Clean Fuel Regulations FAQ

CFR - What are Carbon Intensity Scores?

• Carbon intensity scores are derived from a number of inputs, including declared Corn tonnage. All corn delivered to Kawartha Ethanol must be linked to declared tonnage in order to maintain an acceptable low carbon intensity ("CI") score. The low CI score allows for carbon credits creation that can be provided to the Fuel companies.

How exactly does this create a better market for Corn?

 Each year, fuel producers are required to reduce their CI. One way to do this is by buying low CI ethanol and related CFR credits to blend with their fuel. These can be purchased from ethanol producers such as Kawartha Ethanol. These carbon credits are "created" based on a variety of factors, including the declared Mt's.

How does corn tonnage become eligible / declared?

• A <u>declaration form</u> should be completed by an authorized seller of Corn to declare that the corn was grown in Canada.

How do I complete a declaration form?

- You can complete a declaration form by downloading the SLG APP on the <u>APP store</u> or <u>Google play.</u>
- You can print and complete this <u>declaration form</u>, and email to: <u>info@slgrainsfs.ca</u> or mail to: P.O Box 429, Uxbridge ON L9P 1M8.

How often do I need to complete a declaration form?

• Every crop year, soon after planting is completed.

What is a Carbon Credit?

- Each credit denotes a reduction of 1 Tonne of CO2 throughout its lifecycle, 1 calendar year.
- This is why will we ask for a new declaration each year with the new planting/harvest year

I have more questions, who should I contact?

• If you have any additional questions or concerns, please give us a call at SLG **905-640-2260** to discuss them directly.