

PROPANE FARM INCENTIVE PROGRAM GUIDELINES

January 1, 2017



Propane Farm Incentive Program Overview

The Propane Education & Research Council (PERC) provides research, product development, and consumer education for the use of propane equipment on agricultural operations. The Propane Farm Incentive Program (FIP) is a research project to gain feedback on the performance of select propane-powered equipment in the field. Participating agricultural operations receive a financial incentive towards the purchase of qualifying equipment in exchange for monitoring the performance and sharing their experiences with PERC and their peers.

Program Registration

Propane Farm Incentive Program registration packets are available from select equipment distributors and dealers. The agricultural operation is required to submit the completed registration packet via email, fax, or mail to qualify for an incentive. A completed registration must include:

- Signed contract.
- Completed federal W-9 form.
- Pre-season survey completed and submitted online.
- Proof-of-purchase for qualifying equipment, purchased within 30 days of the application.

A post-season survey will be emailed to the applicant at the end of the program period. This survey must be completed and submitted online. Completion of the post-season survey is required to maintain eligibility for future incentives.

Program Eligibility

To qualify for the Propane Farm Incentive Program, agricultural producers must purchase qualifying propane-fueled equipment and meet the following criteria:

- Participants must represent a farm or agribusiness and be at least 18 years of age. Participants will be asked to provide an appropriate tax identification number unique to the farm receiving the incentive.
- Equipment must be used on a U.S. farm as defined by the U.S. Department of Agriculture, in direct support of agricultural production or;
- If not on a farm, equipment must be used in support of an agribusiness dedicated to the primary processing of any agricultural, horticultural or animal commodity.
- Participant must be a propane customer in good standing with his or her fuel supplier. PERC may contact the propane supplier(s) to verify the applicant's account is not considered past due.
- Data collection is required of Propane Farm Incentive Program participants. As such, program participants are required to agree to the following conditions:
 - Commit to make every effort to use the equipment for at least one year.
 - Track data regarding product performance such as fuel consumption, hours of operation, cost savings, and other information, and make available to PERC.
 - Submit updates on the performance of the equipment.

- PERC may request additional input for the Propane Farm Incentive Program, including, but not limited to, on-site equipment demonstrations, interviews about the performance of the equipment, or pictures/video showing the equipment being used in the field.

Qualifying Equipment

The agricultural equipment listed below may be eligible for the program. Qualifying equipment and participating equipment dealers are subject to change at any point.

Propane-Powered Industrial Engines – New, EPA- and/or CARB-certified industrial engines used for agricultural purposes, typically in pumping applications, can qualify for \$300/liter of displacement.

Propane-Powered Generators for Prime Power – New, EPA- and/or CARB-certified generators used for prime power for agricultural purposes can qualify for \$30/kW.

Propane-Powered Crop Dryers – New, high-efficiency upright tower grain dryers and high-efficiency horizontal profile grain dryers can qualify for a \$3000 incentive. The dryer must either be a new installation or a conversion from another power source

Propane-Powered Water Heating Systems – New, high-efficiency water heating systems used in agricultural production operations are eligible for an incentive of \$2000. The system must either be installed in new construction or as a conversion from another power source.

Propane-Powered Poultry, Swine, & Greenhouse Heating Systems – New poultry, swine, and greenhouse heating systems are eligible for an incentive of \$0.10/square foot, up to \$2000 maximum per system, when installed as part of an entire system installation. The complete heating system must either be installed in new construction or as a conversion from another power source.

Propane-Powered Flame Weed Control – New, flame weed control systems are eligible for an incentive of \$1500.

Program Incentive Payments

Each agricultural operation can qualify for incentives for a maximum of two (2) units of equipment per application and a maximum of six (6) units total per year. Maximum incentive per unit is \$5000. Incentives are paid directly to the agricultural producer once the requisite paperwork is processed, typically within 30 business days of PERC receiving the completed Registration Packet.

Limitations

The Propane Farm Incentive Program is not a rebate program. The Propane Farm Incentive Program is a research initiative conducted by PERC. The purchase of propane-powered equipment does not guarantee eligibility for an incentive and not all applicants will qualify for an incentive. To ensure the most relevant and useful data is obtained through the program, PERC may deny a Propane Farm Incentive Program application even if all eligibility requirements are met. Important criteria will be taken into consideration when selecting the best possible candidates for the program such as the applicant's ability to record and supply

data, the proximity to another Propane Farm Incentive Program applicant, total acreage and types of crops produced, and the amount of gallons of propane used by the applicant, and the total number of equipment already in the program.

More Information

For additional information or questions regarding the Propane Farm Incentive Program, please visit www.propane.com/farmincentive, email PERC at farmincentive@propane.com, or call 202-452-8975.

About PERC

Authorized by the Propane Education and Research Act of 1996, PERC is a nonprofit 501(c)(6) trade organization dedicated to promoting the safe, efficient use of propane as a preferred energy source. PERC was created “to enhance consumer and employee safety and training, to provide for research and development of clean and efficient propane utilization equipment, and to inform and educate the public about safety and other issues associated with the use of propane.”

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