

By Ann Harvey
Staff Writer

Any producer who is willing to farm without tilling his soil is eligible to earn extra revenue from carbon credits, says Jeff Gross.

The president of C Green Aggregators Ltd. told the 135 people who attended an information session for producers held at 1 p.m. on Thursday, Nov. 9, at St. Gerard's Parish Complex,

"I'm not claiming it's for everyone but if it fits your farm than it's just some extra money for you."

Producers earn carbon credits by farming with methods that sequester (take it out of the air and hold it in the soil) carbon or from forage acres. C Green Aggregates pools and sells the carbon credits.

They provide proof of their compliance through membership in The Saskatchewan Crop Insurance Corporation or by contracting with SCIC to prepare the reports. Gross said his company is also working to make other arrangements for this proof of compliance.

C Green Aggregators has been selling the carbon credits on The Chicago Climate Exchange (CCX), he said. "We've built up a pretty good

relationship with the CCX.

"We're the only company in Canada registered to trade agricultural carbon credits."

The company has already sold "vintage" carbon credits for 2003 to 2006 for producers who could prove they didn't till their soil but instead seeded with air drilling seeders.

The deadline for those contracts was Aug. 3, 2006.

"It's like a crop you're growing so your credits get issued each and every year," he said.

Payment is 80 per cent at final sale, with a 20 per cent holdback pending spot audits.

One producer who has 15,000 acres has already received \$24,000 and is expected to make at total of about \$100,000 for the whole contract, Gross said

Now C Green Aggregators will contract with producers for the years 2006 to 2010.

The CCX was founded in December 2003, he said. "It's the only environmental commodities exchange in North America.

"Both emitters (of polluting gases) and offsetters can come to sell offsets and to buy offsets. Also it creates a money market for investment funds and stuff like that."

There are about 50 members currently who are buyers of carbon credits. They

Program offers money for farming that

sequesters carbon

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Jeff Gross, C Green Aggregators Ltds. president

include funding member Manitoba Hydro, DuPont, Ford Motor Co. and IBM.

The CCX also "provides a clear price transparency," he said. There are watchdogs including the Saskatchewan Crop Insurance Corporation and the National Association of Trade Deals.

"Once they're happy with

it, that's when we get our credits issued."

This setup is different than the European system, Gross said. They don't deal with agricultural offsetters.

Gross said another exchange is being set up in Canada. "Montreal is going to be the place where most environmental commodities will

be traded.

"They (CCX) are going to let up flip our contracts over here and let us set up in Montreal if Canada gets that going."

C Green Aggregators will trade wherever the company can get the best deal, Gross said.

The system is set up to assure emitters and other investors that the sequestration of carbon is actually occurring, he said. "It's actually a clear transparent way of reducing greenhouse gases."

Gross said his company works with SCIC to obtain, compile and aggregate seeded acreage reports.

When the carbon credits are accepted they are part of the company's pool which is offered on the market at spot price, and likely sold over an extended time frame.

There is an insurance fund, he said. "If somebody is non-compliant we can go to that to replace the credits that were lost."

Dan Baber, a Melville-based SCIC customer service representative, said the insurance corporation is an information source. "We've got 40 adjustors trained for this program.

"The information is verifiable information. It's reported year by year. It's not

backdated."

"We also do the on-field information verification of this program. About 10 per cent is verified by direct or on-field verification."

This is part of the SCIC's third party work which it also does for other government programs and the Canadian Wheat Board. The advantage to the SCIC is that it keeps its trained staff working and doesn't lose them to the oil-field.

Baber addresses a concern raised by producers saying the SCIC will do reports for producers who are not part of the crop insurance program.

Later, responding to a Yorkton This Week question, Baber declined to estimate the cost of this service, saying the charge varies with the operations.

"It's not a profit venture.

"There's no standard rate that we charge. We charge \$25 an hour for the time plus any other expenses that are involved with that.

"It doesn't take terribly long to inspect the land as long as it's not spread out and a big long distance."

Gross said, "It's more than fair. You couldn't get a private guy to charge that.

"They're not being greedy at all."

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