

## PROPANE FARM INCENTIVE PROGRAM GUIDELINES

January 5, 2023

### 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

Applications may be accepted online at [www.propane.com/farmincentive](http://www.propane.com/farmincentive). After logging in (or creating an account), applicants will complete a brief demographic survey about their operation, add equipment, answer required questions, upload invoice or receipt, upload W-9 and sign electronic contract.

### 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.

### 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. The **total incentive payment is not to exceed 25 percent** of the total equipment cost.

**Propane-Powered Industrial Engines** – New, EPA- and/or CARB-certified industrial engines used for agricultural purposes can qualify for the following incentives:

\$300/liter of displacement for pumping applications and up to \$3,000 for certified dual fuel systems.

**Power Generation**

- \$30/kW for prime power generation
- \$15/kW for backup power generation

**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 tractor pulled flame weed control systems are eligible for an incentive of \$1500. New push type flame weed control carts are eligible for an incentive of \$100.

**Program Incentive Payments**

Each agricultural operation can qualify for incentives for a maximum of six (6) units of equipment total per year and two (2) units for each type of application. Maximum incentive per unit is \$5000 but should not exceed 25 percent of the total equipment cost. Incentives are paid directly to the agricultural producer once the requisite paperwork is processed, typically within 30 business days of PERC receiving the submitted application online.

**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](http://www.propane.com/farmincentive), 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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