

Fact Sheet:
**Environmental Quality
Incentives Program
On-Farm Energy Initiative**

January 2012

Overview

The Environmental Quality Incentives Program (EQIP) is a voluntary program that offers financial and technical assistance to agricultural producers through contracts up to a maximum term of ten years in length. These contracts provide assistance to plan and implement conservation practices that improve soil, water, plant, animal, air, energy conservation, and related resources on agricultural land and non-industrial private forestland. In addition, EQIP can help producers meet federal, state, Tribal and local environmental regulations.

On-Farm Energy Initiative

The 2008 Farm Bill includes provisions for the use of EQIP to assist producers with addressing energy conservation. The NRCS EQIP On-Farm Energy Initiative offers assistance to producers in two ways: 1) it enables the producer to identify ways to conserve energy on the farm through an Agricultural Energy Management Plan (AgEMP) conservation activity plan (CAP), also known as an on-farm energy audit, and 2) provides financial and technical assistance to implement conservation practices recommended in the energy audit, such as residue and tillage management, and Farmstead Energy Improvement (Conservation Practice Standard 374).

Eligibility

Eligible applicants include individuals, legal entities, Indian Tribes or joint operations engaged in agricultural production. Producers who grow agricultural commodities on eligible land and have resource concerns

which may be addressed by energy conservation practices may participate in the On-Farm Energy Initiative.

Eligible producers interested in entering into a financial assistance agreement with NRCS for EQIP assistance may file an application at their local USDA Service Center at any time. Your local office can be found at <http://offices.sc.egov.usda.gov/locator/app>.

Applicants must:

- Be an agricultural producer and have control of eligible land for the term of the proposed contract period.
- Be in control of eligible land such as cropland, pasture, rangeland and headquarters.
- Be in compliance with the provisions for protecting the interests of tenants and sharecroppers, including the provisions for sharing EQIP payments on a fair and equitable basis.
- Be in compliance with the highly erodible land and wetland conservation compliance provisions of the 2008 Farm Bill.
- Be within appropriate payment limitation requirements, as specified in the 2008 Farm Bill.
- Be in compliance with adjusted gross income requirements of the 2008 Farm Bill.

How EQIP Works

NRCS staff will work with the applicant to develop a conservation plan and an EQIP plan

of operations. This plan becomes the basis of the EQIP contract between NRCS and the participant.

NRCS may also provide financial assistance to participants for conservation planning services through a Technical Service Provider (TSP). These services are utilized to develop Conservation Activity Plans (CAP) which will be included in the plan of operations as they provide in depth analysis of specific resource concerns.

Applications submitted for the EQIP On-Farm Energy Initiative are accepted on a continuous basis throughout the year. Applications are evaluated and ranked according to environmental benefits expected through implementation of approved conservation practices.

Payment Limitations

Program payments are limited to 300,000 a person or entity for all contracts entered into during any six-year period. This limitation includes unpaid prior year contract obligations as of October 1, 2008, as well as new contract obligations. For the purpose of applying this requirement, the six-year period will include those payments made in fiscal years 2009-2014. Payments received for technical assistance are excluded from this limitation.

More Information

For more information and updates about the EQIP Initiatives and other 2008 Farm Bill topics, please visit the NRCS website at: <http://www.nrcs.usda.gov/wps/portallnrcs/main/national/programs/financial/eqip>.