# Agricultural Carbon Offsets

## **Conservation Cropping Protocol**

#### Summary

- Carbon payments for conservation farming will carry on as the new Conservation Cropping protocol replaces the 2002-2011 Tillage protocol.
- The carbon harvest now ranges from 0.11 to 0.06 tonnes/acre
- Like all other carbon offset protocols, record keeping requirements have increased to the positive proof level.
- No historic credits are available
- A new payment for summerfallow reduction is available in the Dry Prairie region.

#### Introduction

For farming techniques to be eligible for payment under Alberta's carbon offset system they have to be new, or 'additional'. As more and more producers adopt a practice it becomes less and less capable of qualifying under the international standards that Alberta's Offset System operates under. Direct seeding practices that producers have been paid for under the previous Tillage protocol have become more business as usual and less innovative over time. This created some expectation that the carbon payments for direct seeding would finish after the 2011 crop year, however they will continue at reduced levels until 2021.

#### **Carbon Harvest and Tillage Specifications**

The 'carbon harvest' for Alberta producers direct seeding now works out to around 0.11 and 0.06 tonnes/acre/yr respectively in the Parkland and Dry Prairie areas for the direct seeding category of soil disturbance<sup>1</sup>. Irrigated areas in the Dry Prairie harvest carbon at the Parkland rate.

Parkland area 1000 acres X 0.11 tonnes/acre = 110 tonnes carbon<sup>2</sup> 110 tonnes carbon X 9.00/tonne<sup>3</sup> = 990 or 1.00/acre

Dry Prairie area 1000 acres X 0.06 tonnes/acre = 60 tonnes carbon 60 tonnes X \$9.00/tonne = \$0.54/acre

'No Till' has the same disturbance specifications as before, one pass with an opener with up to 46% disturbance, or two passes with an opener (either seeding, fertilizing, or applying manure) of up to 38% disturbance. The former 'Reduced Till' category has been cancelled. Up to 10% discretionary tillage is allowed for working up unseeded wet areas, etc.<sup>4</sup>

### **Record Keeping**

Many of the records needed for the Conservation Cropping protocol are similar to those that were required for the Tillage protocol. However, in some cases farm operators and project developers will have to exert more effort to meet Alberta Environment and Sustainable Resource Development's new requirement for records that meet a positive proof standard. For example, land ownership still has to be proven much as before, and in the case of rented or crop-shared land, an agreement still has to be in place assigning the carbon rights. These were by nature positive proof records. But with seeded field areas crop insurance numbers are not enough now, what has to be shown is how the acre figure was determined, and only certain methods are allowed.

The summary below<sup>5</sup> gives an idea of the records a producer needs to collect, for the exact requirements and an example field record sheet, see the full protocol linked at the end of this document.

1) Crop: Annual crop or seeding year of a perennial.

 $\Box$  detailed farm record sheets<sup>6</sup> or crop plan, together with *either*:

 $\Box$  crop insurance

 $\Box$  a location linked time-stamped photo

 $\Box$  other records which may include P.Ag. sign off.

2) Seeding/Fertilizing Implement:

□ calculation of soil disturbance, together with *either*:

□ equipment receipts

- $\Box$  time-stamped photos showing opener width and shank spacing
- $\Box$  other records which may include P.Ag. sign off.
- 3) Land and Carbon Ownership/Arrangement:

 $\Box$  land title certificate, and signed contract with the carbon project developer. If rented:

□ a signed agreement stating who (renter/landowner) gets the carbon rights

4) Location and Size of Field: Seeded field area from *either*:

- □ Google Earth
- $\Box$  air photos or satellite data
- □ GPS track files from seeding equipment
- □ GPS shape files from field inspection.
- 5) Field Operations:

□ record sheet showing all land disturbance operations, with equipment specifications and *either*:

 $\Box$  proof of the specific equipment used

 $\Box$  other records, which may include P.Ag. sign-off

 $\Box$  yes  $\Box$  no for discretionary tillage If yes, then proof of area worked up, *either*:

 $\Box$  calculation on farm record sheet

□ GPS readings from farm equipment

#### Extras

6) Reseeding: If disturbance is still under allowable amounts<sup>7</sup>, *either*:

 $\Box$  equipment specs and seeding dates

□ other records with P.Ag. signoff

7) If in the Dry Prairie and irrigating, two of:

- $\Box$  water use records
- □ air photos or satellite images of pivots
- □ Alberta Irrigation Program documents
- $\Box$  detailed farm irrigation maps

 $\Box$  crop insurance records showing use of irrigation,

 $\Box$  GPS time stamped photos of equipment used, with model information

or

 $\Box$  other records with P.Ag. sign off.

#### **Summerfallow Reduction**

A carbon harvest for summerfallow reduction is new for  $2012^8$ . Only available in the Dry Prairie region, it compares a baseline of three years of summerfallow within a farm enterprise to that of 5 years going forward, with the payment being on the amount of reduction. The carbon harvest from this can only be sold by the aggregator at the end of the five year period, although the value of direct seeding is available every year.

The three year baseline can be historic, and can use chem or tilled fallow. Seeding tillage can be conventional. Field record sheets with crop inputs and yields as well as crop insurance or agrologists reports are needed to show yields were typical as well as the proportion of summerfallow. The three years must have been directly previous to the years that carbon is claimed, and follow one after the other, unless it can be demonstrated that a year was not typical.

For the five years ongoing seeding and summerfallow practices and records must satisfy the 'No Till' requirements of the protocol. The fields used for the baseline and offset claim years must be the same in all years and this needs to be shown on detailed maps.

An example for a 2000 acre farm in 2012 with a tradition of half summerfallow/half crop rotation.

Records:

Year 2009, 1000 acres fallow. Year 2010, 800 acres fallow Year 2011, 1200 acres fallow (1000+800+1200)/3 = 1000 acres.

So even though the fallow acres per year varied, on average over the previous three years 1000 acres of the 2000 acres were summerfallow. The 1000 acres is now the summerfallow baseline.

Going forward:

The farm aims to cut the fallow area in half, and does the following:

Year 2012, 600 acres fallow Year 2013, 500 acres fallow Year 2014, 400 acres fallow Year 2015, 300 acres fallow Year 2016, 700 acres fallow. (600+500+400+300+700)/5 = 500 acres.

The new summerfallow average is 500 acres out of the 2000 acres.

So the baseline of 1000 acres minus the new average of 500 acres equals 500 acres taken out of fallow for 5 years.

500 acres/year reduction X 0.26 carbon harvest/acre X 5 years = 650 tonnes carbon total 650 tonnes carbon total X 9.00/tonne / 500 acres = 11.70/acre, or 11.70/acre / 5 years = 2.34/acre/year

<sup>8</sup> CCP protocol page 7, 39-41, 71-75

<sup>&</sup>lt;sup>1</sup> Technical Seed Document page 19

<sup>&</sup>lt;sup>2</sup> Carbon Dioxide equivalent ( $CO_2e$ )

<sup>&</sup>lt;sup>3</sup> Final price per tonne is a combination of the selling price of the carbon (CCEMC research fund price of \$15.00/tonne minus a discount for offset risk) minus the charge for aggregation. While the ending price can vary, \$9.00/tonne has been a common final selling price recently.

<sup>&</sup>lt;sup>4</sup> Conservation Cropping Protocol (CCP) page 4

<sup>&</sup>lt;sup>5</sup> CCP protocol pages 36-39

<sup>&</sup>lt;sup>6</sup> CCP protocol pages 65-70

<sup>&</sup>lt;sup>7</sup> CCP protocol page 64

Link to the whole Conservation Cropping Protocol (CCP) with more details: <u>http://environment.gov.ab.ca/info/library/8561.pdf</u>

Link to the Technical Seed Document, (TSD) with more explanations and examples: <u>http://carbonoffsetsolutions.climatechangecentral.com/files/microsites/OffsetProtocols/12-04-</u> <u>02\_Conservation\_Cropping\_v1\_TSD.pdf</u>

Link to the soil boundary line between Parkland and Dry Prairie areas: http://www1.agric.gov.ab.ca/\$department/deptdocs.nsf/all/cl11708

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