

# ALTERNATE ENERGY PROGRAMS & POLICIES AVAILABLE FOR MANITOBAN INITIATIVES

Appendix to KAP's Policy Paper on Alternate Energy  
Last update: November 2007

## **Agricultural Bioproducts Innovation Program (ABIP)**

[www.agr.gc.ca/sci/abip-piba/index\\_e.php?page=gen](http://www.agr.gc.ca/sci/abip-piba/index_e.php?page=gen)

The ABIP is a \$145 million, multi-year program designed to support new and existing research networks and encourage the development of clusters for the advancement of a sustainable and profitable Canadian bioeconomy.

The program seeks to increase the exploitation of Canada's natural advantage in biomass to develop new economic opportunities for agriculture in the areas of bioproducts and bioprocesses such as biofuels, other forms of bioenergy, biochemicals, biopharmaceuticals, etc.

The ABIP funds networks and clusters of highly qualified researchers that have the capacity to conduct scientific research and development projects, and accelerate commercialization and technology transfer activities focused on:

- The development of crop platforms and cropping systems suitable to conversion of feedstocks to agricultural bioproducts;
- Developing effective and efficient technologies for agricultural biomass conversion; and
- Product diversification through technologies such as agricultural and industrial chemicals, biomaterials and health products.

It is anticipated that the ABIP will support 10-25 networks, each focused on a promising field of the agricultural bioeconomy. A network may receive, in support of a number of inter-related projects, funding up to a maximum of \$25M over the duration of the program. An individual project may receive no more than \$15 million over the duration of the program. Individuals may sign up to get e-newsletters from this initiative by going to [www.agr.gc.ca/sci/abip-piba/index\\_e.php](http://www.agr.gc.ca/sci/abip-piba/index_e.php)

## **Agri-Opportunities Program**

[www.agr.gc.ca/index\\_e.php?s1=prog&s2=aop&page=intro](http://www.agr.gc.ca/index_e.php?s1=prog&s2=aop&page=intro)

The \$134 million, Agri-Opportunities Program, launched in January 2007, is five-year program that aims to accelerate the commercialization of new agricultural products, processes or services that are currently not produced or commercially available in Canada, and are ready to be

introduced to the marketplace. Agri-Opportunities is delivered nationally by Agriculture and Agri-Food Canada.

Funding is provided to projects that focus on new agri-food, agriculture or bioproducts, which can be expected to increase market opportunities for the Canadian agricultural industry across the value chain and generate demand for primary agricultural products.

The Agri-Opportunities Program provides a maximum repayable contribution of \$10 million per project and per recipient regardless of the number of projects, over the life of the program, ending in March 2011. For more information on the program, or to access a program application guide, email [agri-opps@agr.gc.ca](mailto:agri-opps@agr.gc.ca) or call 1-866-367-8506.

### **Biofuels Opportunities for Producers Initiative (BOPI)**

[www.mrac.ca/index.cfm/fuseaction/pub.sub/pageID/1CE6AF3C-AA3A-88DD-75FC5225D6E2D7AA/index.cfm/](http://www.mrac.ca/index.cfm/fuseaction/pub.sub/pageID/1CE6AF3C-AA3A-88DD-75FC5225D6E2D7AA/index.cfm/)

The Biofuels Opportunities for Producers Initiative (BOPI), was an ACAAf-funded initiative intended to help farmers and rural communities hire experts who can assist in developing business proposals and undertake feasibility and other studies necessary to create and expand biofuels production capacity involving significant (greater than one-third) ownership by agricultural producers.

Ten million dollars in funding was made available under in the 2006-07 and 2007-08 funding years, with the final deadline for applications set at June 30, 2007. All approved projects were notified in September 2007. In Manitoba, this program was administered by the Manitoba Rural Adaptation Council.

To be eligible, projects must have fallen under the following key areas:

1. hiring technical, financial, and business planning advisors to assist in developing sound, viable business plans.
2. undertaking feasibility and other studies required to support business proposals
3. investigating the pre-commercialization of biofuels related research (e.g. technical analysis, adaptive research, market assessments, development of production prototype, and other related eligible activities)
4. gathering information to help determine business opportunities and provide necessary input to generate industry involvement in biofuels capacity building.

The maximum available to a project was \$300,000 and at least 25% of the total project cost had to be provided as cash (no in-kind) from industry, of which a minimum of one-third contribution must come from agriculture producers.

## Bioproducts & Biofuels Inquiry Line

[www4.agr.gc.ca/AAFC-AAC/display-afficher.do?id=1193693287842&lang=e](http://www4.agr.gc.ca/AAFC-AAC/display-afficher.do?id=1193693287842&lang=e)

The Bio-Products & Bio-Fuels Inquiries Line has been created to provide agriculture clients with information about programs which are currently offered by Agriculture and Agri-Food Canada. The line is effective October 29th, 2007 until February 29th, 2008 and offers broad information such as program overviews, eligibility criteria, and project specific considerations.

For inquires about these programs please email the Bio-Products & Bio-Fuels Inquiries Line at [bioagriculture@agr.gc.ca](mailto:bioagriculture@agr.gc.ca) or call (877) BIO-4682.

## Co-operative Development Initiative

[http://coop.gc.ca/index\\_e.php?s1=init&page=intro](http://coop.gc.ca/index_e.php?s1=init&page=intro)

The Co-operative Development Initiative (CDI) is the Government of Canada's new program to help people develop co-ops, and to research and test innovative ways of using the co-operative model. CDI will make the co-op option more readily available to Canadians, to respond to their present-day challenges. The expected funding range for projects is between \$5,000 and \$75,000 per project per year. Multi-year projects are allowable (up to five years), but must be completed by the time the program ends on March 31, 2008.

CDI has two main components:

1. **Advisory Services**, to provide expert assistance to groups who want to start new co-ops, or who need help to manage existing ones. This component is managed jointly by the Canadian Co-operative Association and the Conseil Canadien de la Coopération.
2. **Innovation and Research** projects, to study and demonstrate how co-ops can be used successfully in new ways. This component is managed by the federal Co-operatives Secretariat.

For more information, contact the Co-operatives Secretariat by calling 1 888 781-2222.

## EcoAction Web Site

The federal government also hosts an EcoAction web site, and there is a gateway for all federal agriculture / environmental initiatives, here: [www.ecoaction.gc.ca/ecoagriculture/index-eng.cfm](http://www.ecoaction.gc.ca/ecoagriculture/index-eng.cfm)

It also includes a summary of their **renewable fuels strategy**. Regulations under development by Environment Canada will require 5% renewable content based on the gasoline pool by 2010 and 2% renewable content in diesel and heating oil by 2012, upon successful demonstration of renewable diesel fuel use under the range of Canadian conditions. These new regulations will

require enough renewable fuel to reduce greenhouse gas (GHG) emissions by about 4 megatonnes per year, the GHG equivalent of taking almost one million vehicles from the road.

## **ecoAgriculture Biofuels Capital Initiative (ecoABC)**

[www.agr.gc.ca/index\\_e.php?s1=prog&s2=ecoabc-iieb&page=intro](http://www.agr.gc.ca/index_e.php?s1=prog&s2=ecoabc-iieb&page=intro)

The ecoABC Initiative is a federal \$200 million four-year program ending on March 31, 2011 that provides repayable contributions for the construction or expansion of transportation biofuel production facilities. Funding is conditional upon agricultural producer investment in the biofuel projects, and the use of agricultural feedstock to produce the biofuel. The ecoAgriculture Biofuels Capital Initiative (ecoABC) is a four year, \$200 million federal program that provides repayable contributions of up to \$25 million per project for the construction or expansion of transportation biofuel production facilities. Funding is provided for projects that use agricultural feedstocks to produce biofuels and that have new agricultural producer equity investments in the projects equal to, at minimum, five percent (5%) of the total eligible project costs.

The ecoABC initiative is delivered nationally by Agriculture and Agri-Food Canada.

## **Federal Renewable Fuels Incentive Program**

In the 2007 federal budget, the government announced a seven year renewable fuels operating incentive program that allocates \$1.5 billion over seven years to producers of renewable alternatives to gasoline, such as ethanol, and renewable alternatives to diesel, such as biodiesel, under conditions where industry requires support to remain profitable. Incentive rates will be up to \$0.10/L for renewable alternatives to gasoline and up to \$0.20/L for renewable alternatives to diesel for the first three years, then decline thereafter.

In order to ensure companies do not earn excessive profits, government support will not be provided when rates of return exceed 20%, determined annually. Support under the program to individual companies will be capped to ensure that benefits are provided to a wide range of participants in the sector-not just the largest oil-producing companies.

This budget also allocated \$500 million over seven years to Sustainable Development Technology Canada to invest with the private sector in establishing large-scale facilities for the production of next generation renewable fuels. These fuels, which are produced from agricultural and wood waste products including wheat straw, corn stover, wood residue and switchgrass, have the potential to generate even greater environmental benefits than traditional renewable fuels.

## Manitoba's Energy Development Initiative

[www.gov.mb.ca/est/energy/index.html](http://www.gov.mb.ca/est/energy/index.html)

Includes links to various programs and resources, including the Agri-Energy Office. They can provide support and information to any interested producers or communities at <http://www.gov.mb.ca/agriculture/agrienergy/> and have a range of resources, particularly related to biodiesel and wind energy.

There is also a page focused on biomass ([www.gov.mb.ca/est/energy/initiatives/biomass.html](http://www.gov.mb.ca/est/energy/initiatives/biomass.html)) and a link to the Ethanol Office ([www.gov.mb.ca/est/energy/ethanol/index.html](http://www.gov.mb.ca/est/energy/ethanol/index.html)). Starting on January 1, 2008, the province will require that all Manitoba fuel distributors blend ethanol into their gasoline. This will result in significant emissions reductions including a cut in greenhouse gasses by over 135,000 tonnes.

## Manitoba Biodiesel Production Program

[www.gov.mb.ca/agriculture/agrienergy/ene00s02.html](http://www.gov.mb.ca/agriculture/agrienergy/ene00s02.html)

On November 1, 2005 the Province released a ten-point action plan in response to the recommendations of the Biodiesel Advisory Council. The plan includes:

- a Request For Proposals (RFP) to support community based biodiesel produced in Manitoba
- elimination of the 11.5 cent per litre road tax on pure biodiesel (B100) which when combined with the cent per litre federal excise tax results in a 15.5 cent per litre saving over regular diesel fuel; Manitoba Budget 2006 also removed all taxes on the biodiesel portion of blends with diesel fuel;
- a proposal to work with fleets in Manitoba to develop demand for biodiesel in the province
- a plan to develop a Manitoba based low cost testing facility to ensure fuel standards are met
- development of a Biodiesel Preference Policy in future tendering by the Manitoba Department of Transportation and Government Services
- a long-haul trucking demonstration in Manitoba using biodiesel
- co-ordination of research on feedstocks and co-products by Manitoba Agriculture, Food and Rural Initiatives (MAFRI) in order to maximize the benefits to rural Manitoba
- MAFRI will also determine the feasibility of converting deadstock, offal and specified risk materials (SRMs) and biodiesel
- establishment of a Biodiesel Board to advise the Provincial Government on implementation of their action plan and future decisions that will be required to ensure the continued growth of this industry in Manitoba
- the co-ordination of this Action Plan by the Manitoba Agri-Energy Office; this is important given that three government departments and many stakeholders are involved