



# *Carbon Insetting Program*

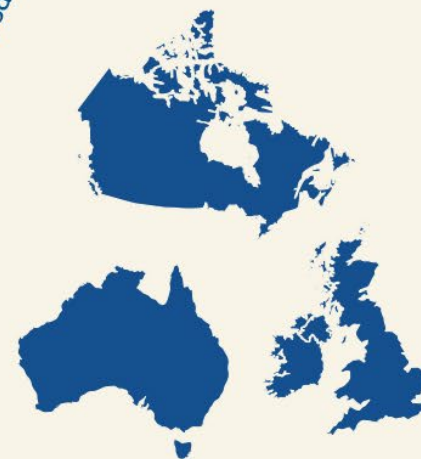
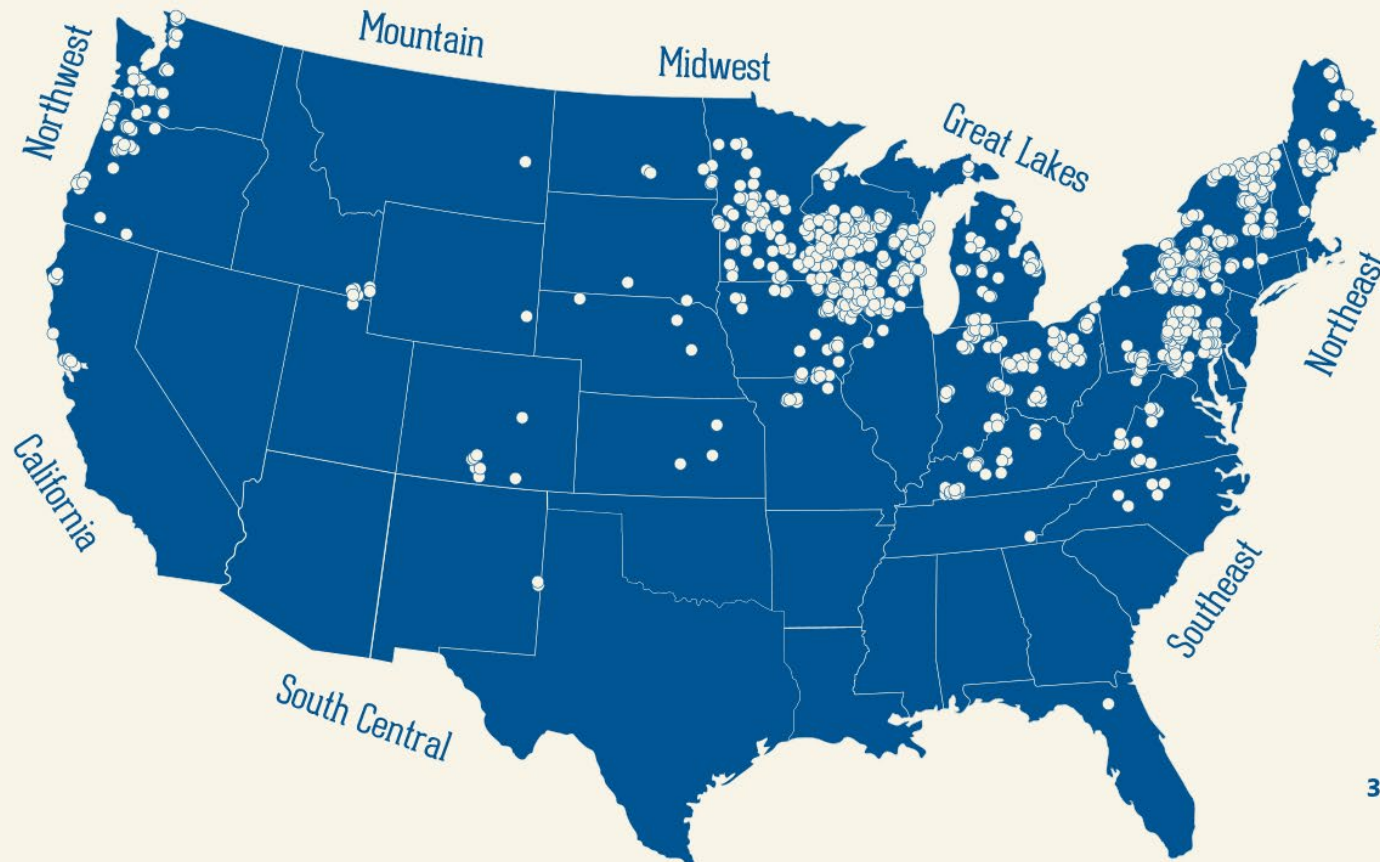
Wade Miller, VP Farm Resources and Sustainability

Wi Ag Outlook

1/24/23

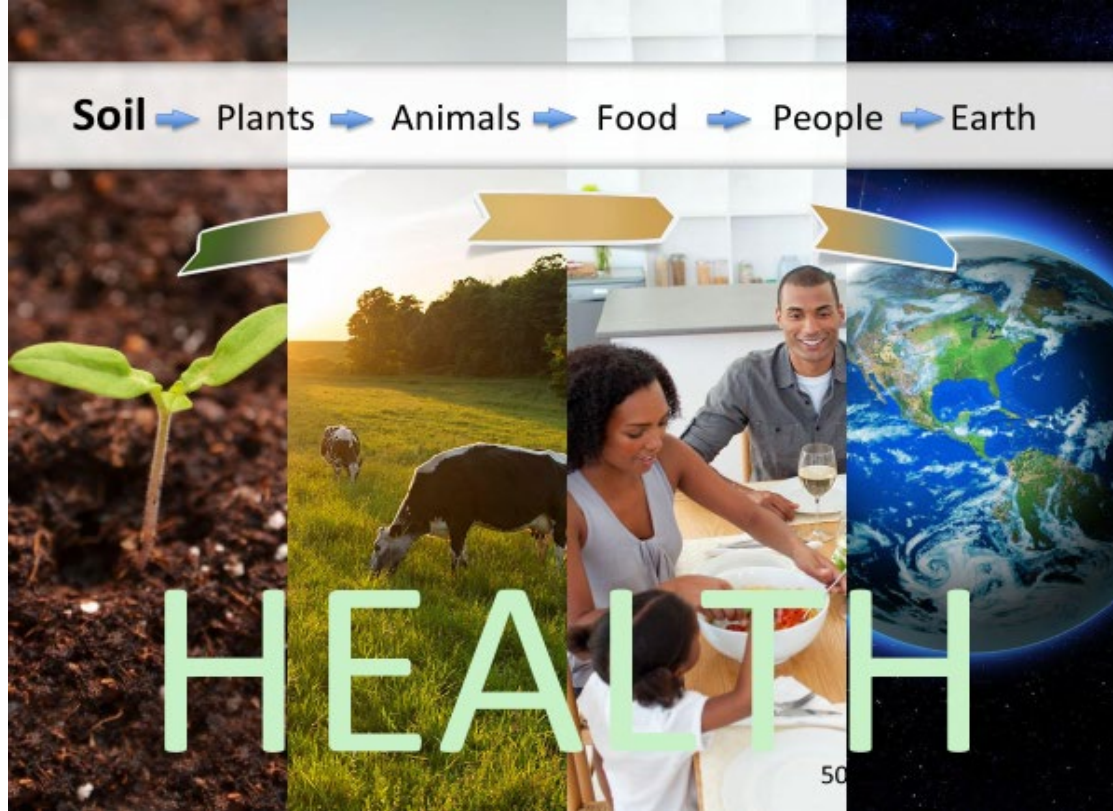
NEARLY **1,800** COOPERATIVE FAMILY FARMS

**CROPP COOPERATIVE**  
organic and farmer-owned since 1988



**3 INTERNATIONAL MEMBERS**

# Why Organic Farming?

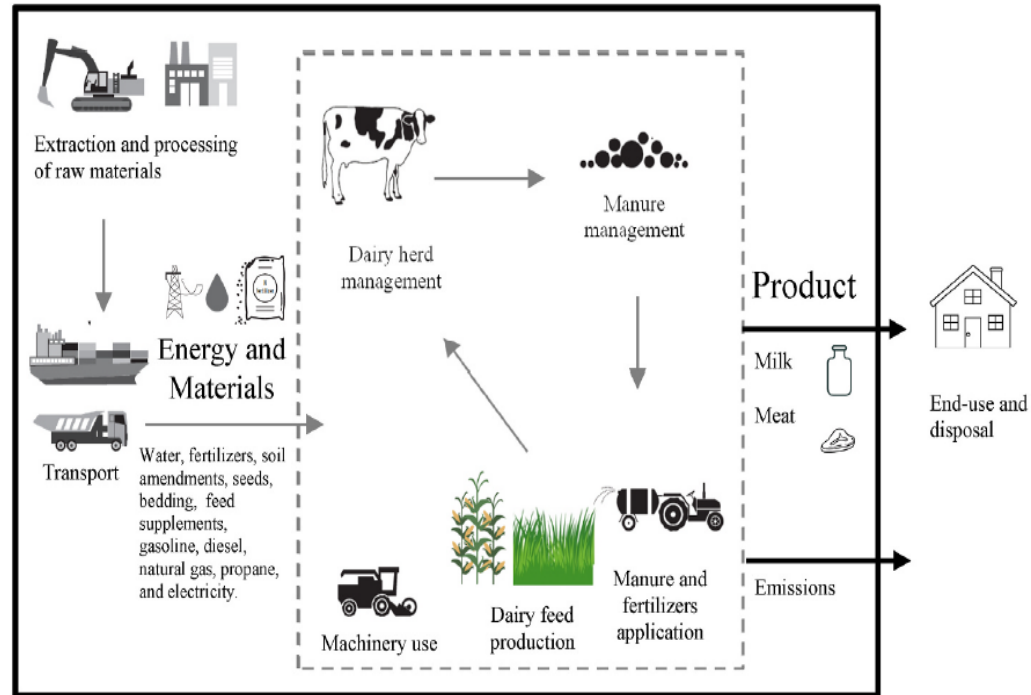




# Current OV Climate Successes



# Life Cycle Assessment



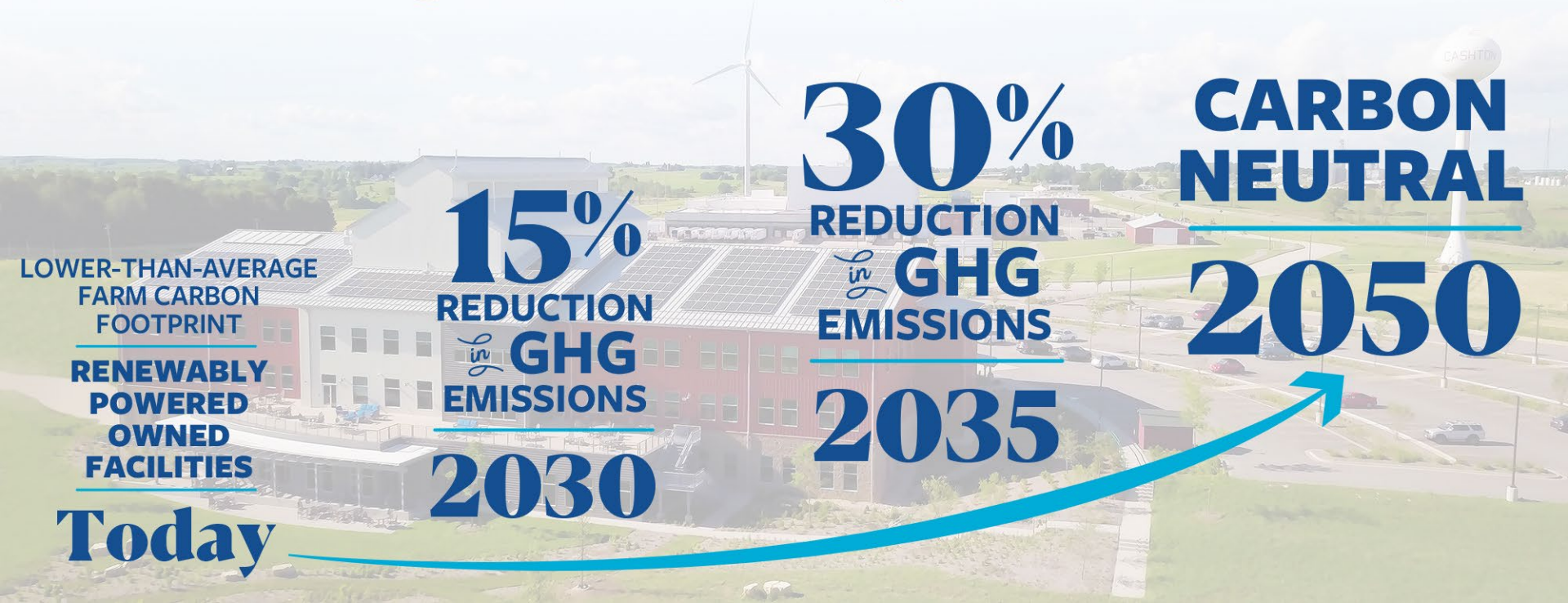


# Organic Valley is low carbon dairy

**Organic Valley's life cycle assessment (LCA) showed that the farming practices our members use today have a measurable benefit for the planet**



# ORGANIC VALLEY'S PATH TOWARD CARBON NEUTRALITY FROM FARM *to* RETAIL







College of Agricultural and Life Sciences

## FIRST RELIABLE TEST OF MILK QUALITY

A milestone in modern dairying was the development of a simple and accurate measure of the butterfat content of milk. University of Wisconsin biochemist Stephen M. Babcock in 1890 developed the test that made him internationally famous and revolutionized milk production and marketing. The test provided a rational basis of milk evaluation, and prompted better breeding, feeding, and milk production practices. Babcock instructed dairy farmers in the use of the test, which led to the start of the nation's first dairy manufacturing short course.

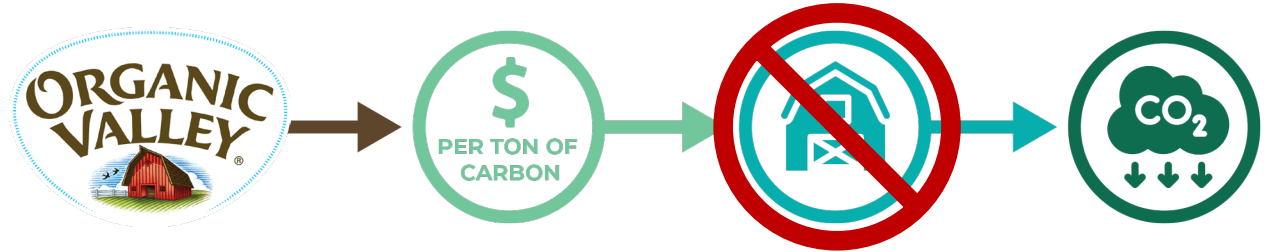
This marker is made possible by a grant from the UW Foundation



# CROPP Carbon Insetting Program (CCIP)

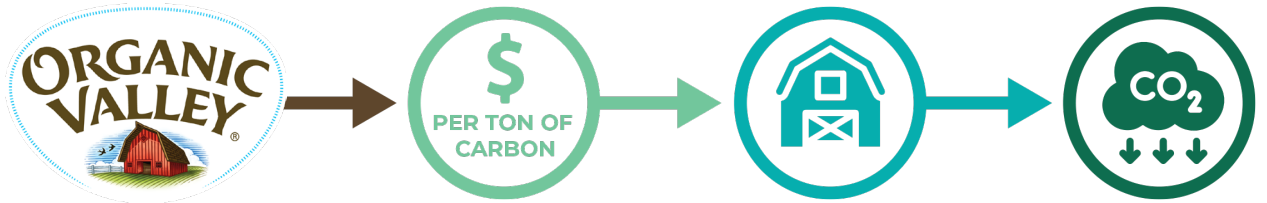
## Offsetting

Dollars go OFF (or outside) our supply chain



## Insetting

Dollars stay IN our supply chain



A stylized illustration of a farm landscape. In the background, there's a red barn with a black roof. To the left, a person is herding two cows. In the center, a cow is running. There are yellow hills and green fields. In the foreground, a person is kneeling next to a cow. The sky is light blue with a few birds.

# CROPP 3-PART CARBON INSETTING PROGRAM

1

FARM TECHNICAL  
ASSISTANCE –  
PRACTICE  
PLANNING AND  
DESIGN

+

2

3RD PARTY  
VALIDATION  
OF PROGRAM  
AND VERIFICATION  
OF INSETS

+

3

MONITORING OF  
ABOVE AND  
BELOW GROUND  
CARBON







# FARM BENEFITS

## Practice Planning Assistance

### Financial Funding

- Carbon payment from CROPP annually – current price is \$20/Mton
- Potential additional cost-share funding

### Carbon Co-benefits

- Soil health, water quality/quantity, biodiversity, climate resiliency, long-term profitability

## Organic Valley Brand Value

# USDA GRANT AWARD - BUDGET BREAKDOWN

## FOR DAIRY + EGG PROJECTS



### USDA Grant: \$25 million over 5 years

- Farmer technical assistance
- Farmer carbon outcome payments - prioritizing historically underserved producers
- Third-party validation/certification, grant administration, labor and travel expenses to support expanded program

### Match \$14.5 million over 5 years

- Farmer carbon payments from CROPP
- Farmer carbon payments from supply chain partners
- Marketing farmers' low-carbon products
- Non-cash ("in-kind") contribution of labor, services, materials, etc.



# CLIMATE SMART PROJECTS ELIGIBLE



2023



Manure  
Management



Solar Energy



Agroforestry

2024



Compost  
Application



Grazing  
Enhancements



Cropland  
Improvements



Enteric Feed  
Supplementation