

# **Funding Opportunities for Agricultural Operations in the San Joaquin Valley**

**California Dairy Sustainability Summit  
Sacramento, CA  
November 27-28, 2018**

# Valley Air District Incentive Programs

- **Valley Air District operates successful incentive grant programs that help fund voluntary clean-air projects throughout the San Joaquin Valley**
  - Over \$2.1 billion invested in clean air projects through incentive grant programs
  - Over 144,700 tons of emissions reduced
  - State audits commend District as an example of effectiveness and efficiency
  - High demand across a variety of incentive programs due to reputation and established relationships with local agencies, businesses, and other stakeholders
- **2018-19 Incentive Spending Plan includes \$350 million in local, state and federal funding for clean-air projects in a variety of categories:**
  - Heavy focus on mobile sources, including trucks, cars, tractors, locomotives and construction equipment
  - Funding for replacing older, higher-polluting equipment or vehicles with new, low-emission equipment
  - Emission reductions must be beyond (surplus to) those required by rules and regulations

# District's Partnership with Agriculture to Develop and Implement Clean Air Strategies

- District and Valley agricultural stakeholders have long partnered to develop sound science and innovative strategies for reducing emissions
  - Examples include Conservation Management Practices and tractor replacement & trade-up programs
- A number of clean air milestones, including PM10 and 1-hour ozone attainment, can be largely attributed to major sacrifice and investment by Valley agriculture
- Despite significant reductions, more reductions necessary to meet ever-tightening state and federal air quality standards
- Incentive-based programs critical for achieving further reductions in new attainment strategies

# Current Funding Opportunities for Agriculture

- **FARMER Program Funding - \$108,000,000**
  - Off-road agricultural equipment
  - Harvesting equipment
  - Irrigation pump engines
  - Agricultural utility terrain vehicles (UTVs)
  - Heavy-duty trucks used in agriculture
- **AB 617 Early Action Funding - \$80,000,000**
  - Carl Moyer Program-eligible projects, including ag equipment
  - Proposition 1B-eligible Trucks
- **Carl Moyer Program ~ \$10,000,000**
  - Includes agricultural equipment
- **Additional local, state and federal funding (DERA, LCFS, etc.)**

# Dairy Feed Mixer Electrification Pilot Program

- Pilot program funding: \$4,000,000
- Funding provided on first-come-first-served basis, based on complete applications
- Project funding based on total emission reductions achieved by the proposed projects and funding caps
  - Emissions reductions based on State Moyer Program methodologies
  - Cost-effectiveness cap based on Moyer Program (currently \$30,000 per ton of emissions reduced)
  - Project funding capped at 75% of total eligible project cost
- Total eligible costs include new electric feed mixing/ distribution equipment and other new equipment/vehicles
- Funding estimated at \$700,000 to \$1,000,000 per project, covering 60% to 75% of total eligible project costs

# Dairy Feed Mixer Electrification Pilot Program (cont'd)

- Program designed with flexibility to accommodate wide variety of processes present throughout the Valley, while still achieving cost-effective emission reductions
- Applications will be required to identify the following key pieces of information:
  - Each piece of equipment that is currently utilized in the feed mixing and distribution system that will be retired (destroyed)
  - Each piece of equipment that will have a reduction in hours upon implementation of the new feed mixing and delivery system
  - New electric feed mixing and distribution equipment and associated infrastructure that will be needed for the project
  - New latest-certified diesel-powered equipment that will be purchased to support the new feed mixing and delivery system (if any)
  - The cost of new electric feed mixing and/or distribution equipment to be evaluated by the District

# How Can You Apply?

**District website:**

[www.valleyair.org/grants](http://www.valleyair.org/grants)

**Call for more information:**

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