

WASHINGTON STATE DAIRY ACHIEVES LANDMARK VERIFICATION FOR NOVEL METHANE AVOIDANCE WITH LWR'S FIRST WAVE SYSTEM

LWR's industry leading ML-powered automation and data insights were instrumental in validating the reduction of greenhouse gas emissions as a result of processing manure immediately on the farm to eliminate solids from entering lagoon storage.



FOR IMMEDIATE RELEASE

Sunnyside, Washington, June 21, 2023 - Livestock Water Recycling (LWR), the global leader in manure processing and resource recovery technology, is thrilled to announce the successful registration and verification of a first of it's kind methane avoidance project at Skyridge Farms by the world's most widely used greenhouse gas (GHG) crediting program: the <u>Verified Carbon Standard</u> (VCS). This remarkable achievement comes as a result of Skyridge Farms' dedication to sustainable dairy farming and their implementation of LWR's patented First Wave system.

LWR's revolutionary Machine Learning-powered automation and advanced analytics reporting played a pivotal role in the verification process. By harnessing the power of AI, verifiers received unprecedented access to real-time manure data combined with comprehensive reporting to accurately account for the volume of processed manure liquids. LWR's advanced on-system sensors capture an impressive 288 data points from each installation. With over *two million manure data points collected and analyzed*, LWR has successfully optimized their data pipeline. Not only has this data collection resulted in increased efficiency and enhanced performance, but it offered valuable insights into the reduction of GHG emissions, which streamlined the verification process to meet the rigorous standards set by the VCS program.

The First Wave system at Skyridge Farms processes manure liquids on-site, diverting solids from storage lagoons. These solids are then composted for use as high-value natural fertilizer, while the phosphorus-free nutrient liquids are applied to crops during the growing season. This approach presents a significant alternative to methane capture, resulting in effective methane mitigation and yielding a range of environmental benefits including healthier soils, increased crop yields, improved air quality, and reduced odors.

The validation and verification process, conducted by VCS and independently assessed by <u>First Environment, Inc</u>., rigorously evaluated the performance and emission reduction estimates of the First Wave system against stringent criteria outlined in the VCS Standard Version 4.3 and the approved Clean Development Mechanism (CDM) methodology AMS-III.Y. Skyridge Farms actively engaged in the process, demonstrating their unwavering commitment to maintaining

the highest standards of environmental integrity. The independent third-party validator and verifier, provided its assurance that the First Wave system at Skyridge Farms complies with the VCS Version 4.3 and accurately applies the VCS-approved CDM methodology AMS-III.Y. This validation reinforces the credibility and effectiveness of the First Wave system to avoid methane emissions, with no uncertainties identified throughout the process.

<u>3Degrees Group, Inc</u>., a renowned sustainability consultancy firm, played a crucial role in the verification process for Skyridge Farms. Leveraging their expertise in GHG accounting, crediting and sustainability practices, they collaborated closely with both LWR and Skyridge Farms to ensure a rigorous and transparent evaluation. With their comprehensive knowledge and meticulous attention to detail, 3Degrees has contributed to establishing a new industry standard for carbon credit verification as this becomes the first of it's kind to be approved as a voluntary carbon project.

"We were thrilled to be able to work with Skyridge Farms to bring this innovative technology to the voluntary credit market," stated Nick Facciola, Director of Carbon Projects at 3Degrees. "We are excited about the opportunities this technology presents to implement decarbonization programs within the supply chains of milk production."

During the initial 951 day reporting period from October 23, 2019, to May 31, 2022, the First Wave system at Skyridge Farms achieved an impressive reduction of 20,692 tonnes of CO2e emissions after processing 300M gallons of manure. In addition to this emissions reduction, the First Wave system has also had positive impacts on herd health, pregnancy rates, and milk production while enhancing the value of fertilizer exports and adding new revenue from the sale of the carbon credits. The project's initial seven-year crediting period is renewable twice under the VCS Standard v4.3.

As we <u>celebrate the dairy sector</u> throughout the month of June, it is important to recognize the producers who are doing the heavy lifting to establish new sustainability standards for the industry. This accomplishment for Skyridge Farms reinforces their commitment to environmental stewardship and secures their position as a leader in responsible agriculture. Livestock Water Recycling congratulates Skyridge Farms on its outstanding contributions to the dairy sector.

"We are immensely proud of the successful verification of carbon credits for Skyridge Farms and the pivotal role that our technology played in this achievement," says Karen Schuett, Co-Founder and CEO of LWR. "This milestone demonstrates the effectiveness of our technology in reducing greenhouse gas emissions, avoiding the creation of methane, and optimizing resource utilization. We are confident that this announcement will inspire other producers to embrace on-farm manure processing, as we remain committed to empowering our customers to build more environmentally sustainable and economically viable futures for their businesses" she adds.

Skyridge Farms is well known for implementing best practices and smart technologies and has been previously recognized as an industry leader in sustainability, receiving a <u>US Dairy Sustainability Award</u> in 2013. This achievement further underscores Skyridge Farms' commitment to sustainable dairy farming in the Yakima Valley, while the First Wave system showcases the tangible economical benefits of sustainable farming practices.

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About Livestock Water Recycling

LWR is the award-winning global innovator of resource recovery equipment. Their patented technology platforms provide livestock operations, anaerobic digesters, and food processing operations the ability to selectively extract particles from a biosolid stream allowing for the best use of the liquids - recycled clean water, fertilizers, and biogas feedstock. LWR's approach to digestate and manure treatment achieves triple-bottom-line outcomes: meeting the growing demand for food, increasing farmer profitability, and protecting the environment and public health. LWR saves farmers time and money by providing them with a cost-effective solution to manage manure and bioliquids in a sustainable manner. LWR has systems operating throughout the US, the Middle East, and the United Kingdom. For more information, visit: <u>www.livestockwaterrecycling.com</u> and follow <u>@LWR_Inc</u> on Twitter.

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