



Senator Durbin Recognizes Innovative State Greenhouse Gas (GHG) Reduction Program: Illinois Farmers Make Money By Keeping GHGs out of the Atmosphere

FOR IMMEDIATE RELEASE

(Chicago - April 3, 2007) More than one hundred Illinois farmers were mailed checks this week as payment for conservation practices they have implemented to take greenhouse gases out of the air. Today Senator Durbin praised the program that made it possible as an example of the innovation needed to tackle global warming.

The Illinois Conservation and Climate Initiative (ICCI) was created by Governor Blagojevich in partnership with the Chicago Climate Exchange, the Delta Institute, and the Association of Illinois Soil and Water Conservation Districts (AISWCDs). ICCI allows farmers and landowners to earn greenhouse gas emissions credits when they practice conservation tillage, plant grasses and trees, or capture methane with manure digesters.

These conservation practices remove carbon dioxide from the atmosphere and store it in soil and plants. Manure digesters produce energy and prevent methane from being released to the atmosphere. Both carbon dioxide and methane are greenhouse gases that contribute to global climate change.

The Chicago Climate Exchange (CCX®) establishes rules that allow greenhouse gas benefits from conservation practices to be quantified, credited and sold. The credits are aggregated, or pooled, from many different producers and landowners in order to sell them to CCX® members that have made voluntary, legally binding commitments to reduce their greenhouse gases. CCX is the world's first and North America's only voluntary, legally binding greenhouse gas emission reduction, registry and trading program.

ICCI provides an additional financial incentive for farmers and landowners to use conservation practices that also benefit the environment by creating wildlife habitat and limiting soil and nutrient run-off to streams and lakes. State agencies are helping to promote and coordinate the ICCI. The Delta Institute is a non-profit organization that is serving as the aggregator for ICCI, and the AISWCDs help enroll landowners in the program.

The Delta Institute is a non-profit organization that is serving as the aggregator for ICCI. "Since the first pool, the momentum of the program has been increasing significantly." Said Tim Brown, Co-Director of the Delta Institute. "Illinois has million acres of no-till agriculture and numerous opportunities to implement land conservation practices that sequester carbon. The potential for ICCI is enormous," he said.

"I am pleased that Illinois farmers are taking a leadership role in promoting environmentally friendly agriculture to address global climate change. By participating in the program, Illinois producers are enhancing environmental health of rural America, reducing dependence on fossil fuels as well as benefiting monetarily through the carbon markets. It shows that good business and sound land stewardship can go hand in hand." said Senator Durbin. "I commend ICCI and the Chicago Climate Exchange for providing easy access to farmers across the state to join in this effort."

The Senator also said, "The work CCX is doing by providing the services of a standardized, rules-based system that rewards environmental services from the farming community showcases Chicago's continuing leadership as a beacon of financial innovation."

"We believe the role agriculture and forestry can play in combating global warming is enormous. The ICCI and CCX share a common vision in creating market-based incentives that promote long term sustainability of America's farmland. We are honored and proud to work with Illinois producers through efforts of ICCI to build this environmental market. We are also glad that Senator Durbin is fully engaged in supporting these initiatives in our home state that will position Illinois producers to capitalize on the developing GHG emission markets." said Dr. Richard L. Sandor, Chairman and CEO of CCX.," said Dr. Richard L. Sandor, Chairman and CEO of CCX.

Baxter International Inc., a founding member of the Chicago Climate Exchange, was the first company to purchase some of the carbon credits offered by Illinois farmers and landowners through the Illinois Conservation and Climate Initiative. Baxter is a global, biotechnology, medical device and specialty pharmaceutical company based in Deerfield, Ill.

ICCI is an important part of Governor Blagojevich's commitment to energy independence and fighting global warming. In August 2006, Governor Blagojevich unveiled a comprehensive long-term energy plan to replace Illinois' dependence on foreign oil with homegrown, renewable energy sources, including renewable fuels and wind power. The Governor's plan sets a goal of replacing 50% of the state's energy supply with homegrown fuels by 2017. Gov. Blagojevich also recently created the Illinois Climate Change Advisory Group, which will consider the full range of policies and strategies to reduce GHG emissions in Illinois and make recommendations to the Governor. As part of the Governor's Climate Change Initiative, Illinois became the second state in the nation to join the Chicago Climate Exchange, committing the state to reduce greenhouse gas emissions from the electricity and fuel needed to operate state facilities and motor vehicles.

Background on ICCI Current Activities

The first pool of carbon offset contract applications were submitted to the Delta Institute in October 2006. A total of 123 landowners enrolled 46,362 acres of conservation tillage and grasslands in this pool. After the Association of Illinois Soil and Water Conservation Districts verified the contracts, CCX issued 44,000 tons of carbon credits. Twenty percent of these were held in reserve per the rules of CCX. The remaining 35,200 were sold by the Delta Institute on the CCX platform for a net total to contract holders of \$119,838.60. Sales were completed at the end of March 2007.

Since the close of the first pool, more carbon offset contracts have been submitted to the Delta Institute. Beginning in January 2007, an additional 67,527 acres of conservation tillage, grassland and forestry offsets have been enrolled in ICCI by 447 additional landowners. This brings the total ICCI enrollment to 570 landowners and 113,889 acres.

About the Delta Institute and P2E2 Center

The Delta Institute is a 501(c)(3) nonprofit organization formed in 1998 to work on environmental quality and community economic development projects in Illinois and the Great Lakes region. The Delta Institute trades carbon credits on the CCX® and is an aggregator on the exchange. The Delta Institute trades carbon credits on the CCX® trading platform through its limited liability corporation called the Pollution Prevention and Energy Efficiency Center, LLC.

About Chicago Climate Exchange

CCX began greenhouse gas emission allowance trading in 2003. CCX is the world's first and North America's only legally binding rules-based greenhouse gas emissions allowance trading system, as well as the world's only global system for emissions trading based on all six greenhouse gases. CCX members are leaders in greenhouse gas management and represent all sectors of the global economy, as well as public sector innovators. CCX Members commit to reduce their greenhouse emissions a minimum of 4% below annual average of 1998-2001 by 2006 and 6% by 2010. Reductions achieved through CCX are the only reductions in North America being achieved through a legally binding compliance regime, with price transparency and independent third party verification provided by NASD. The Chairman and CEO of CCX is economist and financial innovator Dr. Richard L. Sandor, who was named a Hero of the Planet by Time magazine for his work in founding CCX. For a full list of CCX members, daily prices and other program information, see www.chicagoclimateexchange.com. CCX is a wholly owned subsidiary of Climate Exchange Plc, a public stock company listed on the AIM Market of the London Stock Exchange. Climate Exchange Plc also owns the European Climate Exchange, Europe's leading CO₂ emissions exchange.