



# Carbon Sequestration

Fact Sheet

PNDSA and Entergy

September 12, 2002

# Who is PNDSA?

- Grower based organization
- Enhance direct seeding in PNW
- Form new alliances and partners
- Coordinate and disseminate information

## Mission Statement:

Promoting economical viable and environmentally sound direct-seed cropping systems through coordination, funding and information exchange

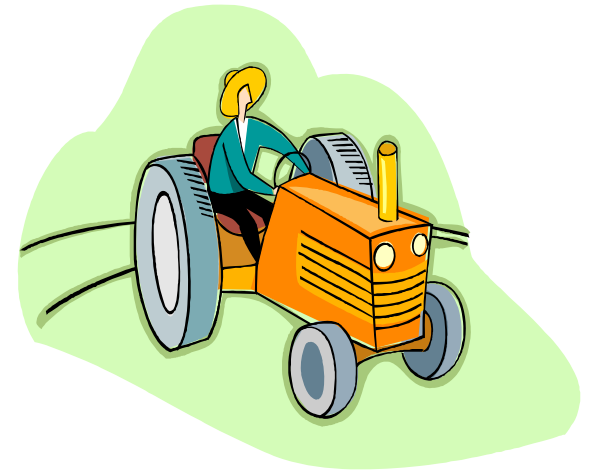


# Who is Entergy?

- An energy company in the South
- Fourth largest in US
- Desiring to be a good steward of their resource
- An early innovator

# Direct Seed Definition

- Direct seed farming is defined as any method of planting and fertilizing done with no prior tillage to prepare the soil. This includes those systems that plant and fertilize directly into undisturbed soil, as one pass, and those that fertilize first and then plant, as two passes.
- No universal definition



# Contract



- 10 year lease between PNDSA and Entergy Company for 30,000 tons (plus or minus 10%) of CO<sub>2</sub> sequestered in agriculture soils in the Pacific Northwest and retained in the soil through direct seed production systems. The CO<sub>2</sub> emissions avoided through direct seed agriculture will be credited to Entergy to offset CO<sub>2</sub> emissions from company power plants in the United States for the term of the lease.
- “RMU” Emission Removal Unit



# Permanent Offsets

- Permanent reductions of approximately 4576 tons of CO<sub>2</sub> will be passed on to Entergy over the term of the lease from reduced fossil fuel utilization. This will be accomplished through less fuel used in direct seed production on the acres contracted with growers.
- “ERU” Emission Reduction Unit

# Payment



- Transfer of rights to the CO2 ERU offsets and RMU offsets in the amounts enumerated above from PNDSA to Entergy in return for a lease payment of \$75,000. PNDSA will retain \$15,000 as the aggregator of and administrator of the lease with Entergy. The remaining \$60,000 will be distributed to PNDSA member growers upon signing of contract with PNDSA.



# Inability to Fulfill Contract Term

- Local conservation districts will be doing the verification of acres.
- If you till the contracted acres before year end 2012 you will be required to pay back PNDSA. The payback will be calculated on years left on the contract. eg: Maintained acres under direct seed for 5 years. One half of contract payment or market price for CO2 for years remaining would be paid back to PNDSA.

# How many acres will I get?

- PNDSA is stating that all acres direct seeded in the PNW have sequestered .5505 tons of carbon dioxide from the atmosphere per year. This measurement is equal to .15 tons of carbon per acre per year sequestered in the soil. The PNDSA needs 54,500 units of acre/years to fulfill the contract of sequestering 30,000 tons of CO<sub>2</sub>. We anticipate the acreage will range from 80 to 100 acres per contract.
- PNDSA and Entergy will seek research for whole farm carbon accounting for future trades

# How much money will I get?



- 30,000 tons CO<sub>2</sub> for \$75,000
- PNDSA retains \$.50/ton CO<sub>2</sub> as aggregator and administrator
- Take the number of acres you signed up in your contract times the number of years those acres have been direct seeded times .15 times \$7.34.  
eg: 80 acres X 6 years = 480 ac/yr X .15 tons C/ac/yr = 72 tons C X \$7.34/ton C = \$528.48
- It isn't the money

# Questions?



[www.directseed.org](http://www.directseed.org)

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