

EFFICIENT GRAIN HANDLING PROGRAM TERMS AND CONDITIONS

1.0 PURPOSE

The Efficient Grain Handling Program (the “**Program**”) shares costs on the purchase of grain handling components and equipment that offer significant energy efficiency improvement over standard practice. The Program is designed to help cut input costs and reduce greenhouse gas emissions.

Program participants must pay 50% of their project expenses. To apply, the applicant’s project expenses must exceed \$1,000. The maximum grant amount under the Sustainable Canadian Agricultural Partnership (Sustainable CAP) is \$100,000. Funding received under the Canadian Agricultural Partnership (CAP) does not apply to program maximums under Sustainable CAP.

There is limited funding in the Program. Applications will be considered for approval on a case-by-case basis, subject to Program funding constraints.

Successful applicants must enter into a grant agreement to receive Program funding. Terms of the agreement may be viewed at www.alberta.ca/sustainable-cap.aspx.

2.0 DEFINITIONS

2.1 Definitions - In these Program Terms and Conditions:

Applicant: means a person who submits an Application.

Application: means an application for funding under this Program.

EFP (or “Environmental Farm Plan”): means an environmental risk mitigation plan developed under the Alberta Environmental Farm Plan (AEFP) program operated by Agricultural Research & Extension Council of Alberta (ARECA).

Eligible Activity: means the part or parts of the Project that have been approved under the Program.

Eligible Applicant: means an Applicant that has been approved to participate in the Program.

Eligible Expenses: means expenses that are eligible for funding under the Program.

Federal Crown: means His Majesty in Right of Canada.

Funding List: means the document that includes a list of expenses that are eligible for funding under this Program, as posted on the Program Website www.alberta.ca/sustainable-cap.aspx.

Grant: means funds payable to an Eligible Applicant under this Program.

Grant Agreement: means:

- For Grant awards up to \$50,000, an approval letter from the Minister to the Eligible Applicant, and
- For Grant awards over \$50,000, a long-form grant agreement between the Minister and the Eligible Applicant.

Minister: means the Minister of Alberta Agriculture and Irrigation and his authorized representative(s).

Primary Producer: means an individual or a corporation registered in Alberta that is responsible for the day-to-day management and work for a crop operation.

Program: means the Sustainable Canadian Agricultural Partnership Efficient Grain Handling Program.

Program Application Form: means the application form for the Program, as posted on the Program Website.

Program Terms and Conditions: means these terms and conditions.

Program Website: means the Minister's website for this Program, at www.alberta.ca/sustainable-cap.aspx.

Project: means an Applicant's proposed activities under the Program, as described in the Application.

Project Term: means the period between April 1, 2023 and end date stated in the Grant Agreement.

Provincial Crown: means His Majesty In Right of Alberta.

Sustainable Canadian Agricultural Partnership (Sustainable-CAP): means the Federal-Provincial-Territorial Sustainable Canadian Agricultural Partnership.

3.0 ELIGIBILITY

3.1 Eligible Applicants

3.1.1 To be an Eligible Applicant, an Applicant must:

- a) be a Primary Producer;
- b) be responsible for input costs for a crop operation in Alberta that produces at least \$25,000 worth of farm commodities annually;
- c) not be a landlord whose only interest in a crop operation is ownership of the land; and
- d) either:
 - i) have a valid and current EFP certificate or completion letter; or
 - ii) indicate to the Minister that the Applicant intends to obtain an EFP certificate or completion letter before the end of the Project Term.

3.1.2 The Minister may approve an Indigenous applicant as an Eligible Applicant even though the applicant does not meet the requirements under section 3.1.1(a) or (b). The Program is committed to supporting the success of Indigenous business in the agriculture and food sector. It is understood that Indigenous businesses may have distinct characteristics reflective of regulatory, operational, cultural, and other factors affecting their business history and operation. The Program aims for flexibility in its delivery in order to reduce barriers and ensure its accessibility.

3.1.3 The following are not eligible to apply to the Program:

- a) agribusinesses offering custom services, consulting services or general services to agricultural clients (includes commercial applicators);
- b) grazing reserve associations;

- c) applied research organizations;
- d) post-secondary institutions;
- e) federal, provincial, and municipal governments, agencies and institutions, and similar organizations funded in whole or in part by the government; and
- f) any other person deemed by the Minister to be ineligible for the Program.

3.2 Eligible Activities

3.2.1 To be an Eligible Activity, the operation that is the subject of the Application must be located in Alberta, and the Project must consist of either:

- a) the purchase of equipment identified in the Funding List as being eligible for the Program, or
- b) installation of a gas pipeline to a grain dryer, as set out in the Funding List.

3.2.2 The following may not be part of an Eligible Activity:

- a) activities not listed as “eligible” on the Funding List; and
- b) any other activity deemed by the Minister to be ineligible for the Program.

4.0 CONDUCT OF ELIGIBLE ACTIVITY

4.1 Except for items permanently affixed to land sold by the Eligible Applicant, equipment for which the Eligible Applicant received payment under the Program must:

- a) during the Project Term and for at least three (3) years afterwards, remain owned by the Eligible Applicant (unless it is leased, in which case the Eligible Applicant must maintain physical possession);
- b) be in the Applicant’s possession (or, if it is a fixture, be installed at the Applicant’s operation that is the subject of the Application) and operational no later than 6 months after the Project Term;
- c) be used by the Applicant in the production of a primary commodity no later than 6 months after the Project Term.

4.2 Applicants who did not submit a valid and current EFP certificate or completion letter as part of the Application must obtain their EFP certificate or completion letter before the end of the Project Term, and must include a copy of the certificate or completion letter in the final report.

5.0 PAYMENT AND FUNDING LEVELS

5.1 The maximum Grant under the Program is \$100,000 per Eligible Applicant, and the minimum Grant is \$500 per Eligible Applicant.

5.2 Eligible Activities and Eligible Expenses qualify only once for payment under the Program.

5.3 The Grant will be paid on a reimbursement basis, and based on the Eligible Expenses claimed by the Eligible Applicant and approved by the Minister.

5.4 Eligible Expenses must be cost-shared at 50% grant and 50% Applicant. Funding received through any other Sustainable CAP programs may not be used toward the cost-share requirements of this Program.

- 5.5 Funding received by an Eligible Applicant through other federal, provincial and municipal governments for their Eligible Activity cannot exceed 100% of the Eligible Expenses paid under the Program. The amount of the Grant shall be adjusted so that the total government funding for Eligible Expenses does not exceed 100% of these expenses.
- 5.6 Payments may be considered farm support payments, and AGR-1 tax slips will be issued in the name of the Applicant, if applicable.

6.0 ELIGIBLE EXPENSES

- 6.1 To be approved as an Eligible Expense, an expense must have been incurred by, invoiced to, and paid by, the Eligible Applicant during the Project Term, directly for the Eligible Activity.
- 6.2 The following are eligible to be an Eligible Expense:
 - a) expenses identified as eligible in the Funding List, including financing costs to purchase eligible equipment; and
 - b) any other expense approved by the Minister.
- 6.3 The following may not be an Eligible Expense:
 - a) expenses identified as ineligible in the Funding List;
 - b) cost of equipment that comprises a standard grain handling configuration, with no high-efficiency upgrades;
 - c) cost of equipment that the Minister deems not to offer significant energy efficiency improvements above standard practice or standard models, notwithstanding that the equipment is of a type that is on the Funding List;
 - d) installation and labour costs (except with respect to an eligible gas pipeline activity);
 - e) extended warranties on equipment, electronics or technology purchased;
 - f) GST;
 - g) leasing costs;
 - h) maintenance and repair costs;
 - i) consumable expenses;
 - j) administrative costs, such as costs to prepare documents or to process invoices;
 - k) in-kind contributions, being non-monetary contributions that defray the total cost of an activity, including the provision of unpaid labor, services, or equipment required in the planning, conducting or managing of the activity;
 - l) cost of on-hand materials or supplies;
 - m) barter/exchange transactions;
 - n) expenses incurred in transactions between individuals who are related to each other by blood, marriage, adoption, common-law relationships, or close business ties;
 - o) costs incurred after the Project Term, unless otherwise approved by the Minister;
 - p) expenses funded 100% through any other federal, provincial, or municipal government grants, programs or projects; and
 - q) any other expense deemed by the Minister to be ineligible for the Program.

7.0 GRANT AGREEMENT

- 7.1 The Minister shall pay a Grant subject to the terms and conditions in the Grant Agreement, which shall provide for, among other things:
 - a) the maximum amount of the Grant;

- b) matters involving Eligible Expenses, including the criteria for an Eligible Expense, the submission of claims, the processes by which the Minister may verify that claimed expenses are Eligible Expenses and that the Eligible Applicant incurred and paid the Eligible Expenses, and the Minister's ability to determine the amount of an Eligible Expense;
- c) reporting by the Eligible Applicant on matters including the status of the Eligible Activity and expenditure of the Grant;
- d) the ability for the Minister to audit, evaluate or inspect the conduct of the Eligible Activity or compliance with the Grant Agreement; and
- e) default by the Eligible Applicant and repayment of the Grant.

7.2 If there is a conflict or inconsistency between a provision of these Program Terms and Conditions and the Grant Agreement, the latter shall take precedence.

8.0 APPLICATIONS

8.1 There is limited funding in the Program. Applications will be considered for approval on a case-by-case basis, not "first come, first served". Applications will be evaluated and recommended for approval according to the eligibility criteria and funding constraints.

8.2 Applications must include:

- a) a completed Program Application Form with all documents required to be submitted pursuant to that form, including a signed Applicant Declaration;
- b) a valid and current EFP certificate or completion letter as of the date of the Application, if any; and
- c) all supplementary documentation requested by the Minister.

8.3 Applications must be signed by a properly authorized representative. The Minister may require evidence of authorization. Designates are not permitted to sign Applications unless they have Power of Attorney (submitted with the Application). Personal representatives may sign on behalf of estates.

8.4 Applications must be delivered to the Minister at s-cap.eghp@gov.ab.ca or to:

Alberta Agriculture and Irrigation
Sustainable Canadian Agricultural Partnership
Efficient Grain Handling Program
Suite 303, 7000-113 Street NW
Edmonton, AB, T6H 5T6

8.5 Applications must be received by the Minister (or, if sent by mail, postmarked by) on or before the date specified on the Program Website.

8.6 The Minister may reject any Application that the Minister deems to be inaccurate, incomplete or ineligible, including applications for which Project expenses are under \$1,000.

8.7 Submission of an Application does not entitle an Applicant to funding under the Program.

9.0 FALSE OR MISLEADING INFORMATION

- 9.1 An Applicant who provides false or misleading information under this Program forfeits all rights to benefits from this Program

10.0 MINISTERIAL GRANTS REGULATION

- 10.1 Payments under this Program are grants subject to the *Ministerial Grants Regulation* (AR 215/2022), as may be amended or replaced from time to time. In addition to complying with the Grant Agreement, a successful Applicant must comply with the Regulation.

11.0 CHANGES TO THE PROGRAM

- 11.1 The Minister may change or terminate the Program at any time without notice. Any revisions to the Program, the Program Application Form, the Program Terms and Conditions and/or Funding List will be posted on the Program Website.
- 11.2 Applications are subject to the Program Terms and Conditions and Funding List as posted on the Program Website as of the date that the Application was received by the Minister.

12.0 MINISTERIAL DISCRETION

- 12.1 The Minister has the absolute discretion to determine the eligibility of any Applicant or Project under the Program. Notwithstanding anything in these Program Terms and Conditions, the Minister has the absolute discretion to not approve any Application. The decision of the Minister is final.