

The West Coast Collaborative is a partnership between leaders from federal, state, tribal, local and U.S. territorial government agencies, the private sector, academia, non-profit and environmental organizations committed to reducing medium- and heavy-duty diesel emissions and advancing clean air technologies, policies, and practices across Western North America.

## Funding for Agricultural Tractors and Equipment

In 2016, agriculture in the US consumed 1.872 trillion Btu of energy accounting for about 1.9 percent of primary U.S. energy consumption. Energy used on farms is used either to power equipment on-farm (direct energy use) or on inputs like fertilizer and pesticides (indirect energy use). While fertilizer production accounted for the greatest amount of energy use in 2016 at about 550 billion Btu, diesel, which is used to power on-farm equipment like tractors, accounted for over 500 billion Btu of energy.<sup>1</sup> Diesel fuel combustion generates greenhouse gases and air pollution that has serious human health and environmental effects. Modern diesel engines are up to 90% cleaner than legacy uncontrolled diesel engines. Zero-emission technologies such battery-electric or hydrogen fuel cell propulsion systems are becoming increasingly available and have no tailpipe emissions eliminating exposure to diesel exhaust.

### Funding Opportunities

There are a variety of funding opportunities that can help support the transition away from diesel burning tractors at the federal, state, and local levels. To learn more about the programs, see if funding is currently available, and to learn more about the kind of projects that are eligible, click the various program links. Also, be aware that there may be other funding opportunities in your community, someone at your [state's agriculture agency](#) or [local NRCS agent](#) can help you navigate local funding opportunities to make your tractors cleaner.

Program Name	Geography	Eligible Entity	Eligible Project	Money Available
<a href="#">Diesel Emissions Reduction Act (DERA – EPA)</a>	Nationwide	Regional, state, local or tribal agencies/consortia or port authorities with jurisdiction over transportation or air quality and non-profits that focus on transportation or air quality	Include most projects that decrease diesel emissions from non-road engines including vehicle replacement. Read a <a href="#">Notice of Funding Opportunity (NOFO)</a> / <a href="#">Request for Applications (RFA)</a> for more information.	\$46 million was available in 2021 for the DERA National Program (there is also State DERA and Tribal and Insular Area DERA with minor differences to program specifications), with a maximum application request varying by EPA Region between \$1 and \$4 million.
<a href="#">Rural Energy for America Program Renewable Energy Systems &amp; Energy Efficiency Improvement Guaranteed Loans &amp; Grants (USDA)</a>	Nationwide	Agricultural producers (>50% of income from agriculture) and small businesses in eligible rural areas	Renewable energy systems (wind or solar on farm) and replacement of energy-inefficient equipment	<ul style="list-style-type: none"> <li>- Loan guarantees on loans up to 75 percent of total eligible project costs.</li> <li>- Grants for up to 40 percent of total eligible project costs.</li> <li>- Combined grant and loan guarantee funding up to 75% of total eligible project costs.</li> <li>- Max grant for renewable energy systems is \$1 million and for energy efficient projects \$500,000.</li> </ul>

<sup>1</sup> See this report from the USDA's Economic Research Service: <https://www.ers.usda.gov/data-products/chart-gallery/gallery/chart-detail/?chartId=87964>

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<a href="#">Environmental Quality Incentive Program – EQIP (USDA)</a>	Nationwide	Agricultural producers and Indian tribes among others	Projects that improve water and air quality, among others. <a href="#">Contact your local Natural Resource Conservation Service (NRCS)</a> representative for more information.	It depends. <a href="#">Contact your local Natural Resource Conservation Service (NRCS)</a> representative for more information.
<a href="#">Carl Moyer Program (CARB)</a>	California	Private companies and public agencies	Heavy duty on road and all off-road vehicle replacements or retrofits that reduce pollution beyond (or before they are in place) regulatory requirements	\$60 million is distributed through California’s 35 local air districts
<a href="#">FARMER (CARB)</a>	California, predominantly in the San Joaquin Valley	Private farms	Vehicle replacement of off-road mobile diesel equipment, off-road mobile large-spark ignition (LSI) equipment, on-road heavy-duty trucks, and portable equipment, such as irrigation pump engines, when used in agricultural operations.	Appropriations are made for between \$56 and \$212.6 million yearly, \$150 million available for 2022-2023 through California’s 35 local air districts
<a href="#">Clean Off-Road Equipment Voucher Program (CORE – CARB)</a>	California	Private equipment purchasers and clean vehicle manufactures	This voucher program aims to cover the cost difference between clean commercially available equipment and the traditional equipment. Equipment purchasers must use the equipment in California for 3 years. No scrappage requirements.	The program has been oversubscribed for the heavy-duty equipment sector as of March 2023
<a href="#">Conservation Agriculture Planning Grants Program (California Department of Food and Agriculture)</a>	California	Private farms, non-profits, institutions of higher education, and more	Projects can include “Agricultural Energy Design” and “Carbon Farm Planning” which could conceivably be used toward providing an energy audit of a farm to prepare for electrification or hydrogen or other fueling planning	Up to \$250,000 per application

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<a href="#">Nevada Clean Diesel Program (Nevada Division of Environmental Protection)</a>	Nevada	Historically worked with school districts and municipal fleets, but is technically eligible for private entities	Uses State DERA funds for eligible diesel retrofits and offroad equipment replacements	FY 2022 awarded \$572,113.89
<a href="#">Hawaii Diesel Replacement Rebate Program (Hawaii State Energy Office)</a>	Hawaii	Public and private entities with vehicles in the state of Hawaii	Uses State DERA and VW settlement funds to pay 45% of the cost to replace a diesel vehicle with a zero-emission vehicle	\$1,278,600 available in 2023, the second year of the program
<a href="#">Central Coast Community Energy's Ag Electrification Program</a>	Santa Cruz, San Benito, Monterey, San Luis Obispo, and Santa Barbara Counties, California	Farm Businesses whose project site is enrolled in Central Coast Community's electrical service	Rebates for purchase of electric farming equipment including tractors.	Rebates for tractors are \$50k or 70% of project cost and small businesses can receive either 90% of the project cost or \$75k.
<a href="#">Pacific Gas and Electric's EV Fleet Program</a>	Central and Northern California (PG&E customers)	Available to medium and heavy-duty applications in Agriculture who: <ul style="list-style-type: none"> <li>- Is a PG&amp;E customer</li> <li>- Owns or leases the property</li> <li>- Purchases at least 2 EVs</li> <li>- Agrees to Terms and Conditions</li> </ul>	Rebates can cover portions of the infrastructure costs and charger costs.	50% of the EV chargers with a variety of caps, and a few thousand dollars on infrastructure.