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This winter, Landon Van Dyke was named Key Cooperative's Conservation Agronomist. In this role, he will help farmers evaluate soil health, remain on top of new and refined practices, find the best financial assistance programs and more.



CONNECTIONS

A publication dedicated to informing and connecting members.



Key Perspectives

What you need to know about tax credits and payments

By Boyd Brodie, General Manager, Boyd.Brodie@keycoop.com

IF YOU'RE NOT AWARE, the U.S. Department of the Treasury released tax guidance related to renewable fuels and carbon scoring at the end of April. What do Key Cooperative members need to know

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Let's Talk Conservation!

Key Cooperative has named a conservation lead for our agronomy team

By Sara Clausen, Director of Communications, Sara.Clausen@keycoop.com

VERY FEW OF US truly know what it was like to farm 100 years ago. In 1924, a dozen eggs ran you \$0.47 and a walking plow was the primary equipment used for tillage. On the horizon was a farm crisis that would last until the Great Depression, which was driven in part by drought and erosion.

The farmer has come a long way since those grim and difficult days. Farming today looks nothing like it did then ... or does it? Agronomic professionals all over Iowa are looking to our history to learn about the need for conservation in a whole new way. As a result, they're implementing the necessary practices that restore the land to prior productivity levels.

For the past two years, Key Agronomist Landon Van Dyke has been eagerly learning and growing in his role. This winter, he was named our conservation lead and is now the conduit between Key and Truterra®, a

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Are You Thinking About Grain Markets? You Should Be!

By Colton Voga, Grain Merchandiser, Colton.Voga@keycoop.com

SUMMER IS IN FULL SWING, and that can only mean one thing—it’s time to start thinking about grain markets! Since planting went fairly smoothly (minus the few rain events and replants), we can finally sit back and watch the crop grow and contemplate what it’s worth. The old saying “knee high by the Fourth of July” is out the window. The hybrids are so strong these days, I think I saw a corn maze opening its doors this week. So, don’t let July turn into a could have, should have, would have month!

Historically, December futures tend to peak at the beginning of July, then fall off going into harvest. What does that mean? It means if you have bushels left to sell or want to get some new crop sold ahead of harvest, now is the time. At bare minimum, you should at least have a plan in place for what you are going to do with your grain. Remember, bushels that are forward marketed don’t get charged storage. Now yes, crazy things can happen, and we could be completely wrong; December futures could run higher going into fall, but according to this chart, the odds are not in your favor.



There is something to watch outside of domestic growing conditions and production. Last month, Brazil introduced a new tax package that could raise farm taxes by 20 percent. As you can imagine, this measure was met by a lot of pushback from producers and halted selling. It only took about a week for them to start withdrawing the policy change. This event is just an example of how South American politics can influence the grain markets. There is potential for small windows like this to create some increased export sales throughout the rest of the summer. I wouldn’t put too many eggs (if any) into the basket of foreign politics, but it’s something worth keeping an eye on.

July is also the month of my favorite holiday. I will hopefully be spending it on a boat somewhere blasting Toby Keith and doing my part to support the grain markets by consuming a few corn-based beverages. Many of our Founding Fathers were farmers themselves, including George Washington, Thomas Jefferson, John Adams and James Madison. It took Thomas Jefferson 17 days to draft the Declaration of Independence, and we are still waiting for answers about the 45Z tax credit. My how the political system has changed!

I hope you enjoy the rest of your summer. Be sure to support your county fairs and all the kids participating. Key Cooperative will be serving a meal at six county fairs, and I invite you to stop by to say hello and grab something to eat! See below for details. ●

KEY COOPERATIVE

County Fair Meals



Key is proud to support 4-H and FFA families. Our team will be serving meals at several local fairs this summer. We hope to see you there!

- CENTRAL IOWA FAIR**
Wednesday, July 10, 6:00 - 7:00 P.M.
- SOUTHERN IOWA FAIR**
Monday, July 15, 5:00 P.M.
- POLK COUNTY FAIR**
Tuesday, July 16, 11:30 A.M.
- STORY COUNTY FAIR**
Wednesday, July 17, 6:00 P.M.
- POWESHIEK COUNTY FAIR**
Friday, July 19, 5:30 - 7:00 P.M.
- TAMA COUNTY FAIR**
Sunday, July 21, 8:00 A.M.
- JASPER COUNTY FAIR**
Tuesday, July 23, 6:00 P.M.

leading agricultural sustainability business. As a Land O'Lakes business unit, Truterra offers trusted sustainability programs to support the entire network of growers in our local area and across the country. The best part? Truterra is willing to innovate and adapt to fit Key growers!

"Geographically, Key's territory is not located in or near the major Iowa watersheds. Therefore, my role as the Conservation Agronomist will be focused on in-field practices like tillage reduction and cover crops," said Landon. "Our crops need so much more than just one foot of topsoil, and over time, we can build that back. In fact, we can do it faster than we think. It just takes a dedicated approach and the right practices."

Since there is no way to predict what farming might look like in future years, it's critical that Key Cooperative plays a role in ensuring that valuable natural resources are successfully passed down from one

generation to the next. "When the decision-maker torch is passed within an operation, practices also change," said Landon. "As a Conservation Agronomist, I'm ready to walk alongside those growers and help with those decisions."

Landon's main focus will be on these areas:

- Helping farmers achieve their goals in conservation agronomy
- Finding the best financial assistance programs available to implement conservation practices (carbon credits, watersheds, biofuels like the 45Z tax credit, etc.)
- Evaluating soil health and providing recommendations to boost productivity
- Continuously being aware of new or refined practices by attending field days and collaborating with industry partners
- Participating in collaborative

efforts to help prevent regulation, as well as providing regular education so growers are not caught off guard if and when regulation does shift

The ag industry is clearly moving faster today than it has in an entire century, and it doesn't appear to be letting up. We understand soil health and the impact our farming practices have on the profitability to produce a crop. Growers should not wait until all the new conservation programs and resources are established—let Key Cooperative serve as your essential business partner and help you navigate the changing landscape of our industry.

To discuss conservation programs, you can reach Landon at Landon.VanDyke@keycoop.com. ●

Friday
July 26, 2024
9:00 A.M. Check In
10:00 A.M. Shotgun Start

KEY COOPERATIVE MEMBER
Golf Outing
2024

Reserve Your Spot by July 15
Registration Fee: \$35.00 per Golfer (includes cart)

Join Us for Fun on the Course!
Lunch, Flight Prizes, Hole-in-One Contest

Terrace Hills Golf Course
8700 NE 46th Ave.
Altoona, Iowa

For registration or event questions, contact Sara Clausen at Sara.Clausen@keycoop.com or 515-388-8030.

Scan the Code to Register!
or visit keycoop.com/golf

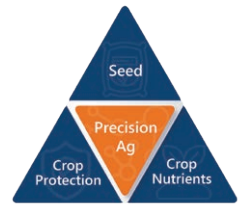
About 45Z

The 45Z tax credit serves as an incentive for biofuel producers who can demonstrate a reduction in the carbon intensity (CI) score of the crops used to create these fuels. The CI score quantifies the emissions produced over the entire lifecycle of crop cultivation, encompassing factors like the energy required to produce fertilizer, emissions from various on-field cultivation practices and the diesel consumed during crop transportation. If you have questions about 45Z, contact Conservation Agronomist Landon Van Dyke.



Take Your Planting Setup to the Next Level

By Jared Tokle, CENTROL Precision Ag Manager, Jared.Tokle@centrolofiowa.com



CENTROL PRECISION AG and Precision

Planting have announced an enticing summer promotion that's designed to enhance the efficiency and effectiveness of your planting setup. This planter upgrade program offers significant savings and benefits for anyone looking to outfit their planting system with the latest technology!

This promotion offers a generous discount of \$50 per row on several qualifying products:

- **DeltaForce®**: Ensures optimal downforce for each row
- **vDrive®**: Provides precise seed placement
- **SpeedTube®**: Allows for faster planting without compromising accuracy
- **vApplyHD®**: Enhances liquid application accuracy

- **EMHD®**: A heavy-duty system for robust field performance
- **FurrowForce®**: Optimizes seed-to-soil contact
- **Reveal™**: Delivers consistent emergence.

This promotion doesn't limit you to just one product. In fact, you can purchase multiple products to maximize your rebate and get further discounts.

For more details and to take advantage of this promotion, contact a member of the Key Cooperative CENTROL team:

Jared Tokle: 641-990-4554

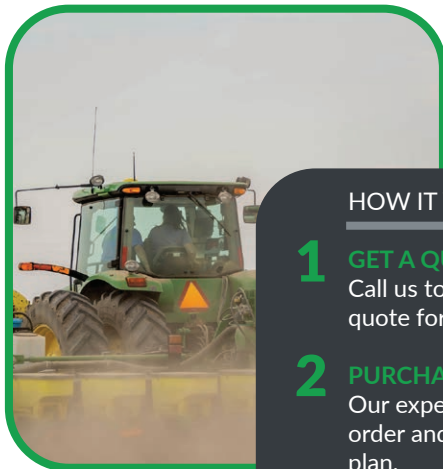
Connor Hardison: 515-320-6822

PLANTER UPGRADE PROGRAM

Take your planting setup to the next level for less

SAVE \$50/ROW PER PRODUCT!

NOW - 9/30/24



HOW IT WORKS:

- 1 GET A QUOTE**
Call us to get a customized quote for your current planter.
- 2 PURCHASE & INSTALL**
Our experts will place your order and make an installation plan.
- 3 RECEIVE REBATE**
Register your new products online to get your rebate sent to you in the mail.

QUALIFYING PRODUCTS:

- | | |
|-------------|--------------|
| DeltaForce® | EMHD® |
| vDrive® | FurrowForce® |
| SpeedTube® | Reveal™ |
| vApplyHD® | |

STACK THE SAVINGS

You don't have to pick just one product! Purchase all qualifying products and save even more!

**Contact the Key Cooperative CENTROL team for details.*



**Precision
Planting®**

DATA DRIVEN DECISIONS
CENTROL®
PRECISION AG

You're Ready for the Iowa State Fair ... Make Sure Your Animals Are Too!

By Brooke Gifford, Lifestyle Feeds Sales Specialist; Kelcie Carpenter, Customer Service Representative; Alyssa Bassett, Feed Intern; Paige Evans, Feed Intern



Photo by iStockphoto on Getty Images

IT'S ALREADY JULY! Before you know it, you'll be packing your trailers with livestock to head to the Iowa State Fair. It's important to ensure you're fully prepared with supplements, feed and anything else you may need ready to go. Let Key Cooperative ease your mind with this show checklist and some helpful feed hints.

Show prep checklist

- | | | | | |
|---|---|--|---|--|
| <input checked="" type="checkbox"/> Show box | <input checked="" type="checkbox"/> Halters/whips | <input checked="" type="checkbox"/> Feed/water buckets | <input checked="" type="checkbox"/> Blower | <input checked="" type="checkbox"/> Saddle/helmet |
| <input checked="" type="checkbox"/> Adhesives | <input checked="" type="checkbox"/> Soaps | <input checked="" type="checkbox"/> Scoops | <input checked="" type="checkbox"/> Extension cords | <input checked="" type="checkbox"/> Complete feeds |
| <input checked="" type="checkbox"/> Brush | <input checked="" type="checkbox"/> Hose | | <input checked="" type="checkbox"/> Stand/chute | <input checked="" type="checkbox"/> Supplements |

Key Cooperative offers several feeds and supplements to help give your animals that show-ready look. One A+ supplement for horses is **Purina® Outlast®**. It's used to support gastric health for optimal performance and encourages proper pH in stressful situations. It can be fed as a snack or even as a top-dress. Another Purina supplement that makes the top of our list is **Repleni-Mash®**. It's used to promote hydration and support recovery. It contains Outlast to support gastric health and proper pH, plus it results in that perfect shiny coat. This supplement should be fed after a hard workout, while traveling or to encourage the horse to eat or drink. These two products are great to have in your trailer to replenish lost electrolytes and keep a healthy gut while on the road competing.

Key also offers many supplement options for cattle, sheep, goats and pigs. Here are three we think should be awarded purple ribbons:

- **Purina Alleviate®** is a great multispecies supplement. It helps support gastric health and ruminal pH while providing support for optimal feed intake. Alleviate is an ideal part of an

everyday diet, or it can be used as a treat during stressful situations.

- **Purina Ultra Full®** supports lower body fill and is designed for optimal expansion. It's formulated with Cellulo-Gest®, which helps feed intake, digestion and healthy gut function. It can be fed as a daily diet supplement.
- **Purina Precon®** is a must for your cattle in and out of the show ring.

It's a highly palatable feed that drives cattle to their buckets during high-stress situations, keeping them on feed. The pelleted form encourages consumption, and since it's high in fiber, it will increase belly fill and overall depth.

Key Cooperative is your local Purina dealer, providing a wide range of feeds and supplements. Contact us today to help keep your animals show-ready! 🟡

Aid Your Horse's Hydration, Recovery & Comfort

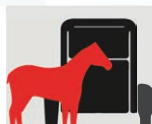


Purina® RepleniMash® isn't your ordinary barn mash!

With Outlast® Gastric Support Supplement and a science-backed serving of electrolytes built in, this tasty mash can help your performance horse feel his best.



After a hard workout



While traveling



To encourage your horse to eat and drink



To help disguise the taste of less palatable medications when fed together



Anytime you want to treat your horse and show you care

When should you feed RepleniMash?



Care for your horse with RepleniMash from Key Cooperative!

about the alphabet soup of tax credits and payments? Let's dig in!

Sustainable aviation fuel (SAF) tax credits

The U.S. Department of the Treasury has introduced a tax credit for sustainable aviation fuel (SAF) production under the 40B program. To qualify, the SAF must demonstrate a 50 percent reduction in carbon intensity (CI) compared to conventional jet fuel. Producers can earn up to \$1.75 per gallon based on their CI reduction.

Farmers hope to capture one-third to one-half of the tax credit value. At 200 bushels/acre, the credit would equate to \$120/acre in value, but no one knows what the producers will be willing to share.

The 40B SAF tax credit expires at the end of this year, but a new 45Z clean fuel production tax credit will start next year and will also include SAF.

Although the 40B tax credit is retroactive for the 2023 and 2024 calendar years, there is very limited market opportunity, as the largest SAF production facility is at 10 million gallons per year. The 40B credit requires direct sales between a grower and the SAF producer, though this may change with the 45Z program.

Carbon scoring and the GREET model

GREET is an abbreviation of Greenhouse gases, Regulated Emissions and Energy use in Transportation. The GREET model calculates the carbon intensity of sustainable aviation fuel.

The SAF's CI reduction is crucial for eligibility. It must achieve a 50 percent reduction to earn the tax credit. Sustainable farming practices play a role in reducing CI. For corn-based ethanol, practices like no-tilling, planting cover crops and using enhanced-efficiency fertilizer qualify for greenhouse gas reduction. Soybean oil from

soybeans grown using cover crops and no-till also receives a reduction.

SAF vs. renewable diesel (RD) vs. ethanol

Sustainable aviation fuel can be produced from various feedstocks, including ethanol and soybean oil. Unlike ethanol, SAF is specifically designed for aviation use.

Renewable diesel (RD) is eligible for the same blenders tax credit as SAF. This credit helps lower investor risk and encourages the production of lower-carbon fuels. RD has a more established marketplace and lower production costs compared to SAF.

Ethanol's carbon intensity reduction alone may not qualify it for SAF tax credits; additional practices and technologies are necessary.

Importance of carbon pipelines

Carbon pipelines are essential for lowering ethanol's carbon intensity score. Without these pipelines, it's challenging for home-grown ethanol to qualify for SAF tax credits, even with the GREET model. Lowering CI through pipelines is crucial for competitiveness.

Key Cooperative members should focus on the sustainable practices that might make sense on their farms. Members should also understand the GREET model; the potential impact of SAF, RD and ethanol expansion; and the role of carbon pipelines in achieving SAF tax credits. Key is committed to assisting our members as they navigate these incentive-based programs. You can learn about Landon Van Dyke's new role as our Conservation Agronomist and our current programs (like Truterra®) in the feature article. For additional information, you can also use this QR code to read a related article by Landon from last month's e-newsletter. ●





Winter Is Coming!

By Scott Richardson, Energy Division Manager,
Scott.Richardson@keycoop.com



ALTHOUGH LAST winter was one of the warmest we've seen recently, we always plan for a typical Iowa winter ... and we all know weather in this state can turn at the drop of a hat (we witnessed that for a two-week period last January). This year will be no exception. Key Cooperative wants to make sure you have the propane you need, when you need it!

Propane is an essential part of the Key Energy Division. In fact, we've been delivering propane to customers for over 50 years. It's a critical resource for homes and businesses—our customers must have access to propane to get hot water, cook, heat their homes and dry grain.

We couldn't serve our customers without the tireless work of our propane drivers. Key Cooperative currently employs eight full-time drivers who provide delivery service to over 5,000 customer tanks. These drivers work all summer long, filling and inspecting gas systems to ensure our customers are safe and ready for the coming grain harvest. They also make sure our customers are going into winter with a full propane tank to heat their homes. Our drivers run all hours of the day, as well as nights and weekends—anything harvest demands. Then they continue on through the long, cold days of winter.

On average, our drivers will work over 6,000 hours next winter, make over 12,000 stops and drive over 86,000 miles. Some days, they will face sub-zero temperatures and challenging road conditions, testing the limits of their equipment to

make sure everyone has the propane they need. To say our drivers are committed to being your essential business partner is an understatement. They have over 100 years of combined experience in delivery, training, certification and industry knowledge. We couldn't do it without them!

Key Cooperative prides itself on its ability to provide quality propane service to customers. I'm grateful to have the opportunity to highlight these efforts in this month's newsletter, especially since we're officially beginning to provide contracting options for winter. Our drivers have already started summer-filling

propane tanks and will continue through August. Contract offers will begin this month, which will help us plan and prepare for your heating needs this winter.

Key Cooperative offers fixed-price contracts with no deposit required, full prepay contracts and a budget billing program with level monthly payments. If you're a current propane customer, look for these offers in your mail in July and August. If you're not currently a Key propane customer, please reach out to one of our Energy Customer Service Representatives at 800-469-1040 to find out which services best align with your needs. ●

Propane Contracting Season Is Here!

Get your contract in July & August

Key Cooperative has access to the best propane rates during the summer months, which is why we have officially kicked off contracting season. Key offers three contract options.

Prepaid Fixed-Price Plan

- Requires full payment at time of agreement.
- Contract locks in committed gallons at a fixed price per gallon.
- With prepay, this plan gives you a \$0.05 discount.

Fixed-Price Plan

- Does not require any prepayment.
- Contract locks in committed gallons at a fixed price per gallon.
- Invoiced amount is for delivered gallons at the contracted price plus tax.

Monthly Budget Billing

- Spreads your billing out into level monthly payments.
- Budget billing amount includes tank rental and taxes.
- We will review your usage over the winter and rebalance your monthly amount as needed.

To learn more, call our Key Energy team at

800-469-1040





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Roland, Iowa 50236

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PHOTO CONTEST WINNER: ORANGE GANG ON PARADE
By the Key Cooperative team



Members of the Key team and their families have had a lot of fun participating in parades this spring and summer!



OUR BOARD OF DIRECTORS

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- Chad Hafkey
- Dave Hill
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Would you like to see one of your photos featured on this page? Enter the Connections photo contest, which is open to any member or customer who receives our newsletter. One winning photo will be selected and placed in the newsletter. Photos must feature agriculture or rural settings; Iowa-based scenes are preferred. Photos must be submitted by the 10th of each month in order to qualify for the following month's newsletter. Please include your name, address, phone number and email address with your submitted photo(s). Submissions may be emailed to Sara.Clausen@keycoop.com.

Key Connections is sent to you courtesy of Key Cooperative. Please send comments or suggestions to Sara Clausen at 515-388-8030 or at Sara.Clausen@keycoop.com.