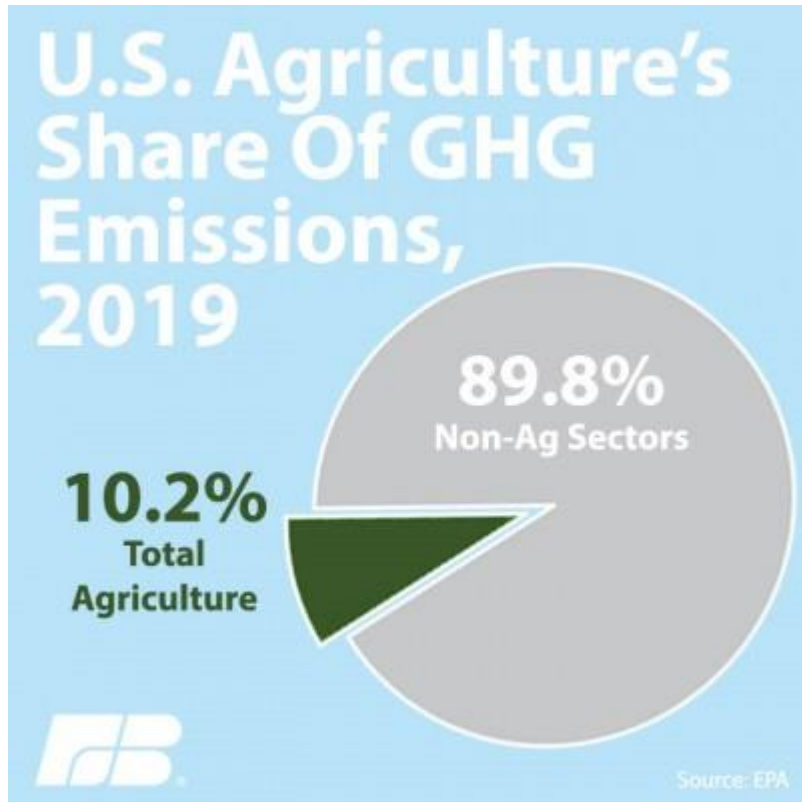


Climate Regulation

HOW IT COULD IMPACT AGRICULTURE IN IDAHO



The Big Picture



Everybody eats!! We need agriculture

Prefer to grow our food here rather than import
Supply chain/shipping issues
Quality/production meets high standards

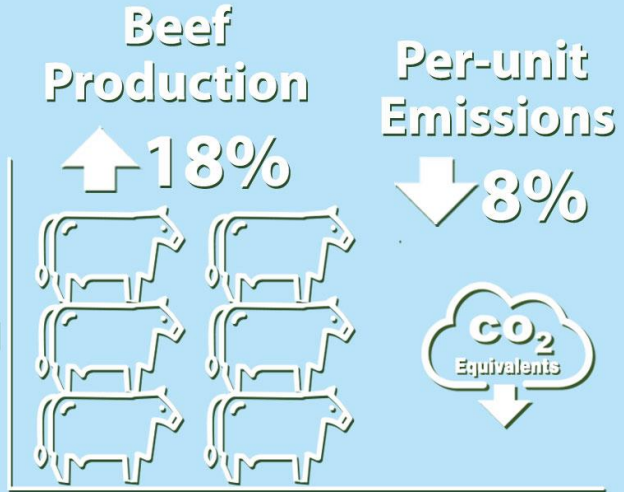
Ag is only 10% of emissions and is shrinking

Technology is advancing rapidly

Must be economically feasible!



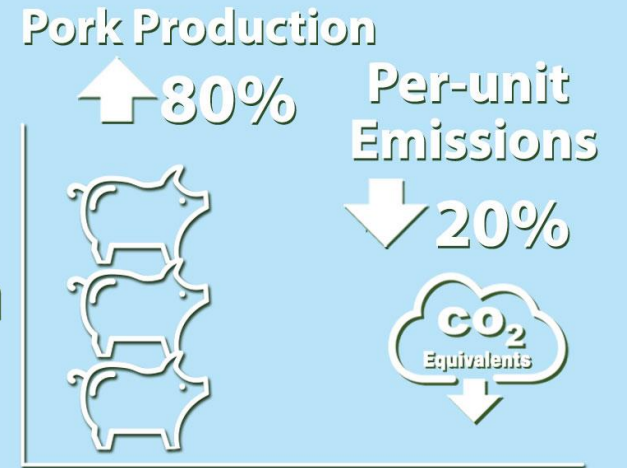
U.S. Beef Production



Source: EPA



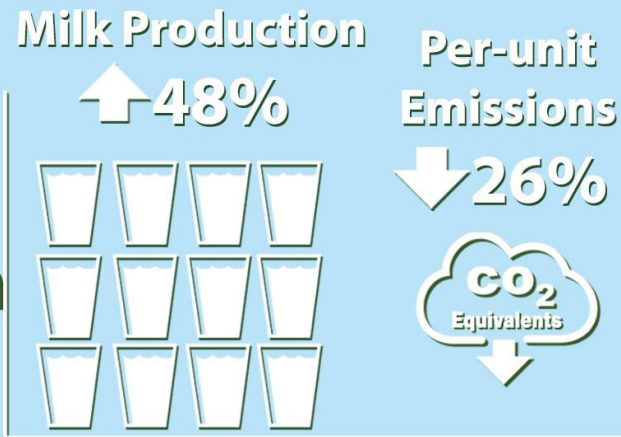
U.S. Pork Production



Source: EPA



U.S. Milk Production



Source: EPA



Ag Efficiency is Increasing!

Livestock emissions less than 4% of US total

Improving each year with technology

Only alternative is to import our food

- Are foreign emissions better than domestic?

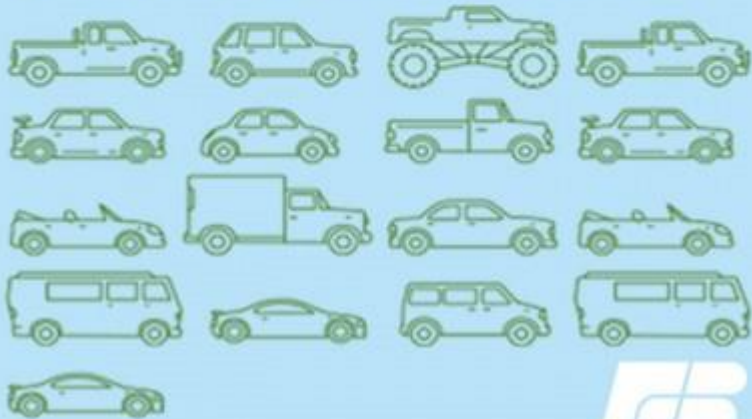
Biological impossibility to “decarbonize” ag

- Carbon cycle is inherent in agriculture
- Will continue to improve as technology advances and it makes economic sense
- Climate regulation will cause
 - Higher costs for consumers and producers
 - Less efficiency in supply chain
 - Likely more rapid development of ag land – less carbon sinking



Not Just Food – Renewable Fuel

Use of **ETHANOL AND BIODIESEL** since 2008 has reduced GHG emissions on average annually by **82 MMT**—equivalent to **18 MILLION CARS** off the road



Proven –

1. We can feed the world AND
2. Produce high quality, renewable fuel.

- Lower emissions
- Increased carbon capture
- Higher Octane



Wishes vs Reality

Laws of economics cannot be repealed

Distorting markets causes winners and losers

- EO 14030 – “The failure of financial institutions to appropriately and adequately account for and measure these (climate change) physical and transition risks threatens . . . the life savings and pensions of U.S. workers and families, and the ability of U.S. financial institutions to serve communities.”

Government “creating jobs” does not increase prosperity

- Ban all backhoes, instantly create jobs

What are the alternatives for non-carbon energy?

- Electric: Fossil – 60.6% and Nuclear – 19.7%, Transport: Fossil – 90%
- Hydro? Wind? Solar? Nuclear? Something else?
- Trade-offs for every type of energy production



Not Many Specific Proposals . . . Yet

If Climate Regulations are Adopted:

Agricultural productivity will decrease and costs will increase – producers AND consumers

Being forced through regulation demonstrates the inefficiency and/or extra cost

How do you calculate the “social cost of carbon” or the “social cost of methane?”

In ag, these are natural processes – you can’t stop them even if you tried

Agriculture has already delivered –

- More food on less land with fewer inputs
- Will continue to do so

Technically possible vs economically feasible



30 x 30 – Why and How?

Several iterations since roll out

What qualifies as “conservation?!?”

Unclear if federally managed lands “count”

Nationwide, the federal government manages 27.1% of U.S. land, or 615.3 million of 2.27 billion acres.

Along with CRP – 28.2%!!

Idaho is 63% federally managed already!

Only 30% of Idaho is privately owned –

- Is every state separate, or is this a national average?
- Incentives are only Constitutional way to proceed on private property
- Will incentives be provided for those who already implement conservation practices?



Farmers Are the Original Conservationists



In Idaho, farmers are already using:

Cover Crops

Strip Till / No Till

Precision Ag

- GPS, drones and satellite imaging
- Fertilizer application
- Herbicide application
- Fewer passes across fields
 - Less soil compaction
 - Less emissions

These make economic sense!



Questions?

Russ Hendricks
Idaho Farm Bureau
208-342-2688

