

# Chute 'n the Bull by Tommy Neyland



Tommy Neyland

cap on the level of carbon dioxide and/or carbon dioxide equivalents (e.g., methane and chlorofluorocarbons) that industries emit, while at the same time providing flexibility in how they comply. In response to the increase in political support for a cap-and-trade policy, agricultural producers and landowners have increased their interest in understanding how the CAT policy might affect their operations. The purpose of this article is to provide a brief overview of this subject.

In the current version of the proposed CAT legislation, production agriculture is exempt from the restrictions associated with the program. As a result, farmers and ranchers will not be required to track and/or offset their greenhouse gas emissions. Instead, CAT is being proposed as a means for landowners to generate substantial economic benefit from selling carbon offsets they can accumulate by

participating in one of four soil- and/or forest-based carbon sequestration programs. These programs include:

1. adoption of conservation tillage practices such as no-till and strip-till in place of intensive practices commonly used;
2. permanent establishment of grassland or pastureland;
3. adoption of established native range management practices; and
4. establishment of trees on land previously used for non-forestry activities (i.e., afforestation) or reestablishment of trees on lands that were previously forested (i.e., reforestation).

Participation in one or more of these programs requires landowners to verify that the sequestration of carbon dioxide is occurring or has occurred according to criteria established by the program. Verification of a sustainable management plan for any of the four methods

must be provided through a third-party process. Currently, arrangements for the third-party verification processes are being managed by aggregators who serve as legal brokers between landowners who wish to sell carbon offsets and industries who wish to purchase offsets. Currently, aggregators are assessing an average fee of 20 percent of the per-acre carbon payment for their services and require landowners to enter their carbon offsets into a long-term contract, typically five to seven years.

Proponents of CAT have affirmed that if the policy is passed into law then carbon offset credits would have a price range somewhere between \$20 and \$50 per metric ton. Although it is difficult to determine today what the price of carbon will be in the future, we point out that on April 29, 2009, the 2010 futures price of carbon offset reported by the Chicago Cli-

mate Exchange (CCX) traded at \$1.60 per metric ton. Sequestered carbon allowances vary by program type and location, and have been set by the CCX. Depending upon the program and the region, carbon allowances range from a low of 0.2 tons per acre for the conservation tillage program to a high of 2.6 metric tons per acre for a forest-based program. Based on the allowances and price information reported by CCX, we have calculated per-acre annual payment to landowners for carbon sequestered for each of the four carbon sequestration programs. This information is provided in the accompanying table. Landowners can use this information to help them decide whether or not they should consider entering

into a contract arrangement with an aggregator to sell carbon on the Chicago Climate Exchange. You can find this and past articles on the web at [www.mycountrytractor.com](http://www.mycountrytractor.com) for your reference. Extension programs serve of all ages regardless of socioeconomic level, race, color, sex, religion, disability, or national origin. The Texas A&M University System, U.S. Department of Agriculture, and the County Commissioners Courts of Texas Cooperatings serve of all ages regardless of socioeconomic level, race, color, sex, religion, disability, or national origin. The Texas A&M University System, U.S. Department of Agriculture, and the County Commissioners Courts of Texas Cooperating.

## Cattle raisers across Texas urge Senate to stop Clean Water Restoration Act

Fort Worth, Texas - The Senate Environment and Public Works Committee today passed a bill out of committee that would give the federal government regulatory authority over stock tanks, drainage ditches and any water features found on family ranches despite large opposition from cattle raisers across the country.

S. 787, the Clean Water Restoration Act, would achieve unprecedented expansion of federal authority by removing the word "navigable" from the Clean Water Act definition of waters in the U.S. and replacing it with "waters of the United States." The new definition would grant the Environmental Protection Agency (EPA) and

the Army Corps of Engineers virtually unlimited regulatory control over all wet areas within a state.

The proposed legislation would require cattle producers to manage around puddles in the middle of pastures, drainage areas, road ditches and more. If cattle producers are unable to demonstrate proper management of these areas to the federal government, they could be required to get a permit, which would be far to impractical and expensive.

Additionally, the legislation would result in a major decrease in authority from state governments and private property owners all across the United States.

"All waters are not equal

in terms of their environmental function and value, and they should not be regulated in the same way," TSCRA President Dave Scott, a rancher from Richmond, Texas, said. "If this bill passes in Congress, ranchers across the U.S. will be forced to get a permit to continue everyday operations on their own land."

"The federal government already struggles to handle the backlog of 15,000 existing permit requests; how it plans to deal with the massive amount of new permitting requirements and litigation this bill will surely create is beyond reason," Scott continued. "There is no doubt ranchers like me will be the ones forced to cover the costs,

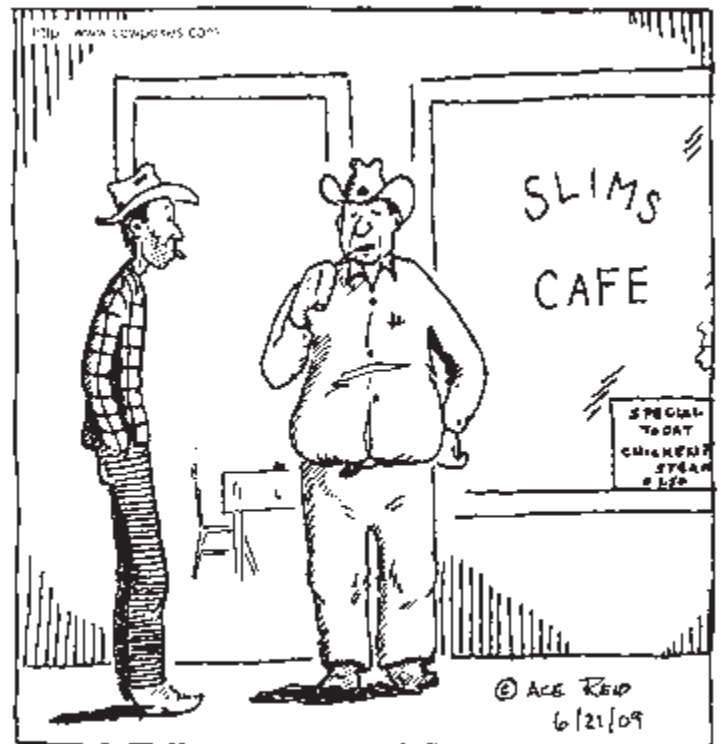
not to mention the huge administrative burdens of endless government red tape."

The Texas and Southwestern Cattle Raisers Association is asking the Senate to stop this bill should it come up for a full Senate vote.

The Texas and Southwestern Cattle Raisers Association is a 132-year-old trade organization and is the largest livestock association in Texas. TSCRA has more than 15,000 members who manage approximately 4 million head of cattle on 51.5 million acres of range and pasture land, primarily in Texas and Oklahoma. TSCRA provides law enforcement services, livestock inspection, legislative and regulatory advocacy and educational opportunities for its members and the industry.

## COW POKES

By Ace Reid



"Naw, I don't hafta worry about my diet. I eat and drink everything I want and my weight never varies over a pound or two!"

## TDA Market Recap June 15, 2009

AUSTIN - (June 15, 2009) For the week ending June 13, 2009, feeder cattle prices at Texas auctions were steady to \$5 lower per hundredweight, with a few areas \$3 higher on offerings under 500 pounds. Recent declines in finished cattle prices and ongoing losses by cattle feeders continue to pressure the market. Fed cattle prices were near unchanged from a week ago. Cotton prices were unchanged and grain prices declined as a stronger U.S. dollar eroded export demand. As for futures markets, feeder cattle, finished cattle and cotton were higher, while wheat, corn and lumber were lower. Most areas of the state reported only scat-

tered showers during the week, while parts of Central Texas recorded up to 8 inches of rain. Topsoil moisture was rated mostly short to adequate statewide. Wheat harvest advanced to 37 percent complete with the crop reported in mostly very poor to poor condition. Cotton planting was 93 percent complete and 10 percent of the acreage is squaring. Grain sorghum planting was nearing completion on the High Plains, while the South Texas crop is nearing maturity. Pastures were reported to be in mostly fair to good condition and needing rain in many areas.

## BUFFALO LIVESTOCK REPORT

<b>Sale Date:</b> 6-20-09	Choice Pairs.....950-1050	600-700 lbs.....83-96
<b>Head Count:</b> 1463	Good Pairs.....850-950	700-800 lbs.....80-91
<b>Last Week:</b> 1450	Plain Pairs.....500-750	<b>Heifer Calves &amp; Yearlings</b>
<b>Sellers:</b> 212	Bred Cows 3-6 Yr Old.....500-800	<i>Some plainer, hard to place calves below these figures.</i>
<b>Buyers:</b> 56	<b>Steer/Bull Calves &amp; Yearlings</b>	150-200 lbs.....95-130
Cutter Cows.....38-52	<i>Some plainer, hard to place calves below these figures.</i>	200-300 lbs.....95-125
Fat Cows.....40-49	150-200 lbs.....105-140	300-400 lbs.....88-109
Canner Cows.....32-45	200-300 lbs.....100-130	400-500 lbs.....84-100
<b>Slaughter Bulls Steady/Down</b>	300-400 lbs.....98-127	500-600 lbs.....83-102
Heavy Bulls.....56-63	400-500 lbs.....86-110	600-700 lbs.....78-95
Light Bulls.....50-55.5	500-600 lbs.....84-102	700-800 lbs.....80-85
<b>Cow/Calf Pairs &amp; Bred Cows</b>		

## BRAZOS VALLEY LIVESTOCK REPORT

<b>Date of Sale:</b> 6-16-09	400-500.....84-90	600-700.....71-80
<b>Total Receipts:</b> 1712	500-600.....82-88	<b>Stocker Cows</b>
<b>Previous Week:</b> 1281	600-700.....80-88	Palpated Cows.....385-630
<b>Total Sellers:</b> 199	<b>Feeder Heifers - Med/Large #1</b>	<b>Cow/Calf Pairs</b>
<b>Total Buyers:</b> 63	200-300.....90-101	Choice.....---
<b>Feeder Steers- Med/Large #1</b>	300-400.....89-95	Good.....630-850
200-300.....109-138	400-500.....85-93	Plain.....530-630
300-400.....105-122	500-600.....83-91	<b>Slaughter Bulls</b>
400-500.....91-105	600-700.....80-87	High Yield 1-2.....60-65
500-600.....90-99	700-800.....75-82	Lower Yielding.....55-60
600-700.....89-94	<b>Feeder Heifers - Med/Large #1-2</b>	<b>Slaughter Cows</b>
700-800.....85-91	200-300.....85-90	Shelly Cows.....20-30
<b>Med/Large #1-2's</b>	300-400.....80-89	Cutter Canners.....30-49
200-300.....90-105	400-500.....75-85	Cutter/Boning UT.....36-46
300-400.....80-100	500-600.....77-84	

## GROESBECK LIVESTOCK REPORT

<b>Date of Sale:</b> 6-18-09	Young Bred Cows.....750-900	500-600.....100-110
<b>Head Count:</b> 1017	Older Plain Cows.....450-750	600-700.....97-106
<b>Cut/Boner:</b> 42-47	Good Choice Pairs.....850-1000	700-800.....95-103
<b>Canner Cow:</b> 38-44	Common Medium Pair.....650-850	<i>Heifers Good &amp; Choice</i>
<b>Breaker Utility Com Cow:</b> 48-54	<b>Stocker &amp; Feeder Calves &amp; Yearlings</b>	Up to 200.....---
<b>Thin Cows:</b> 30-40	<i>Steers Good &amp; Choice</i>	300-400.....100-110
<b>Bulls Yield Grade 1&amp;2:</b> 56-59	Up to 200.....---	400-500.....95-105
<b>Bulls Yield Grade 3&amp;4:</b> 52-55	300-400.....111-125	500-600.....92-106
<b>Stocker Cows</b>	400-500.....102-110	600-700.....83-90

## ANDERSON CO. LIVESTOCK REPORT

<b>Date of Sale:</b> 6-17-09	400-500.....87-1.00	500-600.....80-92
<b>Head Count:</b> 267	500-600.....85-98	600-700.....75-88
<b>Buyers:</b> 38	600-700.....82-95	700-800.....67-80
<b>Sellers:</b> 45	700-800.....75-88	<b>Slaughter Cows.....25-48</b>
<b>Steers/Bull Calves &amp; Yearlings</b>	<b>Heifers Calves &amp; Yearlings</b>	<b>Slaughter Bulls.....50-60</b>
200-300.....95-1.23	200-300.....90-1.21	<b>Stocker Cows ... 425.00-775.00</b>
300-400.....90-1.08	300-400.....87-94	<b>Pairs..... 625.00-900.00</b>
	400-500.....82-93	

## EAST TEXAS LIVESTOCK REPORT

<b>Date:</b> 6-16-09	<b>Slaughter Bulls</b> .....45.50-59.50	305-400.....95-118
<b>Volume:</b> 1993	<b>Bred Cows</b> .....520-700/hd	405-500.....84-113
<b>Tested:</b> 286	<b>Cow/Calf Pairs</b> .....630-1000	505-600.....80-103
<b>Sellers:</b> 213	<b>Feeder Steers/Bulls Large Frame #1's</b>	605-800.....73-95
<b>Total Buyers:</b> 85	150-200.....113-148	<b>Compared to last week:</b>
<b>Packer Buyers:</b> 5	205-300.....111-132	The front end of feeder steers and heifers ended \$4 to \$5 higher while the plainer classes ended firm to \$2 stronger. Slaughter cows and slaughter bulls showed to be \$2 to \$4 higher. Buyer trade and demand was strong and aggressive on all classes.
<b>Order Buyers:</b> 14	305-400.....105-130	
<b>Cattle Companies:</b> 35	405-500.....93-114	
<b>Feeder Orders:</b> 189	505-600.....85-110	
<b>Slaughter Cows</b>	605-800.....81.50-98	
Canners.....21-34.00	<b>Feeder Heifers - Large Frame#1</b>	
Boning/Utility.....35-43.00	150-200.....120-134	
Cutters.....44-51.50	205-300.....100-114	

Fixing a Hole

C	O	I	L	S		B	A	S	E		S	O	H	O	
U	D	D	E	R		A	R	I	A		A	M	E	N	
P	I	E	F	I	L	L	I	N	G		H	E	R	E	
S	E	A	T		O	L	D		L	L	A	N	O	S	
		W	A	C	O		S	E	A	R					
		N	I	C	O	T	I	N	E	P	A	T	C	H	
I	R	O	N	S		D	A	Y	S		W	H	O		
B	O	R	G		S	C	O	P	E		H	A	I	L	
I	S	M		M	I	L	L				S	O	N	N	Y
S	H	A	M	E	L	E	S	S	P	L	U	G			
		O	R	E	M		L	A	Y	S					
B	A	R	R	E	N		R	A	N		E	G	O	S	
E	X	I	T		C	O	U	N	T	Y	C	O	R	K	
E	L	L	A		E	D	I	T		D	A	N	C	E	
B	E	E	R		D	E	N	Y		S	T	E	A	D	

Sudoku Solution #1475-M

9	1	7	8	5	2	3	6	4
8	5	4	3	1	6	9	2	7
2	3	6	4	9	7	5	8	1
6	2	9	7	8	1	4	3	5
1	4	3	5	2	9	6	7	8
7	8	5	6	3	4	2	1	9
5	7	2	1	4	3	8	9	6
4	9	1	2	6	8	7	5	3
3	6	8	9	7	5	1	4	2

**CVRS**  
Dacques Pourciau DVM  
903-536-2424  
3771 FM 811, Centerville, TX



**Full Service Equine Hospital**

Mare Management and Foaling

Embryo Transfer

Breeding

Stallion Collection and Evaluation

Semen Shipping and Freezing

Mon.-Fri. 8am-5pm  
Sat. by appt. only.  
Credit Cards Accepted