

• [sign in](#)

# the WATCH

TELLURIDE & M.V.

MONTROSE

OURAY & RIDGWAY



[home](#)

[my content](#)

[local business directory](#)

[classifieds](#)

[community](#)

[publication](#)

[letters to the editor](#)

[shelter](#)

[watch.listen.](#)

[local real estate](#)

[news](#)

[sports](#)

[business](#)

[arts & ent](#)

[commentary](#)

[multimedia](#)

articles

search

Coloradans Debate Benefits, Need of Carbon Regulation

by Allen Best

Sep 24, 2009 | 259 views | [1](#) | [2](#) | [3](#) | [4](#) | [5](#)

BOULDER – As is the case across the country, rural Colorado is sizing up the American Clean Energy and Security Act that was passed by the U.S. House of Representatives earlier this year.

This 900-page mound of legislation seems to please absolutely no one

Some environmentalists believe the legislation – more commonly called Waxman-Markey, after the primary sponsors – is too weakened with compromises to be effective.

Republicans charge that even this moderated version will strangle economic growth. Some more openly question whether climate change is a problem. As has been the case with health-care overlap, which inevitably overlaps this issue, there is skepticism about any government intrusion into the marketplace.

The Farmers Union, a group traditionally allied with Democrats, argues that climate change is a threat but that farmers can do well in creating solutions through modified agriculture practices.

That's the same message from Democrats. Speaking in Boulder recently, Secretary of Agriculture Tom Vilsack called it "one of the best opportunities we have seen in a very long time for rural communities."

He estimated that climate change legislation will allow rural areas to gain \$10 billion to \$20 billion in additional income through adoption of no-till planting, use of different cover crops, and capture of methane from feedlots. Methane, a greenhouse gas, has 23 times the heat-trapping ability of the more common carbon dioxide produced by burning fossil fuels.

Vilsack explained that farmers will pay more for fertilizer, fuel, and transportation of commodities to market under the legislation that the U.S. Senate will take up this fall. However, those costs will be more than balanced by additional income to be made by the sale of carbon offsets

"You have multiple opportunities for rural areas to profit, areas that have not existed up to this point," said Vilsack, former governor of Iowa and briefly a presidential candidate.

A Department of Agriculture study found a narrow gain for farmers under the Waxman-Markey bill, but it made two assumptions that he believes are incorrect: that farmers will not adopt new technology nor will they adapt to rising energy costs by becoming more efficient. In the face of increased fuel costs in the 1970s, farmers became more efficient, and they can do it again, he said.

Major food firms are skeptical. *The Wall Street Journal* on Aug. 13 reported that a group that includes Cargill Inc., Tyson Foods and General Foods worry that the legislation passed by the House in July provides insufficient incentives for food and agriculture companies to receive and generate

carbon credits to offset their carbon emissions. In a letter sent a letter to both Democratic and Republican senators, the coalition warned that the bill, as written, "will increase food and feed prices and reduce the international competitiveness of our businesses."

## GRASSROOTS RENEWABLES

Bill Midcap can be described as a community organizer. A former corn, wheat and sugar-beet farmer, he lately became the renewable energy director for the Rocky Mountain Farmers Union. And he's got a job that might be likened to rolling a boulder uphill.

For the last couple of years, Midcap has been trying to sell farmers on the high plains of Colorado that change is coming as the nation grapples with its emissions of heat-trapping greenhouse gasses. Farmers, he says, can benefit from this regulation.

"It's a real hard sell," he admits.

In rural Colorado, many and perhaps most farmers remain skeptical. That much was evident in a meeting that Midcap organized in his hometown of Fort Morgan recently to talk about the advantages of carbon regulation.

The meeting was held at a restaurant called the Country Steak-Out. Located across from a cement contractor, six blocks from the local high school, it's the sort of place where the lunch special runs \$6.95 – and there's something wrong with you if you're still hungry afterwards.

Like so much of rural America, Fort Morgan is no place to make a quick buck. A town of 12,000 located 80 miles north of Denver, it depends almost entirely upon agriculture. Most farmers continue to grow sugar beets and corn. The biggest change has been the arrival of the dairies, with 48,000 cattle, which send milk to a Leprino factory. The factory produces cheese for Pizza Huts.

But only a handful of farmers were at the meeting at the Country Steak-Out, and they stood out because of their clear skepticism. Wading into the crowd, U.S. Sen. Michael Bennet described the legislation as a greasy piece of sausage as now written, imperfect but still with great potential.

"If this bill is done well, it will provide an enormous opportunity for rural parts of the country," said Bennet. Colorado, he added, is positioned better than virtually any other state in the country to benefit, owing partly to its renewable energy resources but also to its agriculture sector.

"Read the bill," Bennet urged. "Some of the biggest winners are agriculture."

The bill needs to be simplified, he said. But the broad message is that the world is changing, and America needs to be part of that change. To achieve that change, he said, the federal government needs to create incentives. Incentives will cause the market-based economy to create innovations.

"We are not the only country in the world, and many of them are visibly preparing for the new energy economy, because they want to have the really good jobs," he said. Those countries, he said, will want to export the high-tech goods in the new energy economy.

"We should be building those," he said of the new factories – eliciting the only applause of his speech.

Subsequent speakers gave definition to the changes. Jim Pritchett, an agriculture economist at Colorado State University, said some parts of the country will do better than others under the Waxman-Markey bill. The Pacific Northwest states can benefit greatly, the mountain provinces almost not at all.

As for farmers on the Great Plains, gains and losses should be calculated on a case-by-case basis, he said. Farmers who pump water, he said, will be hardest hit by rising energy prices.

Already, farmers are integrating themselves into this new but voluntary carbon-offset economy. One livestock feeder, Gary Teague, who has a 25,000-head lot near Fort Morgan, talked about his anaerobic digester, which composts material to create fertilizer.

With the voluntary market for carbon at just \$2 to \$3 a ton, the payback on the capital investment is 15 years, he said. But he doesn't expect carbon to remain at that price. With the Waxman-Markey bill, he said, the price increase – and the payback on his investment will shorten.

Another farmer, Curtis Sayles, reported receiving a check last year for \$6,165 from the voluntary market for no-till farming. He believes in no-till farming, he said, but he gets paid to do something he already does.

Carbon offsets, currently traded on the Chicago Climate Exchange, are traded in terms of tons of atmospheric carbon dioxide. Hence, if a farmer can sequester carbon through modified farming techniques, it's the same as reducing the carbon emitted by a smokestack. Hence, it's called an offset. Conferences, resorts and even people flying in jet planes can purchase offsets.

The price on that voluntary market for offsets has swung dramatically, to only 60 cents per ton off carbon dioxide in August as compared to \$8 in May. But the \$20 per ton that utilities have been talking about as an acceptable compromise in the federal legislation might be enough to interest farmers, said Midcap, the Farmers Union organizer. Even better, he said, would be the \$35 in the European Union.

Mandating that power plants reduce carbon emissions or purchase offsets will dramatically increase the price.

Whether any of this is necessary, however, remains the crux of the issue. Democrats by and large think it is.

Vilsack, in his speech in Boulder, cited "significant risks" of not taking action in response to curb greenhouse gases, including altered growing seasons, compromised animal health, and more serious illnesses. The United States, he said, must lead in the realm of climate change when representatives of the world's nations gather during December in Denmark.

If America fails to lead climate change action, he said, it "will also have an impact on our ability to lead in a variety of other areas."

"This is not something one nation can solve," he said of climate change "It requires a community of nations."

But the American Farm Bureau, a group typically aligned with Republicans and deeply opposed to the need for climate change legislation, have been holding meetings in parts of Colorado.

"And they have an audience," says Midcap.

Share This Article:

- [Delicious](#)
- [Digg](#)
- [Buzz up!](#)
- [reddit](#)
- [Facebook](#)
- [LinkedIn](#)
- [Twitter](#)
- [StumbleUpon](#)
- [Mixx it!](#)
- [Fark](#)
- [Newsvine](#)

similar stories

[State Hoping to Sequester Carbon Emissions](#) | 25 days ago

[Udall, Schaffer, Wolf, Salazar: Where They Stand](#) | 11 months ago

[Eighteen Renewable Energy Bills Moving Through Colorado Legislature](#) | 17 months ago

[Can Tri-State Emerge From the Dark Ages?](#) | 13 months ago

[Blue Dog Hunts Votes](#) | 1 month ago

[post a comment](#)

comments (1)

« insight59 wrote on Monday, Sep 28 at 10:16 AM »

My two cents in the debate: We should pass a clean energy bill with a carbon cap. Senator Udall and Senator Bennet would do the state and the country well to vote for this bill. Independent analyses done by the Congressional Budget Office, the Energy Information Administration and the Environmental Protection Agency all independently determined the cost to US citizens would be less than a dime per day. We shouldn't let well-funded deniers seize control of this debate; climate change is a problem for everyone, everywhere in the world. A carbon cap can help spur innovation and put the US economy on a clean, sustainable footing for the future. The world will be demanding products from the green energy industry (\$1.9 trillion market by 2020, according to a 2006 UN estimate), and I want the US to be growing and manufacturing its way to the top of that market.

sponsored advertisement



sponsored advertisement


970.728.1606  
 TD@TDSMITH.com  
 WWW.TDSMITH.com

*39 Years of Experience*

Member Office of  
 CHRISTIES  
 GREAT ESTATES

**TELLURIDE**  
 REAL ESTATE  
 CORPORATION

**TD SMITH**



sponsored advertisement

970.728.3137



**TELLURIDE**  
 & MOUNTAIN VILLAGE  
 PROPERTIES

*Decades of Professional Experience*

[help](#) [products](#) [about us](#) [contact us](#) [watch refund policy](#)

software copyright © 2009 [matchbin inc.](#) content copyright © 2009 The Watch Newspapers

this software is in a public beta test phase [read our privacy policy](#)

The Watch Newspapers - News, Sports, Weather, Classifieds, Local Events and Businesses in Telluride, Ridgway, Ouray, and Norwood Colorado, as well as the Communities of the Western San Juans is in Telluride, CO