



CHRISTIANSON

CPAs & Consultants

Farming Carbon Index for Ethanol Producers

Renewable Fuels Nebraska
March 24, 2022

Creating clients for life

Clean Fuels Policy

- > Farm Level Carbon Accounting
 - > Measure GHG emissions reduction
 - > Transformational
 - > Incentive – Climate Smart Farming Practices





Farm Level Carbon Accounting

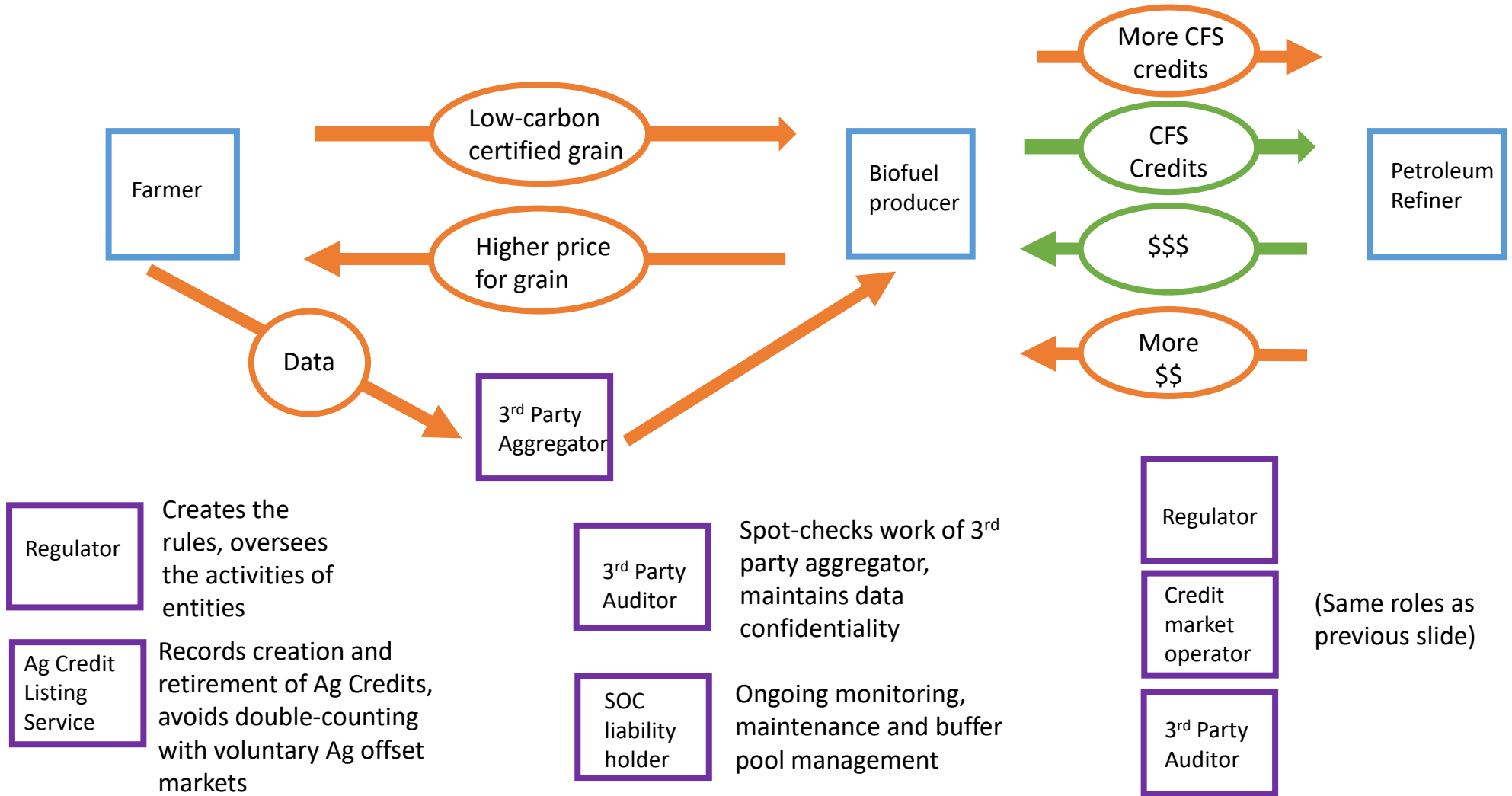
> Relationship

- > Farmer
- > Third Party Aggregator
- > Renewable Fuel Producer
- > Regulators
- > Credit Markets

> Structure not final

- > Industry has opportunity to influence
- > CARB amendment effective 01-01-2024

Adding Farm GHG Compensation - Biofuel Producer as CFS credit generator

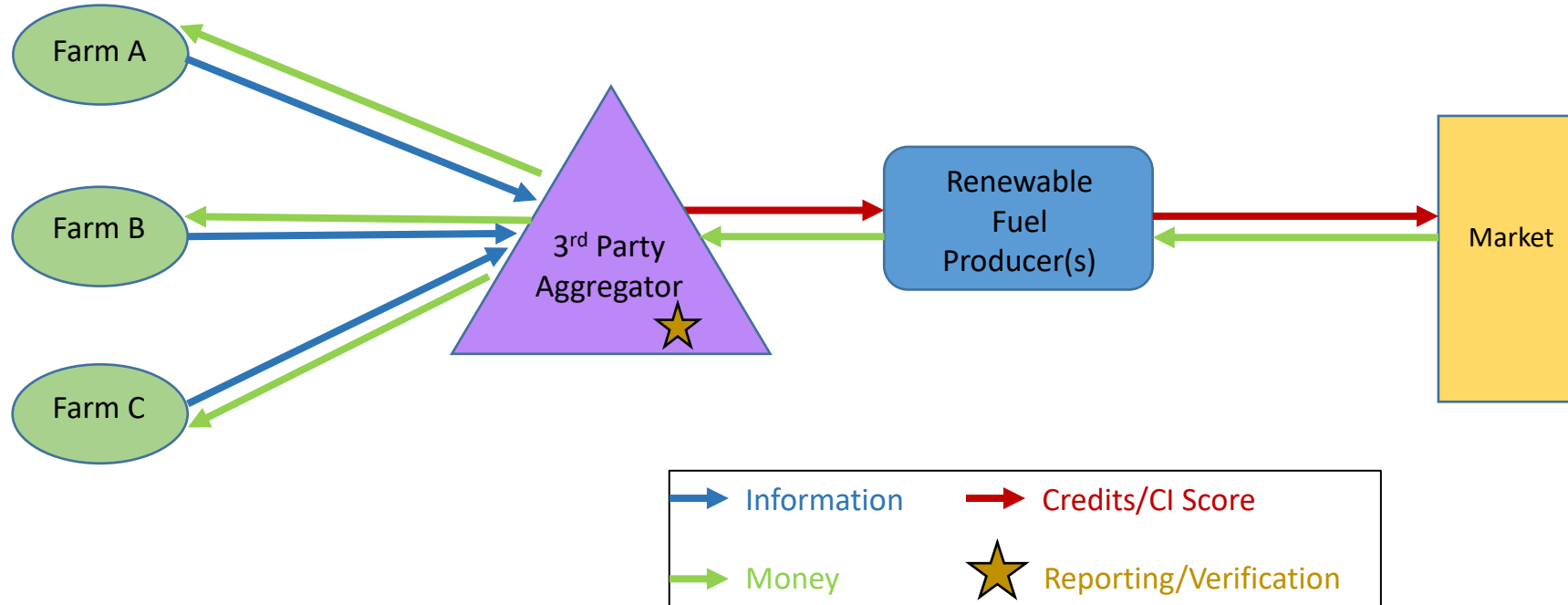


Farm Level Carbon Accounting

- > Farmer level requirements
 - > Create efficient data system
 - > Avoid requirement for individual CI pathway
 - > Potential to use credit buffer account
 - > Years with low yields
 - > Use 2 – 3 year rolling yield average
 - > Subject to spot check audits



3rd Party Aggregator and Group CI



Farm Level Carbon Accounting

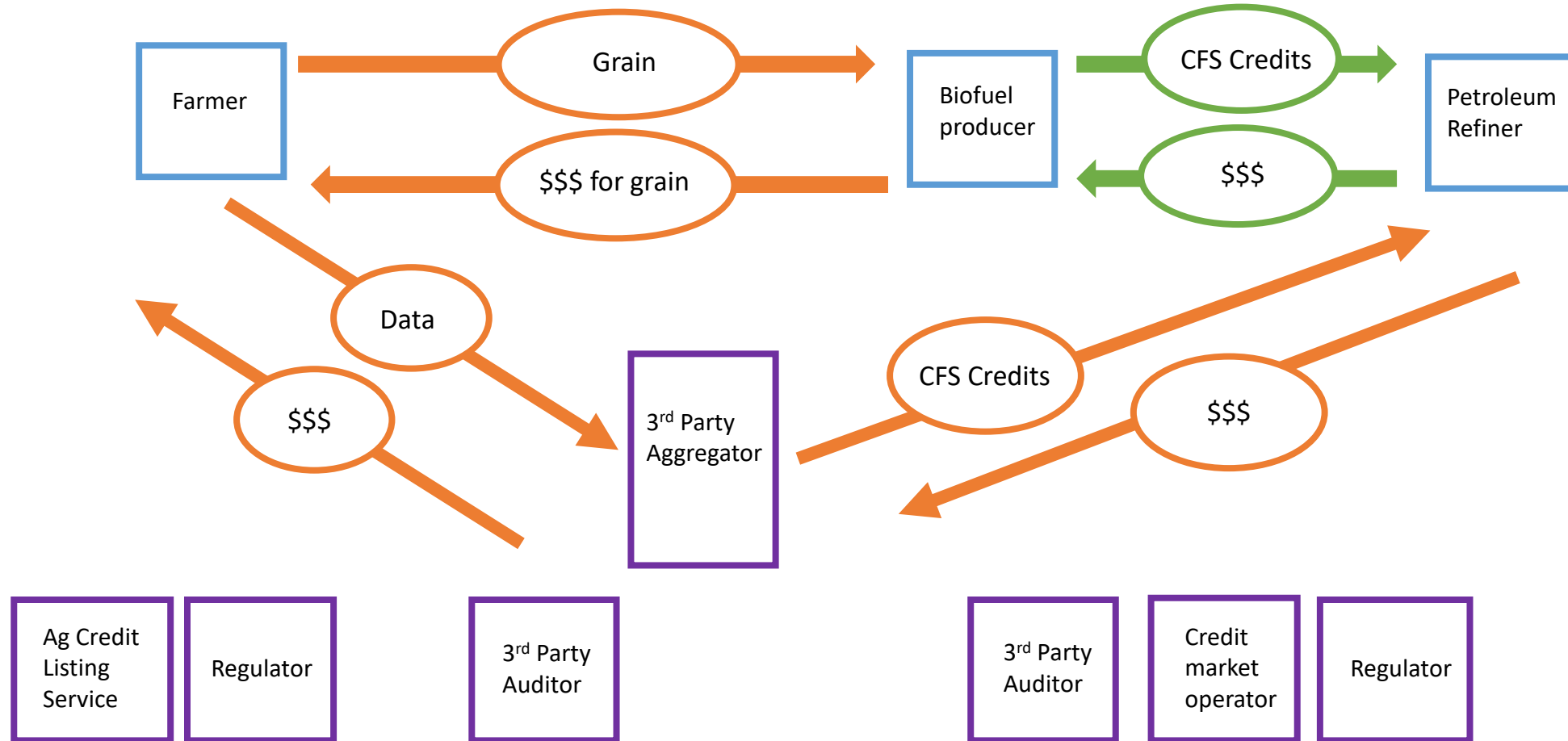
- > Aggregator level requirements
 - > Subject to all CI pathway requirements
 - > Annual audit verification
 - > Responsible for data confidentiality
 - > Carbon Index score of feedstock
 - > Weighted average CI of bushels
 - > Banded CI score by groups of farmers



Farm Level Carbon Accounting

- > Renewable Fuel Producer
 - > Added pathways for feedstock
 - > In-depth tracking and mass balancing of feedstock
 - > Potential farmer information management
 - > Pricing of feedstock by CI score
 - > Carbon credit benefit - share % with ag producer

Farmer as Credit Generator (offset program model)



QUESTIONS?



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