

## **9/29/09 Off-road Agricultural Equipment Funding Forum**

In light of upcoming regulations for agriculture off-road equipment, the US EPA Air and Agriculture Programs hosted a recent funding forum. Please read below for updates on these regulations and funding opportunities designed to help farmers bring their equipment up to the regulation requirements.

### **Regulations:**

#### **California Air Resources Board:**

##### *Information:*

- This regulation is designed to focus on self-propelled off-road vehicles used in agricultural operations.
- They are currently in the process of gathering an inventory of agricultural off-road vehicles in order to get an estimate of the age and sizes of vehicles being used throughout California.
- They plan to release the regulatory proposal at the end of the summer of 2010.
- There will be a public comment process to allow the public to openly view and comment on all drafts of the proposal released.
- The proposal will be presented to the board in late 2010 or early 2011. There will also be opportunity for public comment at this presentation. The entire process will be kept open to the public.

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### **Available Funding:**

#### **AB 118**

##### *Information:*

- This Assembly Bill is a rebate incentive program for zero emission utility terrain vehicles that began in April 2009.
- This Bill recognizes that electric vehicles currently cost 5-15% more than their fuel powered equivalents. The rebate is designed to help off-set this difference.
- These rebates will cover up to 15% of the MSRP or up to \$2,500 for all new zero-emission ATV and utility vehicles.
- They are currently developing a Web site that will have a listing of all vehicles eligible for the rebate.

- Rebate applications are available online and by mail. They will be awarded on a first-come, first-serve basis. Rebates are processed in about two weeks. They are currently working to find an air district to manage the administrative needs of this program. As that gets solidified so will the online resources.
- Groups eligible for the rebate include non-profit organizations, individuals, businesses and public entities.
- Consumers are required to self-certify that the vehicle will be used solely for California agricultural purposes.

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**Carl Moyer Program**

*Information:*

- This program has been created by the California Environmental Protection Agency, Air Resources Board to upgrade equipment in order to reduce real, enforceable and surplus emissions.
- This program is designed to repower, retrofit or replace old equipment with newer and cleaner equivalents.
- There is a cost effectiveness cap of \$16,000 per weighted ton of reduced emissions.
- Consideration is dependent upon fleet size, compliance status, cost of project, emissions reductions and annual use.
- In order to be eligible:
  - Proposed projects must have a minimum project life of three years (you must plan to use the repowered/retrofitted engine for at least three years).
  - Engines must be larger than 25 horsepower.
  - There must be proof of destruction of existing engine for all repowers.
  - Diesel and spark ignition equipment is eligible.
  - Equipment purchased must be run at a level cleaner than the minimum requirement.
- Up to 80% of the total equipment cost will be reimbursed.
- Up to 100% of retrofit costs will be reimbursed.
- Up to 85% of repower costs will be reimbursed.

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## **Environmental Quality Incentives Program**

### *Information:*

- This program was reauthorized in 2002 “to provide a voluntary conservation program for farmers and ranchers that promotes agricultural production and environmental quality as compatible national goals.”
- Many wanted to use the 2008 Farm Bill to promote air quality. As a result of these efforts two initiatives were born, an air quality emissions program and an engine replacement, repower, and retrofit program.
- There is a \$300,000 limitation on funding. Up to 75% of incurred costs and forgone income as a result of certain conservation practices will be reimbursed.
- Contracts are offered in term lengths of 1 – 10 years.
- Ranking of projects eligible for funding will be by size of engine and hours of use.
- This program is very similar to the Carl Moyer program except that it doesn't hinge on regulation and documentation requirements. It may be easier to qualify for this program.

### *Contact:*

For more information, and to apply, visit  
<http://www.nrcs.usda.gov/programs/eqip/index.html>

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## **Diesel Emissions Reduction Act:**

### *Information:*

- 70% of the funding from this program comes from the National Clean Diesel Program. This program is designed to encourage the use of innovative technologies.
- 30% of the funding comes from the State's Clean Diesel Program.
- This program is administered by the EPA's regional offices and will be used with EPA-verified and certified technologies.
- In order to be recognized as an “emerging technology” the manufacturer must have an EPA approved application and test plan for verification.
- Eligible applicants include U.S. regional, State, local or tribal agencies or port authorities that have jurisdiction over transportation. Additionally, non-profit organizations that focus on pollution reduction and education, services to those that own or operate diesel fleets, or have as a principle purpose the promotions of transportation or air quality are also available.
- Funding may be used for the following types of fleets:
  - Buses
  - Medium-heavy duty trucks

- Marine engines
- Locomotives
- Non-road engines (such as those used in agriculture)

*Contact:*

For more information visit [www.epa.gov/cleandiesel](http://www.epa.gov/cleandiesel), call the hotline at 1.877.623.2322, or e-mail [cleandiesel@epa.gov](mailto:cleandiesel@epa.gov)

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\*note: once the request for proposal has been issued you cannot ask specific questions through any format other than the Clean Diesel Web site, hotline or e-mail.