



U.S. Farmers Earn World's First Carbon Credits from Rice Cultivation

Conservation practices generate sustainability benefits including reduced greenhouse gas emissions and savings in water and energy use

SAN FRANCISCO – June 14, 2017 – Terra Global Capital, a woman-run private social enterprise, along with the American Carbon Registry (ACR), a nonprofit enterprise of Winrock International, announce the first-ever issuance and sale of greenhouse gas emission reduction credits from the sustainable production of rice. To reduce methane, a greenhouse gas over 20 times more potent than carbon dioxide, farmers in California and the Mid-South implemented a variety of groundbreaking voluntary conservation practices that included alternate wetting and drying and early drainage of their fields as well as crop residue management. In addition to generating verified carbon credits, these practices also resulted in reduced energy consumption as well as the reduced use of millions of gallons of water, a critical resource in both regions.

This project is a public/private partnership managed by Terra Global and funded by the USDA Natural Resources Conservation Service under the Conservation Innovation Grant program and Entergy Corporation, an integrated energy company, through its Environmental Initiatives Fund. Since 2001, Entergy has invested approximately \$35 million in a variety of projects that help protect and restore crucial natural resources, from wetlands restoration to reforestation and climate smart agriculture.

“The partnership that enabled this first-of-kind carbon offsets began with the growers and leveraged the expertise of many, many organizations” says Mike Sullivan, State Conservationist for NRCS in Arkansas. “Getting innovative conservation on the ground requires forward-looking growers and a team of expert to support their efforts; this project had all of the components of success. It wasn’t easy but innovation is never easy. That’s where the NRCS Conservation Innovation Grants program provides such important value to our Nation’s rural economies and rural innovators.”

“This pilot program with rice growers in our service areas of Arkansas and Mississippi is a good example of the innovative partnerships Entergy is forging to help reduce greenhouse gas emissions and sustain crucial industries - like farming - that are economic drivers for our local communities,” said Chuck Barlow, Entergy’s vice president of environmental strategy and policy. “Every day, Entergy employees reach far beyond our core business of powering the electrical grid to connect with customers and power life in meaningful ways.”

The conservation practices covered more than 2,000 acres of farmland and were implemented by two farmers in California and five farmers in Arkansas and Mississippi who took a leadership role in piloting the practices and participating in the generation and sale of carbon credits.

“The rice carbon credit project has been very rewarding for Whitaker Farms. Conservation has always been a major component in our family operations. This project has helped save millions of gallons of

water, lower fertilizer rates, increase waterfowl habitat, and lower greenhouse gas emissions. We consider this a win-win for the environment”, said Arkansas rice producers Jim and Sam Whitaker.

In addition to producing American Carbon Registry verified carbon credits, a sale of the credits, managed by Terra Global, was transacted with Natural Capital Partners on behalf of its client Microsoft, to reward the farmers for their activities and recognize the environmental benefits embedded in the rice they produced. “Being the first of a kind emission reductions from sustainable rice production, Microsoft valued the innovation by farmers and the investment in technology to catalyze measuring and monitoring emission reductions”, said Rob Bernard, Chief Environmental Strategist, Microsoft.

To achieve the verification of carbon credits, the program team completed all the data collection with participating farmers and quantified greenhouse gas emission reductions in accordance with the ACR methodology. This also included the launch of PRESTO (Producer's Environmental Sustainability Tool) developed by Terra that was used to capture data directly from the field, perform automated quantification and deliver information to buyers of emission reductions.

“The PRESTO platform, a technology that effectively captures farmer’s data and simplifies the quantification process and the rigorous third party audit is essential for developing and scaling agricultural carbon credits”, said Leslie Durschinger, Founder and CEO of Terra Global Capital.

This project was made possible because of the collaboration of Terra Global and American Carbon Registry with partners USDA-NRCS, Entergy, California Rice Commission, White Rive Irrigation District, and Environmental Defense Fund.

About Terra Global Capital, LLC

[Terra Global Capital](#), LLC was founded in 2006 to facilitate market and results-based payment approaches for forest and agriculture emission reductions that provide community benefits. Terra is now the leader in forest and land-use analytics and finance, providing technical expertise and investment capital to their global client base in a collaborative and innovative manner. As a group, Terra has more global experience in climate change from the land-use sector than any other entity and is committed to working with its local partners to build the capacity of rural communities and governments for the sustainable management of forest and agricultural lands. Terra has extensive experience in working with developing countries and is the leading developer of protocols and aggregation services for GHG emissions reductions from a full range of agricultural activities in the United States.

About the American Carbon Registry

The [American Carbon Registry](#) (ACR), a nonprofit enterprise of Winrock International, is a leading carbon offset program recognized for its high standards for environmental integrity. Founded in 1996 as the first voluntary greenhouse gas registry in the world, ACR has two decades of unparalleled carbon market experience in the development of rigorous, science-based offset methodologies and operational experience in the oversight of offset project verification, registration, offset issuance and retirement reporting. In addition to its voluntary carbon market activities, ACR is active in regulated carbon markets as an approved Offset Project Registry for the California Cap-and-Trade Program and as approved by the State of Washington to issue offset credits under the Clean Air Rule. ACR has issued over 87 million tonnes of verified emissions reduction offset credits and continues to lead voluntary carbon market innovation.

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