Dear valued NCP producer,

As the ethanol industry continues to evolve, sustainability has become a critical value in the global market. For the past 15 years, with your help, Nebraska Corn Processing, LLC has worked extremely hard to reduce our carbon footprint and to become a leader in sustainable ethanol production.

NCP is proud of the progress we have made together, but we understand there is so much more to be done as we strive to remain competitive on the global stage.

That is why we are asking our grain producer partners to sign a Renewable Biomass Certification, providing documentation that you are making the best possible choices for your ground, as we know you are. This certification is a step NCP is taking to access more markets for Nebraska-produced ethanol, as many countries – and U.S. states - increase their demand for low-carbon fuels.

The language in the Renewable Biomass Certification is pulled directly from the Renewable Fuels Standard and is not meant to question your farming practices. We believe in the quality and sustainability of the corn you market with NCP and the products we produce in Cambridge, Neb. We truly appreciate you being a continued part of our business.

However, we feel the certification process will be extremely important in keeping our ethanol competitive in the marketplace, as many countries, including Brazil, are already producing sustainability records for their products.

Click here to review and securely sign the <u>Renewable Biomass Certification</u>. This link can be accessed multiple times to create copies of the certification if it requires the signature of more than one person associated with your operation. If you market grain under more than one farm name, enter all entities of which you have ownership into the "Company/Farm Name" field and sign only one document.

We understand the biggest concern you are likely to have with the Renewable Biomass Certification will be the requirement that all corn is harvested on land cleared or non-forested on, or prior to, December 19, 2007. The EPA has ensured our team that requirement will not go into effect as long as the total acres of U.S. cropland - based on the USDA's Census of Agriculture - remains lower than the acres of cropland reported in the 2007 census (See chart below). Unless that 2007 threshold is met, producers will not be required to provide any further documentation or reporting.

NCP has reviewed this language in the published RFS Annual Rules and verified the information. The relevant subsection of the RFS Annual Rules follows the chart in this letter, along with a link to the rules online.

If the total acres of U.S. cropland surpass the 2007 level, and you wish to continue the Renewable Biomass Certification, you will be given ample time to submit documentation proving your land meets the certification requirements. If you do not wish to continue the certification, you would be free to take your grain to another entity.

The EPA has made it clear that the certification requirement will not be enforced, or penalized, retroactively.

Please feel free to reach out with any questions or concerns.

Thank you,

Emily Calderone
Supply Chain Analyst, ZFS Solutions

Cell: 517-604-1607

Email: emily.calderone@zfssolutions.com

U.S. Cropland - Total acres (Based on data from USDA Census of Agriculture)

	2007	2012	2017	2022
Total acres*	406.4 million	389.7 million	396.4 million	382.4 million
Acres below 2007 threshold		16.7 million	10 million	24 million
Percent below 2007 threshold		4.11%	2.45%	5.92%

^{*} All numbers are approximate

RFS Annual Rules - subsection 80.1454

(g) Aggregate compliance with renewable biomass requirement.

Any producer or RIN-generating importer of renewable fuel made from planted crops or crop residue from existing U.S. agricultural land as defined in § 80.1401, or from planted crops or crop residue from existing agricultural land in a country covered by a petition approved pursuant to § 80.1457, is covered by the aggregate compliance approach and is not subject to the recordkeeping requirements for planted crops and crop residue at § 80.1454(g)(2) unless EPA publishes a finding that the 2007 baseline amount of agricultural land in the U.S. has been exceeded or, for the aggregate compliance approach in a foreign country, that the withdrawal of EPA approval of the aggregate compliance approach is warranted pursuant to § 80.1457(e).

- 1. EPA will make findings concerning whether the 2007 baseline amount of agricultural land in the U.S. or other country covered by a petition approved pursuant to § 80.1457 has been exceeded and will publish these findings in the Federal Register by November 30 of the year preceding the compliance period.
- 2. If EPA finds that the 2007 baseline amount of agricultural land in the U.S. or other country covered by a petition approved pursuant to § 80.1457 has been exceeded, beginning on the first day of July of the compliance period in question any producer or RIN-generating importer of renewable fuel made from planted crops or crop residue in the country for which such a finding is made must keep all the following records:
- (i) Records that serve as evidence that the land from which the feedstock was obtained was cleared or cultivated prior to December 19, 2007 and actively managed or fallow, and nonforested on December 19, 2007. The records must be provided by the feedstock producer and must include at least one of the following documents, which must be traceable to the land in question:
 - (A) Sales records for planted crops, crop residue or livestock.
 - (B) Purchasing records for fertilizer, weed control, seeds, seedlings, or other nursery stock.
 - (C) A written management plan for agricultural purposes.
 - (D) Documentation of participation in an agricultural program sponsored by a Federal, state, or local government agency.
 - (ii) Records to verify the location where the feedstocks were produced:
 - (A) Maps or electronic data identifying the boundaries of the land where each type of feedstock was produced; and (B) Bills of lading, product transfer documents or other commercial documents showing the quantity of feedstock purchased from each area identified in paragraph (g)(2)(ii)(A) of this section and showing each transfer of custody of the feedstock from the location where it was produced to the renewable fuel facility.