

Energy Independence and Security Act of 2007, passed into law December 2007 includes recognition of trees as an avoidance and sequestration offset.

This bill contains the following provisions in Title IV, Energy Savings in Buildings and Industry:

- (Pg 273, line 12): *INCLUSIONS.—The term “operational cost savings” includes savings achieved at a facility as a result of...the planting of vegetation that shades the facility and reduces the heating, cooling, or lighting needs of the facility. (this is what RGGI calls avoidance).*

**-(pg 418, line 4) SEC. 493. ENVIRONMENTAL PROTECTION AGENCY DEMONSTRATION GRANT PROGRAM FOR LOCAL GOVERNMENTS.**

This section says the Administrator (of EPA) will establish a grant program to local governments to deploy cost-effective practices (vegetation is listed as a cost-effective practice) to achieve operational savings (see above), Match requirement is 60 local:40 fed, but the Administrator may waive the match under certain circumstances. Grant max is \$1,000,000. Awardees must achieve a 40% cost savings in energy as a result of implementation of practices.

Unfortunately, though one title of the bill (Title VII) relates to carbon sequestration, it is about geologic sequestration only. There are no provisions for terrestrial sequestration, including trees.

Keep your eyes open for the EPA RFP. The bill says it must be issued within 1 year of the effective date of the bill.

Text below.

<http://thomas.loc.gov/cgi-bin/query/D?c110:8:./temp/~c110g4awAe::>

- . (9) OPERATIONAL COST SAVINGS-
- 0. (A) IN GENERAL- The term `operational cost savings' means a reduction in end-use operational costs through the application of cost-effective technologies and practices or geothermal heat pumps, including a reduction in electricity consumption relative to consumption by the same customer or at the same facility in a given year, as defined in guidelines promulgated by the Administrator pursuant to section 329(b) of the Clean Air Act, that achieves cost savings

sufficient to pay the incremental additional costs of using cost-effective technologies and practices including geothermal heat pumps by not later than the later of the date established under sections 431 through 434, or--

- 0. (i) for cost-effective technologies and practices, the date that is 5 years after the date of installation; and
- 0. (ii) for geothermal heat pumps, as soon as practical after the date of installation of the applicable geothermal heat pump.
- 0. (B) INCLUSIONS- The term `operational cost savings' includes savings achieved at a facility as a result of--
  - 0. (i) the installation or use of cost-effective technologies and practices; or
  - 0. (ii) the planting of vegetation that shades the facility and reduces the heating, cooling, or lighting needs of the facility.

(C) EXCLUSION- The term `operational cost savings' does not include savings from measures that would likely be adopted in the absence of cost-effective technology and practices programs, as determined by the Administrator.