

EXHIBIT Q - To National Instruction 440-310

Environmental Quality Incentives Program (EQIP) Ranking Guidance

A. Ranking Pools

- 1) States must create ranking pools using the National Ranking Templates within this national instruction and guidance in 440-CPM-530-D and -530-R.
- 2) At a minimum, States must establish separate ranking pools, using the “EQIP-General” National Ranking Template for each of the following:
 - a) Beginning farmer or rancher (BFR)
 - b) Socially disadvantaged farmer or rancher (SDFR)
 - c) National Organic Initiative (NOI)
 - d) National Air Quality Initiative (NAQI) – States with a NAQI allocation or a State interested in requesting to participate should refer to NI 440-307, “Instructions for Implementing National Program and Landscape Conservation Initiatives.”
- 3) Climate Smart Agriculture and Forestry (CSAF) – States may establish separate ranking pools or may establish unique categories and ranking questions within a ranking pool. A list of CSAF practices and enhancement activities is available through a national directive.
- 4) States must offer conservation activities (CPAs, DIAs, CEMAs) through a State initiative ranking pool or as part of their State’s general ranking pools. Additional guidance and regarding conservation activities may be found under NI 440-320, “Guidance for Implementing Conservation Planning Activity, Design and Implementation Activity, and Conservation Evaluation and Monitoring Activity.”
- 5) States may establish additional ranking pools for State initiatives using EQIP general funds. Examples include:
 - a) High Tunnel System (325).
 - b) Source water protection. Refer to “Source Water Protection” guidance for additional information.
 - c) National On-Farm Energy Initiative (NOFEI). Refer to Section C(2) below.
 - d) StrikeForce.
- 6) States are encouraged to create at least one wildlife habitat-focused ranking pool to meet the 10% EQIP allocation for wildlife. Additionally:
 - a) States that establish wildlife-related subaccounts will adjust the default points for the “Aquatic Habitat” and/or “Terrestrial Habitat” resource concern categories to the maximum percentage allowed and reduce the remaining resource concern categories as needed to stay within the required Resource Concern Categories Total of 100.
 - b) The list of practices and initiatives that count towards the wildlife target and the methodology can be found in the State allocation letter.
- 7) For the NOI, States will create one ranking pool for organic transitioning, certified organic, and exempt organic producers. States will select the “organic-transition” subaccount type from the ProTracts menu.
- 8) States that receive EQIP Initiative funding not addressed in a specific exhibit or template within this national instruction should follow the guidance within this exhibit and the “EQIP-General” National Ranking Template to build the subaccounts and associated ranking pools for that initiative.

B. Applicability and Ranking

1) Applicability Questions—

- a) States must use the following questions to determine applicability for specific ranking pools:
 - i) For the BFR ranking pools, did the applicant self-certify as a beginning farmer or rancher on the NRCS-CPA-1200, “Conservation Program Application?” (Yes = applicable; No = not applicable)
 - ii) For the SDFR ranking pools, did the applicant self-certify as a socially disadvantaged farmer or rancher on the NRCS-CPA-1200, “Conservation Program Application?” (Yes = applicable; No = not applicable)
- b) States may establish other text questions for the applicability question or select “User declined” under the “Ranking Status” as determined by the State.

Example: States may decide that planners may select “User declined” to turn off the organic ranking pools when the applicant self-certified that land offered for enrollment under the application is Certified Organic, transitioning to become Certified Organic, or Exempt from Organic Certification on the NRCS-CPA-1200, but does not wish to compete in these ranking pools.

2) Ranking Questions—

- a) States must include the following ranking question under the “program questions” for both the BFR and SDFR ranking pools. This question does not apply to any other ranking pool—
 - i) Does the applicant meet the NRCS definition of a veteran farmer or rancher (VFR)? (Yes/No) (20 pts)
 - ii) Did the applicant participate in the CRP Transition Incentives Program (TIP), and land included in the CSP application has come out of CRP within the last two years? (Yes/No) (5 to 20 pts)
- b) At a minimum, States must develop the program questions and resource questions using the following criteria:
 - i) How effectively and comprehensively the planned conservation practices or activities address the identified natural resource concerns.
 - ii) The magnitude of the expected conservation benefits resulting from the conservation practices or activities and the priority of the natural resource concerns.
 - iii) Use of approved conservation practices or activities that provide long-term conservation benefit.
- c) States may include ranking questions to prioritize high priority practices based on the following conservation practice criteria:
 - i) Will practices be implemented that address specific causes of ground or surface water impairment relating to excessive nutrients? (Y/N)
 - ii) Will practices be implemented that address the conservation of water and declining aquifers, and mitigate drought? (Y/N)
 - iii) Will practices be implemented that will meet other environmental priorities and other priority resource concerns identified in habitat or other area restoration plans? (Y/N)
 - iv) Are the practices geographically targeted to address a natural resource concern in a specific watershed? (Y/N)
- d) States must not exceed 200 points total for each category—program questions and resource questions.

C. Initiatives and Other Projects

- 1) National Air Quality Initiative—
 - a) States with an approved NAQI (refer to NI 440-307, “Instructions for Implementing National Program and Landscape Conservation Initiatives”) will assign the following land uses within a NAQI ranking pool: crop, forest, range, pasture, farmstead, and associated ag land.
 - b) States will adjust the default points for the “Air Quality Emissions” resource concern category to the maximum percentage allowed and reduce the remaining resource concern categories as needed to stay within the required Resource Concern Categories Total of 100.
 - c) States will use the approved conservation activities and practices that address the identified air quality concerns.
 - d) States will develop program questions and resource questions that address air quality.

- 2) National On-Farm Energy Initiative—
 - a) States may assign the following land uses within a NOFEI ranking pool: crop, forest, range, pasture, farmstead, developed land, water, and associated ag land.
 - b) States will adjust the default points for the “Inefficient Energy Use” resource concern category to the maximum percentage allowed and reduce the remaining resource concern categories as needed to stay within the required Resource Concern Categories Total of 100.
 - c) States must offer at least one of the following for NOFEI:
 - i) 120 – Agricultural Energy Design (DIA)
 - ii) 228 – Agricultural Energy Assessment (CEMA)
 - iii) 372 – Combustion System Improvement
 - iv) 374 – Energy Efficient Agricultural Operation
 - v) 533 – Pumping Plant
 - vi) 670 – Energy Efficient Lighting System
 - vii) 672 – Energy Efficient Building Envelope
 - d) States may offer additional practices and activities that support:
 - i) Efficient use of energy by having positive Conservation Assessment Practice Points (CAPP); and
 - ii) Reportable energy savings and the associated environmental benefits expected to be achieved from implementation of the practice.
 - e) States may use the following when developing ranking criteria for energy efficiency projects to prioritize high priority applications based on the following:
 - i) Does the client have a current energy audit, in compliance with ASABE S612 standard? (Y/N) (5 pts)
 - ii) Based upon the energy audit results, has the client implemented at least one of the recommendations in the past? (Y/N) (5 pts)
 - iii) Select one:
 - Does the EQIP schedule of operations include implementation of 1 - 25% of all recommendations listed in the energy audit? (5 pts)
 - Does the EQIP schedule of operations include implementation of 26 - 50% of all recommendations listed in the energy audit? (10 pts)
 - Does the EQIP schedule of operations include implementation of 51 - 75% of all recommendations listed in the energy audit? (15 pts)
 - Does the EQIP schedule of operations include implementation of 76 - 100% of all recommendations listed in the energy audit? (20 pts)

- 3) National Organic Initiative (NOI)
 - a) All States and territories are required to offer the NOI.
 - b) States will assign the following land uses and modifiers within a NOI ranking pool:
 - i) Land Use – crop, forest, range, pasture, farmstead, and associated ag land.
 - ii) Modifier – organic:
 - The organic modifier must be assigned to all land uses offered for enrollment.
 - Land transitioning to organic must be assigned the organic modifier.
 - c) Example Questions—
 - i) Does the EQIP schedule of operations include implementation of one soil health or enhancing practice that addresses soil tilth, crusting, water infiltration, organic matter, compaction, etc.? (40 pts)
 - ii) Does the EQIP schedule of operations include practices that will result in reduction of erosion? (40 pts)
 - iii) Does the EQIP schedule of operations include practices that will result in creation of buffer zones that will mitigate offsite contaminants from entering the farm? (20 pts)
 - iv) Does the EQIP schedule of operations include implementation of nutrient management for management of soil fertility, plant nutrients, and soil amendments? (20 pts)
 - v) Does the EQIP schedule of operations include implementation of practices for the management of noxious and invasive species only on noncropland acreage? (10 pts)
 - vi) Does the EQIP schedule of operations include practices with the intent of increasing habitat for pollinators, beneficial insects, or both? (30 pts)
 - vii) Does the EQIP schedule of operations include practices that will improve wildlife habitat? (10 pts)
 - viii) Does the EQIP schedule of operations include practices that will improve the efficiency of an existing irrigation system, conserve soil moisture, or both? (30 pts)
 - ix) Does the EQIP schedule of operations include implementation of practices to improve the management of plant species, livestock, residues, feed, and other identified source needs? (20 pts)
 - x) Does the EQIP schedule of operations include implementation of practices that limit and manage domestic livestock access to streams, creeks, and other natural water bodies? (10 pts)
 - xi) Does the EQIP schedule of operations include implementation of practices to ensure adequate domestic livestock drinking water sources (not including streams) are available in the treatment unit? (5 pts)
- 4) For water conservation projects with water management entities (WMEs) – States may use the following criteria when developing ranking criteria for water conservation projects with WMEs:
 - a) Does the project have a current, comprehensive water resource assessment?
 - b) Does the plan incorporate one or more of the following practices?
 - i) Water conservation scheduling and, if applicable, distribution efficiency and soil moisture monitoring;
 - ii) Irrigation-related structural or other measures that conserve surface or ground water, including aquifer recovery practices; or
 - iii) A transition to water-conserving crops, water-conserving crop rotations, or deficit irrigation.
 - c) The project sponsors have consulted relevant State and local agencies.

- 5) Climate Smart Agriculture and Forestry (CSAF)
 - a) States may use any land uses.
 - b) Ranking Questions:
 - i) Applicability: States may establish an applicability question, as appropriate, for the CSAF ranking pool(s) offered in the State. For example, a State may choose to offer CSAF only to a targeted area and a Geographic Information System spatial data layer may be used to limit application consideration only to that area.
 - ii) Category: States may establish category questions, as appropriate, for the CSAF ranking pool(s) offered in the State. A category question may also be established to offer multiple CSAF Climate Change Mitigation Practice Categories with unique ranking questions as an alternative to multiple subaccounts in ProTracts and ranking tools in CART.
 - iii) Program and Resource Questions: States must not exceed 200 maximum points each for Program questions and Resource questions.
 - States may establish Resource questions to incorporate and target local and State priorities related to CSAF based upon input from the State Technical Committee and Local Work Groups.
 - Example question – (Select ONE) With regard to CSAF practices:
 - The application contains three or more core practices. (100 pts)
 - The application contains two core practices. (50 pts)
 - The application contains one or less core practice. (0 pts)

D. Tie Breaker

- 1) States should ensure that each ranking pool is customized to focus on priority resource concerns and initiatives and to a degree that minimizes duplicate ranking points.
- 2) In the event of a tie, States must use the efficiency score calculated in CART when a tie breaker is needed between one or more EQIP assessments within a ranking pool. When using the tie breaker, NRCS will select the application with the highest efficiency score first.
- 3) In the event the efficiency scores are tied, States must fund all tied assessments or none of the tied assessments.