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EQIP Q & A for NETCONFERENCE 10-15

Q: Can Nutrient Management be applied to pasture acres? The bullet says "eligible land" and we wondering about pasture/hay acres. **NO.**

Q: Overestimating versus underestimating; clarification that the landowner will not be penalized under this ranking system if the DC overestimates the size/cost. Plus if they underestimate and the change is more than \$1000 it will require a modification instead of just using the change button.

A: The amount of units for a practice is not part of the ranking system. We can make unit adjustments at the time of payment by using the change button for increases less than \$1,000. Increases over \$1,000 will have to go through a normal modification and be approved by the APS or AC or state Programs staff. Under/over-estimating the unit amounts will be less of a problem with the payment schedule. It is important that the participant understands that their unit cost may be different than our unit cost used for the payment calculation. NRCS also needs to review any engineering cost estimates we provide to the participant as they could be much higher than the unit cost used for the payment calculation.

Q: Receipts- can you cover what is required for pasture and hayland planting as far as receipts/PLS tag/soil sample, etc.

A: You will need information like PLS, soil tests, or fertilizer recommendations to certify practice completion. You do not need to send that information to the state office for payments. Only AM practices need bills sent to the state office for payment, other practice types will need bills collected for use in setting our payment rates. Instructions will be sent out later on how we will collect the needed information. In the course of Quality Assurance the area office may request seed tags, soil test reports, etc. as they determine necessary.

Q: TSPs- when do we put the 900 series in the contract? **On 2008 applications you can begin including 900 series immediately. On other year contracts wait until instructions are sent out in the near future.**

Q: You said that a client who received up to 3 years of no-till incentives in the past could re-apply for no-till incentives on other land if the client has no-tilled less than 5 years in total. This appears to be in conflict with the third bullet item under practice 329 in the guidelines. Were you going to change the guidelines to reflect this? **The third bullet was supposed to be removed from the document. The participant can receive payment for No-till (329) as long as they have no-tilled less than five years.**

Q: If a client has received no-till incentives in the past, would the client be eligible to apply for the energy conservation system payments, since it is now under the residue management practice code? **YES, as long as they implement all of the other requirements of the Energy Conservation System. The Energy Conservation System does not pay for no-till; it pays a bonus for the combined application of the four required practices. We can pay for no-till, cover crops, nutrient management, and buffers separately if they meet the individual practice requirements.**

Q: Is the energy conservation payment limited to 3 years per client? **YES, it is listed in the second paragraph of page 5 of the Guidelines with the other 3 year incentive practices.**

Q: Regarding the pest management, nutrient management, and waste utilization practices: If a client has previously received incentive payments for any of these practices (which appear to be

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at what is now considered the "basic" management level,) would the client be eligible to apply for these practices at the "high" management level now if they agree to meet the higher standard?

YES, as long as they continue to meet the basic level and also add the required High elements, then they can receive the High payment.

Q: Regarding the "confined livestock operations" bullet on page 2 of the guidelines: Is an applicant eligible for EQIP funds on a new waste storage facility if he/she closes an existing facility but expands production more than 20%? I thought that you said the applicant would be eligible to receive EQIP funding for the waste storage facility at the "expansion" payment rate in this case. Is this correct? The bullet seems to contradict this. The bullet on page 2 that you refer to was only intended to clarify that we will not fund new production facilities unless a closure is involved. Under 313 on page 14 we clarified that the practice was eligible where less than 20% expansion occurs, when expansion is greater than 20% then the expansion rate applies. So a participant could complete a closure, build a new facility that was for a herd expansion of more than 20% and would receive the expansion rate payment.

Q: For the LRP/ BF, will ProTracts automatically take the PR rate and increase it by 15% if the correct box is marked.

A: Yes ProTracts will automatically calculate the rate. It will NOT be necessary to manually edit the rate like before. (I believe it will not be possible to edit it, but have not tested that).

Q: Under CNMP there is a note that the TSP TA request form will be completed. Is that true since they will not be requesting TA?

A: Yes that is correct. Last year we decided that the participant must use a TECHREG listed provider for CNMPs completed under FA and that requirement still stands. While we are not paying out TA, we decided to use the TA form for CNMPs this year to get the documentation that the producer has contacted a TECHREG listed provider. We have instances from last year where the provider is not qualified to provide a CNMP. XX out the TA acronym if it bothers you.

Q: Under 590 and 595 would all of the practices both basic and high be ineligible for CSP? I know that the high items would most likely only conflict with enhancements, but I am scared we would run the risk of double payments.

A: Existing CSP contracts would not be eligible for 590 or 595 under an EQIP contract and may not be eligible for 590 High and 595 High if certain enhancements are in the CSP contract. We will send out a cross reference list for CSP and EQIP practices that have the potential to be duplicative payments.

Q: In 329 and 345 in the EQIP 2008 rules there is still a bullet stating that Clients who have received the payment in the past are not eligible. I thought this statement was going to be removed and 329 and 345 was going to be opened up to ANY LAND (rules currently say "applicant") that has been no-tilled for less than 5 consecutive years. This question relates to bullets 3 and 4 under 329, and bullets 4 and 5 under 345.

A: The statement "clients who have received payment in the past are not eligible" should have been removed from both 329 and 345, we will issue a correction or update the Guidelines. 329 and 345 are not "open to ANY LAND". We created the incentive to effect a change in management and when a participant has practiced no-till for 5 or more consecutive years, they have adopted no-till. We raised the acreage cap to 500 acres and removed the restriction on receiving prior payments to encourage full adoption of the systems. EQIP cannot be used to annually pay for grain crop production or to pay for management that a producer has already adopted. If a participant has no-tilled or mulch-tilled for 5 or more consecutive years, they are not eligible to receive payments for these two practices.

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Q: As discussed at the EQIP 2008 meeting. Are cover crops (not emergency), and Cover crops as part of the bundle allowed to be harvested? The standard allows for this however your guidance was this was not the intent. Will this be put in writing?

A: It is now in writing- Under EQIP-Cover crops may be harvested to provide supplemental forage. While the standard does state that "cover crops will be terminated by harvest, frost, mowing, tillage...." we have to look to the purposes of cover crops. One of those purposes is supplemental forage, which would effectively require harvest by grazing or mechanical means. The criteria for this purpose states "Forage provided by the cover crop may be hayed or grazed as **long as sufficient biomass is left for resource protection**". Even under the Cover crop/Soil Quality initiative we need to ensure that **sufficient biomass is left for resource protection**. There is no discussion or purpose to harvest for grain. EQIP cannot be used to pay for grain crop production, so harvesting for grain is **not** allowed.

Q: Nut Mgt 590 - High has a bullet stating no fall nitrogen will be applied. The Dc's questions about fall nitrate on Wheat?

A: No fall nitrogen application was meant for spring seeded crops. Fall nitrogen will be allowed on Wheat. Application of MAP or DAP includes incidental amounts of nitrogen and would also be allowed. Guidelines will be updated.

Q: Will WHIP funding will be available in FY08. I have heard that they might combine both EQIP and WHIP under the new farm bill. I am also wondering how we will be able to allow those participants who just want wildlife practices to become eligible. Most of these people don't report income on their taxes.

A: There is currently no WHIP funding for 08. The new farm bill is still being debated and we don't know what will be in it. Not everyone will be eligible for EQIP; they will have to meet the basic EQIP eligibility requirements of \$1000 in farm sales, AGI, and HEL/WC compliance. There is no way to just make them eligible because they want a payment.

Q: An existing 2000 head hog facility currently has two lagoons; the producer wants to build two new buildings with adequately sized concrete pits under them. He does not plan to increase his number of hogs. He would like to make an EQIP application for the 2 new pits, animal mortality facility, CNMP, and a few other items. However he would like to close the two existing lagoons on his own without including them in the EQIP contract. There is a statement in the rules currently about the closing having to be a part of the EQIP contract. Will he be allowed to make application?

A: Of Course he will be allowed to make application, we must allow everyone that is interested to apply. The question here is one of eligibility for a payment on one practice in the application. To be eligible for payment on a new facility we set the requirement that the closure of the old facilities **must** be included in the EQIP contract. However; upon further discussion of this specific case it was determined that the participant is actually replacing undersized storage with new properly sized storage. There is an existing resource concern, there is no expansion, the new storage will be constructed near the current buildings, and the former lagoons will be re-used for fresh water activities rather than being "closed". In this case we would not consider this a new production facility and the participant would be eligible for payment on the 313.

Q: Does the ranking have to be completed on the Emergency - CNMP ONLY - Soil Quality applications? Can we just open the ranking add the resource concerns and then check rules and then submit the application without finishing the ranking?

A: ProTracts will not let you get by with out ranking. For these initiatives just pick one resource concern to get through the ranking. We will not be looking at the score when we select them.

Q: Sometimes the 912 and 913 practices are not implemented until the second year of the contract. Should they be in the planned schedule with 0 cost share or will we have to wait a year until we put them in?

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A: In a 2008 application you can schedule the TA for all practices that will be completed within 12 months of the contract obligation. If you believe that it will be more than 12 months before the 912 and 913 will be done you could enter that as a \$0 amount.

Q: The Energy System requires all water bodies to be buffered. Open Ditches, ponds and lakes are obviously water bodies. What about wetlands? Are we required to buffer those?

A: NO