



FARMER Year 2023-2024

Program Updates & Notifications

* This is a summary of a few key points that we would like to highlight regarding our FARMER year 23/24 Program. For full Program details, review the District's FARMER guidelines and the state's FARMER and Carl Moyer Guidelines.

Updates

ELIGIBLE REPLACEMENT COST

For FARMER year 23/24, the NSCAPCD eligible replacement cost includes sales tax. This means the eligible replacement cost is the baseline equipment cost plus sales tax. No other fees or accessories are included. An initial itemized estimate and a final signed invoice are required.

PROGRAM EQUIPMENT CATEGORIES

For FARMER year 23/24, the NSCAPCD is funding the following project categories:

- **Electric tractor**
 - Up to 80% of eligible cost.
 - Option for charger & extra battery.

- **Electric UTV**
 - Up to 75% of eligible cost.
 - Option for charger & extra battery.

- **Off-road equipment (includes tractors)**
 - Up to 80% of eligible cost.

- **Charging Infrastructure**
 - Infrastructure charging for FARMER project categories, excluding electric UTV.
 - Up to 50—75% of eligible cost.
 - Only an option with a companion electric equipment project.
- **Low Use Ag truck**
 - Up to 65% of eligible cost.
 - ≥14,000 GVW and operates <1,000 miles per year.
 - Must be registered in TRUCERS as of 1/1/2023.

Notifications

EQUIPMENT USE AND ANNUAL REPORTING

When applying for funding, Carl Moyer (Moyer) and FARMER applications require two years of equipment operations data, typically in the form of annual hours of operation, or gallons of fuel consumed, to represent annual usage. **NSCAPCD does not have a minimal annual usage requirement to apply for funding.**

For each Moyer and FARMER project, the District must determine the incentive amount that can be offered on a case-by-case basis. The incentive amount is determined by a Legislatively approved cost effectiveness formula. Two key factors in this formula are the annual usage and years of project duration.

Simply stated, the more that a “clean” piece of equipment is used instead of a “dirty” piece of equipment, the greater the amount of pollution reduced (and the better the cost effectiveness). In this manner, cost effectiveness can be met, or improved, with more annual use and/or longer project duration.

For our District, the amount of annual usage is not stipulated in the funding agreement, but the years of the project duration are. Once newly funded equipment begins service, CARB requires the Districts to collect annual use reports for assurance that the cost effectiveness continues for the project duration.

More specifically, CARB guidelines state that the average value of the last 3 consecutive reporting years’ use should equal 70% or more of the average of the 2 years’ use values provided in the initial equipment application. CARB

guidelines state that the Districts should take compliance actions if the 70% threshold is not met, including a waiver for cause, extension of project life, or otherwise regain funds lost below the cost-effectiveness threshold. **Projects should never idle equipment for the sole purpose of meeting the 70% threshold.**

EQUIPMENT TRANSFER OR SALE

Equipment funded under the Carl Moyer (Moyer) or FARMER programs cannot be sold or transferred during their project life pursuant to the funding agreement and State and District Program requirements. There are two options:

- A Program participant may buy-out their equipment before the end of their project term. In this case, the District will prorate the equipment for the remaining project term and the Program participant may purchase the equipment which will conclude the funding agreement. These funds go back into the District's pool to fund new projects.

or

- A Program participant may authorize a new entity to assume the remaining life of their funding agreement upon District approval (reassignment). However, the original signatory of the funding agreement still retains responsibility for the remaining life of the funding agreement. The new entity must continue to report annually and comply with all the funding agreement requirements. If the new entity does not comply, the initial signatory is held responsible and/or the contraction assumption may be terminated and revert to them.

For additional questions or concerns refer to CARB & District guidelines; the District Incentives page on our web site (www.nosocoair.org/incentives); call us at 707.433.5911; or email us at airquality@sonoma-county.org.