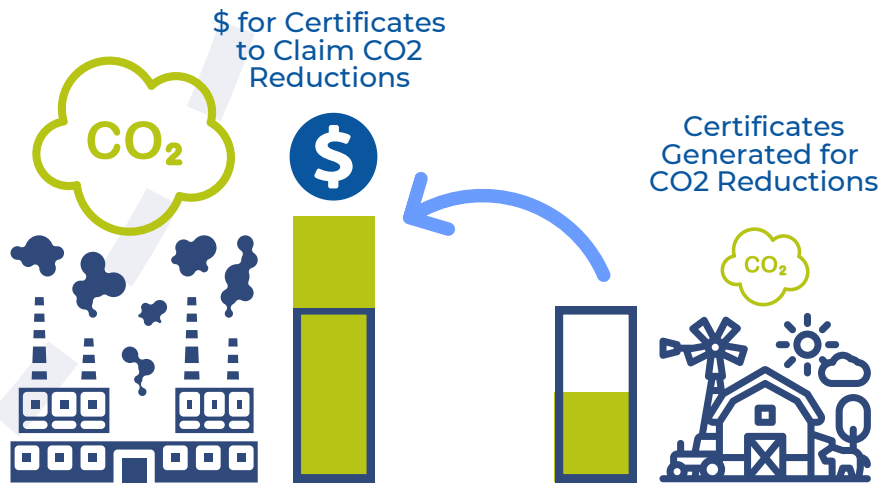


WHAT IS A TERC?

A Transport Emission Reduction Certificate (TERC) is a tradeable digital certificate representing the full life cycle greenhouse gas emissions of biofuel production and usage.

1  = 1 Metric Ton CO₂ Equivalent

HOW DOES IT WORK?

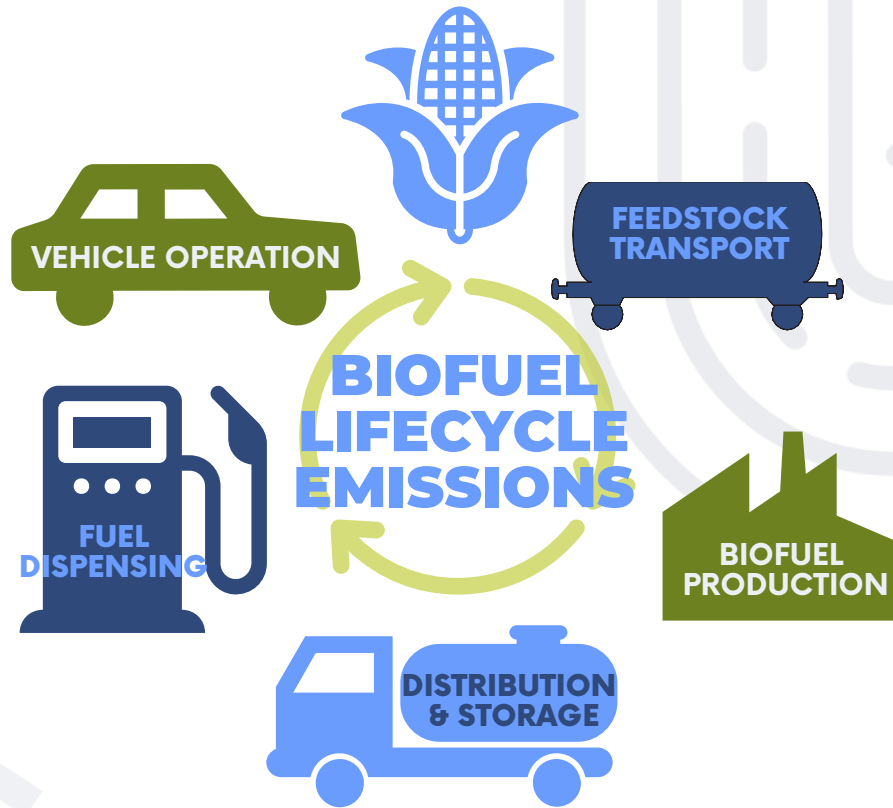


Qualified producers of low carbon ethanol will be issued TERCs. Companies with hard-to-abate emissions from transportation & logistics purchase certificates to claim GHG reductions in their operations. Revenue generated from the sale of certificates is used by ethanol producers to innovate and execute ways to continually reduce emissions in well-to-wheel fuel production.



HOW IS A TERC CREATED?

A fuel's carbon intensity (CI) score is established using life cycle analysis and is compared against a baseline CI. Fuels with a CI below the baseline will be eligible to generate certificates. The baseline decreases on an annual basis, incentivizing fuel producers to innovate new ways to reduce their CI score.



+ OPPORTUNITIES FOR CI REDUCTION



**Renewables in
Production**



**Efficiencies in
Transportation**



**Sequestration
Efforts**

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