

FINANCIAL ASSISTANCE APPLICATION GUIDE FOR RESEARCH AND PILOT PROJECTS AND EQUIPMENT MODIFICATION AND REPLACEMENT

1. INTRODUCTION

This guide contains useful information for applicants requesting financial assistance through *Programme d'aide à l'amélioration de l'efficacité énergétique dans le transport des marchandises*. Please read this document before completing the financial assistance application form. Section 3 deals with financial assistance applications for research and pilot projects. Section 4 deals with equipment modification and replacement.

2. PROGRAM OVERVIEW

2.1 Objectives

The goal of *Programme d'aide gouvernementale à l'amélioration de l'efficacité énergétique dans le transport des marchandises* is to help the freight transportation industry acquire, install, modify, or replace devices or equipment to reduce fuel consumption and thereby lower greenhouse gas (GHG) emissions from freight transportation sources. The program also supports research and pilot projects that show potential in energy efficiency and the reduction of GHG emissions in freight transportation.

2.2 Program length

Programme d'aide gouvernementale à l'amélioration de l'efficacité dans le transport des marchandises ends on March 31, 2013.

3. RESEARCH AND PILOT PROJECTS

3.1 Eligibility

Businesses, institutions, organizations, and individuals in the freight transportation sector whose main office is in Québec are eligible for financial assistance.

3.2 Eligible projects

Research and pilot projects must demonstrate potential for energy efficiency and GHG emission reductions in freight transportation in order to be eligible for financial assistance.

Projects must be directly related to new technology in the freight transportation sector and fall under one of the following categories:

- Research and development project
- Experimental project
- Pilot or demonstration project

3.3 Funding

3.3.1 Amount of financial assistance

Financial assistance equivalent to 50% of eligible expenses (up to a maximum of \$50,000) will be awarded to support the implementation of a research or pilot project on energy efficiency and GHG emission reductions in the freight transportation sector.

3.3.2 Other funding sources

- Applicants must declare all other funding sources pertaining to their application. Expenses paid under another grant program may be deducted from the amount eligible for grants under this assistance program.
- Applicants must contribute at least 33% of eligible expenses.
- Any financial assistance granted to an applicant may not exceed \$200,000 per year.

3.3.3 Eligible expenses

Eligible expenses must be directly related to the project described on the financial assistance application form, including

- Remuneration
- Purchase of equipment used for the project
- Acquisition of supplies and materials
- External services
- Related charges

3.4 Application procedure

Applicants who wish to receive financial assistance under *Programme d'aide à l'amélioration de l'efficacité énergétique dans le transport des marchandises* must use the following procedure:

1. The applicant must send a completed financial assistance application form to Ministère des Transports du Québec (MTQ), along with a detailed project proposal.
2. Following an application assessment, MTQ will determine whether the applicant is eligible for financial assistance.
3. In the event the application is approved, the applicant may start work on the project according to the terms of the proposal. In the event the application is turned down, MTQ will send the applicant a letter explaining the reasons for refusal.
4. Payment will be made according to the terms and conditions set forth and accepted by MTQ.

Step 1: Receipt of applications and preliminary assessment

Applications for financial assistance must be completed using the form available on the MTQ website at www.mtq.gouv.qc.ca. All applications must be sent to the address indicated in this guide (see Section 5). A preliminary assessment will be done to verify whether the application form has been completed correctly and signed by the person authorized to make the application. The applicant will be sent an acknowledgement of receipt and a file number.

Step 2: Application assessment

An advisory committee under the responsibility of MTQ will assess the financial assistance application to determine whether the applicant is eligible for assistance. The assessment examines the following:

- Eligibility of the applicant
- Eligibility of the project
- Potential energy efficiency of the project at this stage
- Budget availability

Step 3: Notice to the applicant

Following the financial assistance application assessment, a letter will be sent to the applicant indicating whether or not the applicant is eligible for assistance. If the application is approved, the applicant may start work on the project. If the application is turned down, MTQ will send the applicant a letter explaining the reasons for refusal.

Step 4: Reimbursement

Financial assistance will be paid to the applicant according to the terms and conditions set forth by MTQ in the letter sent to the applicant indicating funding approval.

3.5 Requested information

The financial assistance application must include the information listed below. However, the Ministry may at any time request any additional information required to assess the file.

Information about the applicant

- Name of the business, institution, organization, or individual
- Registre des entreprises du Québec identification number (NEQ)
- Complete address of the business or individual

Information about the contact person

- Name
- Business title
- Address (if different from the applicant's address)
- Business phone no.
- Business fax no.
- Email address

Description of business activities

- General description of the applicant's activities

Project description

- Complete project description, including the total project cost in the form of a cost or resource budget for each expenditure item and funding source
- Complete description of each stage of the project
- Cost breakdown for each main stage of the project
- Specifics regarding the type of data gathered and the method used to assess reduction of fuel consumption or GHG emissions
- Estimated fuel consumption or GHG emission reductions following project implementation
- Information regarding the project's market potential (short or medium term commercial potential, target market, etc.)
- Other funding sources pertaining to the application
- Additional information (optional)

Note: Use documents enclosed with the form, if required.

3.6 Applicant's obligations

- Enclose a proposal with the application (and any attachments) that includes a minimum of the following headings: context, description of the issues, project objectives, project description, project implementation, schedule, budget, and deliverable goods. The proposal must also include the estimated fuel consumption or GHG emission reductions following project implementation
- Comply with the terms and schedules set forth in the proposal
- Upon request, transmit to MTQ the data required to assess potential GHG emission reductions

4. EQUIPMENT MODIFICATION AND REPLACEMENT PROJECTS

4.1 Eligible applicants

Businesses, individuals, and organizations in the freight transportation industry that are listed in the Commission des transports du Québec *Register of owners and operators of heavy vehicles* with a satisfactory safety rating are eligible for this program. Vehicles covered by the application must also be registered in Québec and considered heavy vehicles as per the *Act respecting owners, operators and drivers of heavy vehicles*.

4.2 Eligible projects

Any device or equipment modification or replacement project that increases energy efficiency and reduces GHG emissions

4.3 Funding

4.3.1 Amount of financial assistance

A grant equivalent to 30% of eligible expenses (up to a maximum of \$15,000) will be awarded for device or equipment modifications or replacements that increase energy efficiency. This financial assistance will be based on the supplementary cost of modifying or replacing devices or equipment compared with the cost of existing or standard ones. One modification or replacement grant may be awarded per device or piece of equipment.

4.3.2 Other funding sources

- Applicants must declare all other funding sources pertaining to their application. Expenses paid under another grant program may be deducted from the amount eligible for grants under this assistance program.
- Applicants must contribute at least 33% of eligible expenses.

- Any financial assistance granted to an applicant may not exceed \$200,000 per year.

4.3.3 Eligible expenses

- The supplementary cost of replacement devices or equipment compared with the cost of existing ones (before taxes)
- The cost of modifying existing devices or equipment
- The cost of installing devices or equipment or both, as the case may be (before taxes)
- The cost of GHG emission reduction quantification and audit reports pertaining to the application of ISO 14064-2 and 14064-3 standards (**simplified process**)

All other expenses are considered ineligible for financial assistance. Examples:

- Quebec sales tax (QST), goods and services tax (GST), and any other charges for which applicants are eligible for a refund
- The cost of GHG emission reduction quantification, validation, and audit reports pertaining to the application of ISO 14064-2 and 14064-3 standards (**complete process**)

4.4 Application procedure

Applicants who wish to receive financial assistance under *Programme d'aide à l'amélioration de l'efficacité énergétique dans le transport des marchandises* must use the following procedure:

1. The applicant must send a completed financial assistance application form to MTQ, along with a project description and a quantification report on the GHG emission reductions to be generated by the project.
2. Following an application assessment, MTQ will determine whether the applicant is eligible for financial assistance.
3. In the event the application is approved, the applicant may start work on the project to modify or replace equipment, and send MTQ the original supporting documents for eligible expenses pertaining to the project. In the event the application is turned down, MTQ will send the applicant a letter explaining the reasons for refusal.
4. Upon receipt of the original supporting documents, MTQ will send payment to the applicant according to the terms and conditions set forth by an advisory committee.

Step 1: Receipt of applications and preliminary assessment

Applications for financial assistance must be completed using the form available on the MTQ website at www.mtq.gouv.qc.ca. All applications must be sent to the address indicated in this guide. A preliminary assessment will be done to verify whether the application form has been completed correctly and signed by the person authorized to make the application.

The applicant will be sent an acknowledgement of receipt and a file number.

Step 2: Application assessment

Financial assistance applications are assessed by an advisory committee under the responsibility of MTQ to determine whether applicants are eligible for assistance. The assessment examines the following:

- Eligibility of the applicant
- Eligibility of the project
- GHG emission reductions demonstrated in the quantification reports
- Budget availability

Step 3: Notice to the applicant

Following the financial assistance application assessment, a letter will be sent to the applicant indicating whether or not the applicant is eligible for assistance. If the application is approved, the applicant may start work on the project to modify or replace equipment, and send the original supporting documents for eligible expenses pertaining to the project to MTQ. If the application is turned down, MTQ will send the applicant a letter explaining the reasons for refusal.

Step 4: Reimbursement

Upon receipt of the original supporting documents, financial assistance will be paid to the applicant according to the terms and conditions set forth by the advisory committee.

4.5 Requested information

The financial assistance application must include the information listed below. However, the Ministry may at any time request any additional information required to assess the file.

Information about the applicant

- Name of the business, institution, organization, or individual
- Québec business number (NEQ)
- Identification number in the Commission des transports du Québec *Register of owners and operators of heavy vehicles*
- Complete address of the business or individual

Information about the resource person

- Name
- Business title
- Address (if different from the applicant's address)
- Business phone no.
- Business fax no.
- Email address

Description of business activities

- General description of the applicant's activities
- Category of transportation service (private or for-hire operations, or both)
- Type of transportation provided (intraprovincial, interprovincial, etc.)
- Size of the company's heavy vehicle fleet

Project description

- General description of the project
- Complete description of the equipment to be replaced and the replacement equipment (make, model, etc.)
- Cost of equipment or modifications, including installation costs and excluding taxes
- Type of vehicle on which the equipment will be installed (make, year, license plate number, etc.)
- Total project cost in the form of a cost or resource budget for each expenditure item and funding source
- Specifics regarding the type of data gathered and the method used to assess reduction of fuel consumption or GHG emissions
- Other funding sources pertaining to the application
- Additional information (optional)

Note 1: If the application is for more than one vehicle, the applicant must provide the information required for each vehicle and the related equipment on a separate, enclosed list. An Excel worksheet is available on the Website.

Note 2: Please attach a separate list if space on the form is insufficient.

4.6 Applicant's obligations

- Submit a project description along with the grant application.
- Upon request, transmit to MTQ the operational, financial, and environmental data required for the program assessment process, notably the number of hours of device or equipment use and average fuel consumption.
- **Quantification of GHG emission reductions:** When submitting an application, the applicant must provide a quantification report on the GHG emission reductions to be generated by the project. This report must be drawn up and signed by a person holding the Canadian Standards Association (CSA) training certificate for the ISO 14064-2 standard: *Specification with guidance at the project level for quantification, monitoring, and reporting of greenhouse gas emission reductions or removal enhancements (simplified process)*.
- **Verification of GHG emission reductions:** After project startup, at the financial contribution stage, the promoter must provide an audit report on GHG emission reductions. The report must be drawn up and signed by a person holding the Canadian Standards Association (CSA) training certificate for the ISO 14064-3 standard: *Specification with guidance for the validation and verification of greenhouse gas assertions*. This person must not be the same one who prepared the report at the project submission stage.

Environment Canada's training program on ecoproject evaluation and verification is considered as an equivalent.

5. SUBMISSION OF A FINANCIAL ASSISTANCE APPLICATION FOR A RESEARCH OR PILOT PROJECT OR EQUIPMENT MODIFICATION OR REPLACEMENT

Financial assistance applications must be sent to the following address:

Programme d'aide gouvernementale à l'amélioration de l'efficacité énergétique
dans le transport des marchandises
Direction du transport routier des marchandises
Ministère des Transports du Québec
700, boulevard René-Lévesque Est, 2^e étage
Québec (Québec) G1R 5H1

For more information, please write to the abovementioned address or contact MTQ by

Phone: 418-528-2513 (local calls)
1-877-635-8239 (toll free)
Fax: 418-644-5178
Email: peetm@mtq.gouv.qc.ca
Internet: www.mtq.gouv.qc.ca