

## Carbon credits aimed at helping save climate

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ST. LOUIS POST-DISPATCH  
Monday, 3/24/2008  
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The walnut and sweet gum trees growing on Duane Snow's property don't provide much shade, nor do they yield enough firewood to warm his house through a bone-chilling winter.

But the trees, planted on about 51 acres south of Salem, are trapping about 230 tons of carbon a year in the black, hardpan Illinois soil. By storing it underground, the trees prevent carbon dioxide - the primary heat-trapping greenhouse gas - from being released into the atmosphere and fueling climate change.

Snow gets paid to store carbon through a program that enlists farmers and other landowners in the battle against global warming, this time being fought in a free market where pollution is bought and sold like a commodity on Wall Street.

Established in 2006, the Illinois Conservation and Climate Initiative has helped offset more than 375,000 tons of carbon by matching up landowners like Snow and companies that want to voluntarily mitigate the pollution they create.

Landowners earn credit for doing things like planting trees and grasses, not tilling their farms and using devices that cook animal manure and turn it into methane gas, which provides farmers with a source of renewable energy.

Those credits are then sold on the Chicago Climate Exchange, where they are purchased by private industries, cities and academic institutions looking to offset their carbon footprint.

Landowners like Snow, who works at Forbes State Park near Salem, say the extra cash is nice, but the satisfaction they get from improving their land is more valuable.

"I want the land to be in better shape when my son takes it over," Snow said.

Snow's land is part of the 144,397 acres enrolled in the fledgling program, the first state-sponsored initiative. Other, similar programs - like the one Missouri farmers can enroll in - are run through the Iowa Farm Bureau and National Farmers Union. About 70,000 acres in Missouri are enrolled through those programs.

Illinois landowners participating in the state program receive annual payments based on the price of a metric ton of carbon, which has fluctuated between about \$2.25 and \$4.50. Among the companies trading credits on the Chicago Climate Exchange are: Baxter International, DuPont, Ford and Motorola.

"It is interesting, especially when you think about what the future may hold in terms of regulation," said Dick Breckenridge, the Illinois Environmental Protection Agency's agriculture adviser. "What we've created here is really a model that might be used if we end up looking at federal legislation that creates a mandatory cap and trade program."

Many national environmental groups believe that mandatory greenhouse gas emission restrictions would be the most effective way to lessen the impact of climate change.

In lieu of a binding legal regime, they support programs like the one in Illinois.

"The real value in a program like this is farmers learn how to participate in the process of creating a solution," said Henry Henderson, director of the Natural Resource Defense Council's Midwest office. "And they learn how their participation can create a real economic benefit for them."

Climate studies show that farmers should be concerned about the fallout from global warming.

Changing precipitation patterns, an increase in pests and pathogens, and harmful effects from ozone pollution are all part of the global warming forecast. Scientists say crops like soybeans, fruit trees and vineyards are particularly vulnerable.

While farmers will likely be impacted by climate change, they are also part of the problem. According to U.S. Environmental Protection Agency estimates, conventional farming practices such as using diesel-powered engines, plowing fields and fertilizer application were responsible for about 6 percent of the U.S. greenhouse gas emissions in 2004.

But just as easily as they can create pollution, farmers can reduce it by storing carbon in the soil, or creating what is known as a "carbon sink." This can be done by converting cropland to grassland that isn't plowed. Or, farmers can plant trees that sequester carbon within their root systems.

Many farmers enrolled in the Illinois program already were getting credit for some of those environmentally friendly practices through such popular federal programs as the Conservation Reserve Program, which is administered through the U.S. Department of Agriculture.

Breckenridge credited that fact with helping make the launch of the carbon program rather seamless. Most of the paperwork verifying the farmers' conservation practices already had been completed and screened through another independent and rather rigorous process.

Unlike other carbon credit trading programs, Illinois' relies on local soil and water district officials to help sign up farmers.

That has helped, Breckenridge said, because many farmers already have good working relationships with the districts. Farmers say they like the idea because the soil and water districts have nothing financial to gain if they sign them up.

Burke Davies, of the Marion County Soil and Water Conservation District, admits he was initially skeptical about the program.

"I initially thought, 'Why should we work to help someone out who's polluting?'" Davies said.

But Davies was eventually won over by the fact that the companies participating in the program were voluntarily attempting to offset their carbon footprint.

He has signed more than 70 contracts, mostly with landowners who have enrolled grasslands in the program because "no till" farming proves difficult there due to hardpan soil.

One of them is Snow, who also wrestled with the fact he is bailing out companies that pollute.

But Snow says he was inspired to participate in the program by his son Justin, who in high school wrote a paper that explored the idea of carbon credit trading.

"He can be pretty convincing," Snow said of Justin, who is now a senior in college.

Snow's property once was planted in row crops, but when he bought it in 1982, he wanted to restore the land to its original condition, and decided to plant trees about a decade later.

Those trees are now enrolled in the carbon credit trading program. It is estimated that the trees sequester about 4.5 tons of carbon per acre per year using a formula created by the Chicago Climate Exchange.

Snow recently got his first check for a little more than \$1,700, which covers three years of his participation.

Financial gain is not his motivation, he said. If it were, Snow said, he would start growing corn given the escalating prices.

"I really like the idea that these companies can come out to my farm and see what I've done to help," Snow said. "It's not so much that I'm going green. This is how I take care of my land."