### **Frequently Asked Questions:**

### 2024 DFA Dairy Soils Carbon Program – powered by Truterra

#### What is the 2024 DFA dairy soils carbon program – powered by Truterra?

The goal of the 2024 DFA dairy soils carbon program is to reward eligible farmer-owners for the impact resulting from their transition to conservation agronomy practices on their feedstock acres.

#### Where is this program available?

This program is available to pre-qualified DFA farmer-owners in the Fallon, NV and Goshen, IN milksheds, which are within the states of NV, MI, IN, KY, WI, IL and OH.

#### What are the timelines for this program?

- Enrollment will open August 1, 2024 and close Nov 1, 2024 or when the program acreage target is achieved.
- Data collection is due December 1, 2024
- o Data validation is due December 31, 2024
- Farmer-owner payments are scheduled to be completed by Q2 of 2025.

Program timelines are subject to change.

#### What is the payment for eligible farmer-owners participating in this program?

Eligible farmer-owners may be paid \$30/metric ton with a \$2/acre minimum for eligible fields enrolled in the program.

#### Is the \$2/acre minimum payment a single payment, or \$2/acre for each contracted crop year?

The \$2/acre minimum payment is one payment across all contracted crop years.

#### What crops are eligible for the DFA dairy soils carbon program?

Corn (grain or silage), alfalfa, sorghum, or wheat (grain or silage) present in crop years 2022-2024. Farmer-owners must attest that 100% of the crop grown is used on-farm as dairy feed for the crop to be eligible in this program.

#### What crops are ineligible for the DFA dairy soils carbon program?

Any crop that is not listed above is ineligible for the program for that year of eligibility. Popcorn, soybeans, sweet corn, sugar beets, kidney beans, and pumpkins are all examples of ineligible crops for this program. Crops not used on-farm as dairy feed are also ineligible.

#### What practice(s) are required to be eligible for the DFA dairy soils carbon program?

Eligible practices include strip/no-till and/or use of cover crops on eligible crops in 2022-2024. For this program, strip/no-till is defined as no tillage at all, **or** 1 pass of seedbed prep (not exceeding a

depth of 3"), strip-tillage, or post-planting tillage which disturbs no more than 1/3 of surface residue.

#### How does injecting manure or fertilizer impact eligibility?

If strip/no-till and/or use of cover crops is in place, injecting manure or fertilizer will not impact eligibility.

#### Does the initial practice change date impact eligibility?

No, the initial practice change year does not impact eligibility. However, farmer-owners participating in this program are only eligible for contracting in 2022, 2023 and 2024.

#### When will participating farmer-owners be paid?

Farmer-owner payments are scheduled to be completed by Q2 of 2025. Payment timelines are subject to change.

#### What are the eligible payment years for this program?

Eligible farmer-owners may receive \$30/metric ton with a \$2/acre minimum payment on each field which meets eligibility requirements & is contracted in crop year 2024. If crop year 2023 also meets all eligibility requirements, then crop year 2023 will be contracted. If crop years 2024 and 2023 are eligible to contract, then crop year 2022 is eligible to contract so long as it also meets all eligibility requirements. Carbon tonnage will be quantified for each year eligible for contracting.

#### Is an eligible crop required to be planted in all seasons to be eligible for payment?

Yes, a field must meet all eligibility requirements in crop year 2024 to enroll, contract, and be paid in this program. If the field meets all eligibility requirements in previous eligible contiguous crop years, those years will be contracted and paid as well. Example:

Crop Year	Сгор Туре	<b>Contracted?</b> Fields must meet all program eligibility criteria in 2024 to be eligible for payment.
2024	Corn silage	Yes
2023	Soybeans	No
2022	Alfalfa	No

In the example above, crop year 2023 lists an ineligible crop, so the field is not contracted on that year and is thus not eligible to contract on crop year 2022.

#### Why must eligibility requirements be met in contiguous crop years?

Truterra's carbon programs require contiguous contracting. If a field does not continue to contract in our program after being contracted once, that field is not eligible to re-enroll in the program in future cohorts. For example, if a farmer contracted in a legacy Truterra carbon program for crop year 2022, but did not contract in 2023, they could only be contracted in the DFA

dairy soils carbon program for 2024 if they are eligible and contract for 2023 and 2024. If 2023 is not eligible, they would not be contracted at all due to the contiguous years requirement.

#### Why is there an on-farm feed use requirement for eligible crops in this program?

This program aims to measure the GHG impact of feed production connected directly to the DFA milk supply. To ensure that the emissions being calculated are within DFA's supply chain, the program is only available to acres which are 100% allocated for dairy feed.

## Is a field still eligible if 100% of the crop was NOT used as on-farm dairy feed across all program years?

Fields must meet all eligibility requirements in CY2024, including 100% on-farm feed usage, to enroll in the program. Fields will only be contracted in eligible crop years where all eligibility requirements were met. If a field does not meet the feed use requirement in crop year 2023, the field will be contracted for crop year 2024 only.

#### Example:

Crop Year	Сгор	100% of crop used on- farm as dairy feed?	<b>Contracted?</b> Fields must meet all program eligibility criteria in CY2024 to be eligible for payment.
2024	Corn	Yes	Yes
	Alfalfa – 1 <sup>st</sup> cutting	Yes	
2023	Alfalfa – 2 <sup>nd</sup> cutting	Yes	
	Alfalfa – 3 <sup>rd</sup> cutting	No	No
	Alfalfa – 4 <sup>th</sup> cutting	No	

In the example above, a portion of the 2023 crop was NOT used on-farm as dairy feed, so the field is not contracted in that year and is not eligible to contract in 2022, regardless of 2022 crop type or feed usage.

#### How can a farmer-owner get involved in the DFA dairy soils carbon program?

- If the farmer-owner doesn't already have a Truterra<sup>®</sup> MyPortal account, they should start by completing the pre-enrollment form at <u>Truterraag.com/enroll</u>. Once the form is complete, farmer-owners will receive an email inviting them to create a Truterra<sup>®</sup> MyPortal account.
  - When completing the pre-enrollment form for the first time, be sure DFA is selected as a farmer membership and a DFA member ID is provided.
    - Selecting a Truterra network provider within the enrollment form will connect the farmer-owner to a local ag retailer who can support their Truterra program journey. If a network provider is not selected, Truterra will provide program support directly.

- If the farmer-owner already has a MyPortal account but did not enter their DFA member ID, please contact a Truterra representative or customer support (support@truterraag.com) to get the member ID added to their account.
- Enter field boundaries and field-level data within Truterra<sup>®</sup> MyPortal to determine if the fields are eligible for any of the current Truterra sustainability programs.
- Complete enrollment for qualifying fields within Truterra<sup>®</sup> MyPortal.
- Need assistance? Consult the Truterra® MyPortal help guide.

## Does the DFA dairy soils carbon program account for emissions from enteric and manure sources?

No, this program will quantify crop production-related emissions only.

#### How long is the commitment?

There is a five-year reporting tail associated with this program, effective 5 years following the latest contracted year. After data has been collected and validated, the farmer-owner will be asked to sign a Vintage Year Enrollment Schedule (VYES) obligating them to provide services to Truterra for the years identified in the schedule and to provide data for the duration of the five-year reporting tail. The VYES does not obligate a farmer-owner to provide services beyond the reporting tail or sell carbon benefits to Truterra in future years.

# Is a field eligible for contracting across all eligible crop years, even if this field has been enrolled in another sustainability program?

No, fields can only be contracted in one commercial sustainability program per crop year. If a field was contracted in another program in crop year 2023, that field would only be eligible to contract crop year 2024 in the DFA dairy soils carbon program.

#### What data is required for participation in the DFA dairy soils carbon program?

Eligible farmer-owners must provide crop and other initial data from 2018-2024. To successfully participate in this program, eligible farmer-owners will need to provide the following data points for each field enrolled, for each required data collection year:

Winter Crop (cover crop)	Tillage	Summer Crop (cash crop)	Fertilizer Applications
Crop type	Type (depth) of each pass	Crop type	Product & type
Planting date	Date of each pass	Planting date	Application date(s)
Harvest/termination date		Harvest/termination date	Rate (field average)
Yield (field average) if harvested		Yield (field average)	Total N, P, K applied
Termination method		Residue removal	Additives used

Additional data points collected may include: residue removal  $\cdot$  conservation practices  $\cdot$  pest management strategies  $\cdot$  irrigation  $\cdot$  drainage  $\cdot$  grazing headcount/duration

# Is a farmer-owner that participates in the DFA dairy soils carbon program eligible for other Truterra programs?

Depending on eligibility and program parameters, some fields may be enrolled in this program plus a publicly funded program, including the Truterra USDA-supported programs. Fields must meet eligibility and exclusivity requirements for each program they are enrolled in.

# Is a farmer-owner who signed a VYES for the 2023 Truterra<sup>®</sup> carbon program but who does not otherwise meet the eligibility requirements eligible to participate in this program?

No, fields must meet all eligibility criteria for crop year 2024 to participate in this program, regardless of historical participation in the Truterra<sup>®</sup> carbon program.

#### What tillage practices specifically are eligible for the 2024 DFA dairy soils carbon program?

Strip/no-till and/or use of cover crops on eligible crops in 2023 and/or 2024. For this program, strip/no-till is defined as no tillage at all, **or** 1 pass of seedbed prep (not exceeding a depth of 3"), strip-tillage, or post-planting tillage which disturbs no more than 1/3 of surface residue. Contact your Truterra representative if you have additional questions on qualifying tillage practices.

### If the use of cover crops is the selected only eligible practice, do farmer-owners need cover crops on the acre every year?

Seasons eligible for contracting are 2022, 2023 and 2024. If cover crop usage is the only eligible practice, the farmer-owner will only be eligible to contract and be paid in years where cover crop usage was contiguous. Example:

Season	Cover Crop?	Eligible to contract?
2024	Yes	Yes
2023	No	No
2022	Yes	No

In this field example, cover crops were used in 2022 and 2024 but not in 2023. Since CY2023 does not meet all eligibility criteria, the field is not eligible for contracting in CY2023 or CY2022.