

# **Agricultural Sector Carbon Market Workgroup Status Update**

## **July 17, 2008**

### **Workgroup Goal**

The ASCMW has held two full day meetings. A framework document was developed and is being used to guide the committee through the focus/priority areas. Initially, the ASCMW selected six priority areas for evaluation (those outlined in the CAT report, Dec 2007). As a result of discussion within the committee, it has been decided that due to time constraints attention will focus on four of the six areas listed below. During the July meeting, straw man presentations (using the framework document) were made on Agricultural Carbon Management, and Preservation of Open Space/Agricultural Land. Two sub-committees have been formed with the intent to address all the elements outlined in the framework document. Draft recommendations regarding Preservation of Open Space/Agricultural Lands will be presented to the whole committee during the August meeting. Recommendations regarding Agricultural Carbon Management will be presented at the September meeting.

During the August meeting, the same process will be followed for Agricultural Nutrient Management and Manure Digesters. The goal is to have recommendations for the four areas as outlined in ESSHB 2815, Section 4(3)(g) completed by the October meeting. Additionally, the co-leads plan to meet with Ecology to discuss specifics of the current Agricultural Sector GHG Inventory and future updates this document.

### **Focus/Priority Area(s)**

- Agricultural Carbon Management
- Preservation of Open Space/Agricultural Land
- Agricultural Nutrient Management
- Manure Digesters/Other Waste Energy Utilization

### **Recommendations for Participation in the Market-Based System**

The ASCMW is currently developing draft recommendations for the following areas:

- Agricultural Carbon Management
- Preservation of Open Space/Agricultural Lands

Draft recommendations of the ASCMW (for all focus areas), will be accompanied by extensive biophysical and economic technical information and analysis. This information is being assembled by both WSU and WSDA using respective expertise and capabilities.

### **GHG Reduction Opportunities (non-market-based)**

It is anticipated that GHG reduction opportunities, other than market based, will be identified as each area evaluation is completed. It is likely that the first such identified opportunities will be developed related to the Preservation of Ag Lands and Open Space.

### **General Observations and Status**

During the July meeting, the ASCMW discussed general assumptions/policy statements that will guide all recommendations. Generally these statements encompass the following:

- 1) Carbon market mechanisms will treat all emissions on a carbon equivalent basis
  - a) Emissions will be treated as disaggregated for the purposes of considering recommended actions, however all actions must result in an overall net emissions reductions, which will be captured in protocols (not to be developed by this group)
  - b) Net emissions for any given practice will be treated within that credit

- 2) An agricultural carbon credit hinges on the validity and acceptance of a agreed upon model or set of models.
  - a) Carbon market mechanisms must accept some degree of uncertainty
  - b) The ASCMW plans to make general recommendations for a complementary public policy to support initial projects in order to gain more confidence in the model(s) used, so future projects do not necessarily have to be subjected to the same verification criteria as would be necessary during model calibration
  - c) Carbon market mechanisms must have a reasonable requirement for measurement and/or verification must be credible and verifiable (performance based)