

# **Form EIA-22M Monthly Survey of Biodiesel Production 2008**

## **General Information**

### **I. Purpose**

Form EIA-22M collects the following data from registered U.S. producers of biodiesel by plant:

- Company identification and supervisory contact information
- Plant location, operating status, and annual production capacity
- B100 and co-product production and monthly stock changes
- Feedstock and methanol input into biodiesel production
- Sales of B100 and blended biodiesel
- End use sales of biodiesel
- Federal, state, and municipal tax credits estimated or claimed

Form EIA-22M is designed to provide the data necessary for the Energy Information Administration (EIA), U.S. Department of Energy (DOE), to carry out its responsibilities for the collection of renewable fuels demand in the motor fuels market, monitor the size of growth of the biodiesel industry, and provide Congress with a measure of the extent to which the objectives of Section 503 of the Energy Policy Act of 1992 and Section 1508 of Energy Policy Act of 2005 are being achieved. The data collected will be published in the Renewable Energy Annual and also be available through EIA's Internet site at <http://www.eia.doe.gov/fuelrenewable.html>.

### **II. Who Must Submit**

This report is mandatory and required pursuant to the authority granted to the Department of Energy (DOE) by the Federal Energy Information Administration Act of 1974 (Public Law 93-275). Form EIA-22M is to be submitted by all entities producing biodiesel that meets ASTM D 6751-07B specifications and is used for commercial purposes. A company may submit separate forms for each of its plants, or may report all plants separately on one form.

### **III. When to Submit**

The Form EIA-22M must be submitted to the EIA no later than the 20<sup>th</sup> of the month after the reference month, i.e. January 2009 data must be submitted no later than February 20<sup>th</sup>, 2009.

### **IV. Where to Submit**

Respondents can submit data for this survey by facsimile, e-mail, or Internet using an encrypted web system. With the Internet-based option, EIA uses security protocols to protect the information against unauthorized access during transmission. Commonly used facsimile and e-mail transmissions (including files attached to e-mail messages) travel over ordinary telephone lines and are not considered secure electronic methods of transmitting survey data. Any questions regarding the submission of this form can be directed to (TO BE DETERMINED).

Please retain a completed copy of this form for your files.

### **Secure Communications Methods**

**By mail:** (First class mail is considered a secure communications method for confidential data)

(TO BE DETERMINED)

**By Internet:**

(TO BE DETERMINED)

### **Unsecured Communications Methods**

**By e-mail:** (TO BE DETERMINED)    **By fax:** (TO BE DETERMINED)

**By phone:** (TO BE DETERMINED)

## **V. Provisions Regarding Confidentiality of Information**

The information reported on this form will be protected and not disclosed to the public to the extent that it satisfies the criteria for exemption under the Freedom of Information Act (FOIA), 5 U.S.C. §552, the Department of Energy regulations, 10 C.F.R. §1004.11, implementing the FOIA, and the Trade Secrets Act, 18 U.S.C. §1905.

The Federal Energy Administration Act requires the EIA to provide company-specific data to other Federal agencies when requested for official use. The information reported on this form may also be made available, upon request, to another component of the Department of Energy (DOE); to any Committee of Congress, the Government Accountability Office, or other Federal agencies authorized by law to receive such information. A court of competent jurisdiction may obtain this information in response to an order. The information may be used for any nonstatistical purposes such as administrative, regulatory, law enforcement, or adjudicatory purposes.

## **VI. Sanctions**

The timely submission of Form EIA-22M by those required to report is mandatory under the Federal Energy Administration Act of 1974 (FEAA), Public Law 93-275, as amended. Failure to respond may result in a civil penalty of not more than \$2,750 for each violation or a fine of not more than \$5,000 for each criminal violation. The Government may bring a civil action to prohibit reporting violations that may result in a temporary restraining order or a preliminary or permanent injunction without bond. In such civil action, the court may also issue mandatory injunctions commanding any person to comply with these reporting requirements.

**Title 18 U.S.C. 1001 makes it a criminal offense for any person knowingly and willingly to make to any Agency or Department of the United States any false, fictitious, or fraudulent statements as to any matter within its jurisdiction.**

## **VII. Filing Forms with Federal Government and Estimated Reporting Burden**

Respondents are not required to file or reply to any Federal collection of information unless it has a valid OMB control number. Public reporting burden for this collection of information is estimated to average 2 hours per response including the time for reviewing instructions, searching existing data sources, gathering and maintaining the data needed, and completing and reviewing the collection of information. Send comments regarding this burden estimate or any other aspect of this collection of information, including suggestions for reducing this burden to the Energy Information Administration, Statistics and Methods Group, EI-70, 1000 Independence Ave., S.W., Washington, D.C. 20585-0670, and the Office of Information and Regulatory Affairs, Office of Management and Budget, Washington, D.C. 20503.

## **Form EIA-22M Instructions**

This survey is designed to capture biodiesel data from producers on a monthly basis by plant.

- *Section 1* is for respondent identification
- *Section 2* asks plant information and operating status
- *Section 3* collects information on production, inputs to production, stocks, and sales volume and revenue
- *Section 4* gathers tax credit information
- *Section 5* is a comment section allowing the respondent to explain any discrepancy, add additional relevant information, or provide an explanation as to why the respondent is unable to answer any question listed on the form.

For questions regarding definitions of terms used in EIA-22M, see the glossary at the end of the instructions section.

### **EIA-22M SECTION 1:**

In Section 1 part A, the respondent is required to give the following information: company name, address 1 (number and street), address 2 (suite or apartment. #, etc.) and company contact information, including the principle contact person's name, title, telephone number, and e-mail address. The supervisory contact should be the supervisor of the principal contact or another higher-level official with authorization to complete the form. Supervisory contact information, including name, title, telephone and fax number, and e-mail address is required.

### **EIA-22M SECTION 2:**

Part A asks for plant name, address (city, state, and zip code), and annual production capacity by volume in gallons.

Part B asks the respondent to provide information on the operating status of the plant listed in Section 2 part A. The respondent must identify based on the following categories as appropriate: active, inactive, permanently ceased operations, sold to another company, leased to another company, or merged with another company. For definitions of the operating status categories, refer to the glossary at the end of the instructions. Only those respondents stating that the plant has been sold, leased, or merged during the previous month should complete part C. All respondents must complete part D and Sections 3, 4, and 5. For those respondents identifying as 'sold,' Sections 3, 4, and 5 should be completed with data up to the date of sale.

Part C should only be completed by those respondents reporting the plant as sold, leased, or merged with another company during the previous month. If the responding plant has been either sold, leased, or merged, the date of transaction, the name of the company sold to, leased to, or merged with, the address of the company in question, a contact name at this company, including a telephone number and e-mail address must be given.

Part D should be completed by all respondents by marking “YES” or “NO” if the plant is a farmers cooperative.

### **EIA-22M SECTION 3:**

Section 3 requires the respondent to provide information on the production, inputs, stocks, and sales of biodiesel.

In Part A, respondents should first report the volume, in gallons, of biodiesel (B100) held in storage at the plant. Beginning of month stocks are those held as of midnight on the last day of the month prior to the survey month. End of month stocks are those held as of midnight on the last day of the survey month. The respondent should not report stocks of any biodiesel blends.

Respondents should then report the total number of gallons of biodiesel (B100) produced at this plant during the survey month. Next, sales of non-blended biodiesel (B100) and biodiesel blends should be reported. For sales of biodiesel blends, the respondent should report only biodiesel included in the blend. Other components of the blends will be reported in section 3, part D.

Changes in biodiesel stock that are not accounted for by sales in the domestic U.S. market should be reported as B100 losses or adjustment. These could include, for example, changes resulting from theft, leaks, and exports.

Data provided in Part A will be used to generate a volumetric balance to verify the quality of the data. The balance should equal zero as calculated by the following equation: beginning month stock of B100 *plus* production of B100 *less* sales of B100 *less* B100 sold in biodiesel blends *plus or minus* adjustments and losses of B100. For questions about the definitions of these terms, refer to the glossary at the end of the instructions. If the balance is a non-zero value, please review the data entered for stocks, receipts, consumption, and adjustments. If the balance is not a numerical error, enter a comment to explain any discrepancy. Also, enter in the comment box an explanation of the source of B100 losses or adjustment, if available.

Part B collects data on monthly B100 and co-product production. Production values should be given by volume in gallons.

Part C asks for information about feedstock used to produce biodiesel **during the survey month**. Feedstocks are divided into vegetable oils (*canola oil, castor oil, coconut oil, corn oil, cottonseed oil, palm oil, peanut oil, soybean oil, sunflower oil, tung oil, and other*); animal fats (*tallow, white grease, and other fats such as lard and poultry fat*); recycled feedstock (*yellow grease and other recycled feedstocks such as brown grease*); algae; and other feedstocks. Inputs should be listed by feedstock in gallons. The respondent should also report the amount of methanol used in production in this section.

Part D gathers information about the sale of biodiesel and biodiesel blends. First, the respondent should list the total volume of sales in gallons and total revenue in dollars received from these

sales of biodiesel and biodiesel blends and not co-product sales. Next, the respondent must provide volume and revenue figures for sales to end users and sales for resale separately. Sales to end users are sales made directly to the user of the product. End users can be bulk customers, such as agriculture and industry, as well as residential and commercial customers. Sales for Resale are sales to customers who are other than final consumers. Most frequently, these are wholesale sales. If the plant sells product both to end users and for resale, the respondent should complete Subsections 1 and 2. Otherwise, the respondent should report monthly sales under either Subsection 1 or 2, as appropriate. For further definition of sales to end users and sales for resale, refer to the glossary at the end of the instructions.

In subsection 1 of Part D, the respondent must list the total volume and revenue received from B100 sold to end users in line 1.a. Second, the respondent must give volume and revenue data for sales of B98 to B99.9 blends to end users in line 1.b. On line 1.b, sales of blends should include the volume of non-biodiesel components in the blend. On line 1.b1, respondents must give the total volume of diesel fuel included in the B98-B99.9 blends reported. On line 1.c, respondents must list the volume and revenue earned from all other biodiesel blends below B98, i.e. B0.1 to B97.9. On this line, sales of blends should include the volume of non-biodiesel components in the blend. On line 1.c.1, the amount of diesel fuel included in the other biodiesel blends category should be given in volume.

Subsection 2 of Part D requires the respondent to list information regarding the sale of biodiesel or biodiesel blends for resale. One line 2.a, the respondent must list the total volume and revenue received from B100 sold to end users. On line 2.b, the respondent must give volume and revenue data for sales of B98 to B99.9 blends to end users. On line 2.b, sales of blends should include the volume of non-biodiesel components in the blend. On line 2.b.1, respondents must give the total volume of diesel fuel included in the B98-B99.9 blends reported. On line 2.c, respondents must list the volume and revenue earned from all other biodiesel blends below B98, i.e. B0.1 to B97.9. On line 2.c, sales of blends should include the volume of non-biodiesel components in the blend. On the line 2.c.1, the amount of diesel fuel included in the other biodiesel blends category should be given in volume.

Part E relates to the sale of biodiesel to end users. This section should be completed only if sales to end users were reported in Subsection 1 of Part D. Total end-use sales should be divided according to their type of use: *on-road transportation, off-road transportation, heating oil, or any other industrial or consumer use*. For definitions of usage type, refer to the glossary at the end of the instructions. For each applicable end-use, respondents are required to give end-use sales by volume in gallons. Respondents are required to list end-use sales for B100 biodiesel on line 1 B98 to B99.9 on line 2, diesel fuel included in the B98 to B99.9 blends on line 3 other biodiesel blends of B0.1 to B97.9 on line 4 and diesel fuel used in other biodiesel blends of B0.1 to B97.9 on line 5.

#### **EIA-22M SECTION 4:**

This section collects information on federal, state, and municipal tax credits. For definitions of the tax credits listed, refer to the glossary at the end of the instructions.

Respondents are required to list the dollar amount of tax credits claimed for the Federal Blenders Credit, Federal Small Producers Tax Credit, and/or State/Municipal Tax Credits.

If the respondent computes taxes on an other-than-monthly schedule and is unable to provide actual monthly tax credit information, the respondent may estimate the tax credits that will be attributed to activities in the survey month. The respondent should check the appropriate box to indicate whether the value reported is actual or estimated.

If the respondent is reporting a credit based on state and/or municipal laws, a description of the tax credit, including the per gallon dollar value of the credit if applicable, should be included in Comment Section 5.

## **EIA-22M SECTION 5:**

Section 5 is included for comments. Comments may include any relevant explanations regarding Sections 1 through 4 of the survey form. For example, respondents may explain discrepancies in numbers or reasons why questions have not been answered. In the left hand column the respondent should provide the section of the form to which the comment pertains. For example, if the comment pertained to operating status, the respondent would fill in 2B in the left hand column, and the corresponding comment in the right hand column.

## **GLOSSARY OF TERMS**

**Active (operating status):** A plant that has produced or sold any amount of biodiesel during the monthly survey period in question.

**Algae:** a large and diverse group of simple plant-like organisms, ranging from unicellular to multicellular forms. The largest and most complex marine forms are called seaweeds. They are considered "plant-like" because of their photosynthetic ability, and "simple" because they lack the distinct organs of higher plants such as leaves and vascular tissue. Algae can be used to make biodiesel.

**Animal Fats:** Animal fat obtained from the tissues of mammals and/or poultry during the rendering process. Animal fats must contain less than 90% total fatty acids, not more than 2.5% unsaponifiables, and not more than 1% insoluble matter.

**B100:** 100% biodiesel with no petroleum diesel added.

**B100 losses or adjustments:** Changes in biodiesel stock not accounted for by the removal of biodiesel for commercial purposes in the domestic US market from storage facilities including, for example, theft, leaks, and exports.

**Biodiesel** a fuel composed of mono-alkyl esters of long chain fatty acids derived from vegetable oils or animal fats, designated B100, and meeting the requirements of ASTM (American Society for Testing & Materials) D 6751.

**Blender:** The person or entity that produces blended taxable fuel, in this case, biodiesel blended with diesel fuel.

**Biodiesel blends:** named for their percentage of biodiesel. For example, BX means that X% of the blend (by volume) is biodiesel and (100-X)% of the blend is petroleum diesel.

B2- A blend of 2% biodiesel with 98% petroleum diesel

B20- A blend of 20% diesel with 80% petroleum diesel

B98-B99-A blend of 99% to 98% biodiesel with 1% to 2% petroleum diesel

**Brown Grease:** a generic term which includes trap grease, sewage grease, black grease, and from all other sources whose free fatty acid content exceeds limits for animal feed

**Canola (Rapeseed) Oil:** The edible oil extracted from rapeseed, also used as a lubricant and in the manufacture of various products, and in the production of biodiesel.

**Castor Oil:** A colorless or pale yellowish oil extracted from the seeds of the castor-oil plant, used pharmaceutically as a laxative and skin softener and industrially as a lubricant and to produce biodiesel.

**Coconut Oil:** A pale yellow to colorless oil or a white semisolid fat obtained from the flesh of the coconut.

**Co-product:** Any product produced in addition to the principle product. For biodiesel, any product, such as glycerin, that is produced in the process of making biodiesel.

**Corn Oil:** A pale yellow liquid obtained from the embryos of corn grains.

**Cottonseed Oil:** The usually pale yellow oil obtained from cottonseed, used in manufacturing, industry, and cooking.

**Distributor:** A company primarily engaged in the sale and delivery of biodiesel directly to consumers.

**Farmer's Cooperative:** an autonomous, jointly owned association of farmers united voluntarily to meet common economic needs in the transformation, packaging, distribution, and marketing of produce. 'Produce' means biodiesel for purposes of EIA-22M.

**Federal Blender's Credit:** in the event that biodiesel is blended, the blender who had the tax liability for bio-diesel added to the fuel is also entitled to a credit or refund for those gallons of \$1.00 for agri-biodiesel or \$.50 for bio-diesel, until December 31, 2008 under current law.

**Federal Small Producer Tax Credit:** this credit benefits small biodiesel producers of under 60 million gallons capacity by giving them a 10 cent per gallon tax credit for up to 15 million gallons of biodiesel produced until December 31, 2008 under current law.

**Feedstock:** Raw material (biomass) made into biodiesel fuel, including soybeans, vegetable oil, recycled cooking grease, and animal fats.

**Glycerin:** a product produced with biodiesel when oil or fat is chemically reacted with an alcohol in the presence of a catalyst. Glycerin may be refined for commercial purposes usually sold for use in soaps and other products.

**Inactive (operating status):** A plant that has not produced or sold any biodiesel during the monthly period in question but has not permanently ceased operations.

**Lard:** a soft white solid or semisolid fat obtained by rendering fatty animal parts.

**Leased to Another Company (operating status):** A plant that is still under the ownership of the respondent but the production has been contracted out to another company.

**Sales to End User:** Biodiesel product sold to any of the following:

- **Government:** An energy-consuming sector that consists of federal, state, and local governments and agencies
- **Farm Use:** An energy-consuming sector that consists of all facilities and equipment engaged in growing crops and raising animals. Energy use by all facilities and equipment at these establishments is included, whether or not it is directly associated with growing crops and/or raising animals
- **Industrial:** An energy-consuming sector that consists of all facilities and equipment used for producing, processing, or assembling goods. The industrial sector encompasses the following type of activity: manufacturing and mining
- **Commercial:** An energy-consuming sector that consists of service providing facilities and equipment of: non-manufacturing businesses, such as firms engaged in transportation, wholesale, or retail trade, finance, insurance, and real estate
- **All Other Users:** Report volumes of biodiesel blends sold to all other end users not included elsewhere. This includes private and residential consumers

**Merged with Another Company (operating status):** A plant that has combined operations and/or ownership structure with another biodiesel producer.

**Methanol:** (CH<sub>3</sub>OH) a light, volatile alcohol.

**Off-Road Transportation:** A vehicle is treated as an off-road vehicle if its primary function is to perform a task not normally done on or using the highway system. For example, trains, construction equipment such as earthmovers, and farm tractors are considered off-road transportation.

**On-Road Transportation:** Vehicles in use, including any self-propelled vehicle or trailer or semi trailer, to perform the function of transporting a load over the public highway, whether or not also designed to perform other functions. Excluded from the definition are certain types of vehicles, including certain specially designed mobile machinery vehicles (the mobile machinery exception) and certain vehicles specially designed for off highway transportation.

**Palm Oil:** A yellowish fatty oil obtained especially from the crushed nuts of an African palm (*Elaeis guineensis*) and used in the manufacture of soaps, chocolates, cosmetics, candles, and biofuels.

**Peanut Oil:** The oil pressed from peanuts, used for cooking, in soaps, and as a solvent for pharmaceutical preparations and for biofuel production.

**Permanently Ceased Operations (operating status):** A plant that has stopped producing biodiesel and will not restart operations under current ownership.

**Plant Production Capacity:** the maximum quantity of a product that can be produced in a plant in 1 year if operating for 365 days. Includes the capacity of idle plants until the plant is destroyed, dismantled, or abandoned.

**Poultry Fat:** Poultry tissues obtained during the rendering process. It must contain less than 90% total fatty acids, not more than 2.5% unsaponifiables, and not more than 1% insoluble matter.

**Producer:** A company engaged in the production and sale biodiesel with delivery generally at or near the production facility. For the purposes of firm classification, a firm primarily engaged in the development and/or production of biodiesel. A biodiesel producer must be legally registered with the Environmental Protection Agency.

**Recycled Feedstock:** Material (biomass) used to produce biodiesel fuel that is not virgin, i.e. not produced for the first time or for the express purpose of making biodiesel.

**Revenue:** the total gross income produced by a given source.

**Sold to Another Company (operating status):** A biodiesel plant that has been sold and purchased by another producer company with different ownership.

**Soybean Oil:** The most common oil used in the U.S. to produce biodiesel made from soybeans.

**State/Municipal Tax Credits:** This includes all state and local blending, production, or sales tax credits that are available and claimed by the biodiesel producer.

**Stocks:** Inventories of fuel stored for future use. Beginning of month stocks are those held as of midnight on the last day of the month prior to the survey month. End of month stocks are those held as of midnight on the last day of the survey month.

**Sunflower Oil:** A combustible, pale-yellow, semidrying oil with a pleasant scent, expressed from the seeds of the common sunflower; soluble in alcohol, ether, and carbon disulfide; consists mostly of mixed triglycerides of fatty acids, and used to make biodiesel.

**Tallow:** solid fat extracted from the tissues and fatty deposits of animals, especially from suet (the fat of cattle and sheep). Pure tallow is white, odorless and tasteless; it consists chiefly of triglycerides of stearic, palmitic, and oleic acids. There is both inedible tallow, used to produce biodiesel, and edible tallow, such as lard.

**Tung Oil:** A yellow or brownish oil extracted from the seeds of the tung tree and used as a drying agent in varnishes and paints, for waterproofing, and for producing biodiesel.

**Unsaponifiables:** incapable of being saponified -- used especially of the portion of oils and fats other than the glycerides. Is generally used as a measure of feedstock quality.

**Vegetable Oils:** vegetable oils that are used to produce biodiesel including cottonseed, sunflower, and peanut oils, among others.

**Virgin Vegetable Oils:** vegetable oils that are used to produce biodiesel including cottonseed, sunflower, and peanut oils.

**White Grease:** a more generic term used to describe rendered pork fat.

**Yellow Grease:** A term from the rendering industry that is generally assumed to include used frying oils from deep fryers and restaurants' grease traps. It can also refer to lower-quality grades of tallow from rendering plants.