

Meeting date: October 19, 2021
Meeting location: Virtual (Microsoft Teams)

Chairpersons

Kim Reynolds, Governor

Mike Naig, Secretary of Agriculture

Task Force:

1. Kellie Blair, Blair Farm LLC.
 2. Nick Bowdish, Elite Octane
 3. Steve Bruere, Peoples Company
 4. John Crespi, Iowa State University
 5. Debi Durham, Iowa Economic Development Authority (IEDA) & Iowa Finance Authority
 6. Sam Eathington, Corteva Agriscience
 7. William Fehrman, Berkshire Hathaway Energy
 8. Sam Funk Iowa Farm Bureau Federation
 9. Kent Hartwig, Renewable Energy Group
 10. Geri Huser, Iowa Utilities Board
 11. Adam Kiel, Soil & Water Outcomes Fund
 12. Justin Kirchhoff, Summit Ag Investors
 13. John Larsen, Alliant Energy
 14. Kayla Lyon, Iowa Department of Natural Resources
 15. Scott Marler, Iowa Department of Transportation
 16. Jill Sanchez, John Deere
 17. Bryan Sievers, Sievers Family Farms
 18. Craig Struve, SoilView
 19. Annette Sweeney*, Iowa Senate
 20. Alison Taylor, ADM
 21. John Wills*, Iowa House of Representatives
 22. Jill Zullo, Cargill
- *Ex officio

Core Team:

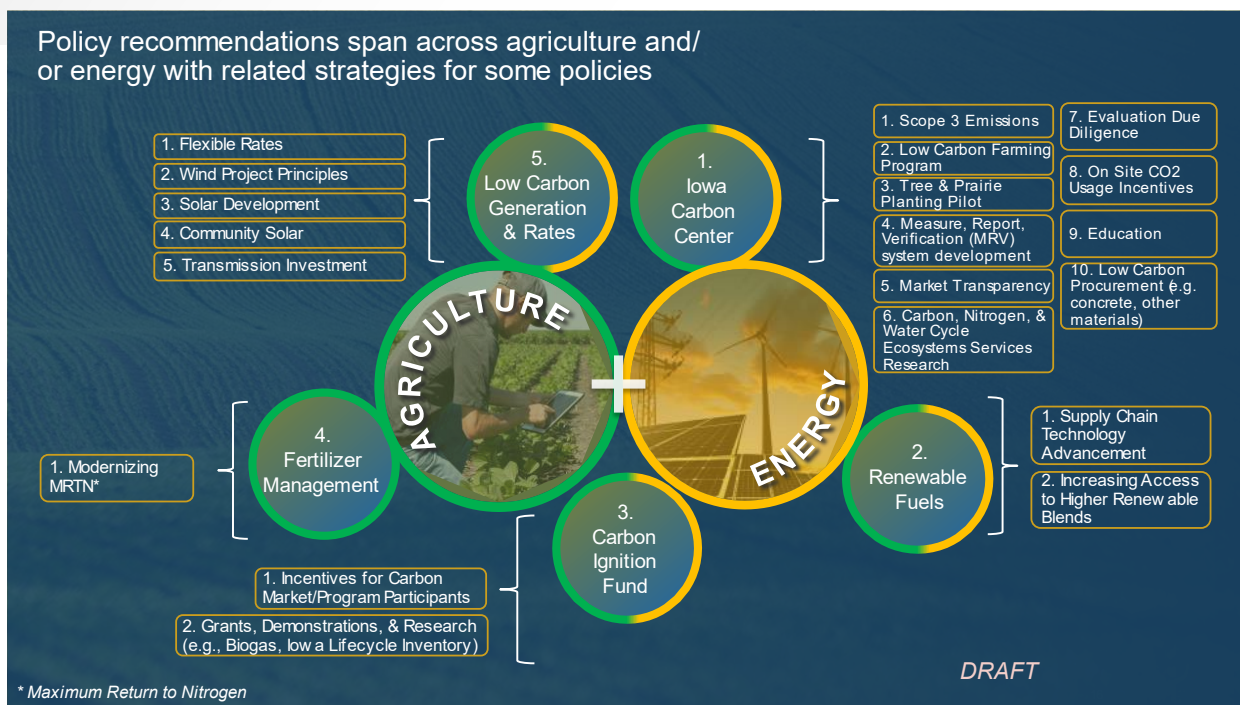
1. Stephanie Groen, Office of the Governor (IGOV)
2. Matt Gronewald, Iowa Department of Agriculture & Land Stewardship (IDALS)
3. Matt Lechtenberg, IDALS
4. Shelly Peterson, IEDA
5. Brain Selinger, IEDA
6. Jake Swanson, IGOV

The Context Network – Laila Down, Sarah Frank, Matt Sutton-Vermeulen, Bill Northey, Jason Delambre
Rob Christensen, IEDA – Technology support

Key Takeaways

1. IOWA STATE UNIVERSITY UPDATE – Iowa State University provided an update on the research finding thus far for their deliverables. The process for the deliverables has included collecting and analyzing existing information and a focus on progress, not perfection.
 - a. BIG PICTURE: Science can inform the establishment of higher quality, more credible agricultural carbon credits. A lack of trust in and credibility of the market will impede its development and the ability for Iowa to achieve the Task Force's vision.
 - b. TASK 1 GLOSSARY: A glossary of over 100 terms has been developed to ensure the use of the same, consistent language, which will be important to facilitate the market.

- c. **TASK 2 LIFE CYCLE ASSESSMENT:** A literature review of agricultural management practices and their associated attributes, processes, mediators, and outcomes has led to good science to leverage. However, data gaps remain for soil carbon dynamics at depths greater than 12 inches, use of multiple management factors in combination, and the impact of drainage and fertilizer and their interaction with crops, climates, and soil types. Task 2 has helped identify the need for a life cycle assessment to better reflect Iowa agriculture.
 - d. **TASK 4 IOWA'S AG CARBON STORAGE POTENTIAL:** The analysis of Iowa's ag carbon storage potential has demonstrated a need to establish up-to-date baselines. The current data available is 30 years old and the uncertainty is not quantified.
 - e. **TASK 5 CURRENT RATES OF INTEREST & ADOPTION:** Surveys by IFRLP have seen increasing interest from Iowa farmers in carbon programs. An additional statewide survey can help to inform market development.
2. **TASK FORCE VISION** – The task force vision is: Iowa will be the leading state for creating carbon value through agricultural stewardship and energy generation.
 3. **POLICY DISCUSSION** – The core team reviewed all of the policy recommendations brought forward and categorized the recommendations by:
 - a. **POLICY:** Policy recommendation to bring forward to the Task Force that requires legislative action
 - b. **RELATED STRATEGY:** Strategy that is related to and can support a policy
 - c. **ARCHIVED:** A recommendation to be reviewed for future consideration. The recommendation is out of scope or not related to the Task Force's vision
 4. **POLICY RECOMMENDATIONS:** After categorization, five policy recommendations emerged, with related strategies for each.



5. REVIEW OF POLICY RECOMMENDATIONS – Work group members presented each of the five policy recommendations to the Task Force for discussion.
- lowa Carbon Center:** The recommendation was a full work group effort that reflects all aspects of Iowa’s agricultural diversity. The Center would be an appropriate place to facilitate research, education and collaborations for public and private and lead to increased value for Iowa commodities and derived products. The Center can tell the Iowa carbon story and demonstrate that Iowa is open for business in the carbon economy. The recommendation was introduced early on in work group discussions and became an aggregation point for many ideas and strategies that are important to creating carbon value. The recommendation is structured to include all Iowa universities and business leaders. Transparency will be critical to embrace the outcomes of the Center.
 - DISCUSSION:** Transportation is a key contributor and can be added as a strategy under the Carbon Center. INRC funding started at \$1.5 M in year 1. It has been \$1.375 M/year since then. The total to date is ~\$11M.
 - RENEWABLE FUELS:** One way to achieve the Task Force’s vision is through the blends of biofuels. There is increasing demand for higher blends and can benefit consumers. Neighboring states already have similar standards. The recommendation can help enable all types of renewable energy and open up Iowa’s economy and access to fuels.

- i. **DISCUSSION:** There is a need for clean fuels with higher blends. Clean fuels provide opportunities for more markets for farmers to decarbonize. There is also a linkage to the Iowa Carbon Center as it can help address concerns and help with a wider variety of choices.
 - c. **CARBON IGNITION FUND:** The fund can create opportunities to quickly learn, trial, adopt, and adapt carbon practices to help make the Task Force's vision a reality. The fund can provide guidelines to be eligible for support and would leverage the great work already completed and ongoing at organizations like IEDA, ISU, and IDALS.
 - i. **DISCUSSION:** There is value in the private market and ways to add value to the practices are appreciated. The Task Force recommended a shift in the name of the recommendation to "Carbon Acceleration Fund".
 - d. **FERTILIZER MANAGEMENT:** MRTN has been based on small plots. Studies are ready to scale and expand. New studies will take into account soils and weather. The new studies will help farmers take advantage of cost-share from NRCS.
 - i. **DISCUSSION:** Studies will include values that can be assigned to CO₂e to justify the change. MRTN is a tool that as values change, can be incorporated into a farmer's decision-making. Studies will include manure and different types of commercial fertilizers.
 - e. **LOW CARBON GENERATION & RATES:** The recommendation aligns with the Iowa Energy Plan to promote renewables. All related strategies are in support of this objective.
 - i. **DISCUSSION:** Flexible rates allow for customers and communities to take advantage of renewables to serve their load. The process would include a filing with IUB. Credits would be retired on behalf of the customer to achieve 100% renewables to help the customer achieve their goals. To address intermittency, there has been discussion on liquid hydrogen facilities and turbines. Transmission is key to intermittency and cost-effectively managing the system. The more we can diversify the better.
 - f. **ADDITIONAL DISCUSSION:** When thinking of the recommendations and objectives, there are four themes: scientifically based, a structure that is holistic, sufficient resources, simple.
- 6. **NEXT STEPS:** The next Task Force meeting will be Monday, December 6th from 1-2 pm CT. The meeting will be in person at Iowa Finance Authority / Iowa Economic Development Authority in Des Moines. A virtual option will be available.