.C. 20250

Dear Secretary Perdue:

We write to urge you to modify the Higher Blends Infrastructure Incentive Program (HBIIP) so that fuel retailers may use grant funds to cover costs incurred for qualified projects throughout the full 2020 calendar year. Doing so will ensure that the HBIIP meets its goals of increasing the availability of higher-blend biofuels, driving demand for our farmers, and improving air quality through decreased emissions.


Our state has proven to be a valuable partner in utilizing United States Department of Agriculture cost-share programs to aid in the adoption of infrastructure upgrades that deliver higher blends of biofuels to consumers. Under the original Biofuels Infrastructure Partnership (BIP), the combined federal, state, and matching funds provided investments of \$14 million in new biofuels infrastructure in the state, where we now exceed 350 retail stations selling E15. These efforts have had an enormous impact in driving investment, increasing demand for clean energy, and providing consumers with more low-emission, environmentally friendly fuel choices when they fill up at the pump. Last year, sales of E15 in Minnesota tripled in volume from 2017 and exceeded 70 million gallons.

That's why we were disappointed to learn that funds from HBIIP cannot be used to reimburse expenses that are incurred on qualified projects before a grant agreement is signed. Fuel retailers in our state are ready to utilize the HBIIP to purchase, install, and enhance storage tanks and blender pumps dedicated to dispensing E15 and E85, but are concerned that they will not be able to promptly receive permits and begin construction before cold weather and frozen ground halts their ability to complete projects. With an application window that is set to close on August 13, the effectiveness of the HBIIP in Minnesota and other cold weather states may be limited unless additional flexibility is granted.

We urge you to modify the program to allow grant funds to cover costs incurred during the 2020 calendar year.

Thank you for your consideration.

Sincerely,



Amy Klobuchar
United States Senator



Tina Smith
United States Senator