

Project Guide

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I. Project Overview

Agricultural biomass in the form of stalks, straw, leaves, husks, crop trees, and purpose-grown crops is a potential source of renewable energy for use on and off the farm. Additional uses for biomass crop material include agricultural feedstock and industrial use of plant cellulite material in manufacturing structural products as well as animal bedding.

While extensive options exist for types of and uses for agricultural biomass, **This project focuses on purpose-grown energy crops produced through sustainable cropping practices. These crops include varieties of miscanthus, switchgrass, and native prairie grasses.**

The purpose of the Field-scale Agricultural Biomass Research and Development is to determine, on a pilot scale, whether purpose-grown agricultural biomass is an economically sustainable and environmentally preferable alternative to coal and non-renewable fuels.

This project will increase understanding of the biomass value chain, so that producers can make informed decisions about how much and which parts of their land base to devote to this crop option.

Successful projects will be those with the most sustainable cropping practices, can be produced at a competitive, low cost, and produce a high quality product.

Approved applicants (“farm cooperators”) will grow approximately 900 acres of crops.

Farm cooperators will receive:

- Monetary remuneration for expenses as on-farm field trial cooperators;
- Opportunity to gain hands-on business experience in a fledging new market.

Applicants must meet the project eligibility criteria, adhere to its Terms & Conditions, and meet all necessary deadlines.

Funding for this project has been provided by Agriculture and Agri-Food Canada through the Canadian Agricultural Adaptation Program (CAAP). In Ontario, this program is delivered by the Agricultural Adaptation Council. Ontario Power Generation is contributing significantly with their own funds, through feasibility burn studies. Other funding agents include Ontario Federation of Agriculture, Ontario Agri-Food Technologies, and Ontario Soil and Crop Improvement Association. The project has several components, including: crop life cycle analysis, field pilot and research, industrial manufacturing, and power generation studies of agricultural biomass.

II. Project Delivery

The on-field pilot associated with this project is delivered by the Ontario Soil and Crop Improvement Association (OSCIA).

- Producers can express interest of involvement through completing an *Application of Interest*.
- Applications will be received by OSCIA Provincial Office and reviewed by the Selection Committee
- Submitting a bid does **not** guarantee funding

Applications available on OSCIA website

www.ontariosoilcrop.org

Completed *Fast Track* applications due: OCTOBER 22, 2010

MAIL TO:

**Nick Betts
Outreach Coordinator
Ontario Soil and Crop Improvement Association
1 Stone Road West
Guelph, Ontario
N1G 4Y2**

FAX TO:

**ATTN: Nick Betts
Fax 519.826.4224**

SCAN & EMAIL TO:

**Subject: BIOMASS APPLICATION
nick.betts@ontariosoilcrop.org**

(SIGNED APPLICATIONS ONLY)

III. Project Components

(a) Process

1. Retrieve Application of Interest from website (www.ontariosoilcrop.org)
2. Complete Application of Interest and return to OSCIA Provincial Office by **OCTOBER 22, 2010**

(b) Tendering Process

1. Applications will be received by OSCIA Provincial Office.
2. Applications are reviewed by the Selection Committee and successful applicants/level of funding per successful applicant will be based on the judgement of this committee.

(c) Pilot Sites

Pilot sites will incorporate **at least** one ELIGIBLE agricultural biomass crop deemed a viable option by specialists on the Selection Committee. Sites with **more than** one species/variety/crop is preferred.

The target per farm cooperator is 10-20 acres per crop type/species

EXPENSES INCURRED PRIOR TO FEBRUARY 26, 2010 ARE NOT ELIGIBLE
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Preference will be given to farm cooperators who:

- New cooperators that do not already have acreage in this program
- Exhibit prior experience with field trials and demonstration plots
- Have prepared sites and have crops already established (therefore at a reduced cost)
- Provide evidence of forethought in product quality control
- Demonstrate viable solutions to potential impacts to product quality
- Are competent in implementing quality control mechanisms and applied research protocols throughout the field trial
- Are willing to plant side-by-side comparisons of multipurpose-grown energy crops on property. Such cooperators may receive greater financial remuneration.

IV. Eligibility

(a) Who is Eligible

The following farmers are eligible:

3. Canadian residents and the registered owners of the farm business which is part of a farming enterprise;
4. Those who have a rental/lease agreement for the length of the project (if they are not the landowners);
5. Those with an up-to-date, peer-reviewed Environmental Farm Plan
6. Those with a **Farm Business Registration Number** or equivalent

A partnership or corporation is considered to be one applicant.

(b) What is Expected of the Farm Cooperator

All farm cooperators selected for involvement on the biomass field trials are expected to:

1. Complete the entire field study of the project (2011-2013);
2. Provide reasonable in-kind contribution
 - *note: only hired labour will be reimbursed. A farmer or principle of a partnership or corporation, as well as equipment, will not receive reimbursement for their time; it will only be recognized as in-kind; all associated costs must be from arm's-length contractors or companies.*
3. Open the project farm to field days and demonstrations;
4. Cooperate and work with the research team in resource management and field study coordinator throughout the field trial;

5. Participate in all research gathering and surveys required to fulfill objectives by researchers
6. Follow field protocols outlined for planting/management/harvesting by the research team;
7. Produce the crop in a manner that is in the nature and spirit of sustainable crop production;
8. Understand the crop is the property of the farmer and all revenue associated with market sale are solely the responsibility and to the benefit of the farmer;
9. Sign and abide by the project Terms and Conditions Agreement;
10. Follow required steps to receive potential remuneration.

V. Expectations

(a) In-Kind Contributions

In-kind contributions are measurable contributions to the project by the applicant to a reasonable cash-equivalent. In-kind contributions would include operational costs that the applicant(s) would normally incur as part of their ongoing operation. Applicant(s)' in-kind contributions will only be recognized when fair value can be reasonably estimated.

Eligible in-kind contributions:

- must be essential to the project's success;
- must not contravene the project Terms and Conditions
- may include facility use, salaries of applicant(s), and use of equipment

All associated costs for reimbursement must be from arm's-length contractors or companies

(b) Terms & Conditions

1. Farm acreage must be located within Ontario;
2. Farm must have a Farm Business Registration Number or equivalent;
3. Only one bid shall be submitted per project;
4. Reimbursement for reasonable land value compensation will be considered;
5. Applicant must allow access to the research plot for inspection and for research purposes by the Research Team, Project Coordination Staff, and assigned consultants, if/when required;
6. Applicant must agree to participate in onsite demonstrations and field days;
7. Work completed prior to approved start-date of project may not be eligible for funding: program funds may not be retroactive;
8. All participants in this program understand the developmental nature of the research and accept no guarantee of feasible economy or agronomic benefits for participating in this project;
9. Applicant shall disclose all other funding and shall not receive more than 100% of costs reimbursed.

VI. Bidding Process

(a) Bidding

Participants will establish their own level of compensation for inclusion in this project. In order to establish a bid price, participants should request, but not limit bid price to:

- Site preparation costs;
- Costs to establish and maintain crop;
- Product quality control/ pest management implementations;
- Harvest, storage, and transportation of product.

The applicant is expected to include costs for the duration of the project (until August 31, 2013).

All bids will be held in confidence until the deadline, after which they will be promptly reviewed and processed. Projects will be evaluated for product quality control, participant cooperation, criteria outline in the Application of Interest, as well as bid price.

Applicants will be notified of their acceptance or rejection through written confirmation from OSCIA after all bids are reviewed. Submitting a bid does not guarantee funding.

(b) Timelines

Event	DEADLINE
Yr-2 Application Submission Deadline (Guelph)	October 22, 2010
Application Screening and Selection Process	October 29, 2010
Applicant Notified	November, 2010

(c) Application Review

The Selection Committee – representing research, extension, stakeholders, and project management – will review each Application of Interest for eligibility. Applications will be anonymous during the review process.

Notification of approval will be provided in writing. If an Application of Interest is not approved, notification will be provided to the applicant in writing from OSCIA Provincial Office.

If the applicant goes ahead with the project prior to receiving written approval from OSCIA Provincial Office, he or she does so at risk of forfeiting any costs if all terms & conditions are not met.

Conditional approval may be provided if warranted.

VII. Payment & Submission of Claims

Upon approval, the applicant will sign an agreement outlining their involvement as a cooperator, agreed upon in-kind contributions, and remuneration amount for eligible expenses for the entire duration of the project.

An allocation will be made by OSCIA based on the eligible components of the project cost estimates provided by the applicant.

Payment for eligible real costs will only be made once OSCIA has received submission of Claims Request Form from the farm cooperator with appropriate invoices/proof of payment attached.

Payment for eligible land costs will be made on an annual basis at year-end.

VIII. Research Activities

Researchers will conduct some or all activities associated with the project's research objectives on successful applicants' fields. Additional research funds are available to support research activities. Research objectives include:

1. Adaptability of crop types and species;
2. Yield results with progression from planting over the life of the project;
3. Dry-down curves from fall into the winter months to spring;
4. Winter hardiness and stand-ability;
5. Fall swathing versus spring cutting;
6. Biomass properties;
7. Fertility requirements;
8. Seed treatment options;
9. Storage losses where applicable;
10. Comparing past and existing small plot research to field scale adaptation;
11. Impacts of relevant weather data;
12. General agronomic recommendations including weed control options, best planting dates, insect and disease incidence, and other risk factors;
13. Document farmer cooperator's observations;
14. Economic considerations for input costs up to transportation from the farm and potential revenue.

IX. Privacy Information & Insurance

Information is collected for the purpose of evaluating applicant ability to satisfactorily meet program guidelines. Information collected on the Application of Interest as well as supporting material submitted to OSCIA will be subject to and protected by the provincial Freedom of Information and Protection of Privacy Act.

Cooperators associated with this program, including contracted custom operators and other contract workers, may be considered differently than a farmer when insuring equipment and self. The applicant is responsible to carry appropriate WSIB/optional insurance coverage for all associated work on owned/leased/rented property.

OSCIA or other partners of this program are not responsible for damage to land/land value, stolen/damaged/altered property or equipment, or personal/employee/contract personnel loss of income or expenses associated with injury/death from activities resulting from inclusion in this project.