



MEETING SUMMARY
IOWA CLIMATE CHANGE ADVISORY COUNCIL
Agriculture, Forestry and Waste Subcommittee
Call #12, August 5, 2008

Attendance:

Subcommittee members: Richard Cruse, Duane Sand, Peter Thorne, Dr. Elwynn Taylor

Center for Climate Strategies: Joe Pryor, Steve Roe, Jen Jenkins, Jackson Schreiber, Rachel Anderson

Iowa Department of Natural Resources: Marnie Stein

Members of the Public: None

Background Documents: (http://www.iaclimatechange.us/Agriculture_Forestry.cfm)

1. Meeting Notice and Agenda
2. PowerPoint for Teleconference
3. Summary of Call #11
4. Policy Options Document

Discussion and Key Items:

Call to order and roll call – CCS Introductions

Review and approve prior call summary

The previous Call Summary was approved.

Review of Soil Carbon Issue

- The USDA would be more valuable to provide consistency across different states, but the Brenner et al document is probably more accurate in comparing the two.
- The group felt that it is likely the differences between the two studies is based on differences in methodology rather than in land use practices between 1997 and 2000.
- The subcommittee felt that the Brenner et al. study would be more appropriate for use in the Iowa Inventory and Forecast. Changes will be made to the agricultural appendix, and will be presented to the ICCAC for approval.

Review Policy Options Document

AFW-1:

- We need to look at the number of acres that will still be available to corn, and the amount of N fertilization that will be taking place on all of these other crops (biomass, forestry, etc). It is possible that in order to grow these biocrops that N application will need to increase.

- When agricultural residue is removed, nutrients will likely be required to replenish the lost nutrients.
- Fertilizer costs will need to be updated based on the rising energy costs. Dave Miller previously agreed to provide data on this using energy input prices.
- Richard Cruse will provide CCS with a list of issues that need to be addressed in the POD.

AFW-3:

- The subcommittee were comfortable with the revised methane utilization analysis.
- The Oak Ridge National Laboratory had a heat content that was approximately 60% higher than what is used in our current analysis.
- Energy content of the corn stover could vary significantly between geographic area.
- The figure used for this analysis should be a national number (not Tennessee specific) and will need to be on a dry-ton basis. If it is based on the wet harvest weight, then the BTUs/lb would be too low.
- Bill Johnson, manager of biomass development (Alliant Energy) in central Iowa at a coal plant would probably have an accurate number for the BTUs/pound of corn stover. He will also provide insight into the costs of forest residues for this option.

AFW-4:

- Smithfield should have an analysis of manure management in North Carolina that may help bolster the manure management analysis.
- Deep bedded dry manure management has higher labor and lower capitol costs. Dry manure options should be mentioned as an alternative to wet manure management, and they have some advantages like improved animal welfare.
- In key uncertainties, some of the difficulties in quantifying manure management approaches should be mentioned.

AFW-5:

- There was a suggestion that the majority of forestland management that is currently in place is relatively hands off, involving very few costs/benefits. This type of recreational forestland will have a very different schedule in terms of maintenance/etc. There are a significant number of acres in the state with this minimalist approach (the forestry reserve law). If any subcommittee members could provide information on the number of acres in this program, it will be included in the analysis. The tax benefits of this type of management will be included in the implementation mechanisms.
- The sale of carbon credits will be included in this option.
- A twenty year horizon will be used for the urban forestry option.
- The cost savings of urban forestry are calculated based on the energy savings that come from the trees. CCS will coordinate with the clean renewable energy subcommittee to ensure that we are not double counting these emissions reductions when policies in their subcommittee may cover the same scope (improved weatherization of buildings, etc).

- Contact Larry Bieler at NRCS in Des Moines for a cost estimate of establishing forestry on pastureland.
- The subcommittee had no specific recommendations to make regarding the agricultural items in AFW-5.

AFW-6:

- We are using different figures for the cost of switchgrass in AFW-3 and AFW-6. The figure used for AFW-3 should be used in both analyses.
- The Duffy study did not include any sort of profit margin, so a profit margin of 20% will be added to the figure used in this study.
- Ensure that the costs of stover include nutrient replacement costs.
- It is quite possible that switchgrass is competing with pastureland, not corn cropland. This would reduce the land costs needed to estimate the costs of switchgrass. Add a discussion on the “opportunity cost” of energy crop. i.e. energy crop vs row crop vs pasture land and that it may be difficult to enable sufficient energy crop production.
- In addition to the cost of gasoline and ethanol, the costs of natural gas and other fuels should be noted in the key uncertainties, because these changes are likely to have a huge impact on the cost competitiveness of ethanol.
- Ag waste products in the ethanol process could be used for the energy production in the ethanol process. This will provide economic and GHG benefits.
- The federal subsidy for cellulosic ethanol (\$1.01/gal) should be included in the analysis.

Next Steps for AFW Subcommittee

- CCS will continue to refine quantification and methodologies, as requested by the subcommittee.
- AFW subcommittee continue to input into remainder of policy template
 - E.g. implementation mechanisms, feasibility issues

Agenda, Time and Date for Next Meetings

IA AFW Call #13	Thursday, August 14, 9:00-11:00 CT
ICCAC Meeting	September 3-4
IA AFW Call#14	Thursday, September 18, 9:00-11:00 CT
IA AFW Call #15	Thursday October 16, 9:00-11:00 CT

Public Input and Announcements

None

Thank you to everyone who participated on the call and contributed to the discussion of these issues.