

## Terms and Conditions Irrigation Efficiency Program

### 1.0 PURPOSE

- 1.1 The purpose of the Canadian Agricultural Partnership Irrigation Efficiency Program is to assist Alberta's agricultural producers with Eligible Costs incurred for the purchase and installation of a new low pressure centre pivot irrigation system or drip irrigation system, or with an upgrade of an existing irrigation system.

### 2.0 PROGRAM LIMITATIONS

- 2.1 There is limited funding available under the Program each Fiscal Year.
- 2.2 Applications will be processed as follows in each Fiscal Year of the Program, subject to Program funding constraints:
- a) The first Application submitted by an Applicant in a Fiscal Year will be considered for approval on a first-come, first-served basis, subject to Program funding constraints.
  - b) For Applicants who submit multiple Applications prior to January 1 of a Fiscal Year, all Applications after their first Application will be held until January 1, at which point those Applications will be processed as follows if there is Program funding available:
    - i. After January 1, the held Applications will be processed in rounds, i.e. all of the second Applications, then all the third Applications, and so on. Within each round, the respective Applications will be considered for approval in the order in which they were submitted. Rounds will continue to be processed as long as Program funding is available, and this will end on the Application deadline for the particular Fiscal Year.
    - ii. While these rounds are being processed, first Applications submitted in the Fiscal Year by other Applicants will continue to be considered for approval on a first-come, first-served basis, and these first Applications will take priority over all other Applications.
  - c) For Applicants who submit multiple Applications after January 1 of a Fiscal Year, these Applications will be processed as follows if there is Program funding available:
    - i. If an Applicant submits their first Application of the Fiscal Year after January 1, that Application will be processed pursuant to s. 2.2(b)(ii).
    - ii. All subsequent Applications submitted by an Applicant after January 1 of a Fiscal Year will be processed in rounds as described in s. 2.2(b)(i). However, if an Applicant submits a subsequent Application after the applicable round has already been processed (e.g. if an Applicant submits their second Application after AF has processed all of the held second Applications), then AF will process that subsequent Application on a first-come, first-served basis, and that Application will take priority over all Applications being processed in rounds.
- 2.3 Submission of a completed Application to AF does not guarantee that the Applicant will receive payment under this Program.

### 3.0 DEFINITIONS

- 3.1. **AF:** means Alberta Agriculture and Forestry.
- 3.2. **Applicant:** means a legal entity that submits an Application and meets the eligibility requirements in s. 4.1.
- 3.3. **Application:** means the Program application form and all documents required to be submitted pursuant to that form and the Program Terms and Conditions.
- 3.4. **CAP:** means the Federal-Provincial-Territorial Canadian Agricultural Partnership.
- 3.5. **Drip Irrigation System:** means equipment that comprises a surface drip irrigation system or subsurface drip irrigation system, but does not include motors to drive pumps.
- 3.6. **Eligible Cost:** means a cost that is eligible for payment under the Program, as described in sections 6.1 and 6.2.
- 3.7. **Federal Crown:** means Her Majesty the Queen in Right of Canada.
- 3.8. **Fiscal Year:** means the period from April 1 to March 31 of the following year.
- 3.9. **High-Efficiency Sprinkler Nozzles:** means sprinkler nozzles for a LPCP System that have manufacturer's irrigation system application efficiency ratings **greater than or equal to 85 percent**.
- 3.10. **Long-Term Irrigation Management Plan:** means the planning document, in the required form, submitted by the Applicant as part of the Application.
- 3.11. **LPCP Equipment:** means equipment that comprises a LPCP System (e.g. drop tubes, pressure regulators, filters, sprinkler heads and nozzles), **but does not include motors to drive pumps**.
- 3.12. **LPCP Pump Modifications:** means end gun booster pumps or trimmed impellers (and directly attached fittings for either) that are installed to make an existing pump compatible with LPCP Equipment.
- 3.13. **LPCP System:** means a low pressure centre pivot irrigation system.
- 3.14. **Minister:** means the Minister of AF and his authorized representative(s).
- 3.15. **Parcel:** means land in Alberta owned or leased by the Applicant that is irrigated by a single irrigation system.
- 3.16. **Program:** means the Canadian Agricultural Partnership Irrigation Efficiency Program.
- 3.17. **Program Terms and Conditions:** means the terms and conditions for the Program set out in this document, as may be amended.
- 3.18. **Provincial Crown:** means Her Majesty the Queen in Right of Alberta.
- 3.19. **Variable-Rate Irrigation Equipment:** means the components of a LPCP System (controllers and software) that allow precision irrigation.

#### 4. ELIGIBLE APPLICANTS

4.1 To be eligible to apply to the Program, an Applicant must:

- (a) operate as a producer in Alberta;
- (b) own an irrigated agricultural operation in Alberta;
- (c) have a Long-Term Irrigation Management Plan; and
- (d) not have been previously approved for payment from the Program for the Parcel described in the Application.

#### 5. ELIGIBLE PARCELS FOR NEW SYSTEMS

5.1 For a new irrigation system to be eligible for funding under the Program, it must be installed on a Parcel that is at least:

- (a) 10 irrigated acres for a new surface drip irrigation system; or
- (b) 20 irrigated acres for a new LPCP System or a subsurface drip irrigation system.

#### 6.0 ELIGIBLE COSTS AND INELIGIBLE COSTS

6.1 Eligible Costs for the Program are the costs for any of the following:

- (a) one or more pieces of LPCP Equipment purchased by the Applicant and installed at the Applicant's operation as part of an upgrade from a gravity, side-wheel or high pressure centre pivot irrigation system to a new LPCP System, or retrofit of a high pressure centre pivot to a LPCP System, plus costs of design and installation;
- (b) one or more LPCP Pump Modifications purchased by the Applicant and installed at the Applicant's operation as part of an upgrade to a LPCP System, plus costs of installation;
- (c) one or more sets of High-Efficiency Sprinkler Nozzles and related equipment (drop tubes, pressure regulators) for a new LPCP System or an upgrade to an existing LPCP System, plus costs of installation;
- (d) one or more sets of Variable-Rate Irrigation Equipment (controllers and software) that allow precision irrigation, plus costs of installation;
- (e) a pivot control panel upgrade (including base stations for telemetry) purchased by the Applicant and installed at the Applicant's operation, plus costs of installation.
- (f) a Drip Irrigation System purchased by the Applicant and installed at the Applicant's operation, plus the costs of installation.

6.2 Equipment must be **new** and purchased by the Applicant from a licensed irrigation supply dealer after April 1, 2018.

6.3 Installation of equipment purchased by the Applicant under the Program must be done by a licensed service provider, with the exception of the installation of High Efficiency Sprinkler Nozzles, which may be installed by the Applicant subject to inspection by a licensed service provider and the Applicant submitting written proof of such inspection signed by the inspector within six months of approval of their Application.

6.4 In incurring Eligible Costs, the Applicant must follow a process that is transparent, fair, and promotes the best value for the money expended. Eligible Costs incurred by the Applicant must be at competitive prices that are no greater than fair market value.

- 6.5 If the Minister, in his sole discretion, considers the amount of any Eligible Costs claimed by the Applicant to be unreasonable, the Minister may adjust the amount of that Eligible Cost to an amount the Minister considers reasonable.
- 6.6 Expenses that are not eligible for payment under the Program include:
- (a) costs for a new LPCP System or Drip Irrigation System for irrigation expansion;
  - (b) GST;
  - (c) any other cost deemed by the Minister to be an ineligible cost.

## 7.0 APPLICATIONS

- 7.1 An Applicant must submit the following documents to AF to be considered for funding under the Program:
- (a) a Long-Term Irrigation Management Plan;
  - (b) a completed Application that is signed by the Applicant;
  - (c) invoices/receipts for all Eligible Costs claimed;
  - (d) proof of payment by the Applicant of at least 10 percent of the total Eligible Costs; and
  - (e) any supplementary documentation requested by AF.
- 7.2 The final deadline for Applications under the Program is March 17, 2023. As funding is limited each Fiscal Year, Applicants should apply early.
- (a) To be eligible for payment in Fiscal Year 2018/19, Applications must be received by March 15, 2019.
  - (b) To be eligible for payment in Fiscal Year 2019/20, Applications must be received by March 20, 2020.
  - (c) To be eligible for payment in Fiscal Year 2020/21, Applications must be received by March 19, 2021.
  - (d) To be eligible for payment in Fiscal Year 2021/22, Applications must be received by March 18, 2022.
  - (e) To be eligible for payment in Fiscal Year 2022/23, Applications must be received by March 17, 2023.
- 7.3 If an Application is received within the deadline in s. 7.2 but after funds for that Fiscal Year have been allocated, the Application will be considered to have been submitted in the following Fiscal Year (if there is a remaining Fiscal Year for the Program) and will be processed pursuant to s. 2.2 on that basis, subject to availability of Program funding.
- 7.4 Applications must be delivered to: **Attention: Canadian Agricultural Partnership, Irrigation Efficiency Program, Irrigation Management Section, Irrigation and Farm Water Branch**, Alberta Agriculture and Forestry, Agriculture Centre, 100, 5401 – 1 Avenue South, Lethbridge, AB T1J 4V6, or at fax number 403-381-5765.
- 7.5 The Minister may reject any Application that is inaccurate or incomplete in the sole discretion of the Minister.
- 7.6 No Applicant may add additional claims for Eligible Costs after an Application has been submitted.
- 7.7 AF shall contact Applicants within 30 days of receipt of their Application to inform them whether they are eligible for the Program.

- 7.8 Acceptance of an Application under this Program creates no obligation on the part of the Provincial Crown or Federal Crown to provide licenses or approvals under any applicable legislation, including the *Canadian Environmental Assessment Act*.

## **8.0 OTHER OBLIGATIONS**

- 8.1 An Applicant that receives funding must, within six months of the date their Application was approved:
- (a) have the equipment that was funded under the Program installed and operational at the Applicant's operation(s); and
  - (b) if the Applicant purchased and installed High Efficiency Sprinkler Nozzles but did not use a licensed service provider for the installation, submit to the Minister written proof of inspection signed by the inspector of the installed High Efficiency Sprinkler Nozzles.
- Failure to meet this obligation will entitle the Minister to obtain a refund from the Applicant in accordance with section 11.

## **9.0 VERIFICATION AND INSPECTION**

- 9.1 The Applicant must submit documentation to establish, to the satisfaction of the Minister, that the Applicant incurred all of the Eligible Costs claimed. Documents the Applicant may submit to do this include invoices for the claimed Eligible Costs that are in the Applicant's name. The Applicant must also provide any other documentation requested by the Minister that the Minister requires to be satisfied that the Applicant incurred the Eligible Costs claimed.
- 9.2 All items on an invoice submitted by the Applicant must be listed separately, and each Eligible Cost must be clearly identified.
- 9.3 The Applicant consents to the Minister releasing any information contained in the Application, or related to it, and obtained by the Minister in the course of verifying or auditing the Application, to any other government department, agency or other body for the purposes of verifying the Application or determining the Applicant's eligibility for this Program. The Applicant expressly authorizes the Minister to obtain information from any government department, agency or other body to verify the contents of the Application and to determine the Applicant's eligibility for this Program.
- 9.4 The Applicant agrees to give representatives of the Minister access to examine their farming or business operation for six years following the date their Application is approved. The Applicant agrees to make available to the Minister all farm records, books of account, invoices, income tax returns, and audit and evaluation reports in relation to the Eligible Costs that are necessary for the audit and evaluation of the Eligible Costs. If the Applicant fails to provide such information within a reasonable time on reasonable notice, as determined by the Minister, the Applicant may be required to refund any payments received under the Program, as well as forfeit any future payments under the Program.
- 9.5 For six years following the date an Application is approved, the Minister is entitled, at a reasonable time and upon reasonable notice to the Applicant, to attend the farming or business operation of the Applicant for the purpose of examining the equipment purchased with Program funding to assess whether the Applicant is in compliance with the Program Terms and Conditions.

## **10.0 PROGRAM PAYMENTS**

- 10.1 The Program provides grants to approved Applicants for Eligible Costs incurred for irrigation system upgrades on Parcels. For each Parcel, Applicants are eligible to receive either:
- (a) 40% of the Eligible Costs incurred by the Applicant, up to a maximum of \$5,000, for:
    - i. equipment upgrades on the Parcel; or
    - ii. an upgrade on the Parcel from an existing irrigation system to a surface drip irrigation system;
  - (b) \$15,000 of the Eligible Costs incurred by the Applicant for an upgrade on the Parcel from a gravity, side-wheel or high pressure centre pivot irrigation system to a new LPCP system or a subsurface drip irrigation system.
- Applicants are only eligible to receive one payment per Parcel under the Program.

10.2 The maximum amount of funding that an Applicant may receive under the Program in a Fiscal Year is \$150,000.

10.3 Funding received through any other CAP programs may not be used toward the cost-share requirements of the Program.

10.4 Funding received through other federal, provincial and municipal governments cannot exceed 100% of the Eligible Costs claimed by the Applicant and paid under the Program. The amount of the grant shall be adjusted so that the total government funding for Eligible Costs does not exceed 100% of these costs.

10.5 Applicants may not assign or defer any payment under this Program.

10.6 Eligible Costs shall be calculated based on the actual out of pocket cost to the Applicant (i.e. cost of the Eligible Cost less any rebates, discounts, incentives and /or credits, whether provided at the time of purchase or at a later date).

10.7 The Applicant shall not return for refund any items purchased under the Program.

10.8 Payments may be considered farm support payments, and AGR-1 tax slips will be issued in the name of the Applicant, if applicable.

## **11.0 REFUNDS**

- 11.1 If, after making payment under the Program, the Minister determines that:
- (a) an Applicant is not eligible under this Program;
  - (b) a new irrigation system is installed on a Parcel that does not satisfy the eligibility requirements in s. 5.1;
  - (c) a cost is not an Eligible Cost;
  - (d) an Applicant has contravened any of these Program Terms and Conditions;
- or
- (e) the Applicant received any payment under the Program not in accordance with the Program Terms and Conditions,
- then the Minister shall notify the Applicant in writing. The Applicant must refund to the Minister any payments demanded by the Minister. Payment is due within 30 days of the date of the notice. Failure to make repayments creates a debt owing to the Provincial Crown which may be set off against any money the Provincial Crown owes to the Applicant.

## **12.0 FALSE OR MISLEADING INFORMATION**

- 12.1 No Applicant shall provide false or misleading information under the Program. Any Applicant that provides false or misleading information shall forgo all rights to benefits from the Program.

### **13.0 MINISTERIAL DISCRETION**

- 13.1 The Minister has the absolute discretion to determine the eligibility of any Applicant under the Program and any payments due under the Program. The decisions of the Minister are final.

### **14.0 DEBTS TO GOVERNMENT OR THIRD PARTIES**

- 14.1 The Minister may deduct from the Applicant's entitlement under the Program any amount due and owing to the Provincial Crown or Federal Crown by the Applicant.

### **15.0 CHANGES TO THE PROGRAM OR PROGRAM TERMS AND CONDITIONS**

- 15.1 The Minister may change or terminate the Program at any time without notice. If the Minister changes the Program, the revised Program Terms and Conditions will be posted on the Alberta Canadian Agricultural Partnership website

### **16.0 GRANT REGULATION AND DISCLOSURE OF GRANT RECIPIENT INFORMATION**

- 16.1 Payments under this Program are grants subject to the *Agriculture and Rural Development Grant Regulation*. The Applicant acknowledges that, in addition to complying with these Program Terms and Conditions, the Applicant must comply with the *Agriculture and Rural Development Grant Regulation*.
- 16.2 The Applicant acknowledges that AF publicly discloses the following information for all grant recipients: the grant recipient name, the amount of the grant, the program the grant is paid under, and the payment date.

### **17.0 REPRESENTATIONS AND WARRANTIES**

- 17.1 The Applicant represents and warrants to the Minister that:
- (a) the Applicant is an eligible applicant pursuant to s. 4.1 of the Program Terms and Conditions;
  - (b) the person signing the Application is duly authorized to make the Application, bind the Applicant to the Program Terms and Conditions, and, in the case of a partnership, bind the partners to the Program Terms and Conditions on the basis of joint and several liability;
  - (c) no Application has been made for the same equipment by any other person, including without limitation, a person who is not arm's length or a related person as defined by the Income Tax Act (Canada) or by a shareholder, member or partner who is actively carrying on farming or business on behalf of a corporation;
  - (d) it has made full, true and plain disclosure to the Minister of all facts relating to the costs that are material to its Application, including without limitation all sources of funding from federal, provincial and municipal governments;
  - (e) it has the necessary financial resources to complete the activities listed in the Application;

- (f) no member of the House of Commons or the Senate shall derive any financial advantage from the grant that would not be permitted under the Parliament of Canada Act;
- (g) no current or former federal public office holder or federal public servant to whom the Conflict of Interest Act, the Conflict of Interest Code for Members of the House of Commons, or the Values and Ethics Code for the Public Sector and the Policy on Conflict of Interest and Post-Employment applies shall derive any advantage or benefit from the grant unless the provision or receipt of such advantage or benefit is in compliance with such legislation, codes and policies;
- (h) any person lobbying, as that term is defined in the *Lobbyists Registration Act (Canada)*, on the Applicant's behalf is registered pursuant to that Act;
- (i) it is not aware of any discussions to effect a sale, transfer, assignment or pledge of interest which would result in a change of the control of the Applicant or of the disposition of all or substantially all the assets of the Applicant;
- (j) it has adequate human resources, experience and skills to carry out the activities described in the Application;
- (k) there is presently no action, suit, or proceeding being brought or pending or threatened against or affecting the Applicant which could result in the expropriation of any property of the Applicant, or which could affect its operations, properties, financial condition, or its ability to complete the activities described in the Application;
- (l) if installation of the equipment described in the Application require authorization by an agency, the Applicant has obtained such approval prior to such installation;
- (m) it is in compliance with all laws, orders and authorizations which relate to or affect it and is not subject to any order of any court or other tribunal affecting its operations;
- (n) it has the power and authority and all necessary licenses and permits to own and operate its properties and carry on its operations, to make the Application, and to perform its obligations pursuant to the Application and these Program Terms and Conditions; and
- (o) the execution of the Statement of Certification in the Application has been duly and validly authorized by the Applicant in accordance with applicable law, and shall constitute a binding legal obligation of the Applicant.