

AGRICULTURE ENERGY SYSTEMS PILOT PROGRAM

Program Guidelines

2024-2025

The ***Agriculture Energy Systems Pilot Program*** supports the adoption of clean technologies and implementation of on-farm projects that improve energy efficiency, generate renewable energy, help reduce greenhouse gas emissions, and increase farm resilience to energy costs.

Application Intake	Project Activity Period	Claim Deadline
Feb 7 th 2024 – Mar 4 th 2024	Feb 7 th 2024 – Mar 14 th 2025	Mar 14 th 2025



PROGRAM OBJECTIVE

The **Agriculture Energy Systems Pilot Program** supports the adoption of clean technologies and implementation of on-farm projects that improve energy efficiency, generate renewable energy, help reduce greenhouse gas emissions, and increase farm resilience to energy costs.

ELIGIBLE RECIPIENTS

- Bona-fide agricultural producers; and
- Mi'kmaq First Nations and other Indigenous groups conducting farming activities.

FUNDING

50% of eligible expenses up to \$75,000 per applicant to offset direct costs of approved agriculture energy projects.

ELIGIBLE ACTIVITIES

The program supports farmers to undertake energy efficiency activities in the following categories.

Please Note: Proposals for other innovative, effective, and resilient energy projects may be considered by the Agriculture Energy Systems Pilot Program review committee.

CATEGORY 1: LIVESTOCK BARN, CROP STORAGE AND GREENHOUSES

Upgrade building heating, ventilation, cooling, lighting equipment and systems.

Generate and use renewable energy.

Eligible activities include, but are not limited to, installing or upgrading:

- heating systems:
 - increased efficiency combustion;
 - switching fuel sources;
 - adopting renewable energies (solar thermal, biomass, ground source heat pumps/geothermal, air source heat pumps);
 - heat recovery and recirculation systems; and
 - heating pads to replace heat lamps (livestock);
- higher efficiency lighting;
- higher efficiency ventilation and/or cooling systems;
- milking system upgrades (i.e. plate coolers, compressor and vacuum pumps, etc.);
- energy monitoring systems;
- motor controls and variable speed drives; and
- other energy efficiency opportunities identified in an energy assessment.

Please note: some project activities in this category may require:

- an energy audit or assessment; and/or
- detailed energy expenses for past 12 months (electricity and fuel bills).

CATEGORY 2: IMPROVED EFFICIENCY GRAIN DRYERS

Retrofit existing grain dryers or purchase and install upgrade components on new grain dryers.

Eligible activities include, but are not limited to:

- top dry grain dryers (minus storage bin components);
- modification of bins to make possible in-bin grain cooling or dryeration;
- new high-efficiency burners;
- moisture and temperature monitors and controllers;
- variable speed drives for electric motors;
- insulated plenums;
- exhaust air recirculation systems or secondary heat exchangers; and
- gravity-fill roofs that replace powered leveling augers.

CATEGORY 3: FARM EQUIPMENT AND PROCESS EFFICIENCY

Switch processes and equipment from fossil fuels to electricity and renewable energies and undertake activities to optimize tractor fuel use efficiency.

Eligible activities include, but are not limited to:

- converting tractor or generator-powered processes to electric/renewable energy (electrification of TMR mixers, grain augers and vacuums, crop conveyors, and other equipment); and
- adopting technologies designed to optimize tractor fuel use efficiency (i.e. central tire inflation systems).

ELIGIBLE EXPENSES FOR ALL ACTIVITY CATEGORIES

Direct project costs to adopt approved equipment and process improvements:

- specialized commercial grade equipment (including used equipment);
- contracted labour, consultants, and professional fees for project design and implementation;
- materials, supplies, and rentals;
- modifications to existing equipment or technology; and
- one-time purchase of specialized software systems related to upgrading and acquiring new equipment and technology.

INELIGIBLE ACTIVITIES AND EXPENSES

- replacement of old equipment where there is no improvement to energy efficiency;
- activities and projects that are identified as the industry standard and are required to operate a farming business;
- Storage bins, conveyors, legs, and/or other standard components as part of new grain dryer purchase or dryer retrofits;
- modifications to fuel delivery emissions reduction systems on internal combustion engines (i.e. “Chipping tractors”);
- buildings, building modifications, including building envelope and insulation upgrades;
- tractors and farm implements;
- in-kind contributions (including wages and labour);
- non arms-length transactions; and
- normal and on-going operating and maintenance activities, including regular maintenance activities that have an energy efficiency benefit including:
 - maintenance cleaning of heaters, motors, and pumps;
 - cleaning of ventilation systems; and
 - disposable assets or ongoing costs.

APPLICATION PROCESS

1. To apply to the Agriculture Energy Systems Pilot Program: complete, sign, and submit the application and supporting documents (written quotes, equipment specifications, previous energy assessments) prior to the **intake deadline (March 4th, 2024)**.

Email: agenergy@gov.pe.ca

Mail: PEI Department of Agriculture
Agriculture Energy Systems Program
11 Kent Street
PO Box 2000
Charlottetown, PE
C1A 7N8

2. Department staff will review your application for completeness and follow up if any additional project information is needed to inform project assessment.

Application Intake	Project Activity Period	Final Claim Deadline
Feb 7 th 2024 – Mar 4 th 2024	Feb 7 th 2024 – Mar 14 th 2025	Mar 14 th 2025

Eligible project expenses will be recognized within the Project Activity Period stated above, however expenses incurred prior to the date of project approval are at the Applicant's risk. Applications received after the intake deadline *may* be considered, if there is available funding.

EVALUATION AND APPROVAL PROCESS

Following application intake deadline, the program review committee will assess and rank project applications based on the information and supporting documentation provided. Funding will be allocated to projects with the greatest merit, based on the following criteria:

- energy savings;
- reduction in greenhouse gas (GHG) emissions; and
- increasing farm resilience to climate change.

If approved, applicants will receive an Approval Letter, Funding Agreement, and Claim Form. The Funding Agreement will identify the eligible project activities, financial assistance offered, and the terms and conditions for funding.

Those applicants that receive an Approval Letter, Funding Agreement, and Claim Form are required to review, sign, and return the Funding Agreement to the Department of Agriculture **within 15 days of the date of the letter** or your funding offer may expire.

CLAIMING PROCESS

Project claim deadline is March 15, 2025. Projects should be claimed as soon as they are completed.

Applicants shall maintain an accurate record of expenditures incurred and shall submit (at claiming) the following:

- a claim form detailing expenditures and project activities;
- copies of all paid invoices with verification of payment;
- project evaluation reporting on the project and its results (a template will be provided);
- photos of projects funded;
- any additional documentation required and as listed in the Funding Agreement or Approval Letter.



TERMS AND CONDITIONS

- Approved projects must be completed within the timeframe outlined in the Funding Agreement;
- recipients must meet the eligibility criteria and submit a complete application to the Department of Agriculture;
- applications will be assessed on a first come-first serve basis and for merit and impact;
- if the project is not approved, all incurred costs are the responsibility of the applicant;
- assistance will be available until funds are totally allocated within that year;
- projects may be funded below the maximum contribution rate upon assessment and availability of funding; and
- to assist with the evaluation of program impacts, some successful applicants may be required to submit energy bills for one year following project completion.

CONTACT INFORMATION

For more information or to apply, please contact:

Phone: 902-916-0791

Email: agenergy@gov.pe.ca

Regular mail: PEI Department of Agriculture
Agriculture Energy Systems Program
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PO Box 2000
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