

Clean Energy: A Good Deal for Indiana Agriculture

- Investments in clean energy are a good deal for Indiana's farmers. Comprehensive clean energy and climate policies will create new opportunities for agriculture to thrive, while at the same time reducing pollution and making America more secure.
- Clean energy would be good for the rural economy. A farm is not the same thing as a factory or a power plant, and we can make the transition to a clean energy economy without imposing new burdens on agriculture. **That's why farms and ranches would be exempt from the limits on carbon pollution that would apply to other industries.**
- Comprehensive clean energy and climate legislation could specifically protect energy-intensive industries exposed to international trade, including fertilizer companies. This would help ensure that fertilizer prices are not affected for at least the next 15 years.¹

Clean Energy Can Bring Indiana Farmers Profits

- Indiana's farmers would thrive under comprehensive clean energy and climate legislation. Corn growers nationwide could see their income go up \$1.9 billion per year, and soybean growers could earn an extra \$680 million per year, through voluntary incentives to reduce pollution and improve efficiency.²
- Overall, comprehensive legislation could increase farm profits by 12% nationwide.³
- Clean energy policies would encourage renewable energy development. Currently, many farmers can lease parts of their land to wind and solar developers or set up their own renewable energy systems.
- Farmers can use efficiency strategies to lower energy costs while maintaining or increasing the crop yield. Energy efficiency improvements can save farmers about \$1 billion per year.⁴ Indiana farmers can also profit by selling crop residues, non-food plants and crop waste materials to generate electricity.

Why Indiana Farmers Can't Wait

- Climate change threatens to impose new costs on farmers and hurt the productivity of harvests. Likely impacts of climate change include higher temperatures, shifts in growing seasons, stressed water supplies, and increased pests and diseases. Climate change will almost certainly cause a decrease in crop yields, driving down farm income.⁵
- In Indiana, corn growers will suffer because warmer temperatures can adversely affect plant growth. Soybean growers may need to adopt expensive new strategies for managing increased soybean weeds as carbon dioxide levels rise in the atmosphere.⁶

¹ "The Effects of H.R. 2454 on International Competitiveness and Emission Leakage in Energy-Intensive Trade-Exposed Industries: An Interagency Report Responding to a Request from Senators Bayh, Specter, Stabenow, McCaskill, and Brown," December 2, 2009.

² Daniel de la Torre Ugarte, et al., *Analysis of the Implications of Climate Change and Energy Legislation to the Agricultural Sector (25x'25*, November 2009).

³ Statement by Joseph Glauber, U.S. Department of Agriculture, *To Review the Costs and Benefits of Agriculture Offsets: Hearing before the House Agriculture Committee Subcommittee on Conservation, Credit, Energy, and Research*, 111th Cong., 1st sess., December 3, 2009.

⁴ Elizabeth Brown and R. Neal Elliot, *Potential Energy Efficiency Savings in the Agriculture Sector* (American Council for an Energy-Efficient Economy, April 2005): 16-17.

⁵ U.S. Global Change Research Program, *Global Climate Change Impacts in the United States: Agriculture* (2009).

⁶ U.S. Department of Agriculture, "As CO2 Levels Rise, Plants – and Humans – Respond," *Agricultural Research*, November-December 2009.