EPRI Greenhouse Gas Emissions Offset Policy Dialogue
Workshop 4

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Points Related to Leakage in the LMAV

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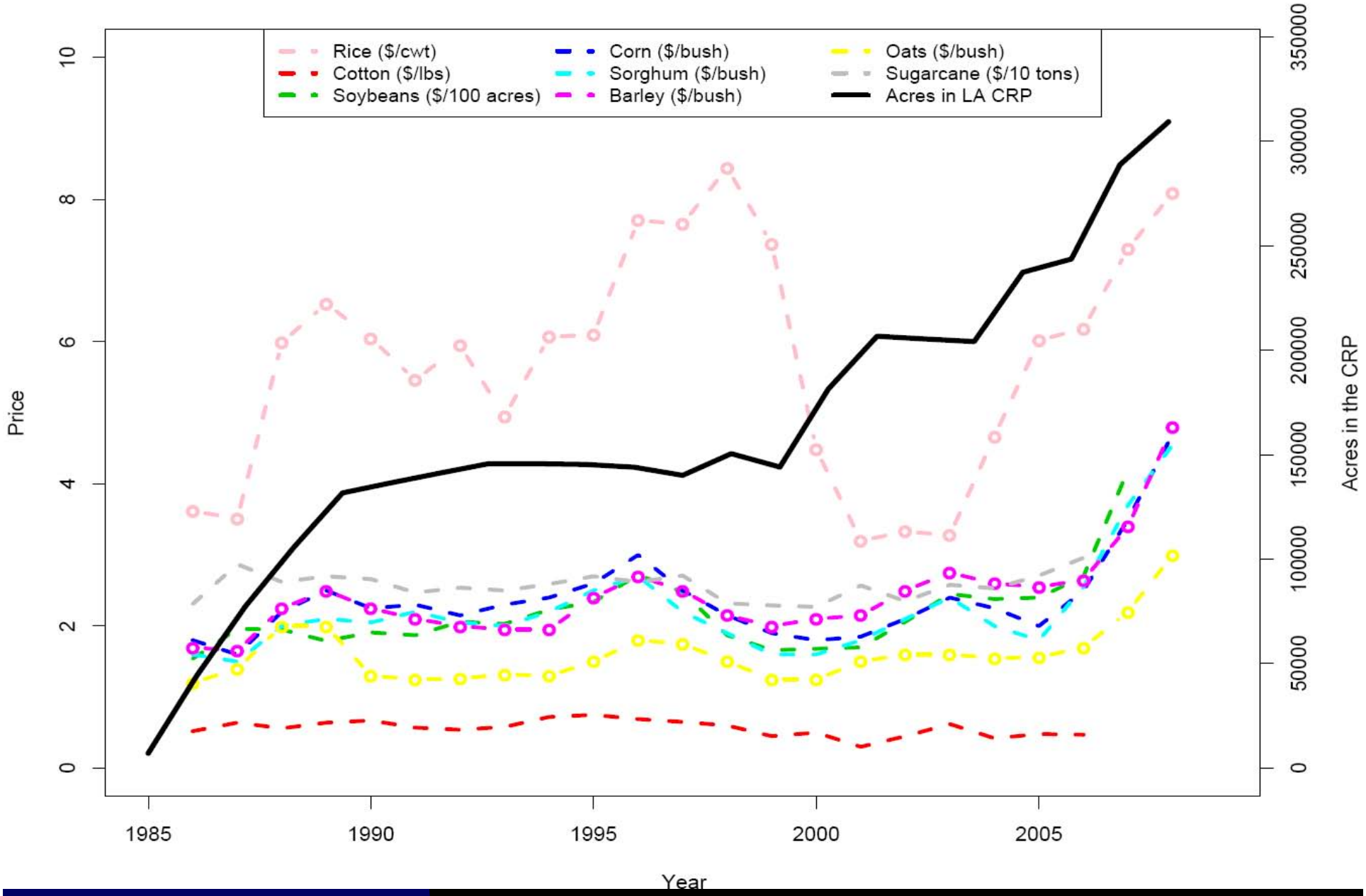
Discussion Points

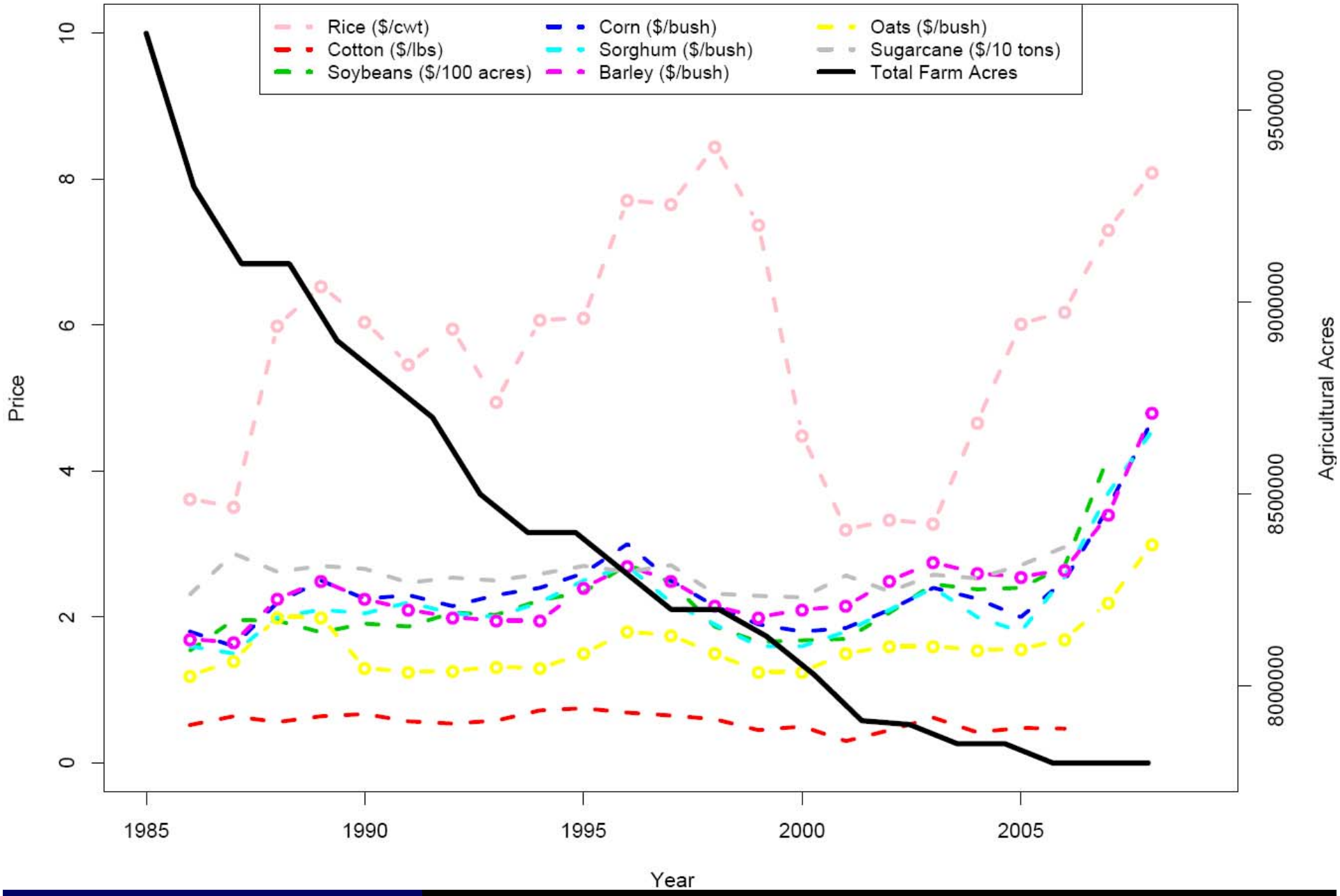
- Perspective –
  - experience with projects in the LMAV
  - veteran of leakage policy debates
  - concern with incorporation of the results into EPA's RAPCOE tool – impact of future projects

- From a macro scale, disagree with the study results:

  Granted the model shows deforestation in the region but does not demonstrate that there is a direct causal relationship to carbon sequestration projects – does the model separate out the reasons for or the drivers of the deforestation e.g. urban expansion ?



Commodity Prices and LA CRP Cumulative Enrollment Acres from 1986 to 2008



Commodity prices and LA farm acres (NASS data) from 1986 to 2008

Discussion Points

Does the model consider the realities about carbon sequestration projects to date e.g.

- Carbon sequestration plantings by energy companies total just over 80,000 acres versus versus the 10 million acres simulated in the model that resulted in the 42.5% leakage factor for afforestation projects?
- The long term covenants (99 yrs) that are placed on lands put into carbon sequestration projects vs the short term covenants (15 yrs) that are on CRP lands ?

Discussion Points

Does the model consider the realities on the ground e.g.

- Does the model take into consideration the marginal productivity of lands being planted in comparison to ag land remaining in cultivation

  Hydric soils – sharkey, hebert, alligator, tensas, etc ?

- That the fields, that are targeted for CRP and to a great degree for carbon sequestration plantings, are small, isolated, and irregular.

- Does the study take into consideration the technical improvements for ag in the region e.g. cultivation; genetics; irrigation infrastructure?

- Land that can support the business case is staying in production and can economically justify those inputs – the marginal sites cannot.

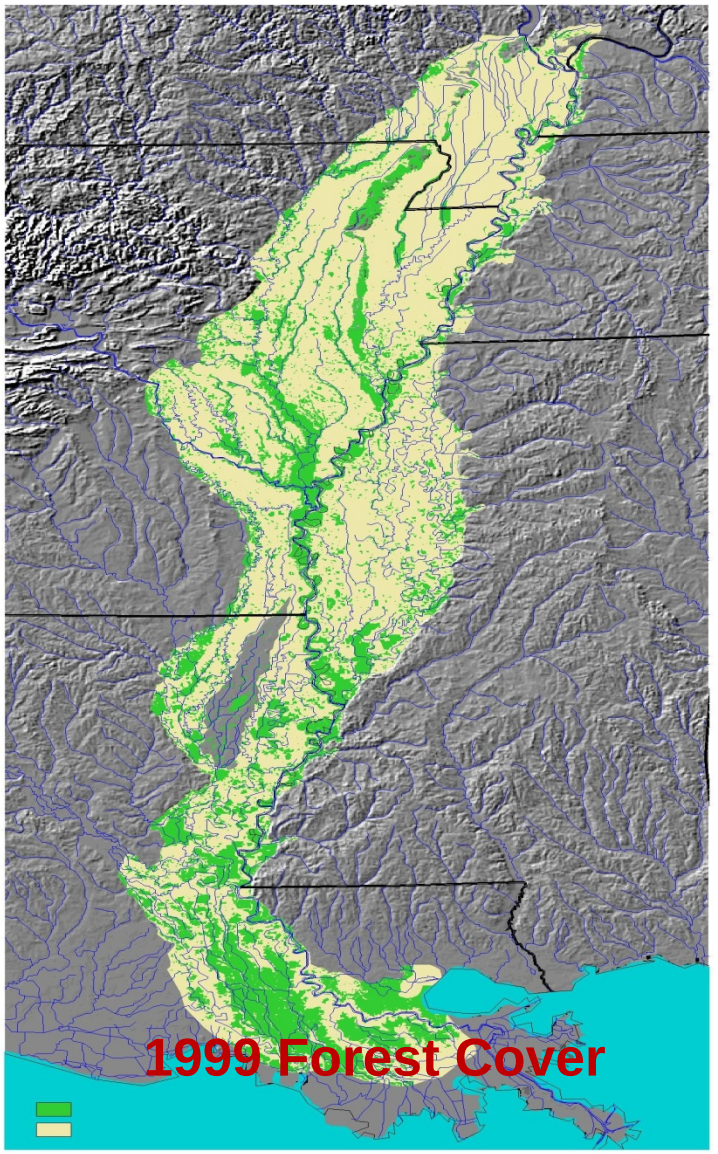
Discussion Points

- The cost to take the land in CRP or sequestration plantings and put it back into production? $200-$250 per acre for 15-25 bu/ac @$8/bu
- Land that is put back into production will probably go into milo and after 5 yrs to beans, the commodity that was originally displaced.
- That landowners are able to generate supplemental income from recreational/hunting leases where lands are restored?
- That interviews with large landowners (50,000 acres) indicate that the land just isn't going go back into ag production? On the contrary, landowners are lobbying for more CRP or CREP funding to take more land out of production.
- That such drivers are govt. conservation program policy not carbon sequestration driven.

Benefits to the LMAV

- ✓ Once a 22 million acre floodplain forest
- ✓ Reduced to less than 4 million acres

- Restores wildlife corridors by connecting fragmented habitats.
- Restores habitat for migratory neo-tropical birds and waterfowl increasing biodiversity.
- Contributes to the habitat restoration goals of the Lower Mississippi Joint Venture and the North American Waterfowl Plan.
- Contributes to the soil protection goals of USDA's WRP and CRP programs
- Reduces the flood protection burden of the U.S. Army Corps of Engineers.
- Decrease soil and nutrient inputs to waters reducing hypoxia zone and to improve fisheries in the Gulf of Mexico.



For further information

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